

The Business Value of the Public Schools

The public schools of the Philippines benefit the general business of the islands in ways sometimes lost sight of. Americans are not accustomed to schools mainly supported by the central government, schools in America being mainly supported by local taxes; and when the insular government burdens itself, as it now does, with 2/3 of the expense of the schools it is natural that a good many questions as to the use of this be asked. But if this aspect of the situation is laid aside, it can be seen that the schools have considerable business value.

Data on school enrollments, costs, etc., insular, provincial and municipal, appear in the box matter accompanying this paper, which will discuss the schools from the viewpoint of American trade with the Philippines.

From the lowest grades up, the schools tend to raise living standards among the people. The child sent to school is bought new clothes and given a centavo or two to buy something for his lunch. The clothes are cotton, each new garment widens the market for cotton textiles in this country—the best overseas cotton textiles market America enjoys. The lunch is usually something made of wheat flour, a bun or a cooky; and small as each lunch may be, the daily lunches for 1,200,000 girls and boys in school, from children 6 years old to adults in secondary schools and colleges, count measurably toward making the Philippines one of America's very best flour markets. (The Philippines employ 13 of America's flour mills throughout the year in making flour for them, and support a large wheat-growing community).

The clothes worn by school children must go almost daily to the wash, hence a market for soap and starch; and though the Philippines make both soap and starch, they still buy large quantities of these necessities from the United States. Reference to the box matter will show what the schools cost taxpayers in the Philippines. It isn't a large sum, but it is large for the Philippines whose per capita wealth is in the neighborhood of P25, whose yearly incomes of more than P2,000 are only about 20,000 according to income-tax data—an index if not an exact one. But business derived from the schools a remarkable offset to this burden on the taxes. An estimate of average yearly purchases of P30 on account of each pupil and student enrolled in the public schools (and a like sum for the 200,000 enrolled in private schools) has been submitted to many persons and judged to be very conservative.

If this P30 is in fact a just estimate, then the business done in these islands each year, deriving from the schools, comes to the gross sum of P42,000,000.

It is not by accident that the best-stocked stores in every village are convenient to the schools; or that the best business points in the islands are large school centers; or again, that the best business months during the year are those months during which the schools are in session.

Two habits of dress all children acquire in school, the habit of wearing hosiery, the habit of wearing shoes; and not one or two days during the week, but all seven. To this, surely, more than to any other single influence, must be attributed

the business supporting shoe factories in the islands, and many stores stocking these shoes and shoes imported from the United States. The factories are markets for American leathers, shoe findings, etc., and the bulk of the business runs on a cash basis. Not only the wearing of shoes, but taste in selection of shoes is taught insensibly by the example of teachers. School athletics, at the bottom of all athletics here, create market for athletic supplies—always for shoes. The superiority of American hosiery recommending it, the schools are a big market for it. The same rule applies to athletic goods, the best is American and the schools prefer the best as cheapest in the long run.

Schools being the foundation of the American effort in the Philippines, it is well enough to think twice about them before agreeing with persons unused to free institutions that they are of small benefit to business, or that more bad than good comes of them. Sometimes it is said they make *white-collar* men; no doubt they do, but the good side of even this is that they thereby make help plentiful and reduce the cost of it. This has additional connotations.

A prime aspect of the trade business gets from the schools is that it is all in consumer goods. It is in things bought and used, and soon used up, and replaced with new things. This keeps money in brisk circulation. It is the very best kind of trade, engaging many small merchants and distributing profit widely—not much of it to be taken out of business, but to be re-invested. To reduce the schools' favorable influence on Philippine-American business to statistical exactness is unfeasible. But evidences on every hand are palpable. For instance, at the Manila carnival there has just been a fashion show. A Sunday newspaper in English devotes a four-page display to this show. Its circulation derives directly from the schools. Who sees these pictures, who will buy the fabrics for new frocks in the exhibited styles? Predominantly, girls and young matrons from the schools. And the styles call for goods from the United States, most of all. You will note too that there is a contrast between crowds patronizing the bazaars, especially the cheaper ones on side streets, and crowds shopping on the Escolta where the better qualities of American goods are sold—on a basis of quality rather than price, including many standard makes of American shoes. Many individuals in the side-street crowds have had small contact with the schools, while shoppers on the Escolta have been to school, or are still going to school, and are fluent in English and readers of the newspapers.

This works out graphically in the movies. They are licensed in different classes, first-run and second-run houses. One recently built on Taft avenue is called the University theater, being patronized by the University of the Philippines students and students from other schools in the vicinity. All the first-run houses downtown, and the Metropolitan first-run house across the river, exhibiting the better American talkies almost exclusively, fill their cheaper seats and many of their higher priced ones with students. During months when school doesn't keep, the better pictures are held back until mid-June and the opening of the schools.

PUBLIC SCHOOLS FACTS (1932 Data)				
Enrollment	Boys	Girls	Total	%
Grade I	179,583	147,399	326,982	27.92
Grade II	137,136	110,273	247,409	21.13
Grade III	112,742	91,547	204,289	17.44
Grade IV	85,015	66,293	151,308	12.94
Total Primary	514,476	415,512	929,988	79.43
Grade V	47,847	30,481	78,328	6.69
Grade VI	33,470	20,950	54,420	4.65
Grade VII	26,019	15,897	41,916	3.58
Total Intermediate	107,336	67,328	174,664	14.92
Total Elementary	621,812	482,840	1,104,652	94.35
Secondary	Boys	Girls	Total	%
First Year	12,744	6,826	19,570	1.67
Second Year	10,363	5,808	16,171	1.38
Third Year	9,344	6,182	15,526	1.33
Fourth Year	8,891	5,063	13,954	1.27
Total Secondary	41,342	24,779	66,121	5.65

Comment:—Pupils who reach high school tend to stick it out until graduation; of 4 who enroll in high school, 3 continue into the 4th year. But the 19,579 who enroll in high school are but 1/29 of the pupils enrolled in grades I and II; and where in the primary schools there are 14 pupils, in the high schools there is 1. The mounting cost, grade by grade, of keeping children in school, explains this. Tuition fees in high schools aggravate it.

Small Enrollment. In September 1932 the total public school enrollment was 1,199,981 and the school population was reckoned to be 3,313,253; out of 100 pupils eligible for enrollment 36.22 were actually enrolled and 63.78 were not. But ages of children eligible for school vary. A newspaper in Manila says 2/3 of the children of primary-school age are enrolled, and 1/2 of the children of elementary-school age. It remains however that about 2 children in 3 who ought to be in school are not there, and it is a fact that primary school doesn't bring pupils to the newspaper-reading stage of literacy—a fairly low one necessary perhaps for right citizenship.

Cost. In 1931 the cost of public schools was P32,946,086 of which P23,070,261 from insular funds also took care of the science bureau, nonchristian peoples bureau, the national library-museum and other activities. This was 24.9% of the insular tax revenue of that year. From provinces, there are 49 of them, came P4,654,633 or 11.36% of their tax revenue, and from towns P5,021,190 or 22.59% of their tax revenue. The schools therefore cost 20.91% of all tax revenue in the islands during 1931. This is about P2.50 per capita of the population, or P27.50 per pupil enrolled.

Pay of teachers ranges from an average of P54.54 per month to P170.37, less current deductions decreed by the executive branch of the government to balance the insular budget.