

How Libraries Add Value

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What I'm going over...

1. How economists model public goods and value.
2. Libraries are a local service providing public value.
3. Research on the public value of libraries.
4. Framework for talking with decisionmakers.

Community Sorting Reveals Preferences for Local Public Services/Goods

- ❑ Preference for private goods revealed through transactions, e.g., buying a sandwich reveals preferences or value.
- ❑ Challenging to understand individuals' preferences for local public services.
 - ❑ Individuals reveal preferences for local public goods when they move.
 - ❑ Comparison of communities' public value.
- ❑ Librarians need to be knowledgeable of what their community values.

Underinvestment in Public Services/Goods

- ❑ Economists find individuals tend to underinvest in public goods/services
 - ❑ Freerider problem Some do not fully contribute, relying on others.
 - ❑ Positive externality personal and community-level value.

Tend to underinvest because personal 'value' is less than societal 'value'.

Libraries Enhance Public Value and Societal Wellbeing

- ❑ Improve societal wellbeing by creating public value.
- ❑ Sustaining public value is difficult due to technological progress.
 - ❑ Difficult and time consuming.
 - ❑ Individuals' preferences constantly change.
 - ❑ Consider the needs and preferences of both current and potential patrons.
- ❑ Role of public servants to articulate public value to gain community support.

Research on public value of public libraries

- ❑ [Bhatt \(2010\)](#): Increases children's reading time and reduces TV consumption. Parents spend more time reading to children.
- ❑ [Porter \(2014\)](#): Decreases crime.
- ❑ [Karger \(2021\)](#): Increases child education attainment and non-wage income.
- ❑ [Berkes and Nencka \(2021\)](#): Increase patent rates.
- ❑ [Neto et al. \(2023\)](#): Reduces crime.
- ❑ [Gilpin et al. \(2024\)](#): Improves reading scores.
- ❑ **Gilpin and Vinter (work in progress)**: Improves math scores.

Local Policymakers

Decisionmakers are community impact-orientated, and then input-orientated.

Objective: maximize public value subject to budget constraint by choosing allocations of public dollars.

Communicating with Local Policymakers

Steps to communicate with local policymakers

1. Recognize community's values and needs.
2. Showcase library providing public value based on community-level issues.
3. Library usage statistics linked to community-level issues.
4. Discuss resources needed to address a community-level issue.

Things change... a lot!

Society relies on public servants to be responsive, dynamic, and value creating.

- Must be adaptable and efficient in generating ideas to create public value.
- Based on observations, expertise, feedback, and network.
- Must direct resources and operational budgets to produce value.
- Must request resources to produce additional value.