

The consumption capital theory applied to the reading habits in Colombia

Abstract paper

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The levels of satisfaction obtained through the consumption of books are related with a process in which several inputs are used, such as reading time, human capital and capital consumption of past readings. This kind of demands, make part of those identified by Gary S. Becker and George J. Stigler (Economic Review, 67, 1977) in which the consumer is a producer that transforms the product consumed in a "commodity". According to this model the decisions of consumption are not only affected by the variables usually considered as income and prices of books. The "shadow price" of a commodity depends on the time of consumption, the effect of past consumption (which expresses in the productivity of time of consumption) and on a saving effect of the present consumption in future periods.

In the survey of reading habits done by the National Department of Statistics of Colombia DANE (2005), it was not possible to capture the amount of commodities and its variations, the direct levels of capital consumption, nor the discount rates implicit in the saving component of the model. However, the survey provided information about the number of books read by persons and its hours devoted to reading, which are relevant variables of the model and proxies to commodity levels. As established in this author's theory, these variables have a positive relationship with commodity levels, mainly at early ages. The survey, also included levels of education achieved, the amount of books in each home and the levels of assistance to libraries; variables related to capital consumption. It explored the motivations of readings and the age; factors that make part of the savings component of the model. It offers also income levels and gender; variables related to the cost of time. The latter since in some homes livelihood still rests in males, so women may have more time available. With this information we did the next econometric model: $Books\ read\ in\ the\ last\ year = C + B1\ (age) + B2\ (studying) + B3\ (primary\ level) + B4\ (secondary\ level) + B5\ (medium\ level) + B6\ (university\ level) + B7\ (books\ in\ home) + B8\ (attendance\ to\ libraries) + B9\ (gender) + B10\ (wage\ levels)$. Since the dependent variable can be zero, the estimation was done with a TOBIT model (data censored). The model as a whole was statistically significant, as most of the variables in the model, and they had the expected sign. With the results from this regression, some general lectures of aggregated data and some descriptive detailed tables, we did an analysis of relationships between variables and enunciate some preliminary hypothesis.

Persons older than 12 years in Colombia, expressed they had reading habits. Their decisions of time allocated to reading, were affected by this habit and by the cost of time. When the educational levels increased, the habit reason for not reading failed, and the "lack of time" reason increased; which could indicate that in the population with high levels of education, the effect of the cost of time exceeds the effect of capital consumption. A considerable proportion of the persons, mentioned as a reason for not reading lack of interest, which could show that there are bad experiences of past reading, which is consistent with the approach of Lévy Garboua and Montmarquete (1996), in which the present consumption does not necessarily generate a positive effect in capital consumption. The answers to the question about the motivations for reading showed that the forecasting effect happens. The levels of this type of motivations rose when the levels of education increased, indicating that the capital consumption has a

positive impact on it. A significant percentage also noted the entertainment as a motivation, which showed that some readings are made without waiting for future effects. When the levels of this type of motivation rose, the levels of education also increased, which may indicate that the consumption capital accumulated in previous periods positively affect present readings.

In the econometric model, the levels of education achieved were significant and positive and with high values, especially in the upper levels. Schooling, impacts significantly on the decisions of reading, because of its effect on capital consumption through human capital and the effects of the readings done during the periods of studying. Being a student also had a positive effect in the model and was statistically significant. When education is dropped, the habit of reading books and the time allocated to reading decreases because of the absence of academic requirements and the cost of time for persons who start working. The theory of capital consumption mentions that past consumption increases the present quantities consumed up to a point where productivity achieved makes consumption remain constant or decrease because of the evolution of the productivity of time of consumption. The data from the survey suggest that this consumption peak varies for different types of persons according to their educational levels. People who reached a certain level of education had a path and a maximum of consumption less than those with more levels of education achieved. For the persons with education levels of primary and secondary this peak didn't reach in average a single book per year; for persons who reach a medium level of education the average maximum was approximately 2.03 books per year; and for persons with university education levels this average peak was 5.6 books per year. Each maximum presented its own particular path related to age.

According to the theory of capital consumption, increases in age, has a decreasing effect in the savings component which tend to increase the shadow price and reduce the level of time of consumption. In the regression model, the age had a positive sign, what could be indicating that the linear and negative trend of age may be offset by a mayor effect of capital consumption. Also this can be explained with the phenomena identified of different paths for different levels of education achieved and with the readings done without forecasting. The number of books was significant and had a positive sign. Persons who have reading habits usually buy books for their home, and children and dependants who live in homes with books tend to have more reading habits than those who doesn't live in homes with books. Attendance to libraries was also significant and had a positive sign. Gender had the desired effect what corroborates the hypothesis of the less cost of time in women who are housewives. The wage levels (despite its correlation with education levels) were significant and negative what corroborates the effects of the cost of time in the time of consumption.

Policies to enforce habit reader must separate its actions for each one of the universes of readers, according to the conditions that determine their costs of reading. The use of books in the learning process at all levels can increase the reading peaks for each range of educational attained. Policies to encourage reading will generate greater impact in the student population because it's mainly in the schooling period, where the capabilities of reading are mainly developed. Not only should be promoted in educational institutions but also in home. Children in different social strata have no difference in their preferences but on their levels of exposure to human capital and capital consumption (access to books and reading with adults).