The Costs and Returns of Service Programs

*Economics II | Minnerva Zou*
The annual investment for volunteers in the Corporation for National and Community Service (CNCS) is $2 billion. 

This funds organizations such as:

- AmeriCorps
- Senior Corps
- Volunteer Generation Fund
The annual investment for volunteers in the Corporation for National and Community Service (CNCS) is $2 billion. [MZ22]

Investment by taxpayers: $1.4 billion [MZ14]

Investment by federal / state governments and private donations: $0.6 billion [MZ14]
Financial Returns

- **Military:** Mixed results on individual fiscal returns
  - Earnings penalty dependent on education [MZ1] [MZ2]
  - Wage/income benefits are mixed [MZ1] [MZ2] [MZ7]

- **Civil:** Mixed results on wages, fiscal benefit-cost ratio = 2.20 [MZ14]
Returns of Service Programs

**Financial Returns**
- Military: Mixed results on individual fiscal returns
  - Earnings penalty dependent on education [MZ1] [MZ2]
  - Wage/income benefits are mixed [MZ1] [MZ2] [MZ7]
- Civil: Mixed results on wages, fiscal benefit-cost ratio = 2.20 [MZ14]

**Societal Returns**
- Civil: Reduced delinquency, better health status among youth [MZ14]
- Civil: Mixed results on education attainment and the development of life skills [MZ3]
Possible Incentives in Service Programs: Mandatory and Voluntary

- Legal repercussions
- Education awards and loan assistance [MZ24]
- (Supplemental) Health insurance; childcare [MZ24]
- Employment opportunities [MZ3]
77.34 million adults did some form of volunteering through an organization in 2017. [MZ24]
Who volunteers? What are volunteers doing?

- **Parents** volunteer at rates 48% higher than non-parents [MZ24]
- ~58% female volunteers, ~42% male volunteers in 2021 [MZ24]
- ~36% of volunteers raises funds for nonprofits
Race and Hispanic or Latino Ethnicity in Volunteers in the United States (September 2015)

- **White**: 26.40%
- **Other**: 20.90%
- **Black or African American**: 19.30%
- **Asian**: 17.90%
- **Hispanic or Latino Ethnicity**: 15.50%
Education Attainment in Volunteers in the United States (September 2015)

- Bachelor's degree or higher: 38.80%
- Some college or associate degree: 26.50%
- High school graduates, no college: 15.60%
- Less than a high school diploma: 8.10%
Key Takeaways

- The investment for the main agency covering national service programs—the CNCS—is around $2 billion.
  - ~70% is paid by taxpayers

- There are mixed results for the financial returns of military service and civil service.

- Civil service has many societal returns such as reduced delinquency but mixed effects on education and life skill development.
Possible incentives include legal repercussions (in a mandatory case), loan assistance, supplemental health insurance, and employment opportunities.

Volunteers are mostly:
Works Cited


Works Cited (Continued)

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