
ECONOMICS, LABOR & BUSINESS

If this is done, new patterns in the rise and fall of the deficit emerge. By official reckoning, the Carter years (1977-80) produced a cumulative budget deficit of \$152 billion. As adjusted by Eisner for interest rates and inflation, the Carter years actually produced a surplus of \$72 billion. Double-digit interest rates and double-digit inflation made deficits appear to be much larger than they actually were.

Carter's economic advisers and the Federal Reserve Board tried to fight the red ink through a combination of tight-money policies and spending cuts; the result, in Eisner's view, was the recession of 1981-82. The Reagan administration used another tactic, slashing taxes and increasing military spending, which resulted, even after Eisner's adjustment, in the largest U.S. budget deficits in history. Yet these deficits, by reducing unemployment and stimulating growth, resulted in the start of economic recovery in 1983.

The current goal of deficit reduction envisioned in the 1985 Gramm-Rudman Act is misguided, Eisner contends. Gramm-Rudman, if actually implemented by Congress, will result in "real" budget surpluses, which will reproduce the sluggish economy of the Carter years.

Politicians, Eisner concludes, should drop the ideal of a balanced budget at any cost and accept deficits as a permanent—and somewhat helpful—element in American economic life. "A budget balanced by current federal rules of accounting," Eisner warns, "is an invitation to the worst economic downturn in half a century."

SOCIETY

Volunteers of America

"Volunteering in America" by Natalie de Combray, in *American Demographics* (Mar. 1987), 127 West State St., Ithaca, N.Y. 14850.

Americans would rather give away their money than their time, reports de Combray, a freelance writer; nearly 90 percent of Americans gave to charities in 1985, but fewer than half volunteered time. Still, volunteer work is alive and well, if not exactly burgeoning. It grew six percent from 1981 to 1985. Eighty-nine million men and women helped out more than three hours per week in 1985.

With federal budget cuts pinching many nonprofit organizations, free help is more in demand than ever. Where will it come from? Independent Sector, a coalition of nonprofit groups, has compiled the following demographic profile:

Women still make up the volunteer core, a tradition that extends back to the 19th century, when ladies organized temperance crusades or fought prostitution. Today, as 44 percent of the work force, women have less free time than men—16 hours a week, compared with men's 20—but they dominate volunteer groups by a six percent margin.

Most two-career couples manage to find a few spare hours to help; single people, with more free time, don't. Likewise, college-age Americans

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On May 25, 1986, celebrities such as Raquel Welch and Dudley Moore joined "Hands Across America" to raise \$24 million for the nation's homeless.

(18 to 24), despite enviable vacations, commit less time than hard-working 35-to-49-year-olds.

Finally, geography and the seasons play a role. Westerners volunteer more (54 percent) than Easterners (43 percent), and suburbanites help more (55 percent) than city folk (46 percent). Everyone gives more time in winter, around holidays, than in summer.

People need both selfish and selfless motives to sustain their interest, notes the author. Thus, church and neighborhood groups draw the most volunteers, and charities that attract celebrities with their attendant press coverage are especially popular. Pity the homeless if next year's fashionable cause sweeps them aside.

Nursing Homes Dilemma

"Improving the Quality of Nursing Homes: Regulation or Competition?" by John A. Nyman, in *Journal of Policy Analysis and Management* (Winter 1987), 605 Third Ave., New York, N.Y. 10158.

Scandals involving U.S. nursing homes for the aged make few headlines now, but the drama continues. In 1974, a major Senate report estimated that, in about half of all nursing homes, bad care led to patients' deterioration or even threatened their lives. In 1986, the Institute of Medicine and the Senate's Special Subcommittee on Aging again condemned most of the nation's nursing homes for substandard facilities and treatment.