ket. The work force expanded by 2.3 percent annually, nearly double the rate of increase during the '60s. Unemployment hovered between 7 and 9 percent throughout the mid-'70s.

But during the '80s, says Weber, professor of economics and public administration at Carnegie-Mellon University, the labor force will grow by only 1.1 percent annually. And the American work force as a group will age. The proportion of workers in the 16-to-24 age bracket will decline from the current 23.9 percent to 18.4 percent by 1990. And, although the number of people age 55 and over will rise from 44.1 million in 1980 to 47.1 million in 1990, fewer of them will be working or seeking work.

Declining birth rates are one reason for the shrinking labor supply. The trend toward frequent holidays and early retirement plans—pushed by unemployment-conscious unions—is another. (The United Auto Workers union secured 12 additional days of leave in 1976 alone.) Employers now need more workers per job.

Meanwhile, more generous federal disability benefits and unemployment compensation provide alternatives to job-hunting. Between 1972 and 1977, the number of individuals receiving disability payments shot up 45 percent, to 2.8 million. Weber suggests that more workers with minor handicaps today choose disability payments rather than test the job market.

Nominal "full" employment (4 percent joblessness) is possible by the mid-'80s, says Weber. By then, illegal immigrants will be badly needed as unskilled labor. Yet, the number of Americans in the 25-to-44 age group will swell by one-third—making up 33 percent of the work force—as the Baby-Boom babies grow up. The better-trained workers in this group will have to "jostle and elbow" for white- and blue-collar jobs and promotions. The competitive pressure here will probably produce more opposition to federal affirmative-action programs, a frantic scramble for graduate degrees to embellish job credentials, and growing political demands to retire older workers.

The Many Paths Out of Poverty

"Country Experience in Providing for Basic Needs" by Frances Stewart, in *Finance and Development* (Dec. 1979), International Monetary Fund Bldg., 700 19th St. N.W., Washington, D.C. 20431.

During the 1970s, economists and wealthy aid-giving nations learned that economic growth and new industry alone do not raise living standards in the Third World. In countries such as Brazil and India, for example, impressive advances in manufacturing and trade coexist with hunger and desperate poverty.

Stewart, an Oxford economist, reports on recent World Bank findings that contradict most theories variously linking high living standards to capitalism, or socialism, or even growth itself. In practice, a capitalist country is just as likely as a socialist or communist regime to provide adequate food, shelter, health care, and education. Almost regardless of their economic growth, nations can launch successful antipoverty campaigns. Indeed, the few Third World governments that have made solid progress in raising living standards—including Burma, China, Costa Rica, Cuba, Hong Kong, North Korea, South Korea, Panama, Paraguay, Sri Lanka, Taiwan, Thailand, and Uruguay—constitute a very mixed bag.

Capitalist nations such as South Korea and Taiwan have spread the benefits of rapid growth (respectively 10.1 and 7.2 percent annually in 1970–77) by encouraging labor-intensive industries and promoting land reform to help rural folk. Poorer countries have raised living standards by spending scarce public funds on social services instead of promoting industrial investment. In Sri Lanka, this tradeoff has achieved a 75 percent literacy rate and an average lifespan of 69 years—despite sluggish (3.1 percent) economic growth and a low ($200) per capita income. In communist nations such as Cuba, the tradeoff also involves sharp official curbs on private consumption. Cuba's economic growth has virtually stopped (2.1 percent annually in 1970–77), but its citizens' average life span (72 years) and literacy rate (96 percent) are among the world's highest.

All of these countries have two things in common. Each provides effective health, education, and food-subsidy programs. And, regardless of growth rates and the government's economic role, each regime emphasizes creating jobs and distributing income throughout the society. Their policymakers seek to boost the purchasing power of the poor, recognizing that the benefits of economic growth do not "trickle down" automatically.

SOCIETY

In Defense of Group Justice

"A Theory of Groups and Economic Redistribution" by Lester C. Thurow, in *Philosophy and Public Affairs* (Fall 1979), Princeton University Press, P.O. Box 231, Princeton, N.J. 08540.

Are federal "affirmative action" programs inherently unfair because they favor some racial and social groups but not others? Should the government instead focus on helping individuals? No, argues MIT economist Thurow. Any society serious about helping victims of poverty and discrimination must seek "group justice."

American traditions have always emphasized the individual. But patterns of discrimination cannot be identified by studying any one person's experience. Thurow argues that unknown factors such as luck—which not even the most ambitious government policies can affect—explain 70 to 80 percent of the gap in earnings between any two