
ECONOMICS, LABOR & BUSINESS

overseas because their competitors offer better products and customer service. Such attention to basics, they conclude, is not "so indelibly 'German' that Americans can't learn from it."

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The Other Social Security Crisis

"Social Security: The Coming Crash" and "The Salvation of Social Security" by Peter G. Peterson, in *The New York Review of Books* (Dec. 2 and 16), Subscriber Service Dept., P.O. Box 940, Farmingdale, N.Y. 11737.

Washington today is struggling to resolve a Social Security financial crisis that could plunge the system into bankruptcy by 1984. Yet Peterson, chairman of Lehman Brothers Kuhn Loeb, argues that a far more ominous long-term crisis has gone unrecognized.

Many specialists assume that payroll tax increases scheduled to take effect between now and 1990 and increased revenues as "baby-boom" workers reach their peak earning years will guarantee the system's long-term stability. But Peterson argues that their estimates of future economic growth, productivity increases, and unemployment are too optimistic. The projected 1985 Social Security deficit of \$30 billion pales beside the pessimists' prediction of a \$16.3 trillion annual deficit by 2035. Closing that gap would require raising Social Security taxes to 44 percent of every U.S. worker's taxable income.

Social Security itself is a key source of the economic problems that threaten it, Peterson contends. Since 1949, payroll taxes have jumped by 3,960 percent, accounting for the entire increase in Washington's share of the U.S. gross national product since 1955. At \$190 billion in 1982, Social Security consumed 26 percent of the federal budget.

The system today provides far more generous benefits than were originally intended. When it was created during the 1930s, life spans were shorter, the elderly comprised only 5.5 percent of the U.S. population (versus 12 percent today), and other sources of support were slim. Yet increases in benefits and life spans, as well as other factors, mean that the average worker who retired at age 65 in 1982 will collect some \$520,000 during his remaining years. His total payroll tax contribution: \$7,209. Generous benefits have encouraged the elderly to retire rather than to keep working: In 1950, nearly half those over age 65 were working; by 1980, only 19 percent.

Moreover, notes Peterson, the notion that many of the elderly are poor is mistaken. Indeed, two-thirds of the elderly own their own homes "free and clear."

Peterson contends that serious Social Security reform would not produce the political backlash that Washington fears. Among his propos-

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als: raising the retirement age to age 68, reducing cost-of-living adjustments, and taxing the benefits of wealthier retirees.

*Contraception
by Corset*

"Corsets and Conception: Fashion and Demographic Trends in the Nineteenth Century" by Mel Davies, in *Comparative Studies in Society and History* (Oct. 1982), Edinburgh Building, Shaftesbury Road, Cambridge CB2 2RU, England.

The sudden drop in birth rates in most Western countries during the 1870s is often attributed by scholars to the economic woes of the era. Parents kept families small to preserve their standard of living. At the same time, according to Davies, a University of Western Australia historian, the fad for corsets among middle-class Victorian women served as an "unconscious mode of birth control."

The fashion was born in the 1830s, when the invention of metal eyelets made extreme "tightlacing" possible. By the 1860s, wasplike figures had become a feminine ideal. In Britain, corset sales may have reached 12 million annually during that decade; women's waistslines shrank from a normal 25 to 28 inches to between 17 and 21 inches. Middle-class Victorian women, even expectant mothers, endured tightlaced corsets for 14 hours or more daily.



A typical corset, as advertised in 1898. Some corsets were steel reinforced.

Corseted women complained of ills ranging from constipation and backaches to anemia and apoplexy. One critic called tightlacing a "murderous practice." But the most damaging effect, says Davies, was the displacement of internal organs. The uterus could be pressed down on the cervix, making intercourse painful and thus reducing its frequency.

According to Davies, this may explain "the allegation of frigidity and lack of libido among middle-class Victorian women." Tightlacing also contributed to malnutrition (thus interrupting menstruation) by putting pressure on the stomach. It led to spontaneous abortion and miscarriages. These factors helped push fertility rates for middle-class British women down from only 11 percent below the mean during the 1850s to 26 percent below during the early 1890s. Working-class women, who did not take to the fashion, enjoyed higher fertility.