

### The September Review

Not too far from our offices, the National Archives have a quotation to the effect that "those who do not remember history are doomed to repeat it" chiseled in stone. In this issue's lead package of articles, Neal Rosenthal and his colleagues remember what we had said in the early 1980s about what the jobs picture would look like in 1995. Their purpose is exactly to identify the strengths and weaknesses in the Bureau's projections procedures in order to build upon the former and avoid repeating the latter. The process seems to be working. The labor force projections correctly identified the significant slowing rate of labor force growth for the 1984-95 period, compared with the previous 11 years. Most of the major industry sectors projected to have faster-than-average growth did so. And the direction of employment change was projected correctly for all nine major occupation groups.

Howard Hayghe traces the evolution of women's participation in the labor force over the past two decades. The proportion of women who are participating in the labor force began to grow shortly after World War II and by the 1970s, it became one of the most powerful trends in the modern economy. In the 1980s, the trend began to moderate to the point that the early 1990s saw no increase in women's labor force participation rate. Beginning in 1994, however, Hayghe finds that participation rates are once again going higher.

Cynthia Engel finds that our increasing demand for paper—per capita consumption of paper goods has gone up 43 percent since 1980—is being supplied by fewer, more productive workers.

Thomas Hale contributes a report on the issue of the working poor, and

Sharon Cohany reviews two books on nonstandard work arrangements—part time and temporary employment.

### Report out

The 1997 edition of the *Report on the American Workforce* was released on Labor Day. Researchers from the Bureau of Labor Statistics explore the issues of what skills to acquire for the working years and how to ensure security in the retirement years, two of the most important choices that American workers must make. The *Report* also looks at the current state of research on experimental methods of doing interarea comparisons of compensation and prices.

The first chapter examines the extent to which education leads to success in the labor market. In general, the labor market rewards more education, and, at the college level, the type of education clearly matters. However, the labor market consequences of non-college schooling choices are not clear from the existing evidence.

Analyses of retirement issues often refer to a "three-legged stool" of retirement income—Social Security, employer-provided retirement benefits, and personal assets. Looking at incomes of Americans age 65 and older, however, some of the "legs" often are missing; and those that are present are usually of unequal length. The *Report* draws heavily on data from supplements to the Current Population Survey sponsored by the Pension and Welfare Benefits Administration to analyze these issues.

This *Report* also discusses the methodological issues that would be involved in constructing indexes that permit interarea comparisons of prices or compensation costs for a standard "market basket" of consumer goods or labor services. The *Report* applies one such

method to identify high and low price and labor cost areas.

Copies of *Report on the American Workforce, 1997 Edition* can be purchased for \$11 from the BLS Publications Sales Center, P.O. Box 2145, Chicago, IL 60690-2145, phone 312-353-1800, or the Superintendent of Documents, U.S. Government Printing Office, Mail Stop SSOP, Washington, DC 20402-1328, phone 202-512-1800.

### Is it a revolution yet?

A "real" industrial revolution, according to Northwestern University professor Joel Mokyr, involves not only dramatic and pervasive technological innovation, but innovation of a sort that change the way production is organized. "They shift cost curves not only by lowering them but by changing the optimal firm scale," Mokyr reports in the Federal Reserve Bank of Kansas City's *Economic Review*. After acknowledging the number, breadth, and impact of technological advances in the second half of the 20th century, Mokyr suggests that what might really give this era a claim to revolutionary status is the possibility that they may lead to a reversal of a 200-year trend toward the centralization of production. "To put it as provocatively as I can," he writes, "the Industrial Revolution began the separation between home and workplace; our own time may be witnessing the beginning of the movement in reverse."

### The October Review

Next month we plan to present articles on immigration and wages, jobs in California's multimedia industry, and price measures for exports and pharmaceuticals. □