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Should government economic policies focus on eliminating differences in economic outcomes among groups (black versus white, male versus female, the elderly versus the young, and so on), or should they focus on helping individuals whose economic performance is in some sense below society's norms of acceptability (the poor)? At the moment this is a fundamental ideological question facing the United States and most other western industrialized countries. Both our political traditions and our economic traditions have historically focused attention on the individual. Individuals vote and expect to have an equal opportunity to achieve economic success.

In this context the whole issue of group justice is often seen as an illegitimate issue. Individual blacks may have been unfairly treated, but blacks have not been treated unfairly as a group. Consequently, remedies must come at the individual levels (a case-by-case fight against discrimination or remedial education programs for individuals) and not at a group level. Programs such as affirmative action or quota systems that create group preferences are fought on the grounds that they are unfair even if everyone agrees that many or all members of the group to be helped have suffered from unfair treatment in the past.

This same tradition is seen within economic theory. The standard social welfare function is the individualistic socal welfare function where individual utilities (weighted or unweighted) appear as arguments. I am unaware of any major economic analysis that has used group-relative incomes as a measure of social welfare. Neoclassical

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economics is at its heart an economics of the individual. Individuals organize into voluntary economic associations (the firm), but individuals earn and allocate income. Group welfare is, if anything, only the algebraic summation of the individual welfare of the members of the group. There are no involuntary groups. Individuals join groups only when groups raise individual welfare. No one assigns someone to a group to which he or she does not wish to belong.

At the same time our age is an age of group consciousness. Major income redistribution pressures do not exist at the level of the individual (rich versus poor) but at the level of the group (black versus white, male versus female, and so on). Basically, these pressure groups argue that group parity is a fundamental component of the social welfare function and that an optimum distribution of income consists of more than an optimum distribution of income across individuals.

This essay considers the legitimacy of the application of economic justice to individuals as opposed to groups. While focusing solely on the economics of the situation, I am well aware that there are other arguments for being interested in the economic performance of groups. The most obvious interest springs from the political process. Democracies are designed to respond to the perceived needs of their citizens. If a group of citizens feels economically aggrieved—for example, farmers—and its members are willing and able to band together to exert political power, economic policy-making will, and should, respond. Holding most major political groups in a state of relative contentment is a perfectly valid political function.

At the same time it is worth considering whether there is an economic case for focusing on groups rather than individuals. Is the correct economic strategy to resist group measures of welfare and group redistribution-programs whenever this is politically possible? Or do groups play a more positive role in the economics of the situation? Whichever is correct, however, the issue is not simply a semantic one where nothing observable depends on how the decisions are made. Suppose, for example, that society decided to eliminate poverty (as officially defined) using a negative income tax with a 50 percent marginal tax rate. Such a policy would significantly alter the distribution of income across individuals, but the median income of black households would still be just 59 percent of that of white households—precisely what it is now without a public policy aimed at eliminating poverty. Would we be willing to say that economic equity had been achieved since poverty had been eliminated?

We shall look first at the economic arguments for analyzing group economic performances, then consider the question of what constitutes an economically legitimate group, and then examine briefly the current distribution of income among groups. I shall provide an updated view of my recent analysis of the economic performance of most major economic groups since World War II,[1] and present a static picture of where the different groups currently stand. Finally, we shall look at some of the implications of the previous analysis for public programs designed to alter the distribution of income among groups.

I. The Existence of Equal Opportunity: The Need for Group Analysis

Let us assume that society wishes to establish an economy that provides "equal opportunities" for *individuals* to be economically successful. How is society going to tell whether "equal opportunity" does or does not exist? In a deterministic world we could tell whether equal opportunity exists by seeing whether each individual reaches a level of economic performance consistent with his or her potential (talents, efforts, human capital, and so on). Individuals could then be identified as receiving less than equal treatment.

But the real world is highly stochastic and not deterministic. Since everyone is subject to a variety of good and bad random shocks, no one can tell whether any individual has been unfairly treated by looking at that person's income. You and I may have participated in the same economic lottery, but you may have won and I may have lost. My low income and your high income do not prove that I was treated unfairly relative to you. You were lucky and I was unlucky, but I was not unfairly treated and I did not suffer from discrimination or some systematic denial of equal opportunities.

1. Lester C. Thurow, "The Economic Progress of Minority Groups," *Challenge*, March-April 1976.

Since the typical individual-earnings function explains only 20 to 30 percent of the variance in individual earnings, we are obviously operating in an area where the stochastic shocks (or unknown factors) are very large relative to the deterministic (or known) part of the system. And the larger the stochastic portion of the system relative to the deterministic portion of the system the less possible it is to identify individuals who have been unfairly treated. In the economic area no one can say that any individual has been subject to systematic discrimination as opposed to random bad luck. This is a judgment that can only be made at the level of the group.

How do we in fact determine whether discrimination or a denial of equal opportunity exists? The standard procedure is to estimate an earnings function which explains individual earnings based on the normal human capital factors (effort, skills, education, and so on) and then to see if the equation for one group of individuals differs statistically from that of another group of individuals. Essentially there are three tests for the denial of equal opportunity. If we were seeking to test for the existence of equal opportunities among whites and blacks, we would look at earnings functions to see if they were statistically identical and to see if there were statistically significant differences in the inputs supplied. If there were such differences, it would be necessary to go on to investigate whether economic inputs were different because of some earlier denial of equal opportunity (for example, blacks were not given an equal opportunity to acquire skills) or whether they differed because of voluntary behavior (for example, blacks like leisure more than whites do).

Using economic analysis it is impossible to determine whether any individual has suffered from the denial of equal opportunity. Within any group—no matter how privileged—there will be individuals who have been denied equal opportunities and suffered from discrimination, but they have not been subject to a systematic denial of opportunities. Society may be concerned but is completely incapable of doing anything about random discrimination. It is simply one type of random good or bad luck that affects us all. A Polish American may feel aggrieved and may have been denied equal opportunities, but Polish Americans do not suffer from systematic denials of equal opportunity since their earnings functions do not meet the necessary tests. Conversely, within any group—no matter how underprivileged—there will be individuals who have not suffered from a systematic denial of opportunities. In these cases the existence or non-existence of equal opportunities is simply part of the random good or bad luck that affects us all.

All society can do is to test whether the economic lottery played by whites is or is not statistically equivalent to the economic lottery played by blacks. It cannot tell whether any individual black or white has been equally treated. Discrimination affects individuals, but it can only be identified at the level of the group. As a result it is not possible for society to determine whether it is or is not an equal opportunity society without collecting and analyzing economic data on groups.

But the problem of measurement creates a dilemma. If it is impossible to identify individual discrimination, upon whom should the remedies for systematic discrimination be focused? Basically, the inability to identify anything except group discrimination creates an inability to focus remedies on anything other than the group. We can attempt to create an economy where everyone participates in the same economic lottery, but we cannot create an economy where each individual is treated equally. According to current earnings functions, 70 to 80 percent of the variance in individual earnings is caused by factors that are not within the control of even perfect governmental economic policies. The economy will treat different individuals unequally no matter what we do. Only groups can be treated equally.

II. Efficient Selection or Unfair Individual Treatment: The Use or Misuse of Group Characteristics

Suppose that the dean of a medical school is charged with the task of maximizing the number of M.D.'s produced for some given medical school budget. In the process of carrying out this mandate he notices that 99 percent of all male admissions complete medical school and that 99 percent of all male graduates go on to become doctors, but that the corresponding percentages for females are each 98 percent. As a consequence, each male admission represents .98 doctors and each female admission represents .96 doctors. Seeking to be efficient and obey his mandate to maximize the number of practicing doctors, the dean establishes a male-only admissions policy.

In this case the dean of the medical school is practicing statistical discrimination. He is treating each group fairly based on the objective characteristics of the group, but he is treating 96 percent of all admissible women unfairly because they would in fact have gone on to become practicing doctors. His problem is that he has no technique for identifying which 4 percent of all admissible women will fail to become practicing doctors and therefore he expands a very small difference in objective characteristics (a 1 percentage-point difference in each of the two probabilities) into a zero-one decision rule that excludes all women. Is the dean acting fairly or unfairly, efficiently or inefficiently?

To be efficient at the macro-level is to be unfair to individuals at the micro-level. Where is the balance to be drawn? Wherever the balance is drawn, groups become important since it is efficient for employers to open or close opportunities to individuals based on the groups to which employers assign them. But since employers will of necessity use groups in their decision making, the state must necessarily become involved in the definition of what is a legitimate, or an illegitimate, group. The option of prohibiting all decisions based on group characteristics simply isn't possible since the price of efficiency would be too high.

A controversy of just this sort recently raged in Massachusetts over automobile insurance rates. In the past these rates have been based on the age, sex, and geographic location of the driver, and on the associated actuarial data. The insurance commissioner of the state shifted to a system that rates each driver according to the frequency of accidents and arrests during the number of years that person has had a license. Different individuals will pay very different insurance premiums under the two systems. Which is the right set of groups?

Ideally, policies applying to groups would be allowed only where all members of the group had the same characteristics, and thus a fair treatment of the group would be a fair treatment of each individual member of the group. Unfortunately, this situation almost never exists. A trade-off must be made between macro-efficiency and micro-justice. Since employers are interested only in macro-efficiency, they will make the trade-off in favor of efficiency and in favor of unfair individual treatment unless they are restrained from using certain group classification. As a result the state is forced to establish categories of illegitimate groups (such as sex, age, or race). Our social desire for individual justice takes precedence, at least to some extent, over our individual desires for efficiency.

Since we have both a desire for efficiency and a desire for individual justice, we have a dilemma. Individuals have to be judged on the basis of group data, yet all systems of grouping will result in the unfair treatment of some individuals. Thus we must establish some standard as to how large differences in mean characteristics have to be before a particular set of groups is to be regarded as legitimate. Most of us would be unwilling to let the dean of our medical school exclude women on the basis of a 1 percent difference in objective probabilities, but what would we think if the objective differences were 50 percentage points or 90 percentage points? If there were no other way to determine who would go on to practice medicine, at some point many of us might be willing to exclude women. Yet if we did this at any point we would be treating some individual females unfairly.

What this illustrates, however, is that every society has to have a theory about which groups are legitimate and which illegitimate, as well as about when individuals can, and when they cannot, be judged on the basis of group data. A concern for group economic data and performance is unavoidable.

III. The Nature of the Social Welfare Function

While the individualistic social welfare function is widely used in economics, its adoption as the standard social welfare function is anything but axiomatic. Where did it come from? Why is it the right function? Basically it comes from our belief in democracy—everyone's wishes should count—and a much too narrow view of individual preferences. I have preferences about maximizing my own personal utility within the rules of the economic game as it is now played (private personal preferences), but I also have preferences about how the rules of the economic game should be structured (individual social preferences). I may, for example, think that the 55 mile-per-hour speed limit is a good social rule yet still drive at 75 mph if 75 mph is in fact the speed limit. Given that everyone else is driving at 75, I know that I am safer at 75 than I would be at 55 and that any energy savings I make by driving at 55 mph are so small as to not advance society toward my goal of energy conservation. Similarly, I may think that an ideal economic game would limit the maximum amount of income or wealth that any individual can have, yet still seek to exceed that limit in the economic game that is actually being played.

From this perspective there is nothing illegitimate about a social welfare function which includes the relative incomes of different groups as one of its arguments. If individual social preferences are such that individuals think the relative performance of different groups is a legitimate part of social welfare, then the relative performance of different economic groups legitimately appears in the social welfare function. There is no logic which rules it "out of order." From the perspective of neoclassical economics, there are no legitimate preferences.

IV. Which Groups?

On first thought, mobility (or the lack of mobility) would seem to be an easy way to eliminate any social concern about many groups. If it is possible for an individual to leave any group easily, then individuals in that group cannot claim to be unfairly treated. The value of the group to its members must exceed the costs or they would not belong. They may receive less measurable income by being a member of the group, but their psychic income from being a member of the group must at least counterbalance the lower measurable income. It is precisely this argument that lies at the heart of the typically economic reaction that government should not have special programs to raise the monetary incomes of groups such as farmers. Farmers may have lower incomes than urban dwellers, but they could always cease to be farmers and become urban dwellers. Therefore, farmers cannot be unfairly treated regardless of the relative income of farmers and regardless of the sources of this relative difference.

While this argument may sound reasonable to those of us who are not farmers, it is equally applicable to regions or religions. Technically it is just as easy, if not easier and less costly, to move from one region to another or from one religion to another. Yet most of us would not be willing to argue that one must change his or her religion to achieve economic parity. Why? What is the difference between changing one's occupation and one's religion? Psychologically, individuals can certainly be just as committed to a particular occupation as they are to a particular religion. As a result, mobility does not seem to be a characteristic that helps us separate legitimate and illegitimate groups.

For all practical purposes age, sex, and race cannot be changed by the individual, but does this necessarily lead to the conclusion that these categories are therefore illegitimate ones? The dimension of age is interesting since we are evolving a very complicated set of social patterns that amount to saying that it is illegal to discriminate against individuals as they grow older but legal to discriminate in favor of individuals as they grow older (exemplified by special provisions in the income tax laws, senior citizens' discounts, and so on). Why is this pattern legitimate in the case of the elderly and illegitimate in the case of blacks? Perhaps it is because we are discriminating between stages of a life rather than between persons for most of us.

As previously pointed out, the stochasticity of the economy is one of the major factors leading to the need for analysis of groups. If the world were really deterministic it would be possible to reduce the group to the level of the single individual. Conversely, the more stochastic the world, the larger groups must be before meaningful economic analysis can occur. Given a world that is 20 to 30 percent deterministic, groups must obviously be very large. Significant differences in earnings functions cannot be found unless groups are large.

In addition, groups must be large enough so that there is every reason to believe that they contain the same potential distributions of inputs. Actual inputs into the economic process may differ because of discrimination and opportunities, but groups should be potentially identical in terms of ability, motivation, and so on. This obviously leads into theories of genetics, nurturing, and the endogeny of motivation before one is able to establish legitimate groupings.

Given groups of sufficient size it is presumably possible to eliminate some groups because they cannot meet the earnings-function test of a denial of equal opportunities. White ethnics are presumably not a source of social concern for this reason. Objectively, they simply have not been denied equal economic opportunities on average even though some members of the group may have been denied opportunities.

This raises the interesting question of what our social responsibilities are to groups that do meet the tests of being denied equal opportunities, or to individuals who belong to such groups and whose economic performances are above average. Many individual blacks have incomes above that of the average white. Is there a social responsibility to equalize the opportunities for blacks and whites to become millionaires, or do the social responsibilities focus only on those whose economic performance is below average? In Southeast Asia ethnic Chinese suffer from discrimination as a group, yet their economic performance is above average, despite these handicaps. If such a group existed in the United States, what would be our responsibilities to it? This is one of the main issues in the Bakke case. Is the appropriate focus of remedial attention on disadvantaged families (black or white) or on individuals who belong to groups which have suffered from systematic discrimination (rich or poor)? Presumably, if equal opportunity is really the goal, equalizing the number of black and white millionaires is just as much a part of achieving this goal as equalizing the number of blacks and whites in poverty.

Finally, there is a question as to the economic dimension upon which a denial of equal opportunities is to be determined. Equal opportunity may exist in one metric and not in another. Women, for example, may meet the earnings-function test of being denied equal opportunities yet flunk a consumption-function test of being denied equal opportunities. Their consumption standards may be equitable yet their earnings standards inequitable. Which is the right dimension? From the point of view of conventional neoclassical economics (only consumption generates utility) the earnings function test is presumably illegitimate. Yet equal opportunity has traditionally been measured on an earnings dimension and not on a consumption dimension.

V. Creating Equal Opportunity for Individuals

Suppose that some group has been identified as suffering from a denial of equal opportunities. How is this situation to be corrected? Imagine a race where some racers have been assigned a heavy weight to carry because they belong to a particular group. Because of this handicap the average runner with weights will lag behind the average runner without weights, but some runners with weights will come out ahead of some runners without weights. Now suppose someone waves a magic wand and the weights are lifted from the backs of all runners. If the two groups of runners are equal in ability, the mean difference between the weighted and unweighted groups ceases to expand, but those who suffered from the earlier discrimination will never catch up. If this is a race where parents who are ahead are able to hand the baton to their children, there is no equalization of the race even across generations. The race can be made fair only if everyone is forced to stop and begin again at the same starting line, if those without weights are forced to carry weights until the differences in average group-performances disappear, or if those who have been handicapped in the past are given special privileges until they catch up.

Since it is not possible to stop the economy and redistribute human and physical capital equally, the only real choice is between handicapping those who benefited from the previous handicaps and giving special treatment to those who were hurt by the previous handicaps. Discrimination against someone is unfortunately discrimination in favor of someone else. The person gaining from the discrimination may not be the discriminator, but unfortunately he or she will have to pay part of the price of eliminating discrimination. But this means that society is forced to focus on whatever groups have been denied equal opportunities in the past and practice reverse discrimination.

An individualistic ethic is acceptable if society has never violated this individualistic ethic in the past, but it is unacceptable if society has not in fact lived up to its individualistic ethic in the past. To shift from a system of group discrimination to a system of individual performance is to perpetuate the effects of past discrimination into the present and the future. The need to practice discrimination (positive or negative) to eliminate the effects of past discriminations is in fact one of the unfortunate costs of past discrimination.

VI. The Relative Economic Status of Different Groups

Race. If you look at household-income data along ethnic lines (including the almost 100 million Americans who think of themselves as having an ethnic origin), there are only three major groups with below-average incomes—blacks, Hispanics, and American Indians.

Among blacks, the median household has an income 59 percent as large as that of whites in 1976.[2] Since the average black household is slightly larger than the average white household (3.15 people versus 2.81 people), per capita black household-income is slightly smaller (58 percent), but the differences are not significant. With respect to earnings, blacks are slightly better off than household-income numbers would indicate. The average black earns 60 percent as much as the average white and the average full-time, full-year black worker earns 72 percent as much as the equivalent white. These higher earnings figures are offset by the fact that the average white household now has more earners than the average black household.

Among Spanish heritage households the median household has an income 73 percent that of whites, but these households are substantially larger than white households (3.47 people versus 2.81 people) so that on a per capita basis Hispanic households had just 59 percent as much as whites and were in approximate parity with blacks. Black and Hispanic earning power is essentially the same, but more Hispanics are full-time, full-year workers (50 percent versus 44 percent), so that Hispanic household incomes exceed that of blacks. Among Hispanics Mexican Americans are at the group average, Puerto Ricans are 25 percent below the group average, and Cubans are 18 percent above the group average.

2. Unless otherwise specified, all of the data in this section come from U.S. Bureau of the Census, *Current Population Reports: Consumer Income, Series P-60*, Government Printing Office, Washington, D.C.

American Indians are the forgotten minority in terms of statistical studies, but their median household income probably lies somewhere between 30 and 50 percent of that of whites.

Sex. Households headed by females have a median income just 45 percent of those headed by males, but the former are much smaller (1.97 people versus 3.15 people), so that their per capita household income is 75 percent that of males. White females do better than either blacks or Hispanics. White per capita female incomes are 80 percent that of males, blacks 57 percent that of males, and Hispanics 68 percent that of males. Women who work full-time, full-year make 60 percent as much as men who work full-time, full-year. This is a percentage that has remained constant since the data were first collected in 1939.

Farmers. In 1976 farm incomes were 90 percent of nonfarm incomes, but per capita household incomes were only 81 percent of those of nonfarmers. If, however, the cost of living differences between farmers and nonfarmers is used to calculate their poverty lines, then farm incomes were 106 percent of nonfarm incomes and per capita farm incomes were 95 percent of nonfarm incomes. Farmers are essentially at parity even in a year with depressed agricultural prices.

Farmers are often talked about as if they are a low income group since the Department of Agriculture is in the habit of comparing farm incomes from farming with urban incomes. This calculation ignores the fact that most farmers with low agricultural incomes supplement their farm incomes with off-farm income. In 1976 farmers earned $18 billion in net income from farming but $24 billion from nonfarming activities. To ignore nonfarm income is to ignore over half of farm income. Relative to the average, farmers are also substantially above average in terms of their ownership of physical wealth. In fact, they have over three times the wealth of the average nonfarmer.[3]

Age. The data in Table 1 outline differences in household incomes by age of the family head. Household monetary incomes range from 132 percent of the national average for 45 to 54-year-old families to

3. U.S. Federal Reserve Board, "Survey of Financial Characteristics of Consumers," *Federal Reserve Bulletin*, March 1964, p. 291.

58 percent of the national average for families over 65. On a per capita household income basis, however, the range is from 128 percent of the national average for 55 to 64-year-old household heads to 82 percent for 14 to 24-year-old household heads. The elderly on a per capita basis have a higher income than all families below 45 years of age. They are also substantially above average in terms of their ownership of physical wealth, with 36 percent more assets than the average American.[4] As these data indicate, the social security system is to a great extent a transfer from the relatively poor to the relatively rich.

TABLE 1: HOUSEHOLD INCOME BY AGE
(AS % OF NATIONAL AVERAGE)

Age	*Household Income*	*Per Capita Household Income*
14-24	66	82
25-34	101	93
35-44	124	88
45-54	132	112
55-64	108	128
65 +	58	94

Regions. The data in Table 2 indicate differences in household incomes by region. The data are deflated by the intermediate cost-of-living budgets provided by the Bureau of Labor Statistics to determine differences in real incomes as well as monetary incomes. On neither

TABLE 2: INCOME BY REGION
(AS % OF NATIONAL AVERAGE)

Region	*Household Income*	*Real Household Income*
Northeast	102	97
Northcentral	106	101
South	92	100
West	108	103

4. *Ibid.*

basis is it possible to argue that the United States has severe inequalities in regional income. On a monetary basis the range is from 92 percent of the national average in the South to 108 percent of the national average in the West. On a real basis the range is from 97 percent of the national average in the Northeast to 103 percent of the national average in the West.

In contrast, however, there are very large differences in average household incomes among metropolitan areas. As shown in Table 3, among the top 20 areas the range is from 94 percent of the national average in Philadelphia and Pittsburgh to 135 percent of the national

TABLE 3: HOUSEHOLD INCOMES BY METROPOLITAN AREA (AS % OF NATIONAL AVERAGE)

Area	*Household Income*	*Real Household Income*
Anaheim	113	114
Atlanta	100	110
Baltimore	108	108
Boston	101	85
Chicago	118	116
Cleveland	103	102
Dallas	119	131
Detroit	116	114
Houston	107	116
Los Angeles	98	99
Milwaukee	109	102
Minneapolis	119	114
Newark	106	91
New York	97	84
Philadelphia	94	90
Pittsburgh	94	98
San Francisco	113	107
Seattle	106	106
St. Louis	107	111
Washington	135	130

average in Washington. On a real basis (once again deflating by the BLS intermediate cost-of-living budget for an urban family of four) the range is from 84 percent in New York to 131 percent in Dallas. A difference of 47 percent is significant in anyone's terminology.

Religion. While the United States government does not collect income data by religious preferences, it is possible to make an educated guess about religious income differences based on what we know about ethnic and regional income differences and the dominant religious preferences of these regions or ethnic groups. Ranked from highest to lowest income, the order is probably Jews, white ethnic Catholics, white ethnic Protestants, white native Protestants, Catholic Hispanics, black Protestants, and Catholic, Protestant, and native-religion American Indians.

In one way, religious income differences are probably analogous to chemical carthinogens. To the extent that we are not aware of their existence they are not controversial, but if we were to become aware of income differences by religion (as we have of cancer-causing chemicals) they might very well be the subject of political controversy as they are in Northern Ireland.

VII. Government Programs for Groups

If one looks at revealed social preferences, society certainly cannot claim to focus consistently on individuals as opposed to groups. Affirmative action and quota programs for minorities and women are certainly on the defensive, but programs for the elderly and farmers both abound and are expanding. Demands for regional programs are expanding rapidly, but they are at the present time highly controversial because it is not clear who is underdeveloped and because the variance in economic prosperity within any one region is clearly larger than the mean differences among regions. If one looks at actions, it is easy to come to the conclusion that society invokes the principle of individuality only when it comes to dealing with groups that have suffered from discrimination. In other cases it is willing to use the principle of group, as opposed to individual, welfare.

The differences are most extreme if one compares programs for farmers with those for minorities. As mentioned in the previous section, farmers generally are average in terms of income and are substantially above average in terms of wealth. Yet non-income conditioned general price-support programs are in the process of being expanded. These programs in fact aid those who produce the most, and they are precisely the farmers with the highest income and wealth. Imagine the furor if someone were to seriously propose exactly the same program for blacks (that is, a wage-support program that would guarantee blacks income parity and give most of the benefits to wealthy blacks). It would be denounced as un-American from every rooftop.

Regional development is the clearest area for an individual rather than a group focus of attention. Regions have not suffered from discrimination, and the variance in income and opportunities within any region clearly dwarfs even the substantial differences in mean income across metropolitan areas. New York City may be the poorest large city in the United States in terms of real incomes, but it is also the home of the richest people in the country. General aid to New York City would seem to be a perverse transfer.

It is not clear what will evolve from the rudimentary affirmative action programs that are now under attack in the courts, but as the previous sections pointed out the use of group criteria by discriminators in the past forces the state to use group criteria to eliminate the effects of discrimination in the present. To insist on an individual focus is to insist that the effects of discrimination linger on for a very long time after positive discrimination has ceased to exist.

Given the fact that society clearly is not willing to be consistent and use an individual focus when it comes to politically popular groups, it is easy to see the insistence on an individual focus for minorities as simply a more sophisticated version of the types of individual discrimination that have been outlawed in the past two decades.