

# IRP agenda for 1991–1993: Education, families, and welfare

With funds from the Office of the Assistant Secretary for Planning and Evaluation (ASPE) of the U.S. Department of Health and Human Services, the Institute will carry out fourteen research projects during the 1991–93 biennium. This research agenda was developed jointly by the Institute's National Advisory Committee, its Executive Committee, IRP affiliates, and representatives of ASPE.

Five studies will deal with education and social welfare. Four will focus on children and families. Two will study poverty and disabilities. A final group will examine the labor supply of the working poor and how to improve the data used to study this and other poverty-related problems.

## Education and social welfare

1. *Demographic Aspects of Inner-City Schooling: Studies of School Entry, Grade Progression, High School Dropout, and College Entry*

Robert M. Hauser, Vilas Professor of Sociology and Director, Institute for Research on Poverty, University of Wisconsin-Madison

This research will measure and compare trends in four educational outcomes—early school entry (including nursery school, Head Start, and kindergarten), grade progression, high school dropout, and college entry—among ethnic and racial groups by sex, region of the country, and metropolitan location (central city, ring, or nonmetropolitan). Primary focus will be on minority and inner-city populations. A key feature of the research will be to examine and control for the effects of social and economic background. To what extent are such factors as income, whether the family is intact, the number of children in the household, the educational attainment of the household head and/or spouse, and the labor force status of head and/or spouse related to the outcomes under study? Differentials and trends in the effects of these background characteristics will be distinguished, as will differences and trends that are unrelated to social background.

Data for the study will come from enhanced, uniform editions of the annual October Current Population Surveys from the late 1960s through the late 1980s, created by the

researcher. The October CPS contains a special supplement on school enrollment for persons between the ages of 3 and 34 years. It also contains information about enrollment in years prior to the survey date and can therefore be used to measure whether a respondent stayed in school or dropped out, as well as current enrollment status. The supplement has been matched to the October CPS records of adult household members to provide complete demographic, social, and economic characteristics of the householder and spouse of the children in the supplement.

2. *Effects of Economic and Family Factors on School Enrollment and Attainment: A Half Century of Change in America's Cities*

Robert D. Mare, Professor of Sociology, University of Wisconsin-Madison

This study will examine both family-level and city-level factors that may affect performance in school, specifically, attendance, attainment, and differences in schooling behavior among persons from varying socioeconomic backgrounds. Family factors to be considered include father's and mother's schooling, their employment status and labor force participation, their income and occupation, and the structure and size of the family as well as the timing of the births of the children. At the city level, the research will assess whether measurable aspects of metropolitan school systems, including levels of expenditures on instruction, pupil-teacher ratios, and length of school year, affect levels and inequalities of attendance and attainment. Effects of local labor market conditions will also be explored.

By comparing a diverse set of American cities over a fifty-year period, the research should provide a comparative and historical basis for understanding the current condition of education in inner cities. It will document trends and differences in the number of students at risk of educational failure; it will show which cities and school systems do well and poorly in maintaining levels of enrollment and attainment; it will account for trends in enrollment and attainment; and it will explore the effects of institutional and policy factors that vary across cities and over time.

Data for the project are chiefly the Public Use Microdata Samples of the Decennial Censuses of 1940–1990. These data will be supplemented by aggregate school system data.

### 3. *Inner-City Schools and Student Achievement*

Adam Gamoran, Associate Professor of Sociology, University of Wisconsin-Madison

Specialized schools have become quite common in large urban sites in recent years. Advocates of these schools claim that by providing distinct missions and more orderly environments, such schools produce higher achievement for students. Little research exists, however, to support this claim. This project examines the effect on cognitive achievement of attending different types of schools in the first two years of high school. It will focus on three types of schools: comprehensive public schools, specialized public schools (including magnet schools), and Catholic schools. By incorporating more information about students and their parents prior to entry into high school, the project should improve our ability to distinguish between school effects and effects caused by select student bodies.

In addition, the study will examine the effects of tracking and taking more academic courses on the achievement process, irrespective of school type; it will assess the impact of social bonding on achievement; and it will examine the critical question of whether the presence of specialized schools in a system has a negative effect on the achievement of students who do not attend them.

Data for the project come from the National Educational Longitudinal Study, a survey carried out by the National Opinion Research Center for the National Center for Education Statistics.

### 4. *The Effectiveness of Information and Incentives in Influencing Schooling Behavior*

Charles F. Manski, Wolfowitz Professor of Economics, University of Wisconsin-Madison

What steps can we take to positively influence the schooling behavior of youths at risk of deciding to drop out or of performing below their capacities? Providing them with information on the value of schooling and with incentives for staying in school and performing well have been, and continue to be, the two traditional courses of action. The author seeks to improve our understanding of the influence of each.

Because the available data sets reveal little if anything about students' expectations, preferences, and opportunities—the three elements currently believed essential in decision making—the author will collect a new set of data. Surveys of high school students in Madison and perhaps Milwaukee will obtain information on their perception of school-completion probabilities and expected returns to

schooling. These subjective data will be interpreted in decision-theoretic terms to obtain a better understanding of students' schooling choices.

### 5. *Schools, Families, and Social Services: An Exploration of the Emerging Relationship between the Education and Welfare Systems*

Thomas Corbett, Assistant Professor, Department of Governmental Affairs, University of Wisconsin-Madison; and Naomi Farber, Assistant Professor, School of Social Work, University of Wisconsin-Madison

The educational and social welfare systems are under pressure to expand and, more important, to coordinate their efforts in response to many factors: a dwindling and less-skilled labor pool, the bleak prospects faced by certain demographic groups (especially minority youth), the "social contract" approach to welfare programs that requires recipients to move toward self-sufficiency, the "big city" problems that smaller urban areas are beginning to experience, and the perceived inability of some families to raise their children successfully. The authors are interested in learning how schools, welfare organizations, and social service networks respond to these new pressures. Milwaukee and Madison, Wisconsin, will serve as case studies. Data will be collected from such documents as policy papers, memoranda, and management reports; from interviews with persons involved at the policymaking and implementation levels in the schools and welfare systems; from interviews and focus-group discussions with at-risk or disadvantaged students; and from extant administrative records. The intent is to gain insight into policy formulation, institutional response, participants' responses, and the effectiveness of alternative approaches to improving the condition of low-income students and their families.

## **The well-being of children under stress in contemporary society**

### 1. *Child Support and Family Dynamics*

Judith A. Seltzer, Associate Professor of Sociology, University of Wisconsin-Madison; and Nora Cate Schaeffer, Associate Professor of Sociology, University of Wisconsin-Madison

This research investigates three aspects of children's welfare after divorce: legal and physical custody arrangements; owing, paying, and receiving child support; and time spent with nonresident parents. The research combines these investigations with analyses of parental conflict and perceptions of fairness about child support arrangements to improve understanding of the family dynamics that affect

child support payments and parent-child contact after separation. The project examines whether joint legal custody improves children's welfare by encouraging both parents to contribute to childrearing expenses. The researchers explicitly consider the hypothesis that selection processes bias previous findings that joint custody benefits children. They evaluate alternative interpretations of an association between paying support and spending time with children, contrasting the interpretation that the association between the two is spurious and may be attributed to other observed economic and demographic characteristics with the interpretation that paying and visiting may be complements or substitutes. The project pays particular attention to the effects of child support policies, such as routine withholding of child support from the salary of the nonresident parent and the percentage-of-income standard (a standardized formula for determining the amount of child support to be paid), and conflict concerning the amount of time nonresident parents spend with their children. The investigation of visiting and paying behaviors parallels an investigation of the association between legal agreements about visitation and child support awards.

The study uses data from three complementary sources: official court records from Wisconsin divorce cases; telephone interviews with parents from these court cases; and personal interview data from the 1987–88 National Survey of Families and Households.

2. *Two Child Support Issues: The Effects of the Regularity of Child Support on AFDC Reciprocity and Labor Supply; and Medical Coverage of Children Eligible for Child Support*

Daniel Meyer, Assistant Professor, School of Social Work, University of Wisconsin-Madison

This study will investigate two issues related to child support. First it will address the question, Does the regularity of child support payments influence participation in Aid to Families with Dependent Children and the decisions of recipients of whether or not to work? Research on this topic will be exploratory, examining alternative definitions of regularity of support payments and seeking evidence to suggest that the regularity of payments has effects on the well-being of children that are independent of the dollar amounts paid. The second issue to be investigated will be the amount of medical insurance protection children have who are eligible for child support. It should answer the following three questions: To what extent is medical insurance a part of child support awards? How many children can be covered by the insurance of their noncustodial parents? Are the dollar amounts of child support awards lower when medical insurance is included?

For the first issue, discrete-time event-history models will utilize two data sets—the Wisconsin Court Record Data

and the Survey of Income and Program Participation—to estimate the effects of regular child support payments. For the second, the primary data sets—the Child Support Supplement of the Current Population Survey and the Wisconsin Parents' Surveys—will provide an overview of the health coverage of children eligible for child support.

3. *The Effects of Minimum Care Standards on the Child Care Market*

James R. Walker, Assistant Professor of Economics, University of Wisconsin-Madison

The National Child Care Survey and the Profile of Child Care Setting are two new surveys of the child care market that will jointly offer a nationally representative sample. The investigator will use the two new surveys to extend his previous work on the determinants of the supply of child care. The study will generate descriptive data that will be useful in policy debates on the value of licensure and minimum care standards. These surveys will be used to assess the role of family home providers' own children and to test the hypothesis that women with children are more likely to become home providers than are otherwise comparable women without children. Because they contain questions on children's time use, the surveys will permit direct measures of the type, and therefore arguably of the quality, of the care that family providers offer. The researcher hopes to supplement the newer surveys with 1990 Census data on potential family home providers, especially women who do not have children but offer child care in their own homes (nonfamily home providers) and live in the surveys' primary sampling units. Recognizing that the enforcement of minimum care standards varies greatly from one region to the next, the researcher will attempt to collect data on local regulatory effort and its effect on the characteristics of care offered in the market.

4. *The Homeless Experience and Children's Well-Being*

Irving Piliavin, Director, School of Social Work, University of Wisconsin-Madison

This addition to a current project that is exploring the dynamics of homelessness among adults in Alameda County, California, will obtain information concerning the psychological and cognitive functioning of the children of homeless parents. The larger project will track for eight to ten months a sample of 500 adults who were homeless at the initial interview period. Interviews about every four months will test several hypotheses relating to characteristics that make a person more likely to exit homelessness, the destinations of those who exit, the likelihood of becoming homeless again, and factors associated with chronic homelessness. Data will be collected on the children as well

as on the adults. Six hypotheses will be tested: (1) that homeless children, as compared with their peers from low-income families, perform worse in school and are in poorer physical and mental health; (2) that a prior spell of homelessness predicts poor physical and mental health and poor performance in school; (3) that a child's physical and mental health status and school performance are related to whether their parent abuses drugs and alcohol and is mentally ill; (4) that the longer and more frequently a child is homeless, the poorer will be health and school performance; (5) that children whose parents are alcohol and drug abusers or mentally ill are more likely to be placed in out-of-home care than are other children; and (6) that changes in the health status and school performance of a child between waves of the data collection period are related to out-of-home placement.

## Poverty and disabilities

### 1. *Health, Disability, and Poverty*

Robert Haveman, John Bascom Professor of Economics, University of Wisconsin-Madison; and Barbara Wolfe, Professor of Economics and Preventive Medicine, University of Wisconsin-Madison

Although the relationship between poor health and disability on the one hand and low labor force participation, low earnings, and a high incidence of poverty, on the other, has often been noted, research has been meager. The investigators will undertake five projects designed to shed light on this relationship. In the first, they will use the Current Population Surveys (CPS) to analyze and evaluate alterations in the population of working-age disabled people and their relative well-being during the 1980s, expanding previous research to examine, among other things, effects of policy changes and the likely effects of the 1988 Americans with Disabilities Act. The second project will use the 1984 Survey of Income and Program Participation to test the hypothesis that the health/disability status of single mothers figures prominently in their decisions concerning welfare and work. The third will analyze changes in earnings capacity, poverty, and inequality over the period 1973–89, using microdata from the CPS. The fourth study will utilize the 1972 Survey of Disabled and Nondisabled Adults and the 1978 Survey of Disability and Work to examine the rapid changes in self-reported health status and health-related transfer reciprocity that occurred during the 1970s. The last study will treat true health/disability status as an unobservable phenomenon in an effort to develop an accurate index of disability, in place of the standard, self-reported indicators of health/disability status. Its data base will be the 1978 Survey of Disability and Work, conducted by the Social Security Administration.

### 2. *Poverty and Mental Retardation: Population Characteristics and Family Impacts*

Marsha Mailick Seltzer, Professor of Social Work, University of Wisconsin-Madison

Poverty is both an important cause and a consequence of mental retardation. Poor mothers are more likely to have a retarded child because of life-styles and environmental hazards associated with poverty, and adults with mental retardation are generally quite poor, having limited earnings potential and relying on public assistance. The researcher will examine the poverty-related impacts of mental retardation on families, including health, occupational, and economic outcomes. Specific questions are, What are the changes in the size and characteristics of the population with mental retardation and its family members since the early 1970s? How does having a retarded child affect the economic, occupational, and health conditions of families?

To answer the first question, descriptive information will be generated from the National Health Interview Survey (NHIS) and changes in population characteristics over time will be portrayed. To answer the second, the NHIS sample will be divided into three family groups—one with mental retardation, one with other types of disabilities, and one with no disabled member—and comparisons of background characteristics, health impacts, and occupational impacts will be made using multivariate analysis of variance techniques. With its representative sample of the noninstitutionalized population with mental retardation, the NHIS will enable the researcher to focus on the social context of mental retardation and its policy implications.

## Special projects

### 1. *The Working Poor: Characteristics, Labor Supply, Income Dynamics, and Vulnerability*

John Karl Scholz, Assistant Professor of Economics, University of Wisconsin-Madison

Four interrelated projects that focus on the working poor will be the subject of this research. The first project examines demographic and regional characteristics of the working poor, their participation in welfare programs, and labor supply information on them, using data from the Survey of Income and Program Participation. An innovative, large-scale simulation model will calculate average and marginal tax rates to which the working poor are subject and will illustrate the degree to which the Earned Income Tax Credit (EITC) closes the poverty gap. The second project will test the hypothesis that the EITC encourages employment, using, among other possible sources, the calculated tax rates. The third will investigate the income dynamics of the work-

ing poor. To what extent do incomes of the working poor fluctuate from year to year? How many poverty spells are temporary? How many are continuous? Data used will be the calculated tax rates, perhaps supplemented with data from the Panel Study of Income Dynamics (PSID) or the National Longitudinal Survey (NLS). The fourth project will define factors that predict financial insecurity. Utilizing data from the PSID or the NLS, the investigator hopes to develop an index that will permit households to determine if they are likely to experience economic hardships.

## 2. *Caseload Modeling and Program Evaluation: New Approaches Using Microdata*

Robert Moffitt, Professor of Economics, Brown University

Caseload modeling in the context of the Aid to Families with Dependent Children (AFDC) program refers to the use of historical data from AFDC administrative records to construct a picture of past changes in the size of the caseload, sometimes in conjunction with information on benefit levels and local unemployment rates. The models have been used to forecast trends or to evaluate effects of policy changes. The advantage of such models lies in the relative ease and frugality with which the data can be obtained. The disadvantage is that they have often proved unreliable, primarily, it is thought, because the data fed into them are aggregates—i.e., gross numbers of entrants to and exits from the rolls per month in a state or county. Lacking are microdata: information on the particular characteristics of the people who became recipients as well as on those who were eligible but did not participate, and information on conditions in the communities in which caseload changes took place. The proposed project seeks to determine whether the addition of microdata to aggregate data in a caseload model would significantly improve its reliability and usefulness in policy evaluation. Aggregate data will be taken from information available by state on caseloads, benefit levels, unemployment rates, and labor market characteristics at particular time periods over years past. Microdata will be drawn from the national AFDC Characteristics Surveys conducted biennially from 1967 to 1979, from the federal AFDC Quality Control research files available annually since 1981, from the Survey of Income and Program Participation (1984–85), the Panel Study of Income Dynamics (1968 to the present), and the annual Current Population Surveys (1967 to the present). Several types of models will be constructed and their results compared.

## 3. *The Welfare Employment Program Data Project*

Michael Wiseman, Professor of Public Affairs, University of Wisconsin-Madison

Congressional formulation of the Family Support Act of 1988 was influenced by the results of program evaluations conducted by the Manpower Demonstration Research Corporation. Under contract with individual states and with funding from the Ford Foundation and other nongovernmental sources, the Corporation conducted evaluations of over half of the many state welfare-employment demonstration programs permitted by the 1981 Omnibus Budget Reconciliation Act. The data collected in the course of the evaluations remain with the Corporation, since preparation of public use tapes was not a contractual requirement. Data tapes would permit alternative exploration of the evaluations by other investigators and further mining of the valuable information collected, which emanated from such institutional sources as welfare payment records and employers' reports of earnings, and which in general offer historical data on the dynamics of welfare dependence. The project will investigate the feasibility of assembling public use tapes for the major demonstrations evaluated by the Corporation and for similar projects evaluated by other contractors.