

# Small grants

The Institute and the Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, jointly sponsor annual competitions for grants to researchers who wish to do work related to poverty and its amelioration.

A seminar was held at the U.S. Department of Health and Human Services in Washington, D.C., on April 26, 1991, during which the winners of the 1990 Small Grants competition presented their research findings. Discussants from a number of federal agencies—the Department of Education, the Department of Health and Human Services, the Department of Housing and Urban Development, the Department of Labor, the Joint Economic Committee of Congress, and the National Commission for Employment Policy—commented on the policy implications of the work.

The following research papers were presented. They will be available as IRP discussion papers.

“Minimum Wages, Women, and Minorities: Who Benefits?”

Michael Leeds, Temple University

“State-Level Policymaking in AFDC”

Jack Tweedie, State University of New York, Binghamton

“Effects of State Funding Strategies on Instructional and Curricular Opportunities for the Disadvantaged”

Kenneth Wong, University of Chicago

“The Effects of U.S. Trade Laws on Poverty in America”

Alan Deardorff, University of Michigan

“Migration Out of New York and the Labor Force Participation of Puerto Rican and Non-Hispanic Women”

Maria Enchautegui, University of Michigan

“Resistance, Survival, and the Black Poor in Birmingham, 1929–1970”

Robin Kelley, University of Michigan

“Poverty, Health Insurance, and Medical Indigency”

Virginia Wilcox-Gök, Rutgers University

“Causes of Inter-City Variation in Homelessness”

Marjorie Honig and Randall Filer, Hunter College

## New awards

Eight proposals were funded under the Round X competition for July 1991–June 1992. They are described briefly below.

### *The Changing Economic Consequences of Teenage Childbearing*

Using information from the Panel Study of Income Dynamics, this study will investigate changes from 1968 to 1987 in the economic well-being of women who began bearing children in their teen years as compared to those who delayed childbearing. It will seek to determine whether the economic effects of teenage childbearing differ among black and white women and will examine the extent to which changes over the two decades in the economic well-being of women who became mothers while in their teens can be explained by changes in rates of teenage out-of-wedlock childbearing, subsequent marital status, educational attainment, or the number of children borne. It will also gauge the effects of changes in local welfare benefit levels, unemployment rates, and wages. Principal investigator: Amy C. Butler, State University of New York, Buffalo.

### *The Effects of Public and Private Transfers on Income Variability and the Poverty Rate*

This project will examine the interactions between public transfers and private transfers (such as those from parents to adult children) and their combined effects on the poverty rate and the variability of household income. The use of longitudinal data since 1968 from the Panel Study of Income Dynamics will provide insights on what percentage of the poor receive private transfers and whether such transfers are targeted on those enduring temporary bouts of poverty or are directed toward the chronically poor. It should also tell us under what circumstances transfers are made. The data will as well permit the analysis to account for differences between families in their willingness to assist one another. Viewing variations of household income over time, as public programs change and private transfers are adjusted, will make it possible to determine the effects of public transfers on private transfers. Do private transfers amplify, offset, or not respond at all to shifts in public transfers? Principal investigator: William G. Gale, University of California, Los Angeles.

### *Trends in Wages, Underemployment, and Mobility among Part-Time Workers*

In the past two decades the real earnings of part-time workers have declined sharply, especially among men; the proportion of workers who unwillingly work part time has grown; and exit rates from part-time work have remained constant for some workers but have decreased for others. Using data from the annual Current Population Surveys, this research will examine the extent to which the deteriorating position of part-time workers may be related to changes in their attributes (are they younger and less well educated than in the past?) or to the growth of industries (such as retail sales and consumer services) in which part-time jobs are located, or to the process of selectivity, whereby certain types of workers are drawn into part-time employment. Principal investigator: Jerry A. Jacobs, University of Pennsylvania.

### *The Impact of Recent Changes in the Minimum Wage: Results from a New Establishment Survey*

A survey of firms in low-wage industries in low-wage states (Texas, Louisiana, and Florida) will be conducted to address four questions: (1) Does an increase in the minimum wage (which was raised in two stages, from \$3.35 an hour before April 1, 1990, to \$4.25 by April 1, 1991) lead employers to increase the pay of workers already earning slightly more than the increased wage? (2) Has the new youth-subminimum wage (\$3.80 after April 1, 1991, for 90 days—or longer if training is provided) influenced employers to carry out more training, or only to pay less? (3) Has the rise in minimum wage caused employers to cut back on employment? (4) Has it resulted in higher prices in firms affected? The findings of the survey will be corroborated, when possible, by publicly available data. Principal investigator: Alan B. Krueger, Princeton University.

### *A Comparison of Poverty and Living Conditions in Five Countries*

The fact that the distribution of income is more unequal and poverty rates higher in the United States than in other advanced capitalist countries suggests that U.S. families at the low end of the distribution are more likely than the poor in other countries to suffer deprivation. Yet preliminary comparisons of living conditions rather than income indicate that low-income Americans are no worse off than low-income Swedes or West Germans along such dimensions as housing quality, ownership of consumer durable goods, health, and use of medical care. This research, part of a larger project assessing the relationships among income, consumption, and living conditions in the United States since the early 1960s, will use national data sets to compare the distribution of living conditions and income in the United States, Sweden, Germany, France, and Canada. Principal investigator: Susan E. Mayer, University of Chicago.

### *Persistent and Transitory Economic Stress: Psychosocial Consequences for Children*

Although it is widely believed that the effects on children of continuous poverty are more severe than the effects of temporary spells of poverty, scant information is available to evaluate these two experiences over time. This study will compare the personal, social, and academic development of children in families that experienced severe economic stress during all, part of, or none of the period from 1986 through 1989. The data used will be the archives of the Charlottesville Longitudinal Study, a comprehensive study of psychosocial risk and resilience among children in the city's public school system during those years. Principal investigator: Charlotte J. Patterson, University of Virginia.

### *The Impact of Population Density upon the Use of Welfare Programs*

Rural residents are less likely to utilize public assistance programs than urban residents, despite the fact that the poverty rate is higher in rural areas. This paradox is often explained by the different demographic and household characteristics of the two groups. Rural households are less likely to be headed by women with children and therefore less likely to be eligible for Aid to Families with Dependent Children. Furthermore, a larger percentage of rural residents than urban residents are working-poor families, with at least one member in the labor force—another impediment to receiving welfare. The researchers intend to explore whether another factor—population density—exerts an independent positive effect on welfare participation rates. They will use the Panel Study of Income Dynamics to address two questions: Does population density have a significant effect on the welfare participation of low-income families? If so, what are the factors and mechanisms that account for the effect? Principal investigators: Mark R. Rank, Washington University, and Thomas A. Hirschl, Cornell University.

### *Parental Presence during Childhood and Adolescence: The Effects of Duration and Change on High School Graduation*

Is high school graduation affected by the type of households in which children and adolescents live? The National Longitudinal Survey of Youth, 1979–1988, will be used to examine the effects on secondary school completion of those who, during childhood or adolescence, live in households consisting of different parental types—both natural parents, stepparents, adoptive parents, grandparents or other relatives, or foster parents. The likelihood of graduating from high school will be related to the experiences of living in these types of families, to changes from one type to another type, and to the age at which changes occur. The research will also consider whether these effects differ among blacks and whites. Principal investigator: Roger A. Wojtkiewicz, Louisiana State University.