



Focus

Volume 7

Number 3

Fall 1984

Employment programs for the poor: Government in the labor market	1
Small grants: New competition and Round III awards	7
Can and should universities help government with policy-oriented research?	8
ASPE–Institute workshop	10
The economics of discrimination: Part 2	11
New project under way: Income security policy and the low-wage labor market	18

ISSN:0195-5705

Employment programs for the poor: Government in the labor market

by Elizabeth Evanson

The question of whether the federal government should directly intervene in the labor market to expand employment opportunities has long been controversial, regardless of whether the efforts have been directed toward the poor or the nonpoor. In the 1930s, denigrators of the Works Progress Administration dubbed it “We Play Along.” Almost fifty years later, George Gilder wrote: “Like welfare, CETA [then the major public employment program] often has the effect of shielding people from the realities of their lives and thus prevents them from growing up and finding or creating useful tasks.”¹ The argument continues today, exemplified by the 1984–85 national debate topic for public school students: “Resolved: That the U.S. government should provide employment for all employable U.S. citizens living in poverty.”

Expenditures for the training and job creation programs of the 1960s and 1970s grew rapidly, and critics alleged that the returns to the dollars spent were too low to justify continuing that support. Under the Reagan administration, labor market programs have been sharply curtailed, though not eliminated. A recent Institute discussion paper

by Peter Gottschalk reviews the U.S. experience with employment programs over the last twenty years; and a related paper, by Gary Burtless and Robert Haveman, discusses the policy lessons that may be drawn from three particular labor market experiments (see box, p. 6).

The experience of the last two decades

In the early 1960s, concern that structural changes in the economy were forcing more and more workers out of their jobs gave impetus to government intervention. At first, programs were motivated by the belief that unemployment could be lessened by retraining workers. Later, the popular view was that direct job creation was needed. Gottschalk’s statistics show that federal expenditures on the programs grew rapidly (although they never reached levels comparable to those in many Western European countries). Table 1 displays the trends in government spending on employment programs and the unemployment rate over the years 1964 to 1983. Expenditures rose fairly steadily until 1978, fell off for the next three years, then dropped dramatically

in 1982, reflecting the Reagan administration's policies. Unemployment in the 1960s decreased with each year, leading to a feeling of optimism that government spending on manpower programs was to good effect. That trend reversed, however, in the 1970s, and in 1982 unemployment reached its postwar high of 9.7 percent of the labor force. The obstinate upward course of the unemployment rate raised doubts concerning the ability of government to expand job opportunities.

Objectives and consequences

Gottschalk identifies two causes of the disillusionment that set in during the 1970s: program designers failed to state objectives clearly, which permitted critics to measure progress against other objectives that went unmet; and certain undesirable, but unfortunately inevitable, side effects of the policies were not anticipated at the time of program implementation. Both are important points to be made in debating the worth of employment programs.

As Gottschalk points out, throughout the history of U.S. labor market policies, the objectives of *increasing* aggregate employment and *redistributing* existing employment have been interrelated. The first goal is directed toward the whole population, the second toward the disadvantaged—often the able-bodied poor, a group not always high in public favor. The difficulty in attempting to achieve the first goal is that policies to expand employment may spark inflation. Policies to achieve the second goal have the disadvantage of taking jobs from one group to benefit another.

Even when the advantages are judged to exceed the possible disadvantages, efforts to reach these objectives have side effects, four of which Gottschalk labels displacement. First, programs must be financed either by taxation or the sale of bonds. The former may reduce aggregate demand and the latter may crowd out private investment; both may reduce the growth of jobs in the private sector. Second, when the federal government gives funds to local and state governments to create public service jobs, the money is often used for work that would otherwise have been financed by the states and localities. The gain from federally financed jobs is thus offset by a loss of state and local employment. Third, subsidizing jobs for certain types of workers in the private sector may result in fewer jobs for other types of workers. Fourth, when subsidized workers produce useful goods, those market products compete with other goods, and unless aggregate demand is raised, increased production in the subsidized sector is offset by decreased production in the unsubsidized sector.

Employment and training programs in recent years

Training programs have always been more popular than direct job creation. The Manpower Development and Training Act of 1962 (MDTA), enacted to retrain displaced workers, preceded the declaration of the War on Poverty by two years. When the antipoverty effort began, the focus

Table 1
Unemployment Rate and Government Expenditures on Employment and Training Programs in the United States

	Federal Outlays on Employment and Training Programs		Unemployment Rate (%) (3)
	% of GNP (1)	% of Outlays (2)	
1964	.01%	.3%	5.2%
1965	.08	.5	4.5
1966	.14	.8	3.8
1967	.22	1.2	3.8
1968	.23	1.1	3.6
1969	.21	1.1	3.5
1970	.17	.9	4.9
1971	.24	1.2	5.9
1972	.27	1.4	5.6
1973	.27	1.4	4.9
1974	.21	1.1	5.6
1975	.27	1.3	8.5
1976	.38	1.8	7.7
1977	.37	1.8	7.1
1978	.52	2.5	6.1
1979	.50	2.5	5.8
1980	.41	1.9	7.1
1981	.33	1.5	7.6
1982	.20	.8	9.7
1983	.18	.7	9.6

Source: Peter Gottschalk, "U.S. Labor Market Policies since the 1960s," IRP Discussion Paper no. 730-83. Columns (1) and (2): *Budget of the United States Government, Fiscal Year 1984*, and earlier volumes for outlays on employment training programs; *Economic Report of the President 1984*. Column (3): *Economic Report of the President 1984*.

of MDTA shifted to low-income people. Then, as unemployment began to grow larger each year, the policy of direct job creation gained the upper hand in the early 1970s. Both government funding and decentralization increased, leading to administrative complexity. In 1973 the Comprehensive Employment and Training Act (CETA) was passed to establish a coordinating mechanism for the various programs that had mushroomed in the states and local communities.

At first the emphasis in CETA was on countercyclical job creation. In 1974 alone, 300,000 public service jobs were created. Because public employers were enrolling more highly skilled workers, amendments to CETA in 1976 directed its efforts toward less skilled workers, with emphasis on training them. By 1980, even before the Reagan administration took office and abolished CETA, the number of public service jobs had declined considerably—from

a peak of 750,000 in March 1978 to 328,000 by the end of fiscal year 1980—because of the shift to training.

Studies which have tried to measure the effectiveness of CETA give it a mixed score. The programs did increase employment in the short run, when the economy was sagging, but as federally funded jobs began to displace locally financed ones, aggregate employment rose by very little.² In terms of its redistributive effect, on the other hand, CETA was successful in reallocating employment toward disadvantaged groups.

An evaluation of the public jobs component of CETA in the mid-1970s found it to be quite expensive in terms of government costs per enrollee versus the postprogram wage gains of participants.³ In contrast, the benefits of the training programs for those who were physically handicapped and/or economically disadvantaged were substantial. Training brought a sizable boost in the earnings of women enrolled in those programs, a smaller increase in the earnings of men. In both cases, however, higher earnings resulted from more hours of work rather than from higher wage rates.⁴

We have insufficient evidence to answer the question of whether CETA training programs increased aggregate postprogram employment or simply displaced existing workers. Without an accompanying increase in aggregate demand, it is likely that the newly trained workers could have found employment largely by displacing other workers.

Tax credit programs

In the late 1970s, frustration over the government's inability to expand total employment resulted in the adoption of tax credit programs, modeled on those of some European countries. The New Jobs Tax Credit of 1977 provided tax incentives for employers who created new jobs. It was replaced in 1978 by the Targeted Jobs Tax Credit (TJTC), available only when employers hired certain disadvantaged groups, including low-income youth, Vietnam veterans, some disabled workers, some welfare recipients.

The TJTC is still in existence, but has had limited effectiveness because it has been little used, perhaps because employers are reluctant to get involved with government bureaucracy or to ask job applicants for information that would reveal their eligibility, and/or because applicants are reluctant to volunteer such information.⁵

Balance sheet

Gottschalk concludes that the redistributive objective has met with greater success than has the goal of reducing the unemployment rate. Specific policies to employ members of certain groups raised employment within those groups, such as the women on welfare in Supported Work (more on that below). The history of recent years shows, however, that the creation of public jobs has had little long-lasting effect in moving us toward full employment.

Experimentation and its lessons

Burtless and Haveman draw policy conclusions from three experiments or demonstrations that tested government intervention to improve the work effort and earnings of low-income people: the Seattle-Denver Income Maintenance Experiment (SIME/DIME, 1971–78), the National Supported Work Demonstration (1975–80), and the Employment Opportunity Pilot Project (1979–81).

The Seattle-Denver experiment

The dual purpose of this program was to assess the effects of varying levels of income guarantees (a form of negative income tax, NIT) and benefit reduction rates on the work effort of poor families, and to determine the effectiveness of subsidizing education and training for the breadwinners in those families. Its predecessor was the New Jersey Income Maintenance Experiment, devised, executed, and evaluated by researchers at the Institute for Research on Poverty.⁶ The details of the Seattle-Denver experiment and its diverse outcomes are available elsewhere;⁷ in their paper, Burtless and Haveman interpret several of its central findings.

Regardless of the level of their support, the income maintenance plans all reduced work effort. That outcome was not unexpected, but the amount of decline in labor supply was grist for the mill of those already ideologically opposed to negative income taxation, and it swayed those who had no previous opinion on the merits of an NIT. The authors offer correctives to the out-of-hand conclusion that income

FOCUS is a Newsletter put out three times a year by the

Institute for Research on Poverty
1180 Observatory Drive
3412 Social Science Building
University of Wisconsin
Madison, Wisconsin 53706

The purpose of *Focus* is to acquaint a large audience with the work of the Institute for Research on Poverty, by means of short essays on selected pieces of research. A subscription form with rates for our Discussion Papers and Reprints is on the back inside cover. Nonsubscribers may purchase individual papers from the Institute at \$3.50 for a Discussion Paper and \$2.00 for a Reprint. *Focus* is free of charge, although contributions to the University of Wisconsin Foundation–Institute for Research on Poverty Fund in support of *Focus* are encouraged.
Edited by E. Uhr.

Copyright © 1984 by the Regents of the University of Wisconsin System on behalf of the Institute for Research on Poverty. All rights reserved.

maintenance should be rejected because it reduces incentives to work. First, the guarantees tested in this experiment were high—much higher than the benefits currently available under Food Stamps and Aid to Families with Dependent Children (AFDC). Second, just as Gottschalk found that labor market policies were sometimes judged by criteria derived from varying objectives, Burtless and Haveman question the premise that the chief objective of income maintenance is to encourage work effort:

In fact, the primary objective of an NIT is to protect the living standards of people who would otherwise be destitute, and to do so in an equitable and efficient way. The contribution of the NIT program to this objective, it should be noted, has received only slight attention in the hundreds of research reports filed on the NIT experiments—this in spite of the fact that the tested NIT plans were potentially quite effective in attaining that goal.⁸

The education and training component in the SIME/DIME experiment consisted of vouchers that low-income participants could use for courses at any educational institution, whether vocational or not, as well as a structured course of manpower counseling to help participants decide on an appropriate strategy of employment, education, and training. In some cases only counseling was offered; in others all of the costs of education and training were underwritten; in others half of the costs were subsidized.

The results were not encouraging. Participants' earnings and employment declined not only in the short run, which could be attributed to their being in school, but also in the long run: over the six years for which information is available, there were no consistent earnings gains from education and training. Why? The authors point to three factors: the type of schooling chosen often had little relevance to the participant's labor market situation; the amount of schooling on average was very small; and the economy was entering a recession just when the participants were trying to find jobs.

Because preceding employment and training programs for the poor had been criticized as too rigid and paternalistic, the education and training decisions in Seattle and Denver were basically left up to the participants. Burtless and Haveman conclude that the low-income workers in the experiment were no more successful at selecting a winning employment strategy than were the administrators and specialists in charge of training and employment programs.

Supported Work

As described in the final report volumes and in an earlier issue of *Focus*,⁹ the success of Supported Work rested primarily with the improved condition of long-term AFDC recipients, whose employment rates, hours worked, and earnings rose appreciably during and after the program. Ex-addicts were helped to some extent, ex-convicts less so, problem youth scarcely at all. Burtless and Haveman

emphasize that the success of the AFDC women is consistent with results from other employment programs: disadvantaged women derived the greatest program benefit from CETA, and single women with children were the only group that registered a positive effect from the counseling offered at Seattle and Denver. Similarly, unmarried women seemed to benefit most from another program, the ill-fated Employment Opportunity Pilot Project (EOPP).

Pilot demonstrations

"It is said that we learn from our mistakes. If this were true, EOPP should have been one of the most richly informative demonstrations ever undertaken."¹⁰ Started by the Carter administration, the demonstrations were initially intended to gauge the effects of the jobs program that was contained in Carter's welfare reform package. Alarmed over the Seattle-Denver results concerning work effort, the administration proposed in its reform program to require certain welfare recipients to accept public service employment if they could not find jobs in the private sector. The objectives of the project then changed, even before it began in 1979. To the guaranteed jobs concept was added job-search assistance for the hard-core unemployed. The goals changed once again when President Reagan took office in 1981 and stopped enrollments for the public service positions. A few months later the project was terminated altogether. This somewhat confused history of the demonstrations makes it difficult to attempt an overall assessment, although Burtless and Haveman outline a few conclusions that could be drawn. First they describe how the demonstrations operated.

The program offered forms of job-search assistance for a few weeks and then, if participants did not find work, a subsidized employment or training position for up to a year, after which the job-search effort began again. Participation was restricted to low-income heads of households containing children.

Despite considerable program variation across program sites, a consistent result was the surprisingly low take-up rate for the employment positions offered. Only one in three of the AFDC recipients who were required to enroll for the Work Incentive program, and therefore obligated to seek work, enrolled in EOPP, although the program was heavily advertised within that group. Of those who were not AFDC recipients but were eligible for jobs, only 8 percent enrolled for job placement. Burtless and Haveman conclude that the offer of a public service position paying from one to two times the minimum wage is apparently not as attractive as has sometimes been assumed. They note, however, that bureaucratic hurdles were undoubtedly a discouraging factor.

The search assistance did seem effective in helping participants find jobs. About 30 percent of those who received help succeeded in landing jobs, and single mothers especially benefited from assistance.

Another finding concerns the effectiveness of job vouchers, a program variant tested at one of the sites. Employers hiring workers with the vouchers could receive a subsidy for part of the wages paid, which would seem to have provided inducement to hire. Yet vouchered job seekers turned out to be significantly less likely than unvouchered participants to obtain employment during the search period. Stigma? Apparently so, and the authors feel that this explanation may also apply to our little-used wage subsidy program, the Targeted Jobs Tax Credit.

Policy implications

From these three experiences Burtless and Haveman derive several lessons concerning social experiments or demonstrations that are designed to assist the poor in the labor market:

As an empirical fact, policies about which there is strong disagreement are the ones most likely to be subject to rigorous experimentation. . . . Programs aiding the able-bodied poor are among those with the weakest popular mandate, and hence their reform will nearly always inspire deep controversy. It is unclear whether experimentation per se can shed much light on the main points at issue—the demands of equity, the nature of a fair distribution, and the limit of society’s obligation to help those who are at least partly able to help themselves. . . . Society is not even-handed in subjecting programs for the poor and nonpoor to experimental investigation. It has not examined transfers to the nonpoor with the same degree of intensity as it has examined those to the poor. We should therefore not be surprised that experimental scrutiny has been less kind to programs designed to benefit the poor. There is a moral here, and it is illustrated in the three experiments we have considered: if you advocate a particular policy reform or innovation, do not press to have it tested.¹¹

Present programs and future directions

In 1982 the Job Training Partnership Act (JTPA) replaced CETA. Put in place in October 1983, it is characterized by decentralized administration, emphasis on the private sector, and a focus limited to job training for poor youths and permanently displaced workers. Public service employment ended with JTPA. The program grants federal funds to the states for administration of training at the local level, where advisory councils composed of members from private industry devise the training plans. Living expenses of trainees are not covered, as they were under CETA. Although it is too soon to judge the effectiveness of the program, it has the advantage in Gottschalk’s terms of containing a specific (if limited) objective: training a relatively small number of clients, with advice from the private sector.

Another employment program proposed under the Reagan administration would permit “enterprise zones” to be

Order forms for FOCUS and other Institute publications are at the back. Subscribe now to our Discussion Paper Series and Reprint Series.

established in a number of low-income areas. This program also reflects a tilt toward the private sector. Using the model of Hong Kong as a free trade zone, it would allow federal tax credits and substantially reduced regulations for employers who set up plants in such severely depressed areas as the South Bronx. It would also encourage state and local governments to improve public services in the zones. The proposal has so far failed to gain congressional approval, although a number of states have passed legislation to permit their own versions of it.¹²

Workfare

The welfare reforms introduced by the Reagan administration in 1981 included a provision allowing states to implement what is formally titled the Community Work Experience Program (CWEP), commonly termed “workfare.” Under it states can require employable recipients of AFDC to perform community work in exchange for their benefits. The work may take the form of such activities as improving parks or serving as a teacher’s aide, and the number of hours the recipient must work is equal to the individual’s grant divided by the minimum wage.

By the end of 1983, half of the states had adopted the program, most of them implementing it in only a few counties, as a sort of trial. Implementation has varied widely in terms of program scale and in selection of particular segments among the eligible welfare population. West Virginia has put 70 percent of its employable AFDC-UP (providing aid to needy children of unemployed parents) recipients to work under CWEP; other states have guided participants into job search rather than job performance; and in some cases the public service jobs vacated when CETA was eliminated seem to have been converted to CWEP slots.¹³

The workfare program differs from the Work Incentive (WIN) component of AFDC, enacted in 1967 and still in existence, by mandating work in an amount determined by benefits received. The participants are not paid employees; the possibility of wage increases in return for work well done does not exist, because there is no wage. The program

is administered solely by welfare agencies, without the collaboration of federal and state employment offices. WIN, on the other hand, is a registration program intended to move employable welfare recipients into the work force. It has never been fully effective owing to funding limitations and lack of employment opportunities for its clients. Administered jointly by welfare and labor departments, it requires "employable" AFDC recipients to register for an assessment of their skills, job training, and employment placement. Over the years few of the registrants have actually received training or placement; many have remained on hold, in an unassigned recipient pool.¹⁴ (In an effort to remedy these defects, the 1981 legislation also permitted states to experiment with three-year WIN demonstration programs of their own devising. So far, twenty states have set up such demonstrations.)

The term "employable" as applied by WIN and CWEP is defined by its exceptions: it covers all AFDC recipients except those with children under 6 (or younger for CWEP, if adequate child care is available), full-time students, the disabled, those of advanced age, those who need to care for an ill or incapacitated family member, and those who work 30 hours or more a week.

Workfare is both controversial and problematic. Supporters consider it only fair that those receiving public aid be asked to give something to the community in return; opponents consider the work requirement demeaning and punitive, in effect exploiting those in need. Problems have been encountered in designing and administering this new program during a period marked by budget cuts, recession and its aftermath, and implementation of the welfare rule changes of 1981. To test the program's effectiveness, the Manpower Demonstration Research Corporation is carrying out a four-year evaluation project.¹⁵

Future possibilities

What will become of employment programs for the poor is uncertain, but a new study issued by the Brookings Institution strongly urges specific directions in which to move.¹⁶ Alice Rivlin, former director of the Congressional Budget Office, makes the point that well-designed job training and placement programs stand a better chance of succeeding in an improving economy with a declining unemployment rate. In contrast, the programs of the recent past were carried out in a period of low economic growth, high unemployment, and high inflation. Furthermore, in the near future a demographic population shift offers a new opportunity for escape from poverty. The cohort of young people entering the labor market in the coming years consists of those born after the baby boom ended. They can be expected to encounter less crowding and competition in the market. Circumstances will be propitious for efforts to improve the education, training, job experience, and motivation of low-income youth, who now constitute a significant portion of the poverty population and who typically live in households headed by women, a group afflicted by high poverty rates.

Institute Publications

Gary Burtless and Robert Haveman, "Policy Lessons from Three Labor Market Experiments." IRP Discussion Paper no. 746-84.

Peter Gottschalk, "U.S. Labor Market Policies since the 1960s: A Survey of Programs and Their Effectiveness." IRP Discussion Paper no. 730-83.

John Bishop and Glen Cain, "Evaluating the Targeted Jobs Tax Credit." IRP Special Report no. 29 (1981).

Thomas Corbett, Stanley Masters, and James Moran, "Tax Credits to Stimulate the Employment of Disadvantaged Workers." IRP Special Report no. 31 (1981).

Rivlin cites the success of a demonstration project, the first guaranteed jobs program for low-income young people, initiated under the Carter administration. The Youth Incentive Entitlement Pilot Projects gave poor teenagers who lacked a high school diploma summer jobs and part-time jobs during the school year so long as they continued their schooling. In its two and a half years, 1978 to 1981, public and private employers hired 76,000 young people at 17 sites around the nation. The results were encouraging overall, particularly among blacks. A recent evaluation found that the participation rates were high (73 percent among blacks 15-16 years old), that job incentives to stay in school worked well in inducing the students to complete their studies, that the employment of black youth not only equaled that of white youth but that blacks tended to stay on their jobs longer than whites, and that the employment of young black women rose to a rate one-third higher than that of young white women.¹⁷ The program thus provided firm evidence that the low employment rate among young blacks is not voluntary. The study also showed that black youths in those areas where the program was carried out later earned \$10.50 a week more than their counterparts in comparison sites where the program was not available.

In addition to recommending that a program like the Youth Incentive project be implemented nationally, Rivlin endorses measures to increase the attractiveness of work among low-income parents who might otherwise turn to welfare. The tax code at present allows credit for child day care expenses only if a single parent earns enough to owe taxes. Rivlin's study urges that the tax credit be eliminated in favor of a universal, taxable grant to cover both formal and informal child care and other work-related expenses.

By aiding poor teenagers on the one hand and single parents on the other, these two employment-oriented policies hold promise for reducing the numbers of the poor by helping them earn their way over the poverty threshold. If the necessary public sentiment and motivation among policymakers can be aroused, it seems likely that economic and demographic conditions could permit employment programs for the poor to succeed in the 1980s. ■

¹Gilder, *Wealth and Poverty* (New York: Basic Books, 1981), p. 190.

²Charles F. Adams, Jr., Robert F. Cook, and Arthur J. Maurice, "A Pooled Time-Series Analysis of the Job-Creation Impact of Public Service Employment Grants to Large Cities," *Journal of Human Resources*, 18 (1983), 383-94.

³Laurie J. Bassi, *CETA—Is It a Cost Effective Method for Increasing the Earnings of Disadvantaged Workers?* (Washington, D.C.: The Urban Institute, 1982).

⁴*Ibid.*, and Howard S. Bloom and Maureen A. McLaughlin, *CETA Training Programs: Do They Work for Adults?*, study by the Congressional Budget Office (Washington, D.C.: U.S. GPO, July 1982).

⁵For a discussion of the program's structure and recommendations covering its development, see John Bishop and Robert Haveman, "Targeted Employment Subsidies: Issues of Structure and Design," IRP Special Report no. 24 (1978).

⁶See *The New Jersey Income-Maintenance Experiment: Vol. 1, Operations, Surveys, and Administration*, ed. David Kershaw and Jerilyn Fair (1976); Vols. 2 and 3, *Labor-Supply Responses and Expenditures, Health, and Social Behavior*, ed. Harold Watts and Albert Rees (1977). All three volumes are in the IRP Monograph Series, published by Academic Press, New York.

⁷U.S. Department of Health and Human Services, Office of Income Security Policy, *Overview of the Seattle-Denver Income Maintenance Experiment: Final Report* (Washington, D.C.: U.S. GPO, 1983).

⁸Gary Burtless and Robert Haveman, "Policy Lessons from Three Labor Market Experiments," IRP Discussion Paper no. 746-84, p. 7.

⁹The results are summarized in Manpower Demonstration Research Corporation, *Summary and Findings of the National Supported Work Demonstration* (Cambridge, Mass.: Ballinger, 1980). See also *Focus* 5:3 (Summer 1982), 1-7.

¹⁰Burtless and Haveman, pp. 15-16.

¹¹*Ibid.*, pp. 26-27.

¹²See Samuel R. Pierce, Jr., "Enterprise Zones: A Major Gain for the Nation," *Journal of the Institute for Socioeconomic Studies*, 9 (Summer 1984), 1-8; and Rochelle L. Stanfield, "Legislative Action on Enterprise Zones," pp. 8-11 of the same issue.

¹³Judith M. Gueron and Richard P. Nathan, "The MDRC Work/Welfare Project: Objectives, Status, Significance," paper prepared for the Fifth Annual Research Conference of the Association for Public Policy Analysis and Management, Philadelphia, Pa., October 22-23, 1983, p. 34.

¹⁴U.S. House of Representatives, Committee on Ways and Means, *Background Material and Data on Programs within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. GPO, 1984), pp. 329-30.

¹⁵A detailed description of the demonstration is given in Gueron and Nathan.

¹⁶Alice M. Rivlin, "Helping the Poor," in *Economic Choices: 1984*, ed. Rivlin (Washington, D.C.: The Brookings Institution, 1984), pp. 168-70.

¹⁷Judith M. Gueron, *Lessons from a Job Guarantee: The Youth Incentive Entitlement Pilot Projects* (New York: Manpower Demonstration Research Corporation, June 1984).

Small grants: New competition and Round III awards

New competition

In association with the Office of the Assistant Secretary for Planning and Evaluation at the Department of Health and Human Services, the Institute is sponsoring another Small Grants Program for research on a variety of poverty-related topics. Program guidelines will be available by the end of December 1984. The grants will fund research for the summer of 1985. The application deadline is March 1, 1985. Further information on obtaining program guidelines can be obtained by writing to Elizabeth Evanson, Institute for Research on Poverty, 3412 Social Science Building, 1180 Observatory Drive, University of Wisconsin, Madison, Wisconsin 53706.

Round III awards

Awards in the competition for work to be carried out during the academic year 1984-85 were announced in August 1984. The following grants were made:

- *Changing Family Structure and Government Policy for the Defeminization of Poverty*

The research will focus on the causes of the feminization of poverty as well as study the success of various employer-provided training programs and the effectiveness of government policies to reduce poverty among women.

Principal Investigators: Thomas Kniesner, University of North Carolina at Chapel Hill, and Marjorie McElroy, Duke University.

- *Poverty in the Press: News Media, Public Opinion, and Policy toward the Poor*

This study will explore such factors as the effects of news reporting on the ability of lower-status citizens to identify their political self-interest. It will draw implications for public policies toward the mass media.

Principal Investigator: Robert Entman, Duke University.

- *Social Security and the Wealth Holdings of the Poor*

How do social security entitlements affect the wealth position of the poor compared to other income classes?

Principal Investigator: Edward Wolff, New York University.

- *Working Off of Welfare: The Earnings Route to Self-Sufficiency*

This research will explore the means by which welfare mothers earn their way off the rolls.

Principal Investigator: David Ellwood, Harvard University.