

From the Executive Director

The Grant Program is an integral component of the Institute's research agenda. It leverages our resources and capabilities to address important policy issues, and it provides an opportunity for the staff to learn about the various issues that researchers find important. Each year we receive about 75 pre-proposals on a variety of topics related to employment policy.

Two years ago we redesigned the grant selection procedure with two purposes in mind. First, we wanted to streamline the procedure in order to reduce the burden on applicants. In the past we had asked each applicant to submit a full 15-page proposal. Now, we ask for an initial three-page summary of the proposed research. The selection committee then invites about a dozen researchers to submit full proposals, and funds about half. Because the two-part procedure takes more time than the single submission, we have only one grant cycle each year instead of two.

Second, we wanted the research to be more focused, without dictating the research agenda. Striking the right balance between being a passive and active participant in the grant process is difficult. We wanted to be able to develop research around specific areas that we and others find important, while remaining open to new ideas. During the last two grant rounds, we gave higher priorities to topics related to employment relationships, low wages and public policy, and decentralization of government-sponsored employment programs. We also accepted and funded proposals that addressed a broader range of employment issues.

The topics that we emphasize result from our annual planning process. Each fall, we begin this process by convening the Institute's Research Advisory Group. The group is comprised of prominent researchers and policy analysts from universities, research organizations, government agencies, and foundations. During a day-long meeting, members share their perspectives on issues that they believe are important now and in the near future. It was a recommendation of the advisory group that led us to revamp the grant program. The senior staff considers these suggestions at a planning retreat and develops a research agenda that provides a framework for Institute research and for the grant program.

During the last two years, we have funded research that addresses the three focus areas as well as other important policy issues. Three grants concentrate directly on low-wage labor markets. Sherrie Kossoudji (University of Michigan) is investigating post-welfare employment in the city of Detroit. By focusing intensively on one city, she is able to address issues such as the variety of work opportunities in neighborhoods, the impact of neighborhood environment on job prospects, and the ability to tailor training programs to the needs and opportunities of inner city residents. Another grant focuses on the likelihood of welfare recipients finding jobs in New York City. Through a survey of 5,000 AFDC recipients, Anne Hill (Baruch College) compares the relative effectiveness of different public and private training programs of placing welfare recipients

into jobs. Mary Corcoran (University of Michigan) extends the issue of low-wage policy to look at trends in women's employment outcomes and wage growth among African Americans, Mexican Americans, mainland Puerto Ricans, and non-Hispanic whites.

Several studies focus on employment relationships. A group headed by John Turner (International Labour Office) is exploring whether U.S. and Canadian workers are bearing greater financial risk related to employment because of the increase in contingent workforces and changes in health insurance coverage, pensions, social security, and workers' compensation. Barbara Morgan (Florida State University) uses a unique data set to analyze the determinants of return to work among employees who file claims for workers' compensation in Florida. Thomas Saving (Texas A&M University) investigates alternative means of financing and structuring the Medicare program. The aging of the baby boomers has placed many pay-as-you-go social assistance programs in financial jeopardy, and Dr. Saving examines in detail labor market and other implications of recently proposed fully funded options.

Two projects examine the efficacy of local economic development incentives. Alan Peters and Peter Fisher (University of Iowa) are evaluating the effectiveness of enterprise zones in creating jobs for economically depressed areas of local communities. John Anderson (University of Nebraska) and Robert Wassmer (California State University) use the 112 municipalities in the Detroit area as a rich laboratory to investigate the adoption, use, and effectiveness of local incentives in promoting growth in those communities.

Lori Kletzer (University of California, Santa Cruz) extends the Institute's previous research on job displacement to provide a detailed examination of the relationship between changes in international trade and job displacement among U.S. manufacturing workers. Julian Betts (University of California, San Diego) traces the linkage from school resources to student achievement to labor market outcomes in looking at the issues of whether money matters in improving school effectiveness.

Promoting high-quality and pertinent research such as the projects described above and placing the results in the hands of researchers and policy makers is one goal of the Institute. We are pleased with the response to our Grant Program and with the publications that result directly from the funded projects. We encourage you to consider submitting a proposal. The next round begins in January, and more information is available on our web site (www.upjohn.org).

Randall W. Eberts