Evaluating Federal Support for Poverty Research (1979)

Pages
125

Size
5 x 9

ISBN
0309028949

Committee on Evaluation of Poverty Research; Assembly of Behavioral and Social Sciences; National Research Council

Evaluating Federal Support for Poverty Research

Committee on Evaluation of Poverty Research
Assembly of Behavioral and Social Sciences
National Research Council

NATIONAL ACADEMY OF SCIENCES
Washington, D.C. 1979

NOTICE: The project that is the subject of this report was approved by the Governing Board of the National Research Council, whose members are drawn from the Councils of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. The members of the Committee responsible for the report were chosen for their special competences and with regard for appropriate balance.

This report has been reviewed by a group other than the authors according to procedures approved by a Report Review Committee consisting of members of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine.

International Standard Book Number 0-309-02894-9

Library of Congress Catalog Card Number 79-89146

Available from

Office of Publications
National Academy of Sciences
2101 Constitution Avenue, N.W.
Washington, D.C. 20418

Printed in the United States of America

COMMITTEE ON EVALUATION OF POVERTY RESEARCH

MEMBERS

WILLIAM R. MOFFAT (Chairman), Graduate School of Business, Stanford University
HUGH HECLO, Department of Government, Harvard University
CHRISTOPHER S. JENCKS, Department of Sociology, Harvard University
ROBERT L. KAHN, Institute for Social Research, University of Michigan
JOYCE A. LADNER, Department of Sociology, Hunter College
LANCE LIEBMAN, Law School, Harvard University
JOHN L. PALMER, Brookings Institution
HAROLD ROSE, Department of Afro-American Studies, University of Wisconsin
GUSTAVE SHUBERT, RAND Corporation
LESTER C. THUROW, Sloan School of Management, Massachusetts Institute of Technology
ALAIR A. TOWNSEND, House Budget Committee, U.S. Congress
ARNOLD R. WEBER, Department of Economics, Carnegie-Mellon University

Staff

VINCENT T. COVELLO, Study Director
JANIE R. FOOTE, Secretary

CONTENTS

APPENDIXES

PREFACE

The Committee on Evaluation of Poverty Research has completed a 15-month evaluation of the quality and impact of the work of the Institute for Research on Poverty at the University of Wisconsin in the context of an overall assessment of research on poverty and the role of this research in federal policy formation. The study was undertaken at the request of the Office of the Assistant Secretary for Planning and Evaluation of the U.S. Department of Health, Education, and Welfare.

The committee was asked to consider four subjects: (1) the state of research on poverty and important directions for future work; (2) the pattern of support for research on poverty; (3) the role of research on poverty; and (4) the contribution and impact of the Institute for Research on Poverty. Following the summary, the report takes up these subjects in Chapters 1 through 4.

Ours was the second committee of the National Research Council to carry out such a review; the first was the Advisory Committee for Assessment of University Based Institutes for Research on Poverty, chaired by Richard R. Nelson, which was formed at the request of the Office of Economic Opportunity. Chapter 5 of our

report contains a brief comparison of the two committees' reports. In the case of both committees the federal sponsors were implementing a conscious strategy of evaluating the work of the Institute for Research on Poverty taken as a whole over an extended period of time rather than project-by-project or year-by-year. This strategy has been based on the institute's role, since its founding in 1966, in the overall research plans of first the Office of Economic Opportunity and then the Department of Health, Education, and Welfare, as a small but continuing program of academic research limited only by the rather broad boundaries of "the nature, causes and cures of poverty." The federal sponsors have hoped that sustained support of a university-based institute, as one element of a far broader research effort, would produce distinctive benefits in the long run. Our predecessor committee found this hope to have been justified in 1971; it was a central task of our committee to look at the question again in 1978.

Our task was a very broad one. Necessarily, as the report shows, we were unable to treat all aspects of it in equal detail, but our aim was to produce a report that would be helpful to both sponsors of federal research and those carrying it out.

There are two things the committee did not do extensively, or at all, of which the reader deserves warning. First, we did not attempt to resolve the questions of what poverty is or is not, what kinds of research are and are not truly research on poverty, or what line of research gets at the core problem of poverty best. In Chapter 1 we do suggest research we think should receive more emphasis, and we offer there some examples of research areas that have been relevant to poverty in the past, but we do not go further even though it might seem reasonable for us to have done so. The question of how poverty should be measured for official statistical purposes is, of course, one of great importance to policy, but we were not asked to consider it. What constitutes being at the low end of the distribution of social welfare is a highly complex matter that has received much research attention, but the issues are hardly resolved and a committee such as ours could not resolve them. Perhaps the most important reason we did not try to narrow the field of research on poverty, either by defining its precise boundaries or by selecting for emphasis one or more core problems within it, is spelled out in some detail in our evaluation of

the Institute for Research on Poverty. We concluded that the concept of poverty as it stood was about right as a guiding focus for research, precise and narrow enough to provide a workable standard of relevance but broad and flexible enough to permit healthy variety and evolution of the disciplines, techniques, and hypotheses used to investigate it. Some lines of inquiry on poverty are clearly more mature than others, and each of the committee members undoubtedly has preferences as to the most promising projects that should be started next. As a group, however, we did not conclude that one or a few core research problems had now been identified that would justify major or exclusive emphasis, much as one might wish that were the case.

Second, some readers may regret the choice made by the committee between emphasis on the institutional setting within which research on poverty is supported, executed, and used and emphasis on the substance of that research itself. We comment on both, but our main vehicle for a review of research on poverty is the series of papers that we commissioned, a number of which are gathered in a companion volume to this report. We urge that the papers be read along with the report so that the balance of our efforts will not be misunderstood, and we also urge that readers fully consider our remarks on the institutional setting of research on poverty, which we hope will be useful.

We have attempted to create as broad a view of the subject as possible, both by the diversity of our own committee membership and by soliciting the views of others. A series of papers was commissioned; letters of inquiry were addressed to a large number of potentially interested people; and a survey of the current poverty research activities of selected federal agencies was carried out by the study director. Besides capitalizing on our members' experience with poverty research both inside and outside the government, the committee drew on the ideas of a number of present and former government officials and students of the research and policy process; their names are listed in Appendix B. Ultimately, this is a consensus report: taken as a whole, it is accepted by all members of the committee, though it should be emphasized that none of us ncessarily agrees with each point in it.

The committee was ably assisted by Vincent T. Covello, study director, and by Waldena Banks and Janie R. Foote, who served at different times as secretary.

The committee also takes note of the intellectual as well as administrative support provided by several other staff members of the Assembly of Behavioral and Social Sciences: David A. Goslin, executive director; Lester P. Silverman, former associate executive director; Robert B. Shelton, associate executive director; and Eugenia Grohman, executive associate/editor. Finally, the committee received the expert assistance of Christine L. McShane, who edited the report and prepared it for production.

To all who assisted the committee in carrying out its work, we wish to express our deep thanks.

WILLIAM R. MOFFAT, Chairman
Committee on Evaluation of Poverty Research

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

THE STATE OF RESEARCH ON POVERTY AND IMPORTANT DIRECTIONS FOR FUTURE WORK

Over the last decade there has been vigorous and productive research on poverty, and such work continues today. However, there are possible new lines of research that would add desirably to the heterogeneity of research on poverty.

The Pattern of Support for Research on Poverty

Research on poverty is a significant portion of federal social research, and of particular importance are two department-level policy offices, the Office of the Assistant Secretary for Planning and Evaluation (ASPE) in the Department of Health, Education, and Welfare (HEW), and the Office of the Assistant Secretary for Policy Development and Research (ASPDR) in the Department of Housing and Urban Development (HUD).

Despite the pressures of its organizational position and the reduction in real terms of its poverty research

budget, ASPE continues to be an excellent supporter of poverty research.

Unless there is a program of research into poverty itself, cutting across the jurisdictions of all government departments if necessary, the basic nature of poverty may be missed and major research payoffs foregone. Such a program is now the charge of only one agency--ASPE. Therefore, the committee recommends that the secretary of HEW and the assistant secretary for planning and evaluation support ASPE's poverty research function strongly with funds and personnel, and take steps to prevent its being eroded by the bureaucratic and short-term pressures of ASPE's position.

THE ROLE OF POVERTY RESEARCH IN FEDERAL POLICY FORMATION

Research on poverty has had substantial use in policy making.

ASPE has been successful in both its departmental and supradepartmental roles as a chief link in the channels of use of poverty research in policy making.

THE CONTRIBUTION AND IMPACT OF THE INSTITUTE FOR RESEARCH ON POVERTY

General Evaluation of the Institute for Research on Poverty

The institute has been an exceptionally successful vehicle for support of research by the federal government.

Strengths of the Institute for Research on Poverty

The concept of the "the nature, causes and cures of poverty" has been a source of strength as a focal principle for the institute's work and should be continued.

The institute has substantially enhanced the amount of high-quality poverty research being done.

The institute has raised the degree of policy relevance of the research done by people associated with it.

The institute's core grant from the Office of Economic Opportunity and HEW has been essential to its success.

Based on these conclusions, the committee recommends that the institute's core grant be continued by HEW at approximately its present level of $1.6 million in real terms.

Areas of Possible Improvement

While the core grant has been an important source of strength for the institute, exclusive reliance on one-year funding does not properly encourage all of the results HEW seeks. Therefore, the committee recommends that three-fourths of the institute's core grant remain one-year funds given one year in advance and that one-fourth be designated five-year funds.

Communication between HEW and the institute is inadequate, and both the level of knowledge in Madison of the terms of the poverty policy debate and the acquaintance in Washington with the full range of poverty research suffer as a result. Therefore, the committee recommends that HEW and the institute improve their communication and that the institute extend its acquaintance with policy beyond that of HEW.

The institute is not sufficiently exercising a leadership role in the process of setting the poverty research agenda for the social science community as a whole. Similarly, the institute's explicit discussions about setting its own research agenda and the analytic effort it devotes to evaluating which alternative lines of research should receive funding are inadequate. Therefore, the committee recommends that the institute devote significant effort to activities that will throw light on its choice of agenda.

Some disciplines and modes of research are not sufficiently exploited at the institute. Therefore, the committee recommends that the institute support a limited amount of work done elsewhere as a partial remedy to this problem.

There is an insufficient number of minority researchers on the staff at the institute. Therefore, the committee recommends that the director and the relevant department chairman change student and faculty recruitment methods to increase the number of offers made to members of minorities who have or may develop an

interest in poverty research. The committee also recommends that faculty from minority institutions be asked to come to Madison whether outside funding can be obtained or not.

Based on several of its conclusions concerning possible improvements at the institute, the committee recommends that the institute make extended full-time staff appointments.

1

THE STATE OF RESEARCH ON POVERTY

WHAT IS POVERTY RESEARCH?

Much of social science is potentially poverty research, since it deals with human behavior, and findings are likely to have at least some application to people who are poor. In the work of this committee we have not found it necessary to try to define rigorously what we include as poverty research and what we rule out.

Poverty is a subtle phenomenon; what constitutes being at the low end of the scale of social welfare, and how one measures who is there and who is not for either research or official statistical purposes, are questions the committee was not asked and did not feel it should try to answer. Those questions are basic to the enterprise of research on poverty, but not to the charge of this committee.

Similarly, establishing strict boundaries for what did and did not qualify as research on poverty was neither necessary nor desirable, though the committee does suggest later in this chapter some ways in which it believes that research on poverty should be redirected and extended.

The work of researchers who claim to be studying poverty has struck us as being generally defensible by the criterion of relevance to the situation of poor people and to public policies concerning them. There seems to be little quarrel with this criterion for the center of the field, even though there may be less clear agreement on boundaries. Major general areas of past research that frequently have some bearing on the poor are studies on economic status and inequality; unemployment; underemployment; the operation of labor markets; public income transfer programs; status attainment; social mobility; education; household decision making; demographic behavior; race, segregation, and discrimination; legal, political, and administrative systems; disability; health; aging; housing; evaluation of social programs; cross-national poverty policy; and the collection of data in support of any of these areas of research. We do not intend this to be a complete listing, only an indication of the center of the field. And we would include not only studies of the poor themselves but also studies of the systematic social processes that tend to cause or perpetuate poverty.

The committee has concerned itself primarily with research on poverty that in some way illuminates policy issues, since federal support for such research is our subject, and the most direct (but not the only) justification for such support is to improve policy. We have also limited ourselves to research in which is intended a component of knowledge creation, beyond the application of existing knowledge. Such policy research can be quite removed from immediate applicability to current official agendas and still be included in our purview; development of new methods of statistical inference was necessary in the design and the analysis of data from the early negative income tax experiments, for example, and in some ways the methods themselves are as important as any of the substantive accomplishments of those pioneering efforts. Some of the most important changes over the past decade in views toward poverty have come from changed concepts of how poverty should be defined and improved data for measuring it, work that permits new policy thinking but is not directly aimed at the development of programs.

POLICY ON POVERTY

The amelioration of poverty was frequently listed as a major item on the national agenda from the early 1960s until the early 1970s, but the center of apparent public concern is now elsewhere. The question must therefore be asked whether federal support of research on poverty is still justified.

Our interpretation of the course of policy concern is that the war on poverty was composed of a set of decentralized programs, many of which existed before the 1960s and essentially all of which still exist today. The official war came and went, but the efforts it involved are of continuing or even growing importance: programs concerning employment, jobs, welfare, social services, social security, health, education, housing, community action, and civil rights. These programs are not jointly managed, but the situation and behavior of people in poverty is important to them all. In this sense the term poverty may be a more useful descriptor of a program of research than it has been of a policy. The political system produces a high level of attention to policies affecting the distribution of income and welfare, but little to the distribution *per se*. However, research that throws light on family structure, work behavior, economic status, or the relationship between the education and the income of the disadvantaged, for example, is likely to be of importance to many different policies, so that what is not unified at the policy level is more nearly so at the research level.

We conclude that although eliminating poverty is not at the moment a primary national policy objective, there exists an important continuing set of social problem-solving activities centering on the poor, and hence a potential for useful policy research. Moreover, the goal of reducing poverty may return to prominence on the national agenda, and sound research management should anticipate that development.

EVALUATION OF THE STATE OF POVERTY RESEARCH

The committee concludes that over the last decade there has been vigorous and productive research on poverty, and that such work continues today. Much of it has been federally supported; we outline in Chapter 2 the pattern

of federal support, which in recent years has amounted to about $90 million annually for poverty research broadly defined. Poverty research has been diverse in its funding, its performers, and its methods. Much of the work having an important bearing on poverty is actually a part of research programs focused on other policy areas, such as housing, unemployment, or social insurance. On the whole, we believe that poverty research shows continuing signs of health, with both new work and new people currently adding to its vigor and interest.

The committee concludes that there are possible new lines of research that would add desirably to the heterogeneity of research on poverty. Our review of poverty research was based on our own acquaintance with it, conversations with other researchers, replies to our letters of inquiry, and the contents of the papers we commissioned, which are published as a separate volume (Covello 1979). The main objective of the review was to determine the extent to which lines of research that hold promise of advancing the understanding of poverty are not fully exploited. While in the past poverty research has been diverse, work has been heavily concentrated in certain areas, for example, the microeconomics of labor supply and the human capital approach to income distribution. The yield of these and a number of other lines of research has been substantial, and important work no doubt will continue to be done in them, but barring new theoretical developments or the creation of major new sources of data, we believe that knowledge of poverty may be well served by increased relative emphasis on lines of work that appear now to be less mature and less completely exploited. Our review has not been sufficiently comprehensive to produce a complete agenda for such research, but it did suggest a number of areas we believe are highly promising for increased emphasis.

The committee commissioned a volume of papers in order to explore the promising lines of future research in particular disciplines (Covello 1979). The authors of these papers include sociologists, economists, psychologists, and political scientists. The papers, representing a variety of approaches to research, deal with such issues as income maintenance and transfer systems; legal, political, and administrative systems affecting the poor; status attainment, social mobility, and education; segregation and discrimination; the

economic and demographic behavior of families; employment strategies and the operation of labor markets; community organizations and the political mobilization of the poor; and the evaluation and implementation of antipoverty programs. They focus on the questions: What have been the major contributions of research on poverty to an understanding of the issues? What are the promising areas for future research?

One area that deserves increased emphasis is job discrimination, which is discussed by James McPartland and Robert Crain in the commissioned volume. Much of the microeconomic research on labor market discrimination has been indirect, in the sense that discrimination was defined residually as the difference in outcomes among worker groups that could not be explained by other factors. We believe that there should be direct investigation of the worker selection processes of employers, and of the social processes that lead certain groups of workers to apply with differing frequency for jobs in certain occupations. In an era of affirmative action, the need is acute for far better knowledge of worker mobility paths and processes than is now available. In studying these processes, research should attempt to illuminate the interrelationships among poverty, discrimination, occupations, and industries.

A closely related issue for economists is the area of modeling the demand for labor by firms. Guy Orcutt, Alice Nakamura, and Masao Nakamura deal with this issue in their paper in the volume. Most work on wage determination has focused on personal or family attributes affecting wages, not on the behavior of employers as such. Likewise the effects on labor markets of unions and government regulation need further systematic study.

Another such area discussed by Thomas F. Pettigrew is the application of social psychological theories of social deviance and the model of labeling to the general question of how the poor and the nonpoor react to poverty and to each other. Important practical questions of program administration and public acceptability turn on the attitudes that people develop about poverty and the programs dealing with it. Going beyond a mere polling of attitudes and causally relating the forms of public intervention to the reactions of those involved may require such techniques as analyzing

poverty in the light of theories of deviance and studying the effects of labeling people as poor on the attitudes and behavior of both those labeled and those doing the labeling. Theories of deviance have been fruitfully applied to other phenomena, but not yet extensively to poverty.

Michael Lipsky explores the implications of the fact that the lives of poor people are affected by government far more directly than in the past and far more than are the lives of other citizens. Generally, programs are developed with only limited awareness of the institutional arrangements that will be required for their implementation: the delegated decisions that will be required, the official distinctions that will be made, the information that will be collected, the labels that will be pinned. Scholars of law, economics, and public administration have begun to focus on the institutions of government regulation of economic and social affairs; a great deal of work remains to be done, however, before we will understand even minimally the consequences of different sorts of programmatic arrangements for the individuals affected and for achievement of the diverse goals the programs seek to pursue. Designing programs that will work better may well be necessary to achieving political support for these programs. Research has a far greater role to play in this process than it has played so far.

Both Edward M. Gramlich and Ernst Stromsdorfer discuss the rising level of research activity on youth unemployment--a development that is justifiable, in our opinion. Few areas of work have greater promise for shedding light on what is clearly a key social issue, the real costs of high unemployment focused on youth. A similar effort should be mounted, we think, to study the employment of the elderly. Major policy issues concerning retirement, social security, pension plans, and disability turn importantly on the work behavior of persons at or nearing retirement age. As demographic trends predictably raise the ratio of the number of retired persons to workers, these policy questions will become acute, and research needed to help deal with them ought to be started now. Retirement may be a prime candidate for social experimentation of the kind that has proved effective in the areas of income maintenance, health insurance, and housing.

The rise to policy prominence over recent years of employment and training programs makes increased

research effort in this area desirable as well (see the paper by Stromsdorfer). Major demonstration projects are now beginning in connection with the Comprehensive Employment and Training Act. The effects of public service employment on both structural unemployment and inflation rates should be prime candidates for stepped-up research effort.

As a final example, which we offer for reasons that are detailed in Chapter 3, we believe that poverty researchers should devote some effort to studying the role of their own research in policy making. Very little is known about what kinds of research are most apt to be useful in the policy-making process, and, correspondingly, when research topics are chosen and studies designed, the potential for application tends to be ignored. Research is far more likely to be applied if it is designed with an awareness of what the informational basis for present policy positions is; which parts of it, if altered by research, could lead to policy change; and for which actors in the policy process the research should be designed. Such awareness depends on careful research on the process of poverty policy making and the role research plays in it--that is, research on the use of research. Direct policy effect is not the only reason for doing research, but it is a major one, and it deserves to be taken into account systematically.

We have offered here just a few examples of poverty research that we believe should be done. The volume of papers that the committee commissioned details them more completely and offers many others. Our general sense is that while a significant amount of high-quality poverty research has been done, there is a huge unexplored territory ahead. Poverty research has in no sense exhausted its usefulness--in fact the opposite is true. In one area after another, there is both a set of solid achievements to build on and promising lines for future work.

Our review of poverty research suggests several general points that we believe are of special importance. The first is the need for a shift of emphasis away from study of the situation and characteristics of people who are in poverty at a particular time, valuable though it has been and still is, toward study of the social circumstances and systematic social forces that produce and perpetuate poverty itself. This call for more emphasis on social

forces came up again and again in the commissioned papers as well as in our own members' views. It is not an objection to using the individual as the unit of analysis, but more a call for the study of the institutions involved in poverty, such as business firms and labor unions, and of attitude formation by the nonpoor toward the poor. In part this call is related to the observation that little poverty research has focused on broad criticism of social systems that perpetuate poverty or on the political forces that determine which antipoverty policies will be enacted.

Second, our review revealed a general sense that there should be increased testing of hypotheses that arise from a rich contact with reality rather than from a priori theory. This observation is not a criticism of theorizing, but rather a feeling that new insights are called for, and that they would be likely to arise from direct contact with poor people, from their encounters with government programs, businesses, and labor unions, and from new data on concrete ways in which individuals and families who are poor cope with their world. Talley's Corner (Liebow 1967) was frequently mentioned as an example of work that served such a function, but that unfortunately stimulated only a small amount of similar work. We believe that poverty research could profit by somewhat redressing the balance between direct and rich observation of small numbers, on one hand, and theoretical deductions tested against large data sets by standard statistical techniques, on the other. Both methods are essential, of course (the first for generating new hypotheses and the second for assessing their generality of application), but poverty research has in recent years heavily emphasized the latter.

A third and related observation we believe important is that many of the new lines of poverty research worthy of emphasis will require new data collection (see the paper by James N. Morgan in the commissioned volume). Data sources created over the past decade, such as the Survey of Economic Opportunity (sponsored by the Office of Economic Opportunity), the HEW-Michigan Panel Study of Income Dynamics, and the Department of Labor-Ohio State Labor Force Panels, have dramatized the effect new data can have on social research. Along with others these sources will continue to be of fundamental importance, but any one such source is inevitably narrow in the issues with which it can deal. To maintain a creative tension between new data and new hypotheses,

added data sources will be needed. Major data projects will inevitably require government financing. It is particularly important, in our view, that government agencies supporting poverty research not allow the cost of data collection to rule out automatically those projects requiring it. New data are expensive, of course, but they may be worth the cost, and they by no means need always be gathered on a national scale.

We argue below that the payoff from the past decade of poverty research has been high, and our review has led us to believe that it can be high in the future as well. There have been major shifts in policy over the last decade--the explosion of income transfer programs, the loss of confidence in government intervention, the displacement of poverty from the center of public consciousness. The future will see similarly major changes. However, poverty policy remains of underlying importance and will inevitably again be a major focus of public concern; research that informs policy making should therefore go forward. We conclude that there are promising new lines of research, and that proven successful lines deserve to be continued as well.

2

THE PATTERN OF FEDERAL SUPPORT FOR RESEARCH ON POVERTY

FUNDERS AND PERFORMERS

Limits on the resources available to the committee prevented us from conducting a formal survey of federal support for poverty research; such a survey would have been difficult to carry out because of the diversity of the funders and the cost of retrieving information on their activities. Two sources provide the information that is the basis for our remarks: the work of the Study Project on Social Research and Development, a committee formed by the National Research Council to study the system of federal support for social research and development in general (see National Research Council 1978, Abramson 1978); and a review by our staff of the poverty research activities of selected federal agencies. Appendix A presents this information in detail. We believe that the review covers the major portion of federal support for research on poverty, and that the reliability of the information is sufficient to support the general findings we reach, but we do not claim comprehensiveness or high accuracy for the figures.

The committee concludes that research on poverty is a significant portion of federal social research, and of particular importance are two department-level policy offices, the Assistant Secretary for Planning and Evaluation (ASPE) in the Department of Health, Education, and Welfare and the Assistant Secretary for Policy Development and Research (ASPDR) in the Department of Housing and Urban Development. According to the data collected by the Study Project on Social Research and Development, $1,277 million was spent in fiscal 1977 on federal support for social research.

Our committee review identified 14 federal agencies that spent almost $90 million in 1977 for research on poverty; we believe that those agencies account for most research on poverty. As Table 1 shows, this $90 million represents about 7 percent of total federal expenditures for social research. For the 14 agencies themselves, the $90 million spent on poverty research represents about 20 percent of their total expenditures for social research. About 44 percent of poverty research is supported by two offices, both at the department policy level, HEW/ASPE and HUD/ASPDR. The special importance of these two offices is partly accounted for by their sponsorship of the social experiments in income maintenance, health, and housing, which account for about $20 million, half their budgets for poverty research.

The role of ASPE is of particular significance in the overall pattern of support for research on poverty, since it is the only office whose charge is specifically to study poverty, under the terms of the Economic Opportunity Act; in all other offices, poverty-related research is done as a by-product of other missions. The decentralized character of research on poverty is apparent in the fact that ASPE's expenditures are only 22 percent of total federal support for research on poverty. There is little organizational reason to expect poverty as a policy area to receive coherent research attention, except in the research funded by ASPE, although related but different areas may, such as housing, employment, or social insurance. The pattern of decentralized attention to poverty raises the question of whether the size of the poverty research effort, which we estimate to be about $90 million per year, may not overstate the degree to which cumulative understanding of poverty is being built up; research choices outside ASPE can reasonably be expected to be

TABLE 1 Federal Expenditures for All Social Research and for Poverty Research (fiscal 1977, $ millions)

Agency	Expenditures for Social Research	Expenditures for Poverty Research
Department of Health, Education, and Welfare		
Office of the Assistant Secretary for Planning and Evaluation	$34.5	$20.0
Social Security Administration	27.0	12.5
Office of Education	72.8	8.0
National Institute of Education	61.5	5.0
Social and Rehabilitation Service	7.2	1.7
Department of Housing and Urban Development		
Office of the Assistant Secretary for Policy Development and Research	49.3	19.9
Department of Commerce		
Economic Development Administration	11.4	10.0
Bureau of the Census	77.7	0.4
Office of Minority Business Enterprise	1.4	0.4
Department of Labor		
Employment and Training Administration	13.6	4.5
Office of the Assistant Secretary for Policy, Evaluation, and Research	1.3	1.0
National Science Foundation	82.4	4.1
Department of Agriculture		
Food and Nutrition Service	5.4	1.1
Community Services Administration	2.0	1.0
TOTAL	$447.5	$89.6

made on other, more program-oriented grounds, and therefore to advance the body of knowledge of poverty in a less-than-systematic way.

Appendix A also describes the activities in poverty research of a limited number of research organizations outside government. The variety of performers is such that we can draw no quantitative generalizations from this limited survey. A number of prominent organizations of high reputation are involved, both within universities and outside them, and poverty-

related research is of considerable importance to some of them. The only institution surveyed (and to our knowledge the only one currently in existence) that is devoted specifically and exclusively to the study of poverty is the Institute for Research on Poverty at the University of Wisconsin at Madison. The institute is the focus of Chapter 4 of this report.

EVALUATION OF THE PATTERN OF SUPPORT

A major finding of the Study Project on Social Research and Development is that federal support for social research is highly decentralized (National Research Council 1978), and poverty research is no exception. No single office controls the allocation of more than about 22 percent of total poverty research spending. This pattern, of course, reflects the decentralized management of social programs themselves; even at the height of the war on poverty, neither the programs that made up the war effort nor the research in support of them was placed under unified control. The Office of Economic Opportunity (OEO) was given a broad cross-cutting mission to support policy research that looked at all poverty-related issues, and the same broad mandate has since been transferred to ASPE, but the research function was not taken away from other social policy agencies. Certainly, if control of programs relating to poverty remains divided, the research effort not only will but also should remain divided to some extent as well. It makes good organizational sense to locate research in such a way as to provide each significant decision maker with the type and amount of research needed, depending on level and breadth of responsibility, and then to give broad authority to one office to do cross-cutting research if no single decision maker below the president has responsibilities spanning the whole problem.

Elements of such a pattern exist among agencies concerned with poverty. Operating, statistical, and cabinet agencies are carrying out or sponsoring appropriate research on program and national policy issues, while ASPE, under OEO's transferred authority, takes a cross-cutting view. In quantity the research is heavily weighted toward the program end of the spectrum, but the other elements are present. Overarching poverty research with a long time horizon is represented

principally by ASPE's relatively small ($1.6 million per year) grant to the Institute for Research on Poverty at the University of Wisconsin.

We are impressed by the importance of ASPE in this overall pattern of support for research on poverty; it is responsible for a very large proportion of the national policy and cross-cutting research that is done. Three different roles of ASPE are important for our report, and we treat them separately in this and the following two sections: ASPE performs and supports poverty research; it acts as a research broker within HEW; and it funds the Institute for Research on Poverty. In its role as supporter of research, ASPE, as heir to OEO's authority, is currently the only research office charged with studying the problem of poverty as a whole. Whether the potential advantages for decentralized poverty policy making of a unified research effort will be realized is thus heavily dependent on the size and quality of ASPE's research program.

The assistant secretary for planning and evaluation, whose office numbering about 160 people we have been referring to collectively as ASPE, reports in a staff capacity to the secretary of HEW, and is thus not responsible for the operation of major programs. ASPE's duties center on the planning and decision making that constitute managing the department, especially program policy development, policy research, and program evaluation. The staff is divided into several offices with substantive or process responsibilities; the most important of these for our purpose is the Office of Income Security Policy (ISP), the research division of which (with a staff of about 20) performs or sponsors much of ASPE's poverty research and has responsibility for the yearly grant to the Institute for Research on Poverty. This research group coordinates with others in ASPE to introduce research findings into the departmental decision-making process.

Apart from program evaluation, the large items on ASPE's agenda for policy research on poverty currently are the income maintenance and health insurance experiments, the development of a future survey of income and program participation, support for the Michigan longitudinal survey, and the yearly grant to the Institute for Research on Poverty. Until 1973, when OEO's research authority under the Economic Opportunity Act was transferred to HEW, ASPE did very little policy research apart from supervising the income maintenance

experiments. With the transfer, its yearly budget for such work became about $30 million but has since declined to $20 million, which because of inflation over that period is a drop of more than half in purchasing power. ASPE has had reasonable success in obtaining funding for specific new projects, and the drop in its research budget since 1973 undoubtedly reflects in part both the reduced salience of poverty as a policy concern and the overall stringency in federal research budgets since that time. We believe, however, that certain aspects of ASPE's organizational position make it difficult for ASPE to sustain a sizable policy research program over time, particularly research that is intended to cut across departmental boundaries.

At the center of the difficulties are conflicts among ASPE's roles, conflicts strong enough to have helped prevent most offices like ASPE from developing any significant research capability at all. As chief staff policy analyst to the secretary of HEW, ASPE is useful in large part as a professional critic of policy proposals made by others, including operating agencies and congressional subcommittees, raising alternatives, pointing out weaknesses, bringing to bear the results of research--generally providing the secretary with information on choices in an environment in which they are rarely obvious and in which it is not in most actors' interest to point them out or evaluate them from the secretary's point of view. This function makes ASPE, along with other staff offices reporting to the secretary, a threat to those who either are competing for the secretary's favorable decisions, or see ASPE as a strengthening element in the secretary's and hence the president's control of policy, but who tend to form a community of interest with narrower constituencies and their advocates in Congress.

Hostility to offices like ASPE on the part of agencies and Congress is apt to have quite concrete consequences for research. ASPE does not have an obvious programmatic justification for conducting research, since it manages no major programs of service delivery. Hostility from Congress makes research funds difficult to get, and hostility from the agencies makes it difficult to persuade them to alter their own research priorities or cooperate in jointly supported projects. They will oppose almost any expansion of ASPE's resources and argue that ASPE's research budget should be dispersed to the operating agencies. These

situations should not be overstated--determined support of ASPE by the secretary can help counteract them, as can fast bureaucratic footwork on ASPE's part to bargain through difficult situations--but the tendency toward conflict is there.

A second role conflict is equally serious. ASPE both serves as the secretary's chief analyst in important day-to-day decision making and administers a poverty research program with a very long time horizon and an explicitly government-wide charge. The research is intended to pursue questions relating to poverty whether they now bear directly on HEW's program responsibilities or not. This situation sets up inevitable competition for time, funds, and personnel within ASPE between analysis of immediate importance to the department and longer-term research on poverty. An already-small staff for poverty research tends to be kept small by such pressure. If the secretary and assistant secretary fail to place high importance on long-term poverty research, progressive erosion of ASPE's program will be the result.

The committee concludes that despite the pressures of its organizational position and the reduction in real terms of its poverty research budget, ASPE continues to be an excellent supporter of poverty research. The important role ASPE plays in support of research is undoubtedly due in large part to the excellence of the staff. The sustained high quality of ASPE personnel is unusual among such federal offices, in our experience, and has enabled ASPE to perform and commission high-quality research far more consistently than most such organizations. The assistant secretaries who have headed the office have been highly able people: William Gorham, Alice Rivlin, Lewis Butler, Laurence Lynn, William Morrill, and Henry Aaron. And these assistant secretaries have attracted a large number of similarly talented people as deputy assistant secretaries and office directors, including key people in the Office of Income Security Policy, who were importantly involved in OEO's research program before 1973. Offices such as these are usually characterized by high rates of turnover among key people; assistant secretaries and their deputies typically change with political administrations or more often (the tenure of ASPE assistant secretaries has averaged less than two years). It is our impression that the departure of only a few key people from ASPE and their replacement by others

less skilled in or knowledgeable of poverty research could easily mean the atrophy of this part of the overall federal poverty research effort. The present institutional arrangement thus strikes us as a high-risk one.

The committee recommends that the secretary of HEW and assistant secretary for planning and evaluation support ASPE's poverty research function strongly with funds and personnel, and take steps to prevent its being eroded by the bureaucratic and short-term pressures of ASPE's position. We believe it is essential that there be a vigorous and sizable cross-cutting program of support for poverty research that is not constrained narrowly by the operating concerns of one agency or department. The varied forces producing and perpetuating poverty, the large numbers of people experiencing poverty at some time in their lives, and the scattered responsibility for federal programs affecting the poor all mean that a broad program of poverty research is of substantial long-run significance throughout government. Unless there is a program of research on poverty itself, cutting across the jurisdictions of all government departments if necessary, the basic nature of poverty may be missed and major research payoffs foregone. Such a program is now the charge of only one agency--ASPE--and ASPE merits strong support for it. The signs of the pressures on ASPE and the decrease in its funding convince us that attention by the secretary and the assistant secretary to this matter is needed. We have stated in Chapter 1 that there are promising lines of research that should be more fully exploited, and we will document in the next chapter that poverty research has already been highly useful in the policy-making process. In this light, and because of ASPE's position as keystone in the pattern of federal support, we urge attention to this issue.

3

THE USE OF RESEARCH ON POVERTY IN POLICY MAKING

A PERSPECTIVE ON THE ROLE OF RESEARCH[1]

Recent studies (Weiss 1977a, 1977b, 1978; Lindblom and Cohen 1978; Caplan 1975, Rich 1975) have revealed hitherto unappreciated complexities in the use of social research in policy making. The once popular paradigm of a) the appearance of a problem, b) the identification of knowledge gaps, c) the commissioning and execution of needed research, d) the development of policy alternatives and their consequences, and e) the choice of a preferred solution is no longer accepted as an adequate description of reality. A number of studies in which policy officials were asked about their use of research findings (Caplan 1975, Weiss 1977a, Knorr 1977) indicate that this linear paradigm can be seen at work only in rare and usually low-level instances. Policy makers frequently cite sources such as newspaper and magazine articles for changes in their views of social problems, suggesting that informal channels may be imporant in the ways research results reach them; and they make use of research in ways far more subtle and complex than the simplest problem-research-solution model would suggest.

New knowledge may precede and in part cause the perception of a problem, and then become part of the basis for a solution; in an interactive, problem-fraught situation, individuals or groups from different backgrounds may come together, each contributing some knowledge from his or her own sphere to help in arriving at a new direction for action. Or research may be used as ammunition to support positions arrived at on other grounds. Research may be used as a tactic to delay a decision, to show that something is being done about a problem, to enhance the prestige of an agency, to satisfy a constituency, to build support for a program among the researchers receiving money to study it, or as a way of parrying unwelcome demands for taking action. And social research may simply be part of much broader cultural currents, along with literature, criticism, history, and journalism, mutually influencing and being influenced but not an independent force, often funded after rather than before policy initiatives have been taken. There is, of course, nothing necessarily reprehensible about any of these modes of use of research in the policy process.

Perhaps the dominant interpetation of the use of research to emerge is that of social research as "enlightenment." No single research project's conclusions necessarily influence particular decisions, but over time a cumulative body of research brings new generalizations and concepts that gradually become current in decision-making processes. The steps in this process may be hard to trace, but policy makers slowly change the way they look at issues or define problems, and also the way they ask questions. The enlightenment function that research serves is not so much that it provides solutions to problems but that it contributes to changes in the basic understanding of social reality and the intellectual framework within which problem solving takes place. Research is thus one of the influences that, over long time periods, alters the terms of the policy debate, shifts the salience of issues, revises the policy agenda, provides new concepts for dealing with old issues, and creates new ranges of possible action.

If we look more broadly at the process of social problem solving, we realize that policy is made by a large number of interacting individuals, each needing specialized information (Lindblom and Cohen 1978). Systematic social research can never be more than a

supplementary source of that information, most of which is ordinary knowledge built up through social learning and only selectively tested, sharpened, and extended by formal research methods. Often knowledge is less determinative of policy outcomes than attitudes and values, and it is the latter that determine whether new knowledge will be used. Moreover, problems exist for which there is no corresponding problem-solving activity, in fact for which there are no solutions. In these cases, while systematic research may be done, it is unlikely to be of direct use.

All of these points argue for a perspective on social research that is realistic about its direct impact and emphasizes the importance of careful choice of the research to be done. In a review, like this one, of the use of a particular body of research, clear connections between particular studies and specific outcomes will be rare and hard to identify; more impressionistic evidence of sometimes-subtle shifts in the terms of policy debate may be the most one can find. Effects of either kind are apt to be present only with long and irregular time lags. The resulting overall judgment of whether government support of research on poverty has been justified will be correspondingly subjective.

THE USE OF RESEARCH ON POVERTY

The committee concludes that research on poverty has had substantial use in policy making. We reach this conclusion on the basis of our own experience, our discussions with past and present government officials, the opinions of researchers in the field of poverty research, and the statements of others who have addressed the same question. Perhaps the best way of supporting this view is to offer a few illustrative examples of areas of research that seem to us to be closely associated with changes in the character of policy debate.

At the most general level, the creation of a few important general data sources has fundamentally influenced debate over federal policy on poverty.[2] The Census Bureau's yearly Current Population Survey focused on income (the source of official yearly poverty statistics), OEO's Survey of Economic Opportunity, the continuing HEW-Michigan Panel Study of Income Dynamics,

the Labor Department-Ohio State National Longitudinal Surveys, the Consumer Expenditure Survey, and the Annual Housing Surveys--these have made possible over the last decade a progressively more sophisticated and complex understanding of poverty that has, in our view, importantly changed the policy debate, if only by discrediting overly simple ideas about the problem of poverty.

It has been well documented that federal policy toward poverty has undergone a major shift from President Johnson's original emphasis on human capital programs, centered on raising the employability of poor people, toward heavier reliance on income maintenance measures such as welfare programs and food stamps (see Plotnick and Skidmore 1975, Haveman 1977, Aaron 1978). Early poverty research was one element in the shift, indicating clearly that exclusive reliance on training programs would be very expensive and probably of limited effectiveness (see for example Goldstein 1972, Perry et al. 1975, Levin 1977).

Recent rounds of debate over welfare reform, food stamps, health insurance, medicaid and other major programs have been fundamentally affected by the ability of government analysts, based on the work of poverty researchers, to estimate the costs of alternative program characteristics (see for example U.S. Congress 1972, U.S. Congress 1978). Such cost estimates in the form of computer simulations have become so completely accepted a part of public discussion that it is easy to forget that underlying them is careful work by past researchers on demographic trends, population dynamics, and behavioral response to program characteristics.

Experiments in social policy have also had clear policy influence, especially the OEO and HEW income maintenance experiments (see for example U.S. Congress 1978, Boeckmann 1976, Barth et al. 1975). Most easily identifiable have been their effects on ideas about program administration: the accounting period and household definition rules, for example, and monthly income reporting (see Klein 1971, 1975; Barth et al. 1974), a concept that has now moved to the stage of widespread demonstration projects. Perhaps the key results of these experiments have been in helping narrow the range of uncertainty about labor supply response by different population groups to benefit levels and implicit tax rates in income maintenance programs, findings that have been fundamental to debate over

program costs and effectiveness (see for example Barth et al. 1975, U.S. Congress 1978, Watts and Rees 1977a, Keeley et al. 1978). And it is quite clear that the design of the Carter administration's welfare reform proposal was heavily influenced not only by the experiments but also by other poverty-related research (U.S. Congress 1978). In addition, experimentation has now become a broadly accepted element of the policy formation process, and is being applied to health and housing as well as to poverty itself. In the debate over welfare reform, work on the multiplication of implicit tax rates (Lurie 1975, U.S. Congress 1972) and on labor supply response to income supplements (Cain and Watts 1973, Watts and Rees 1977a, Hall 1975, Burtless and Hausman 1978, Keeley et al. 1978, Robins and West 1978, Masters and Garfinkel 1977), much of it done in connection with the experiments, has changed the terms (if not the result) of the policy discussion.

Certain basic questions that are now common elements of the poverty policy discussion were made part of the discussion after poverty researchers helped raise them. One example is the relationship of welfare programs to the working poor--those in poverty who have a more-or-less close association with the labor market (Lampman 1971, Green 1967). Another is the concept and measurement of "target efficiency" (Weisbrod 1969, Lampman 1974, Barth et al. 1974), of asking of any social program "What does it do for the poor?" These are now such ordinary constituents of policy discussion that it is easy to forget that they were not always so, and that poverty researchers are partly responsible for their introduction.

Work done by poverty researchers relating to programs other than welfare has been similarly useful. Housing research helped shift the focus of policy from private construction subsidies toward consumption subsidies, illuminated the relationship between residential location and jobs, and clarified the effects of rent control (see for example Aaron 1977, Smolensky and Gomery 1973, Danziger and Yinger 1976, Olsen and Barton 1976, Masters 1975). Demonstrations of performance contracting in education were shown to be on balance ineffective, though they may not have been adequately designed or implemented (Garfinkel and Gramlich 1973, Gramlich and Koshel 1975). Research clarified the distributional implications of food stamp program provisions relating to deductions and the

purchase requirement, led to thinking in terms of the cash value of the food stamp supplement, and provided important information on participation rates and implicit tax rates (see for example MacDonald 1978). In economic terms, research has helped shift attention increasingly to the demand side of the labor market (see for example Hollister and Palmer 1973, Gramlich 1979). Work done on employment tax credits (see Palmer 1978) has helped to show that they could be a useful policy tool. Jobs programs have tended to move away from formal training toward on-the-job training partly as a result of research results (Perry et al. 1975, Goldstein 1972). Research on Head Start (Cicirelli et al. 1969, Smith 1975, Levin 1977) has been an important factor in debates over enactment of a larger, more general federal day care program. And a growing body of research on the effects of unemployment compensation is adding to pressure for changes in that program (Marston 1975, Hamermesh 1977). The notion of why and how to evaluate programs, while of course far broader than the topic of poverty alone, has been heavily influenced by research on poverty (see Suchman 1967, Caro 1977).

We believe these examples document the use of poverty research in the policy process; in some cases it can be linked to changed policy outcomes, and more frequently to alterations in the terms of policy debate. The flow of policy making is the result of many forces, only one of which is research, but we believe this record justifies continued federal support of poverty research. This belief depends on three linked assertions: (1) federal support of poverty research increases its amount and quality; (2) the research alters the terms of policy debate; and (3) the alterations produce better policy results. The first assertion we will support in Chapter 4; the second we have documented here. Basic to the third is the question of an underlying respect for the merits of issues, and whether the nature of the decision-making process tends to foster or to erode it. It would be naive to assert that such respect is always high, but far too cynical to deny that it is a force in policy debate. There is in fact some social authority in the results of research; it appears if anything to be growing not abating; and the institutions of public choice on balance channel this authority in positive directions. We believe that the publication of research results, their criticism and discussion, and their

eventual incorporation into policy making have positive effects, whether through popular accounts in news media or through more formal research brokerage within the government.

CHANNELS OF USE OF POVERTY RESEARCH

The ways in which research reaches into the policy process are complex and varied. One of the major conclusions of systematic studies of this question (Caplan et al. 1975, Weiss 1978) is that no single channel of use seems to dominate. Researchers have an influence through their governmental supporters and through the reporting of their work to their professional colleagues, to the public at large, and to their students and junior colleagues. Members of the staff at the Institute for Research on Poverty at the University of Wisconsin, for example, report that they not only turn in contract studies to sponsors but also consult both formally and informally with executive branch and congressional policy officials, give expert testimony in court proceedings, and publish in academic journals and magazines. The institute publishes a newsletter, Focus, in an attempt to broaden still further the number of ways that its work can reach into the policy process.

A particularly important channel is that of the within-government research broker. Offices specializing in maintaining contact with the research world and feeding its product into government decision making have proliferated and apparently grown in importance throughout government--in operating agencies, in the staff offices of cabinet secretaries, and in several bodies providing analytical support to Congress. In connection with research on poverty, one might mention in particular the Office of Policy, Evaluation and Research in the Employment and Training Administration (Department of Labor), the Office of Plans, Programs and Evaluation in the Office of Education (HEW), the Economic Research Service (Department of Agriculture), the Congressional Budget Office, the Congressional Research Service, the office of the Assistant Secretary for Policy, Evaluation, and Research (Department of Labor), the office of the Assistant Secretary for Policy Development and Research (Department of Housing and Urban Development), and the office of the Assistant

Secretary for Planning and Evaluation (HEW). These are all organizations whose function in part is to monitor poverty research and to translate and broker its use in the decision processes of their parent agencies. ASPE has been of particular interest to us because of its role as successor to OEO in sponsoring poverty research under the Economic Opportunity Act and because it is the sponsor of our own study.

The committee concludes that ASPE has been successful in both its departmental and supradepartmental roles as a chief link in the channels of use of poverty research in policy making. The existence of ASPE dates from the mid-1960s, following President Johnson's directive that planning-programming-budgeting systems be established throughout the executive branch. Similar organizations were established in other cabinet departments at about the same time. They function as staff offices to each secretary without major operating responsibility for programs of service delivery, furnishing independent advice, analysis of alternatives, and evaluation of agency or other proposals. They are intended to be free from program commitments, so they can announce that the emperor has no clothes if necessary; and they are intended to be each secretary's point of contact with the research community, and specialists in "distinguishing between what is known and what is believed," as a former HEW assistant secretary told us.

Among such offices, ASPE is one of the strongest. It was significantly augmented by the transfer in 1973 of a portion of OEO's research authority and staff; before that time, ASPE had had virtually no budget for sponsoring research itself, a situation that still exists in many of its counterpart offices in other departments. ASPE has developed and maintained high standing with most HEW secretaries and has become over the years a major factor, along with line and other staff offices, in departmental policy development and day-to-day decision analysis.

We emphasized in Chapter 2 one of the role conflicts ASPE may experience as a funding source for poverty research: antagonism from program agencies and their congressional allies because of ASPE's role as close adviser to the secretary. But this quality to some extent accounts for ASPE's strength as a research broker--it is in an ideal position to adopt a broad viewpoint, independent of narrow constituency pressures,

and to become an advocate of sustained attention to the research merits of issues as they proceed toward a decision by the secretary. In another sense, the research funding and brokerage functions of organizations like ASPE both attract and repel each other. The demand for close day-to-day participation in departmental decisions tends to rob such offices of the time for the sustained attention that research execution and support demand; yet for both research support and brokerage, staff with high-level social science skills are of great importance. It is our overall impression that ASPE has done a far better job than most such offices of reconciling these conflicting forces.

NOTES

1 The discussion in this section is based principally on Volume 5 of the National Research Council's Study Project on Social Research and Development (Lynn 1978); on a presentation to the committee by Carol H. Weiss, Harvard University; and on Lindblom and Cohen (1978).

2 This is one of the major points made by Aaron (1978).

4

EVALUATION OF THE INSTITUTE FOR RESEARCH ON POVERTY

INTRODUCTION

The Institute for Research on Poverty at the University of Wisconsin was established in 1966 with support from the Office of Economic Opportunity (OEO), and currently is supported by the Department of Health, Education, and Welfare by a 1973 transfer of OEO's authority for research under the Economic Opportunity Act. About $1.6 million of the institute's 1977-1978 budget (about 70 percent of the total) came from HEW's broad core grant for research into "the nature, causes and cures of poverty." The remainder of the institute's funding is accounted for by narrower grants and contracts for poverty-related tasks from HEW, the National Science Foundation, the Department of Labor, the National Institute of Mental Health, the state of Wisconsin, and other government agencies with an interest in poverty research.

The professional, postdoctoral staff of the institute in 1977-1978 totalled 71 people who were supported by institute funds at some point during the year; since most were on a part-time basis or were full-time for only part of the year, the 71 total accounted

for about 25 full-time equivalents. Of the 71, 55 held joint appointments with university departments: 15 in economics, 14 in sociology, 5 in social work, 3 in political science, 6 in other departments (law, psychology, history, family resources, and educational policy studies); and 12 were visitors from other institutions. The remaining 16 were full-time research associates at the institute (though some for only part of the year). In addition to the postdoctoral researchers, more than 30 graduate student assistants accounted in 1977-1978 for about 19 full-time equivalents, and more than 14 full-time equivalents of non-clerical support staff (administrators, editors, computer technicians and programmers, and library personnel). Under current university policy, academic tenure cannot be granted by the institute, so those staff members with tenure have been granted it by one of the departments. Under a typical arrangement, the institute "buys" part of a joint appointee's time from the department to support research that the institute feels is appropriate to its charge.

The full-time equivalent, postdoctoral research staff has grown from about 19 in 1970, to 24 in 1975, and 25 in 1978. There was a major change in composition after the decision was made in 1973 to hire a number of full-time research associates, who now account for some 9 full-time equivalents, more than a third of the total full-time equivalents. Correspondingly, the amount of support given to the average joint appointee has dropped from about 37 percent in 1970 to about 28 percent in 1978. The size of the research support staff has grown substantially over the eight-year period as well, though much of the growth is accounted for by computer technicians and programmers, whose functions in 1970 were largely carried out by graduate student assistants. The disciplinary mix among joint appointees was reasonably stable over the 1970-1978 period: between one-half and two-thirds were economists or sociologists, though there was a drop in the full-time equivalents in economics balanced by a rise in those in sociology. Financial support for the institute's portion of the time of the researchers in 1970 came 75 percent from the OEO core grant, 25 percent from other sources; in 1975 it came 71 percent from the (now HEW) core grant, and in 1978, 69 percent. This slow downward trend reflects the institute's success in securing non-core funds.

The institute is governed by a director who is responsible for complying with the terms of the core grant. He is assisted by a national advisory committee of outside scholars and two inside groups, a publications committee and a research committee. The first director was Harold Watts, who held the post from 1966 to 1971; Robert Haveman served as director from 1971 to 1975; the present director is Irwin Garfinkel. The director is appointed by the dean of the University of Wisconsin; any change in directors requires the approval of HEW.

The main activities of the institute are the conduct of individual and group research projects by members of the staff, consultation with HEW and other agencies, sponsorship of conferences on special topics, and publication of research in the form of books (more than 30 have been published or are in progress), discussion papers (more than 450 have been published), reprints (more than 200 have been published), special reports, and a newsletter (published occasionally).

GENERAL EVALUATION

The committee concludes that the Institute for Research on Poverty has been an exceptionally successful vehicle for support of research by the federal government. Important government objectives have at least in substantial part been realized by its support: maintenance of a high-quality, sustained, cumulative program of research on poverty, production of knowledge that has influenced policy, and the allocation of research effort to important topics that OEO or HEW might not otherwise have studied. This general finding will be supported and qualified below by discussion of what we see as particular strengths and weaknesses of the institute.

Essential as background to our findings are certain characteristics of a university as a setting for policy research. Universities, as repositories and developers of social science, are the source for much of the best social science research: work that is fundamentally enlightening, of high technical quality, and involves the development of new theories and methods. Within the university setting, standards of quality are defined and enforced by the peer-review process for promotion and publication. Moreover, university mores strongly

encourage the cumulation of knowledge by insisting that new research be done with full knowledge of existing theories and findings. A university setting is therefore a good one for high-quality, cumulative research, two characteristics that OEO and HEW have sought.

However, the university setting also presents problems for the institute. Universities tend to be rather rigid and conventional in their organizational forms, and departments are often almost pathologically timid about innovation. The standard mode of organization is by departments, which are centered on disciplines defined by a set of theories and techniques whose development is the commonly accepted goal of member researchers. The dominant ethic is one of self-determination of research topics by individual faculty members; it is put into effect by long-term employment contracts (to retirement in the case of those with tenure) and, in strongly research-oriented universities like the University of Wisconsin at Madison, by the availability of multiple sources of financial and scholarly support.

This atmosphere of vigorously supported and sanctioned research freedom leads many of the best social researchers to locate in universities, but it also raises a key problem for an organization like the institute: how to turn the attention of highly capable researchers away from questions defined by the needs of their disciplines and toward questions defined by policy problems, and then to sustain that attention over an extended period so that knowledge accumulates that will inform and influence the policy process. The degree to which an institute does this will define its success as a policy research vehicle. We have not surveyed other university social science research institutes, but our individual impressions are that many, probably most, organizations carrying that name either do not try or do not succeed in changing the focus of their members' work; they are largely conduits for making funds available to faculty members when convenient, and they achieve little in redirecting effort toward a sustained, cumulative program. It is infrequent that a research institute both capitalizes on the quality of work available in a university and achieves a consistent and continuing problem-orientation. The Institute for Research on Poverty has done so to a degree equalled by few other institutes of which we know; in our review of

the institute's strengths and weaknesses, we record our findings on how it has managed this achievement, and in what respects it has fallen short.

STRENGTHS

The committee concludes that the concept of "the nature, causes and cures of poverty" has been a source of strength as a focal principle for the institute's work, and should be continued. In Chapter 1 we stated our conclusion that a continuing federal program of research on poverty was important from the viewpoint of federal needs for knowledge, but such a program might or might not supply a successful organizing concept for a university-based research institute. We find, however, that the poverty focus for the institute does succeed on three general grounds.

First, the charge to study "the nature, causes and cures of poverty" has been a reasonable compromise between providing clear guidance on organizational boundaries and maintaining sufficient flexibility and adaptability over time to allow for both staff continuity and organizational change. The director and the research committee usefully apply a standard of relevance to poverty in deciding which staff requests for support will be granted. In recent budgeting cycles, about one-third of such requests have had to be refused because of lack of funds, and while criteria such as research promise, quality, and policy relevance are used, in some cases the director has ruled out requests because they were not sufficiently related to poverty. The other side of the coin is that poverty has been a sufficiently flexible concept both to permit the study of different though related problems and to allow the institute to accommodate to some extent the normal progression of staff members' interests without being forced to cut them off from support. The institute has devoted considerable effort, for example, to studying discrimination, desegregation, employment programs, and disability, all of which are related to poverty and are matters of interest to policy makers.

Similarly, as new data sources have permitted and as the interests of staff members have changed, the original focus on absolute income poverty has expanded to include relative income poverty, multidimensional "levels of living" studies, and studies of the degree of

inequality. We find these progressions to be healthy from the point of view both of organizational maintenance at the institute and of the government's shifting policy interests. The director and the staff are clearly conscious of the undesirability of departing too far from the institute's central concerns, but they feel justified, for example, in undertaking cross-national studies, provided they are aimed at illuminating domestic poverty problems, and they are supporting a limited amount of study of wealth-generation because of the light it may shed on the mechanisms of poverty. We feel that such an interpretation of their charge is healthy, and is in fact part of what OEO and HEW hoped for in funding an outside research program that would supply a check on their own biases in selecting research projects and generate research that they might not have conceived of. On the whole, therefore, the concept of poverty has provided a good compromise between narrowness and flexibility.

Second, the study of poverty at the institute has meaningfully engaged the research skills of social scientists, as is essential if the institute is to be successful. What OEO and HEW have sought from the institute is high-quality, cumulative research, and such work is at the center of what university social scientists tend to be interested in doing. This point seems obvious, but not all research programs, and not all definitions of poverty research, would necessarily have done as well in matching task to capability and interest. Researchers from a number of academic disciplines, primarily economics and sociology but others as well, have found in these issues a meaningful, interrelated set of problems, theories, and research challenges.

Third, the issues involved in the study of poverty have generated sustained personal commitments from academic researchers. The problems of the disadvantaged legitimize such commitments in ways that many research programs would not, and their ability to do so seems to have survived substantial swings in both the government's and the general public's level of interest in poverty as such. This effect may be due partly to prevailing ideologies among academic social scientists and partly to the interest inherent in the research issues involved as well as to the cohesive forces set up

by the existence of the institute itself, on which we will comment further.

Thus, not only is poverty a policy concern that deserves continuing research, but also poverty as the organizing ideal for the institute has been a satisfactory choice for a university-based program of policy research. As Robert Lampman (one of the institute's founders) sees it, defining the research field as "the nature, causes and cures of poverty" has made the institute a goal-oriented organization, with the aim of reducing poverty, rather than solely a client-oriented organization, dedicated to helping OEO or HEW, or a program-oriented one, with the objective of studying the welfare system. This has set up a healthy tension between basic research and policy studies, which are equally legitimate under the institute's charge and which mutually stimulate and enrich each other. Broadening the institute to an institute for social science would not do this as well, in our view. We have been able to identify no alternative definitions of the institute's charge that we think would be preferable for the next five to ten years. Poverty as a policy problem still exists, there are significant unanswered research questions concerning it, and it serves as a good organizer for the institute's research efforts.

The committee concludes that the Institute for Research on Poverty has substantially enhanced the amount of high-quality poverty research being done. A great deal of research on poverty is being done at the institute, and on the basis of our own review and those of the writers of our commissioned papers (Covello 1979), we conclude that much of it is truly distinguished work. In a recent survey of social research and policy (Aaron 1978), about 20 percent of the citations in the chapter on poverty and discrimination referred to work by researchers at or supported by the institute. It would be out of place to try to provide a catalogue of "best" research, but a few prominent examples are these:

-- Work on methods of social experimentation and findings on labor supply and program administration, such as those reported in Cain and Watts (1973); Kershaw and Fair (1976); Watts and Rees (1977a, 1977b); and Garfinkel and Masters (1978).

- -- The measurement of economic status, such as Moon and Smolensky (1977); Plotnick and Skidmore (1975); Featherman and Hauser (1976a, 1976b); and Hauser and Featherman (1974, 1975).
- -- Development of the theory and methods of social program evaluation, such as Cain and Hollister (1970).
- -- The history and measurement of inequality in the United States, such as Williamson and Lindert (1976); Williamson (1977); and Reynolds and Smolensky (1977).
- -- Work on the logic of models of inheritance and I.Q., such as Goldberger (1976a; 1976b).
- -- Study of the administration of welfare systems, such as Handler and Hollingsworth (1971);
- -- Research on the integration of income maintenance programs, such as Lurie (1975).
- -- Work on social class, such as Wright (1976).

The heart of the institute's special competence lies in quantitative studies based on large bodies of data, though its best work has not been restricted to this area.

We believe that the existence of the institute has been important in producing this concentration of fine work. It is clear, first, that more of the interests and energies of researchers at the institute are directed toward work on poverty than would otherwise be the case. Not every member of the staff has altered his or her research agenda by association with the institute: a number told us that while the institute was a convenient funding source when their interests indicated it, they would probably have done their projects anyway under other auspices, and the general thrust of their work was shaped independently of the institute. But the opposite point also was made to us repeatedly. One distinguished sociologist recounted a series of events by which his prior interests in fertility and in methods of dealing with identification problems in survey research were combined at the suggestion of another institute member and brought to bear on the effects of age cohort and education on income distribution. The result was a substantial contribution to the poverty research literature (Winsborough 1975). Another staff member remarked that he currently had in mind research unrelated to poverty that he would like to do, but had refrained from

committing himself because such work would take him out of the institute's community of scholars and their specific set of policy-related concerns, which are a strong attraction to him. We found other examples of this kind. It seems clear that the research trajectories of individuals at the institute tend toward poverty in part because of its high level of intellectual vigor.

In addition, because of the existence of the institute, poverty-related lines of research tend to receive more support at the university, with the inevitable effect of increasing the amount of such work that is done. This effect manifests itself in recruitment; a candidate interested in poverty research would receive a more attractive offer, including one-fourth or one-third time research support, than other candidates, and is therefore more likely to accept. The result over the years, most notably in economics and sociology, has been to enlarge the number of University of Wisconsin faculty with interests in poverty research. Institute funding manifests itself also in the effects of "start-up" and "dry-spell" support that it can provide to encourage initiation and continuation of lines of research that otherwise might not prosper. It is characteristic of outside research funding that a substantial investment must usually be made in a line of inquiry before sufficient expertise and promise can be demonstrated to make a proposal likely to succeed. The institute regularly supports such initial investments in promising lines of work, anticipating that outside funding will take over later, and it also supports ongoing work during dry spells when outside agency interest flags but useful work remains to be done. To give an example, initial institute support for work on use of cross-sectional data with interperiod matching has led to a major grant from the National Science Foundation for matching data from the 1940 and 1950 censuses. This work will provide a significant new data source for research on poverty as well as other social research, but it probably would not have materialized without the institute's start-up support. Regarding studies of family breakup, in which the interest of funding agencies is currently high (stimulated in part by an Urban Institute study [Ross and Sawhill 1975]), a small but steady program of research has gone on at the institute, with outside funding when possible and with institute support when not. Researchers at the

institute are emphatic in their testimony that start-up and dry-spell funding have had major effects by enabling them to initiate and maintain lines of poverty-related research that they otherwise might have dropped or not started at all.

The third major reason for the high quantity and quality of poverty research at the institute is the success the university and the institute have had jointly in recruiting and holding distinguished scholars interested in poverty. The University of Wisconsin at Madison is widely known as a desirable location for research-oriented faculty. The university departments maintain high recruitment standards, and directors of the institute have followed the policy, when jointly recruiting with the departments, of seeking the highest academic quality among scholars interested in poverty. In particular, given some poverty interest, the institute has not sacrificed academic quality in order to recruit tenure-track people to work on particular projects or programs. This policy has probably made it more difficult for directors to control the institute's agenda in detail, but it has also produced a distinguished staff roster.

We believe that the assembly of a large group of talented scholars, funding them to initiate and continue promising lines of poverty research, and the informal workings of their mutual influence on one another have in combination had a strong and positive effect on the quantity and quality of research on poverty.

The existence of the institute also affects poverty research elsewhere by virtue of the role former staff members play outside Madison. A substantial number are still engaged in poverty research elsewhere, such as at HEW, the Department of Labor, the Brookings Institution, Mathematica, Inc., the Urban Institute, Columbia University, Massachusetts Institute of Technology, the University of North Carolina at Chapel Hill, the State University of New York at Albany, and the University of Western Ontario. It is clear that the institute's influence is not only to gather interested researchers in Madison, but also to act as a source for the research community as a whole.

The committee concludes that the existence of the institute has raised the degree of policy relevance of the research done by people associated with it.

This conclusion is different from an assertion that institute research has been used in policy making--the

extent to which that position can be supported was discussed above. Rather, we are commenting on the degree to which the questions investigated at the institute have been motivated by concern for policy implications; we are commenting on the nature of the research, not on its ultimate utilization. Nothing dictates that social science research, even research on poverty, have policy relevance. In fact it is frequently the case that the motive for research is to test a theory rather than illuminate a policy, to advance the state of an academic discipline rather than the state of knowledge about government social intervention. A study, for example, of mechanisms of social stratification may shed light on poverty without being of direct assistance to policy makers. The management of the institute therefore has the problems of not only increasing the amount of high-quality research on poverty but also turning the design and execution of that research in policy-relevant directions. In terms of the institute's charge, the aim is not only to study the "nature and causes" but also the "cures" of poverty. Our conclusion that the institute has had success in enhancing the policy relevance of research on poverty is a qualified one. We argue below that the institute has not reached its potential in this regard, and we will recommend steps for improvement. However, it is important not to slight the substantial accomplishments that have been made.

The evidence for this conclusion lies in the past output of the institute and its current agenda. The best examples are undoubtedly work on the social experiments on income maintenance and on subsidized employment programs for juvenile delinquents, long-term welfare mothers, residents of public housing, and ex-addicts and offenders. These are direct tests of the behavioral consequences of social intervention, for which the mode of intervention represents a prominent policy alternative. The work on the experiments is clearly not only policy-relevant but also, despite the limitations inherent in such research, some of the highest-quality social science research the institute has done. The list of other policy-oriented work could be extended at length, but a few examples will suffice. Work on housing and school desegregation (Taeuber 1968, 1975a, 1975b) has led to the delivery of expert testimony by institute staff members in court cases. The institute is executing a large study of welfare

case-load errors for the state of Wisconsin. Research programs on disability and employment programs are under way. Development at the institute of the concept of "target efficiency" (Weisbrod 1969) has led federal policy makers habitually to ask what effects programs have on the poor. We repeat that in our view, the level of policy concern at the institute could and should be even higher, but we are impressed at the degree to which it appears already to have been raised.

There are at least five identifiable mechanisms at work to focus efforts on policy. First, the directors have consciously worked at it, encouraging, questioning, and suggesting new directions for projects to move the institute toward policy concerns. Second, the institute has chosen to commit itself to a number of large, centralizing, policy-oriented projects, each of which redirected the work of a number of the staff--the income maintenance and supported work experiments and the disability program are examples. Third, the institute adopted the policy of hiring a number of two-year full-time research associates with the explicit intention of bringing in people who would work on policy-oriented projects. Fourth, non-economists at the institute told us that the development of economics as the predominant discipline and central language of the institute has facilitated greater policy orientation because, of all the social sciences, economics tends to be most easily adaptable to a policy point of view. It has also made communication easier with ASPE and other offices in Washington, in which the research brokers tend to be economists. And fifth, the presence at the institute of a large group of nationally recognized scholars working on policy-related research tends to legitimize that activity, especially among young people who might not otherwise feel they could depart from the canons of their professional disciplines as to what research would receive approval. In combination, the mechanisms have produced an impressive degree of policy orientation in the work of the institute--not for all projects, but on average.

The committee concludes that the institute's core grant from OEO and HEW has been essential to its success. The purpose of the core grant from HEW is to study the nature, causes, and cures of poverty. Within the limits of that broad charge, the director of the institute allocates funds to individual projects. The yearly research plan is reviewed, commented upon, and

formally accepted by HEW but HEW does not direct the selection of projects in detail. This mechanism is the financial expression of the strategy of including some undirected work in the government's poverty research portfolio: by giving up control of the details of a portion of its program, the government hopes to enhance the quality and heterogeneity of research on poverty. We believe it has succeeded in doing so at the institute, and that the core grant has been essential to that success. The core grant provides the institute with a substantial source of funds allocable by the director without detailed prior approval by outside funding agencies. Other mechanisms accomplish the same thing for other research institutions: income from endowments, for example, or the return by a university to an institute of overhead funds charged on outside-funded projects. Whatever the method, we believe that some source of internally allocable funds, in substantial proportion to the organization's total funding, can be a major contributor to the strength of research institutions.

First, the core grant permits the grouping in one place of a substantial number of people working on related projects. Under individual project funding, the pattern of project selection would not necessarily produce this agglomeration and its benefits. The existence at the institute of more than 50 social scientists with a large overlap of basic research interests is of itself a powerful force, enabling the kind of close personal contact among researchers that mutually educates and stimulates them. The grouping can be encouraged by the director to the extent that he encourages key individuals to stay within the institute's orbit by stimulating their interests in continuing poverty research and, when justified, supporting their work in related fields as their interests evolve. The institute can thus become an institution: an assemblage not just of projects but also of people.

Second, the core grant facilitates maintenance of cumulative lines of research that group and sequence many individual projects and involve more than one researcher. A cumulative research program in, for example, the causes of family breakup is typically a series of limited projects, with frequent redirection of research plans as interim results support or fail to support initial hypotheses. To maintain the continuity

and momentum of such a program, sustained commitment is necessary, and a core grant or some other source of institute funds is very important in organizing such a commitment.

A third major advantage of the core grant is the reduction it permits in total costs of project proposal and selection. On both sides this saving is substantial. For individual researchers, a proposal to the institute can be much less elaborate and time-consuming than one to a government agency, simply because the director and the research committee start from a point of intimate prior acquaintance with the researcher, the field of interest, and the plans. This ease of project funding can be of very great long-run importance to researchers because typical one-person proposals are small enough so that they would not be advanced at all if the full set of outside-agency funding hurdles had to be leaped each time; the effort would not be worthwhile. Similarly for HEW, the costs of seriously judging the merits of the institute's approximately 100-150 project proposals yearly would be enormous; the current staff in the Office of Income Security Policy simply could not handle them without significant augmentation. This we assume is one reason for HEW's current policy of reviewing its funding for the institute not project-by-project but on the basis of its total output over several years at a time. On both sides, therefore, the core grant is a mechanism that significantly reduces the costs of research.

Any organization experiences both centralizing and centrifugal forces. For a research institute, outside funding of individual projects is one of the latter, tending to direct effort toward the agenda of the funders rather than of the institute, with a consequent loss of coherence and continuity. Such funding has countervailing advantages as well: it exposes researchers through the "market test" to outside views of what work is most important; and when outside and inside priorities coincide, it enables the institute to accomplish more on a limited core budget. Some mixture of core and outside funding is therefore warranted. Currently at the institute about 70 percent of the budget is furnished by the core grant, 30 percent by project funding. We know of no magical proportion that is proper. If project funds are available to finance more or larger pieces of work that are close to the center of gravity of the institute's overall program,

then project funds could grow substantially in proportion without harmful effects; what must be guarded against is allowing outside-supported projects to draw key people away from the center of the institute's intellectual life. The director must decide this matter on a case-by-case basis. In any event, the sizable core grant has been a key factor, in our opinion, in the past success of the institute. We do not believe that the present core grant is ideally configured--we shall treat this matter later in this chapter, and we make recommendations for altering it. However, we emphasize our conviction that the availability of core funds has had a strongly positive influence on the institute.

The committee recommends that the institute's core grant be continued by HEW at approximately its present level of $1.6 million in real terms. The institute is operating successfully with its present grant, and we do not believe that a good case can be made for either a large increase or a large decrease at the present time. We reach this view in the context of our finding that the institute is a successful research organization, but its success alone would not justify ignoring the chance either that some of the core funds could better be used elsewhere, or that major opportunities are being lost because the core grant is too small.

One possibility would be to cut the institute's core grant substantially, for example by half, and to redirect these funds to support another institute or HEW's program of directed research. The institute's loss would be substantial, but it could continue its existence. Funds now allocated to publication, to the sponsorship of conferences, and to the hiring of two-year full-time researchers would presumably be nearly eliminated, and support of joint appointees would have to be sharply curtailed. In the short run, at least some unsupported researchers might find alternative sources of funds to continue their poverty-related interests, but in the longer run the amount of high-quality poverty research would drop sharply. The drop would be slower but of the same nature if the cut in funds were gradual, for example, if the dollar amount of the core grant were kept constant while its purchasing power dropped by 5 to 10 percent per year. These losses would seriously hamper the institute's effectiveness. Its publication and conference activities are vital to the dissemination of results and hence to their use in the policy process; its two-year full-time researchers

are important to the director's ability to shift resources quickly toward policy-relevant research of interest to federal officials. Even assuming that one could easily identify the weakest portion of the institute's work and eliminate only that portion in a cutback, we believe that reducing the core funding would be a mistake.

The wisdom of a cut in funds for the institute depends on the alternative use of the money, which is not predictable. We can, however, point out the following: The institute's grant is a small part of HEW's total social research effort, and it supports an institute that is a success by the standards applied above. We do not see areas of the institute's work that are of such low quality or questionable relevance that they could be cut without loss. And in the current context, we do not believe it would make sense to shift the core grant funds to other research.

On the question of a possible increase in core funds, while there are circumstances under which that would be warranted, we are not convinced that those circumstances now exist. One limit on the useful size of the institute is the number of joint appointments that can be absorbed by the University of Wisconsin's academic departments. Both the economics and the sociology departments have accepted a large number of such appointments, and there is presumably some limit to their capacity. In a number of other departments, because of the dominant interests and research styles that have grown up in them, the institute has never recruited more than a few people for joint appointments. These factors change very slowly and are difficult or impossible for the institute to influence; should they change favorably, however, the possibility would open up of hiring more joint appointees in fields not now well represented at the institute, and an increase in core funds would be desirable. A second circumstance that would suggest enlarging core funds would be the appearance of areas of research on which HEW and the institute wanted increased emphasis without cutting back elsewhere and for which individual project funding would be difficult to find. Research programs in several new areas are being built up now at the institute--disability, social security, and jobs programs, for example--but the reallocations seem manageable under present conditions. A third circumstance possibly indicating more core funding would be evidence that the

cohesion of the institute was being lost through imbalance in the direction of too much noncore project work. We do not see that as the case now, and in fact it is more likely that some growth through noncore funding would be desirable, provided the projects are well chosen to fit the institute's central research concerns. Finally, if the institute decided that a larger number of full-time staff rather than joint appointments are desirable (a complex question that we consider more fully below), an increase in the core grant should be considered as a way of supporting them. However, all things considered, we are convinced that the present limits on productive expansion at the institute, and the desirability of diversification and heterogeneity in poverty research as a whole call for any major increase in core funds to be directed elsewhere to establish a second institute that could develop a different emphasis and exploit different lines of research from those dominant at the Institute for Research on Poverty.

Our summary view is that while small cuts would not hurt the institute too badly, they are undesirable, and big cuts would seriously hamper its functioning. Small increases would be justified if the circumstances we have outlined existed, but large increases would be better placed elsewhere. The institute has been successful and we recommend that it be funded sufficiently in real terms to enable it to continue at its present size.

AREAS OF POSSIBLE IMPROVEMENT

The Institute for Research on Poverty has been a successful vehicle for federal support of poverty research. Our evaluation has also convinced us that there are areas in which improvements could be made, and this section contains our findings and recommendations for change. We emphasize that even if none of these recommendations is implemented, we still would encourage continued support of the institute; we think, however, significant improvements are possible.

The committee concludes that while the core grant has been an important source of strength for the institute, exclusive reliance on one-year funding does not properly encourage all of the results HEW seeks. A basic and important principle of management (not always

observed) is that financial support should match the job to be done, and the principle applies to research as well as to other forms of endeavor. We believe that there is a mismatch in the case of the institute that significantly handicaps its performance. All core funding to the institute since 1966 has been in the form of one-year grants made one year in advance. Depending on the exact timing of the grant award, the institute has been funded at least 12 but not more than 24 months in advance. In a typical year, the grant is not legally available until about 15 months before the fiscal year to which it applies. This pattern of funding is basically incongruent with the kind of product HEW wants the institute to produce: a cumulative, continuing, long-term program of high-quality research. Many individual projects require more than 24 months to complete and the linked series of projects constituting programs will undoubtedly in many cases take five years or more to show clear results. This feature of research has led many other research appropriations to be set up as multiyear funds (available for expenditure over several years) or even funds that are available until expended.

The institute's performance is handicapped in several ways because financial commitments cannot be made for more than 24 months. In making joint tenure-track appointments with the academic departments of the University of Wisconsin, the institute's leverage is severely reduced. A joint appointment involves a commitment by both the institute and a department, and in general the institute's influence over the arrangement will vary in proportion to its own ability to support the commitment financially. In the case of a junior appointment (typically for three years), since the institute can guarantee support for no more than the first two years, the department is unlikely to be willing to appoint someone jointly with the institute whom it would not have appointed solely on its own. For an appointment with tenure until retirement, the effect is even stronger--and these, of course, are the most important appointments, involving senior scholars of proven ability. The problem for the university in considering a joint appointment for longer than two years is that if the institute grant disappears, the university will be obliged to pick up the entire bill. The university can assume some risk of this sort, counting on attrition to open needed room in its budget

if the institute grant stops, and the risk it can assume is proportional to the number of years for which core funding is guaranteed. But with no more than 24 months guaranteed, the risk must be limited by making few if any appointments that the academic departments would not be willing and able to make if the institute were not involved at all. The institute's hiring leverage, its ability to offer jobs to people especially interested in poverty who would not otherwise be asked to come to Madison, is therefore severely limited. A conversation with the university chancellor and the dean confirmed for us that this is basically the university's view of the situation. The institute has been able to assemble excellent groups of economists and sociologists in spite of this problem, but we believe these groups would be even stronger, and other departments would be represented more in accord with their potential contribution, if the institute could make longer-term financial commitments.

Short-period funding handicaps the institute's extended full-time appointments just as seriously as it does joint appointments with departments. We recommend later in this chapter that the institute should make extended sole appointments because of a number of persuasive advantages such arrangements offer; we point out here that it simply cannot do so without core funding for longer periods because the risks to the university are unacceptable.

Inability to make commitments beyond 24 months also deprives the director of a major management tool, the guarantee of support for projects in a given area for long enough so that substantial payoffs can reasonably be expected. Most new lines of research require initial seed money for perhaps a year or two until enough promise can be demonstrated to acquire individual project funding. And in many cases, a longer guarantee is essential because the risk is high that outside funding cannot be obtained at all. Consider, for example, the program of studies of disability policy that the institute is now beginning to assemble in response to HEW suggestion. Large initial investments in start-up knowledge of this area must be made by key researchers before significant results will be achieved. The risk that the grant will expire before outside funds appear is assumed entirely by the individual researchers making this intellectual investment. We believe that in this case and others, the mismatch between task and

funding results in a research effort that is less well managed than might exist.

The initial grant to the institute from OEO was for 21 months with a presumption of continuation for at least 5 years; subsequent grants have been for 12 months, given a year in advance. We do not believe that all the institute's commitments can or should be long-term ones: not all lines of inquiry are new and require start-up investments, and not all projects require more than two years to complete. The committee therefore recommends that three-fourths of the institutes core grant remain one-year funds given one year in advance and that one-fourth be designated five-year funds. Such an arrangement would give the institute significant ability to make long-term commitments but still not expose the government to excessive risk in the event of a shift in its own priorities or of poor performance on the institute's part.

Two methods of making the transition to such a funding pattern should be considered. The preferable one in our view is to appropriate, in the transitional budget year, the full core grant in one-year funds as usual plus an equal amount in five-year funds; then, in each succeeding year, to appropriate three-fourths of the core grant in one-year funds and one-fourth in five-year funds. In this way, the amount of budget authority appropriated would double in one year, then subsequently return to normal. The basic level of continuing expenditure would not change, but the institute could schedule part of those expenditures farther in advance.

An alternative method of transition would be to appropriate the full inflation-adjusted amount of the grant in one-year funds plus one-fourth of that amount in five-year funds, and to follow this practice for five years, after which the total would revert to the basic amount, of which three-fourths would be in one-year funds and one-fourth in five-year funds. In this way a smaller budgetary bulge would be necessary, though for a longer period of time.

We view limited advance funding as one of the most significant improvements that HEW could make in the operations of the institute. As things now stand, the distribution of financial risks among parties to the institute's grant is inappropriate. The federal government has asked the institute to conduct a program of research that is risky, in the sense that the funding is short-term while the program is intended to be long-

term and cumulative. In doing such work there is always the chance that either the research will be unproductive or the government's priorities will shift to other topics before the work is completed. HEW has assumed almost none of this risk by limiting its funding to 24 months; in fact, its own commitments are for a far shorter period than it concedes is necessary either to produce the desired outputs or to judge their usefulness. The university as a whole, though it benefits from overhead rates on the grant, is likewise assuming very little of the risk; with only 24 months of funding guaranteed, it makes few appointments extending beyond that time that it would not have been willing to make in the absence of the grant. Most of the risk is therefore being borne by the researchers as individuals. They, of course, must and should bear the risk of unproductive research, but to add to it the risk of a change in HEW priorities creates the serious handicaps for the institute that we have outlined. The institute should be able to make commitments to researchers of continued support, contingent only on satisfactory intermediate products, for a period commensurate with the nature of the work. In some cases it cannot now do so, and we believe this is a significant handicap to the institute and to the federal government. With one-fourth of its core grant in five-year funds, the institute could make such commitments, and the University of Wisconsin could encourage its departments to appoint researchers jointly with the institute for longer terms than they now do. We believe these changes would bring significant improvements in the usefulness of the institute.

The committee concludes that communication between HEW and the institute is inadequate, and that both the level of knowledge in Madison of the terms of the poverty policy debate and the acquaintance in Washington with the full range of poverty research suffer as a result.

Most arrangements for policy research, whether contracts or grants, narrow or broad, project-specific or undirected, seem to suffer from lack of continuing dialogue between the parties. The Institute for Research on Poverty is no exception. The terms of its core grant envision a broad research program not directed in detail by HEW; it can only partially succeed, however, without awareness on each side of the activities of the other. The institute sets its own

detailed agenda, but it should do so in light of policy; HEW as a research broker will use and commission research mostly from places other than the institute, but it should do so in full appreciation of what is going on in Madison. Our discussions revealed problems in communication on both sides.

Some researchers at the institute feel in touch with Washington; usually they are either people who have spent time working in government, or whose work has been so immediately useful to government as to draw them into formal or informal policy consulting arrangements. But they are exceptions. Most institute researchers seem to regard HEW as distant and inscrutable. In a sense this attitude is understandable: the worlds of Washington and Madison are very different. But it would be worthwhile trying to overcome this attitude, for most researchers at the institute plan their work without much appreciation for the workings of the policy process in which their results are supposed to be used. We do not mean to imply that all institute projects should be immediately relevant policy advice. People at the institute are trying to do a very different thing: produce knowledge over the long term that bears on whole classes of policy problems and that can change fundamental perceptions about what the problems of poverty are and what can be done about them. However, we believe that the choices of problems to study and of strategies for studying them will in the long run be far better if they are made with a fuller acquaintance with the policy world generally and with HEW and ASPE in particular. Current policy debates should not dictate institute research, but in many cases they should inspire it.

On the HEW side, the office with principal contact with the institute, the Office of Income Security Policy (ISP), is staffed largely by economists and admits to finding the institute's noneconomic research less useful. Such research may well be less useful but we strongly suspect that the problem could be ameliorated by improved communication. If people in the Office of Income Security Policy simply knew more about what was going on at the institute in both economics and other disciplines, their suggestions for research topics and designs could be more helpful, and a common language broader than just that of economics might develop.

The problem with improving communication is, of course, that it takes resources. In this case we

believe that most of the energy will have to come from the institute. For people at HEW, what happens at the institute is only a small corner of their concerns, and the HEW staff are heavily burdened with administering a large program of directed research as well as inserting analysis into the decision process. It may be unrealistic to expect HEW to exert major efforts under the circumstances.

The committee recommends that HEW and the institute improve their communication, and that the institute extend its acquaintance with policy beyond that of HEW. We suggest several possibilities. Personnel slots in ASPE, not necessarily all in the Office of Income Security Policy, might be designated for institute researchers on six-month or one-year leaves from the university. The Intergovernmental Personnel Assignment (IPA) is a convenient and underutilized mechanism for doing this. The few cases in which it has been done in the past appear to have been highly productive on both sides--ASPE got high-quality work, and the institute researchers deepened their understanding of ASPE, HEW, and current policy issues. It is especially important, we think, for people from all disciplines to gain this understanding. When they return to Madison, we suspect they will leaven both their own research and that of their colleagues with a changed perspective. Extended visits by ASPE personnel in the other direction would be equally beneficial, both in exposing institute researchers to people with current knowledge of the policy scene and in giving the staff of ASPE a chance to rebuild their intellectual capital. In addition the institute might consider establishing a visiting committee of researchers and other officials from relevant departments and agencies. The institute also could conduct a seminar series in which the speakers were not academic researchers but government policy analysts; given time to schedule and reimbursement of expenses, we feel sure that such visits would be arranged. There could be periodic seminars, either in Madison or Washington, to which government analysts are invited, on work in progress and on completed projects. Such activities should be regular, not sporadic.

Attention to the problem of communication should be given high priority. It is part of the broad question of how an institution like the Institute for Research on Poverty continually refreshes itself on what its problems are and how to address them. And it follows

the spirit of our argument below that the question of what research is most likely to be of policy influence is itself researchable and subject to explicit choice. If this is true, then closer acquaintance with the policy-making process can be of substantial importance to the institute.

The committee concludes that the institute is not sufficiently exercising a leadership role in the process of setting the poverty research agenda for the social science community as a whole. In the pattern of federal institutions that support poverty research, no central organization is charged with setting a national agenda for poverty research, no national poverty institute exists to exercise leadership in strategic thinking about overall research directions. Only ASPE and the Institute for Research on Poverty are close to having a charge broad enough to approach this task, and ASPE cannot hope to do it alone because of limited staffing and competing responsibilities. One of the respondents to our committee's letter of inquiry called this to our attention by stating that while the institute was in his view a very successful research organization, he was disappointed that it did not itself carry out one of this committee's tasks: assessing the state of poverty research as a whole. We agree. We think debate about future research directions would be helpful to the government, to the institute, and most importantly to the social science research community as a whole; no group is as well positioned as the institute to lead such a debate. It does so to some extent now by its sponsorship of conferences on new fields of research and by the example of its own research choices and the dissemination of results, but not all poverty research can or should be done in Madison, and we believe the institute could usefully provide leadership in identifying productive lines for future research, even if it does not intend to follow them itself.

Of course, the institute cannot dictate to the research community what work will be done, and we do not argue that it should try. Research choices in the field of poverty as a whole will continue to be made in a decentralized way. What is needed is leadership in organizing a continuing discussion among researchers on the state of the art and productive new directions. We found from the volume of papers we commissioned to assist our committee work (Covello 1979) that, given the opportunity to make disclaimers about the completeness

of their individual knowledge, distinguished researchers are willing to trace the research frontier in their areas of specialty and offer opinions on what directions should be taken next. Reviews of a field can have major effects on research decisions, as we hope those that we commissioned will. If the institute were to assume leadership in a continuing process of this sort, it could be carried out much more comprehensively than we have been able to do. Conferences on new directions, and perhaps periodic review volumes of research in major fields concerned with poverty, would be promising vehicles.

The committee concludes that the institute's explicit discussions about setting its own research agenda and the analytic effort it devotes to evaluating which alternative lines of research should receive funding are inadequate. One of the major reasons why the government supports the institute as part of its overall research on poverty is that the judgments of an outside research group on what should be done will improve the makeup of the total portfolio of projects. But the very fact that HEW does not direct the choices places a special obligation on the institute to ensure that its own agenda-setting is well done.

There is, of course, such an agenda-setting process now, and we believe it is accomplishing a good deal, but not all, of what the government should expect from it. Most projects are generated by individual researchers on the basis of their own interests and skills. Researchers are influenced in their choices by the work, interest, and example of their colleagues and by the exhortation, questioning, and suggestion of the director and other senior researchers who take a broad interest in the work being done. Typically, there are requests for about 50 percent more funds than are available in yearly budgeting; the director with the advice of the research committee chooses projects on the basis of relevance to poverty, the quality and promise of the work, and the desire to continue lines of research considered particularly important. In making hiring decisions for both research associates and joint appointees, the director acts with a sense of what lines of research he hopes to foster as well as, of course, the qualifications of people available at the moment. Periodically, decisions must be made on whether to make major commitments to large projects such as the income maintenance experiments, the supported work evaluation,

and the disability project. The outcome of all these choices is a program, as we have said, of high-quality, policy-relevant research, one with visible emphases in certain chosen areas and a significantly cumulative, focused character.

However, a university setting contains powerful centrifugal forces that tend to weaken the coherence of such a program. The basic ones are the strong ethic favoring individual choice of research topics and the multiple sources of research support available in a university of the character of the University of Wisconsin. Academic researchers tend to maintain strong attachments to their disciplines; what the discipline defines as important will weigh heavily in research choices. The attempt to raise individual project funds to support major projects may lead to redefining the research so that it becomes less central to the overall program. And in making hiring choices, the institute may be forced, without the leverage of advance funding, to lean toward departments' priorities rather than its own.

These decentralizing tendencies, with which the institute must contend in its agenda-setting process, cannot be overcome by methods that contravene basic university values. The committee has reviewed the history of an incident in the early 1970s initiated by a request from OEO that the institute develop a more focused program. The content of the program was not to be set by OEO, but the institute itself was asked to decide explicitly what its program would be. The institute complied to the extent of setting up a number of "seminars" into which the research was grouped and producing a planning document based on this grouping. The effort had little lasting effect on actual research choices, however, and it was generally regarded as illegitimate for OEO to force the institute to centralize itself in a way that was seen to contravene important university mores.

This incident was a convincing lesson that what was interpreted as forced centralization was not workable in a university setting, but we feel that improvements in the present mechanisms may still be possible. We reject the argument as too simple that no one can make useful predictions of what research will have future payoffs. The question of what kinds of research are influential in the policy process is itself researchable and is as subject to learning as any other comparably complex

social phenomenon. The laissez-faire argument for individual choice of projects ignores the strong centrifugal tendencies mentioned above, which, if unchecked, may lead to a diffuse set of projects that only incidentally have policy usefulness. The institute's present agenda-setting process is far from laissez-faire, and the outcome shows significant continuity and focus, but we are troubled by the low level of explicitness with which choices seem to be made and the lack of effort expended on making those choices. The program has a degree of focus and coherence, but it is not clear what justifies this particular focus compared with others.

Consider an example of the kind of issue we have in mind. For a decade or more many people interested in welfare reform have felt that the treatment of intact families is a central fault of the present system, yet several major presidential proposals for changing it have failed. One of the reasons clearly is a set of public attitudes and values about welfare payments to two-parent, able-bodied families. What forces support these values and attitudes and continue to help frustrate efforts at reform? What research could illuminate these forces and generate information that could refine or perhaps change them? Relatively little effort has been devoted to this question, but from a policy point of view it may be a highly significant one. The kind of thinking that could be useful is to look for beliefs that appear to have a key role in policy determination and then to devise research that might confirm, modify, or refute them. Such questions are extraordinarily difficult ones, but if they are not considered explicitly, disciplinary or other values alone may determine the research agenda and, on the whole, the work is less apt to be of policy usefulness.

The committee recommends that the institute devote significant effort to activities that will throw light on its choice of agenda. Several possibilities suggest themselves to us. First, the institute might periodically commission syntheses of the state of knowledge in areas of poverty research along with suggestions for future work. An example of this kind of work is the paper written for the committee by Thomas F. Pettigrew, "Social Psychological Contributions to an Understanding of Poverty," which reviews the relatively small contribution of social psychology to research on poverty and urges the application of the theories of

deviance and labeling to poverty problems. Our strong impression is that Pettigrew's ideas deserve to be taken up and applied. Well-chosen, well-executed syntheses like this one can prove of high value in generating understanding of the research frontier and the possibilities of extending it. They would be particularly useful if they were cross-disciplinary syntheses organized around behavioral and policy issues, so that they would more naturally draw attention to future work judged necessary by a standard of policy usefulness rather than solely by disciplinary interest.

Second, perhaps in connection with such syntheses, the institute might sponsor conferences in which alternate areas for future research are debated. We have in mind not only conferences on specific topics already identified as important, such as those now sponsored by the institute several times a year, but also conferences dealing specifically with the issue of what topics should be considered important for future work.

Third, the institute could support research into the use of poverty research in policy making. We suspect that academic researchers are far too ready to throw up their hands and say that no one can successfully outguess the fickle breezes of the policy process; such a view too conveniently exempts them from an important responsibility for their own research choices. How policy is made, how poverty research is used in the process, and the circumstances under which research will or will not alter policies are questions worthy of investigation and, we think, worthy of support under the terms of the institute's core grant. We also believe that effort spent on them would produce a better basis for the ongoing allocation of the institute's resources. Policy relevance should not dictate all research, but it is simply not true that any project undertaken by a qualified researcher is ipso facto a worthy one; while the mechanisms of mutual criticism among academic researchers are effective with respect to the legitimacy of methods and the validity of results, they do not extend to the issue of the overall value of the research and its usefulness to policy. For example, study of the positions of interest groups that are blocking what appear to be desirable policy changes might be directed at discovering what conventional knowledge is important in setting those positions, and hence what research could test and refine it. Study of cases in which

research has been effective might reveal why it was effective and suggest how to predict effectiveness in the future or how to design projects to adapt better to the needs of actors in the policy process.

What the institute should seek through activities like this is greater understanding and acceptance of an explicit basis for structuring an agenda; by giving the study of agenda-setting greater status, it should be possible to reach a more explicit basis for necessary choices without running afoul of justified concerns about the central imposition of ideas. The institute must continue to rely fundamentally on the individual choices of its researchers, but it can do so in the context of heightened interest in and systematic study of the issue of what research is most likely to be useful.

The committee arrived at its views on the need for improvement in communication between the institute and HEW and in the institute's agenda-setting partly as a result of discussions of the institute's responsiveness to HEW's needs. The word responsiveness comes up frequently in the institute's own thinking about its role; there is properly a high level of concern that HEW's research needs be served as fully as possible. At the same time, there is some discomfort with any implication that being responsive might require either accepting detailed HEW direction or giving up basic research in order to do quick analysis on HEW's day-to-day problems, both of which could be incompatible with the institute's current mode of operation. It is necessary to the integrity of its grant that the institute be able to say no to specific HEW requests. There are two general senses of the term responsiveness. The first has to do with the institute's willingness to shift its efforts at HEW's request or suggestion, in both the short and long run. There is substantial evidence that the institute is regularly quite responsive in this way. It receives periodic "quick consulting" requests, when HEW asks the institute to assemble and present known research findings that bear on a particular question; the institute always accommodates such requests. In addition, the institute responds to HEW guidance on major lines of research for the future, exemplified in recent years by suggestions that work should be started on disability, social security, and job programs. The institute complies in varying degrees with such suggestions, in accordance

with the director's ability to interest or recruit researchers and the time lags (often several years) involved in mounting such major efforts. On the whole, we think the institute's willingness and ability to shift its attention both for short-term consulting and for longer-term program purposes is generally satisfactory.

There is a second sense of the term responsiveness having to do with the general and continuing level of policy consciousness and policy usefulness of the institute's work. We have addressed this matter above in our discussions of the need for better communication and more explicit thinking about the institute's agenda. Given improvements in these areas and given the institute's fundamental purpose of carrying out basic, cumulative lines of research, we see no problems of responsiveness that need cause concern. The most important kind of responsiveness that the institute can offer HEW, we believe, is to conduct its work with a high level of awareness of the terms of policy debate and to make systematic attempts to choose research based on its policy usefulness.

The committee concludes that some disciplines and modes of research are not sufficiently exploited at the institute. Poverty is no exception to the rule that social problems are not contained within the boundaries of any academic discipline. If research is to reach its potential in assisting policy on poverty, the contributions of all disciplines must be used. But individual researchers and hence most research projects come with a single discipline attached, so that the job of integrating their contributions becomes an important task in itself. Integration at the level of the individual project--true interdisciplinary work--is rare; even at the institute level, while researchers from different disciplines clearly influence one another's work, synthesis of findings across disciplines receives little attention. Whatever the best level for synthesis, it is clearly important to the government in sponsoring a program of poverty research that the work of all relevant disciplines be exploited. Some disciplines may have no contribution to make to poverty; some may not have been attracted to poverty as an interesting subject of study; some may not have been given government support, because of the disciplinary biases of either the funding agencies or those of the Institute for Research on Poverty.

A heavy preponderance of the research at the institute has been done by economists and sociologists. Currently 39 of the 55 joint appointments are from these two disciplines. No other single group has supplied a large volume of work, though some of what has been done outside economics and sociology has been of distinguished quality. The division of work by discipline has been reasonably stable over recent years. In two dimensions other than sheer quantity the institute shows an added narrowing of its emphasis: the acknowledged dominance of economics as its center of gravity, and in both economics and sociology the heavy emphasis on quantitative methods to the near exclusion of more qualitative, exploratory research styles. The dominance of economics is subtle but definite: all three directors have been economists (one also has a degree in social work); the principal OEO and HEW analysts responsible for the core grant have been economists; and most cross-discipline talk at the institute is done in the language of economics. What seems to have happened is that researchers in other disciplines have learned enough economics to become integrated into the life of the institute, not the other way around. Most interaction undoubtedly occurs within, not between disciplines; to the extent that there is a central language, however, it is that of economics. The strong quantitative emphasis is reflected in both sociology and economics; as a result, one of the dominant strengths of the institute has been its ability to manipulate large data sources and perform research involving sophisticated statistical inference, but many of the lines of research we cited as promising in Chapter 1 have hardly been touched.

We doubt that this pattern of disciplines and research styles reflects the full potential for enlightenment in social science research on poverty. We recognize the difficulty of trying directly to change the balance at the institute, but a broadening of its character is clearly called for. Trying to increase the amounts of research on poverty done in new disciplines runs up against the heavy dependence of the institute on the character of those departments at the university. Departments frequently specialize to some extent within disciplines, as recruiting and promotion systematically favor certain styles or topics of research. If the specialties happen not to dispose a department to recruit faculty members who would be interested in

poverty-related subjects, the institute must exert some leverage to secure joint appointments requiring a departmental commitment. And if the institute is given substantial advance funding as we recommend, it will have more leverage with the departments than it does now.

An important barrier to attracting certain kinds of researchers may simply be the location of the institute in Madison, a city without a sizable population of poor people. Many quantitative social scientists using large data sets collected by others can order computer tapes through the mail; for poverty researchers whose methods involve direct observation and interview, however, locating in Madison could be a handicap. Under these circumstances, attracting people working in this mode is very difficult.

The committee recommends that the institute support a limited amount of work done elsewhere as a partial remedy to this problem. The institute's sponsorship of conferences already involves supporting papers written by researchers outside the institute, so supporting outside research would not represent a completely new procedure. The director has been reluctant to move farther in this direction for two very good reasons: the loss of the important benefits of daily personal interaction among researchers and the burden, which could be very great, of administering an external grant program. If limited to only the most important cases, however, in which a clearly important line of inquiry cannot be carried out in Madison, it might be worth incurring these costs. We do not suggest a general grant program but rather support for outside research in limited cases in which it is of clear importance and cannot be done in Madison. In all cases the work should be under the control of institute staff and should undergo the institute's own processes of justification, review, and publication.

Underlying this question of the balance of disciplines and research styles is again the matter of agenda-setting. An institute such as this must reach some compromise between supporting researchers and supporting lines of research. It is inevitable and desirable in a university setting to organize in part around the people who are there and the research they want to do; but an institute must also arrive at a set of subjects it intends to study and either attract or support elsewhere the people necessary to get that work

done. In this context, the imbalance of disciplines or methods is a problem only if it prevents the pursuit of important research, with importance judged in relation to an explicit set of priorities. As an objective in itself, disciplinary balance makes sense only if an institute defines its task no more explicitly than to "do good economics, good sociology, good political science," and so forth. If the task, on the other hand, is to study a topic such as family breakup as a poverty-related process, at each stage in the research program the needed disciplines will be suggested by the nature of the unknowns.

Our overall impression is that there is a degree of mismatch between the institute's research priorities and its disciplinary resources. Staff members generally regret the absence of more qualitative, exploratory investigation in both economics and sociology and the presence of only small numbers of political scientists, social psychologists, psychologists, anthropologists, lawyers, and historians. There is a common feeling that research on some questions has become unproductive because economists and sociologists using national survey data have exhausted their ability to shed light on them, but researchers with different data sources, research methods, and perspectives have not taken over. The barriers to solving this problem inherent in the character of the university departments and the environment of Madison may indicate that HEW should consider establishing a second poverty institute. We cannot judge whether a second poverty institute would have higher priority than an institute on some other policy problem or an expansion of HEW's directed research, but in line with our conclusion that the Institute for Research on Poverty is a successful research organization, it should be considered. In a large urban area, with key people from fields other than economics willing to commit themselves, and with noneconomists as directors, we think there is a good chance that a second institute would develop a very different character from the Institute for Research on Poverty. Whatever competition and mutual criticism would develop between two institutes would be entirely beneficial.

We mentioned above the possibility of a second institute in our discussion of the institute's core grant, concluding that if stepped-up poverty research were called for, rather than expand the institute in

Madison substantially a separate one should be considered. Our argument rests heavily on the case for mounting research on topics and with methods that are not now well represented at the institute and may be difficult to establish there. One possibility, which arises directly from our findings on new types of research that deserve increased emphasis, is a program of research centered around institutions: what is the institutional setting of poverty, how institutions work that are involved in poverty, how program administration affects attitudes and patterns of interaction.

As we have argued above, the institute is somewhat narrow in its focus on different questions from these, especially in its study of the microeconomics of labor supply and human capital. The question for HEW, if it accepts our view of the excessive narrowness of current work, is how to foster greater heterogeneity in research. We suggest consideration of another institute because the current one is a proven success, and it has the substantial advantages we have already cited over a direct contract research program. Whether the focus of a new institute should be the one we use for illustration is of course an open question, as is the best location and the disciplinary association.

The committee concludes that there is an insufficient number of minority researchers on the staff of the institute. Studying "the nature, causes and cures of poverty" is a charge that should not be carried out in the absence of researchers who are members of minority groups. The institute staff has never included more than a few minority researchers at one time. Since about 1973 the institute has made specific efforts to recruit minority researchers, but apparently with insufficient vigor and consistency. The academic departments at the university have been told that the institute will guarantee a number of research assistantships to minority graduate students, but this arrangement normally brings only three or four such students per year to the institute. Members of minorities have been offered two-year full-time research associateships on several occasions, but they turned them down in favor of jobs at such places as an industrial corporation, Princeton University, and the University of Michigan. In recent years the possibility of joint tenure-track appointments at the institute and the University of Wisconsin has been explored on several occasions, but an offer was made only once (jointly with

the economics and the black studies departments); the offer was accepted, but the individual never actually came to Madison, taking first academic leave and then a position at the World Bank. The institute now has pending a grant application to the National Institute of Mental Health to support bringing faculty members from minority institutions for one-year stays at the institute. Taken as a whole, this record shows awareness of the problem and substantial effort to deal with it, but the results have not been sufficient.

In seeking minority graduate students or joint tenure-track appointments, the institute is largely at the mercy of the university's departments. The limited financial incentive of guaranteed research assistantships as well as the weakness of the institute's bargaining power over joint appointments because of its inability to make long-term financial commitments makes the departments' attitudes toward minority recruitment a dominating factor. Therefore, the committee recommends that the director and the relevant department chairmen change student and faculty recruitment methods to increase the number of offers made to qualified members of minorities who have or may develop an interest in poverty research.

The institute or any other research organization has, of course, a severe problem in minority recruitment because of the limited number of people available, and we do not want to urge the institute merely to add to the already intensive bidding for a few people. However, solving the problem requires working hard and consistently at it, and the institute should not be willing to tolerate the current situation. Other research institutions with no greater advantages are doing better.

The committee believes that the grant application to the National Institute for Mental Health for support of visits by faculty from minority institutions is a promising idea. However, this kind of effort should not be subject to the vagaries of outside funding. The committee recommends that faculty from minority institutions be asked to come to Madison whether outside funding can be obtained or not. Other ways to establish connections with minority researchers should be tried as well. The institute for example, should be open to supporting the research of minority researchers outside the institute if they will make a distinctive contribution to the institute's mission. The exchange

of faculty with minority institutions could be tried in both directions; it may help to encourage a flow of minority graduate students into poverty research and into the institute itself to expose them while they are undergraduates or beginning doctoral students to established researchers in the field. The institute should also identify minority researchers whom it is not possible to bring to Madison permanently and ask them to come for short visits. And perhaps the best field for recruiting minority graduate students would be the other, more urban, campuses of the University of Wisconsin.

The committee recommends that the institute make extended full-time staff appointments. Several of the points made above concerning possible improvements at the institute suggest the desirability of the institute's making a number of extended, full-time staff appointments. Presently, no full-time staff member is appointed for more than two years, and even two-year appointments are few in number. We believe that the case for more, extended full-time arrangements is a strong one, based on the success so far of the two-year research associate program and on the desirability of increasing the director's influence over the institute's agenda so that he can shift it in the direction of policy relevance and, when needed, toward heterogeneity of disciplines and research styles. As we have emphasized, one central problem for a research organization like the institute is how to deal with the forces imposed by academic disciplines and departments that tend to reduce the degree of coherence of its work. One way of dealing with this problem is to avoid the university setting entirely by locating the institute elsewhere. A second way is simply to work as well as possible within the constraints, as the institute is now doing (and doing quite well). A third way is to create appointment possibilities in the institute that will attract high-quality researchers. Such appointments could be solely within the institute, or jointly with departments but with the career commitment arising from the institute. In this way the forces tending toward cohesion within the institute--common location, common projects, and common research interests--would be strengthened by the addition of common individual career commitments to the institute itself. The evidence from one other university-based institute at which such appointments are the mode, the Institute for Social

Research at the University of Michigan, indicates that under proper circumstances they can work. We believe that the institute could benefit by making use of them. It would be essential, of course, that quality standards comparable to those for present joint appointments be maintained.

We have already discussed the barriers to making long-term personnel arrangements that the limited term of the HEW core grant imposes. In our view one of the strongest arguments for making part of the core grant in five-year funds is that it would facilitate such arrangements. The commitments could take many possible forms. One that the University of Wisconsin has indicated its willingness to consider (if extended funding is available) is that of tenured appointments in the departments combined with full-time research commitment to the institute. Another would be research associate appointments for longer than the current two years, possibly five years. A third would be "rolling" tenure by which the institute guaranteed a researcher's full-time support for the period of its grant and updated the guarantee yearly. A fourth would be a simple guarantee of support contingent only on the continuation of the institute or of the core grant. Undoubtedly other mechanisms exist. Not all require five-year core grant funds, though they are much less likely to be feasible without it.

There are admittedly some dangers for the institute in making long-term full-time appointments. One is quite concrete: each such appointment would commit a significant portion of the institute's budget far in advance, with the attendant risks of poor performance or low productivity as well as restriction on the ability of the institute to shift quickly to different researchers and lines of work. Another danger is more subtle: the possibility that the full-time appointees would become isolated from their disciplinary and departmental connections and lead the institute away from its university ties, perhaps with the result that they would come to be seen as second-class citizens and the institute as an inferior place to work. Both of these dangers, however, can be reduced by making sure that only strong researchers of proven ability and productivity are appointed. In any case, the number of such appointments could never be large--the institute would continue to rely primarily on part-time joint appointments.

We grant the reality of these dangers, but we are convinced that the potential advantages outweigh them. The director needs enhanced ability to shift resources toward priority questions, to hire people from disciplines whose departments at the university are not necessarily interested in poverty researchers, to bring people to the institute whose research skills or styles are uniquely useful to the study of poverty, and to improve the heterogeneity of the staff as a whole. The director must be able to attract senior researchers of proven ability, a strategy that will normally require a time commitment of more than the two years of the current research associate program. Extended full-time appointments, in prudent numbers, would in our view be a significant tool for increasing the coherence and strength of the institute's agenda-setting as well as the policy relevance of its work. In this light, we believe that the risks they carry are well worth taking.

5

THE NELSON REPORT: EIGHT YEARS LATER

This is the second committee established by the National Research Council to evaluate research on poverty and the Institute for Research on Poverty. The first was the Advisory Committee for Assessment of University Based Institutes for Research on Poverty, chaired by Richard R. Nelson, which carried out its review in 1970 and published a report titled Policy and Program Research in a University Setting (National Research Council 1971). Although there was no overlap in membership between the two committees, there was a large overlap of interest. Both groups acted as part of the federal government's policy of evaluating its support for the Institute for Research on Poverty not project-by-project or year-by-year but at longer intervals, on the basis of its performance taken as a whole.

We are struck first of all by the degree to which our findings and those of the Nelson committee are similar. The two committees are in basic agreement on the way the institute sets its agenda and its hiring policies, the high quality of much of its work, its significant contribution to understanding of and policy toward poverty, its stimulating influence on the amount of poverty research being done, the mutual influence of

researchers from different disciplines (but the lack of truly interdisciplinary research), the importance of the institute's independence in choosing projects, and the need for longer-term funding for the institute.

There are of course points of difference between the work of the two committees. First, the Nelson committee discussed at length the institute's relationship to the university's teaching function. They apparently saw the institute as a proto-department that would eventually develop its own degree-granting program. The institute has not moved in that direction, however, and has no current intention of doing so. Both the staff and the university see the institute as a mechanism for the expression of the faculty's research interest as well as a means for attracting newly trained researchers to the field of poverty, but not as a training institution per se. Thus predoctoral graduate students who act as research assistants in institute-funded projects may well be learning as they assist their mentors, but to the extent that such learning is an objective of the work, the mentor is acting as a department member rather than an institute staff member. Our committee has accepted the institute's view of itself strictly as a research vehicle. Acting as such it serves essential interests of all parties to the arrangement: the university, the researchers, and the government. We have no reason to believe that it would serve them better if it took on a teaching role.

Second, there is a difference in perspective between the two committees. In 1970, what seemed then to be a wave of institutionalization of analysis and research in federal decision-making had not yet crested. The Nelson committee was cautious in its interpretation of this development, but it would have been hard to avoid its presumptions of increased future demand for policy research, increased importance for research organizations like the institute, and increased interest by academics in policy. However, there has been far less movement in these directions than the Nelson committee foresaw. Almost as the Nelson committee sat, the formal federal commitment to planning-programming-budgeting, which had been the framework for increased interest in analysis, was being withdrawn. Research budgets generally were tightened, and, most importantly, OEO, the institutional embodiment of the war on poverty, would soon be dismantled. Moreover from today's vantage point it is easier to see how limited the influence of

planning-programming-budgeting was, even at its height, on the substance of government decision making. Perhaps the most important and lasting effect was that it led to establishment of offices like those that have sponsored the institute--the Office of Planning, Research, and Evaluation (PR&E) at OEO and ASPE at HEW--which became new actors in the decision process using sponsorship of analytical studies as one of their principal tools. More analysis is now involved in many government decisions than was formerly the case. Whether the research merits of issues have received more weight in those decisions, however, remains problematic, depending not only on how well the brokers work but also on whether policy decision makers choose to listen to them--not all do. The institutionalization of reseach brokerage was a positive development, but hardly a revolution. The future that the years 1970 through 1978 actually held for poverty research was therefore much less extensive than the Nelson committee foresaw. We are of course as much captive of the recent past as they were, so our own observations have been colored by the presumption that poverty research risks decreased support, and that the future is as likely to see lower levels of support as it is to see higher ones.

Our less expansive view is also related to a third difference between the two committees. The Nelson committee distinguished between mission-oriented agencies with program responsibilities and research agencies without them, and argued strongly for support of independent research by the former, basing their case on the advantages of mission-oriented agencies in weighing the practical policy importance of research. Their case supported PR&E as the place to locate poverty research, and the same logic would support ASPE, which is also a staff office within a mission-oriented agency. We grant the force of this argument, but we see the matter somewhat differently. For independent organizations like the institute, close guidance by the funding agency on the detailed research agenda is not desirable; this fact attenuates the mission-oriented agency's advantage to begin with, though it does not eliminate it. We have argued for closer communication between the institute and ASPE in order to help the institute in setting its agenda, and it might not be as easy to arrange for intimate acquaintance with the policy debate if ASPE had a research-only mission. The major difference in our view arises, moreover, from the

difference between PR&E's position in 1970 and that of ASPE today. In a sense, PR&E at that time had the best of two worlds: as a research supervisor and broker it had a policy mission to provide a sense of the importance of research; and as a funder it had not only a legislative mandate to support poverty research but also a bureaucratic position that made it much stronger within its parent agency than is ASPE and freed it from many of the constraints ASPE experiences. The 50-percent drop in the real value of ASPE's poverty research budget over the last five years, while it has not led to drastic cuts for the institute, is a cautionary signal. We support assigning poverty research to ASPE as the Nelson committee supported its assignment to PR&E, but we are less sanguine about its future there, for reasons we give in Chapter 2, unless renewed commitment is made to ASPE's poverty research role by the secretary of HEW and the assistant secretary for planning and evaluation.

REFERENCES

Aaron, H. (1977) Shelter and Subsidies: Who Benefits from Federal Housing Policies. Washington, D.C.: Brookings Institution.

Aaron, H. (1978) Politics and the Professors: The Great Society in Perspective. Washington, D.C.: Brookings Institution.

Abramson, M.A. (1978) The Funding of Social Knowledge Production and Application: A Survey of Federal Agencies. Vol. 2. Study Project on Social Research and Development. Washington, D.C.: National Academy of Sciences.

Barth, M., Carcagno, G., and Palmer, J. (1974) Toward an Effective Income Support System: Problems, Prospects, and Choices. Madison, Wis.: Institute for Research on Poverty.

Barth, M., Orr, L., and Palmer, J. (1975) Policy implications: a positive view. In J. Pechman and P. Michael Timpane, eds., Work Incentives and Income Guarantees: The New Jersey Negative Income Tax Experiment. Washington, D.C.: Brookings Institution.

Boeckmann, M. (1976) Policy impacts of the New Jersey

income maintenance experiments. Policy Sciences 7:53-76.

Burtless, G. and Hausman, J. (1978) The effect of taxation on labor supply: evaluating the Gary negative income tax experiment. Journal of Political Economy (December).

Cain, G.G., and Hollister, R.G. (1970) Evaluating Manpower Programs for the Disadvantaged. Reprint No. 47. Madison, Wis.: Institute for Research on Poverty.

Cain, G.G., and Watts, H.W., eds. (1973) Income Maintenance and Labor Supply: Econometric Studies. Madison, Wis.: Institute for Research on Poverty.

Caplan, N., Morrison, A., and Stambaugh, R.J. (1975) The Use of Social Science Knowledge in Policy Decisions at the National Level. Ann Arbor: Institute for Social Research, University of Michigan.

Caro, F., ed. (1977) Readings in Evaluation Research. 2nd ed. New York: Russell Sage Foundation.

Cicirelli, V., et al. (1969) The Impact of Head Start: An Evaluation of the Effects of Head Start on Children's Cognitive and Affective Development. Report prepared for the Office of Economic Opportunity, Contract B-89-4530, by Westinghouse Learning Corp., Ohio University.

Covello, V.T., ed. (1979) Poverty and Public Policy: An Evaluation of Social Science Research. Cambridge, Mass.: Schenkman.

Danziger, S., and Yinger, J. (1976) An Equilibrium Model of Urban Population and the Distribution of Income. Discussion paper no. 355. Madison, Wis.: Institute for Research on Poverty.

Featherman, D.L., and Hauser, R.M. (1976a) Changes in the Socioeconomic Scales in the Study of Occupational Achievement. Reprint No. 216. Madison, Wis.: Institute for Research on Poverty.

Featherman, D.L., and Hauser, R.M. (1976b) Changes in the Socioeconomic Stratification of the Races, 1962-1972. Reprint no. 209. Madison, Wis.: Institute for Research on Poverty.

Garfinkel, I., and Gramlich, E.M. (1973) A statistical analysis of the OEO experiment in educational performance contracting. Journal of Human Resources 8:275-305.

Garfinkel, I., and Masters, S.H. (1978) Estimating Labor Supply Effects of Income Maintenance Alternatives. Madison, Wis.: Institute for Research on Poverty.

Goldberger, A.S. (1976a) On Jensen's Method for Twins and Jensen on Burks. Reprint No. 195. Madison, Wis.: Institute for Research on Poverty.

Goldberger, A.S. (1976b) Mysteries of the Meritocracy. Reprint No. 196. Madison, Wis.: Institute for Research on Poverty.

Goldstein, J. (1972) The Effectiveness of Manpower Training Programs: A Review of Research on the Impact on the Poor. In Joint Economic Committee, Congress of the United States, Studies in Public Welfare. 93rd Cong., 2d sess.

Gramlich, E.M. (1979) Future Research on Poverty and Income Maintenance. In Vincent T. Covello, ed., Poverty and Public Policy: An Evaluation of Social Science Research. Cambridge, Mass.: Schenkman.

Gramlich, E.M., and Koshel, P.P. (1975) Educational Performance Contracting. Washington, D.C.: Brookings Institution.

Green, C. (1967) Negative Income Taxes and the Poverty Problem. Washington, D.C.: Brookings Institution.

Hall, R.E. (1975) Effects of the experimental negative income tax on labor supply. In J. Pechman and P. Michael Timpane, eds., Work Incentives and Income Guarantees: The New Jersey Negative Income Tax Experiment. Washington, D.C.: Brookings Institution.

Hamermesh, D. (1977) Jobless Pay and the Economy. Baltimore: Johns Hopkins University Press.

Handler, J.F., and Hollingsworth, E.J. (1971) The Deserving Poor: A Study of Welfare Administration. Madison, Wis.: Institute for Research on Poverty.

Hauser, R.M., and Featherman, D.L. (1974) Socioeconomic Achievements of U.S. Men, 1962-1972. Reprint No. 120. Madison, Wis.: Institute for Research on Poverty.

Hauser, R.M., and Featherman, D.L. (1975) White-Nonwhite Differentials in Occupational Mobility Among Men in the U.S., 1962-1972. Reprint No. 135. Madison, Wis.: Institute for Research on Poverty.

Haveman, R., ed. (1977) A Decade of Federal Antipoverty Programs: Achievements, Failures, and Lessons. New York: Academic Press.

Hollister, R., and Palmer, J. (1973) The Impact of Inflation on the Poor and the Implicit Tax of Inflation and Unemployment. Reprint no. 106. Madison, Wis.: Institute for Research on Poverty.

Keeley, M.C., Robins, P.K., Spiegelman, R.G., and West, R.W. (1978) The labor supply effects and costs of alternative negative income tax programs. Journal of Human Resources 13(1):3-36.

Kershaw, D., and Fair, J. (1976) The New Jersey Income-Maintenance Experiment. Vol. 1. Operations, Surveys, and Administration. Madison, Wis.: Institute for Research on Poverty.

Klein, W.A. (1971) Familial Relationships and Economic Well-Being: Family Unit Rules for a Negative Income Tax. Reprint no. 71. Madison, Wis.: Institute for Research on Poverty.

Klein, W.A. (1975) The Definition of "Income" under a Negative Income Tax. Reprint no. 134. Madison, Wis.: Institute for Research on Poverty.

Knorr, K. (1977) Policy-makers' use of social science knowledge: symbolic or instrumental? In C. Weiss, ed., Using Social Research in Public Policy Making. Lexington, Mass.: Lexington Books.

Lampman, R.J. (1971) Ends and Means of Reducing Income Poverty. Chicago: Markham.

Lampman, R.J. (1974) What does it do for the poor? A new test for national policy. Public Interest 34.

Levin, H. (1977) A decade of policy developments in improving education and training for low-income populations. Pp. 123-88 in R. Haveman, ed., A Decade of Federal Antipoverty Programs. New York: Academic Press.

Liebow, E. (1967) Tally's Corner. Boston: Little, Brown.

Lindblom, C.E., and Cohen, D.K. (1978) Social Research in Social Problem Solving: The Issues. Working paper No. 803. Institution for Social and Policy Studies. New Haven: Yale University.

Lurie, I., ed. (1975) Integrating Income Maintenance Programs. Madison, Wis.: Institute for Research on Poverty.

Lynn, L.E., ed. (1978) Knowledge and Policy: The Uncertain Connection. Vol. 5. Study Project on Social Research and Development. Washington, D.C.: National Academy of Sciences.

MacDonald, M. (1978) Food Stamps and Income Maintenance. New York: Academic Press.

Marston, S. (1975) The Impact of Unemployment Insurance on Job Search. Brookings Papers on Economic Activity 1.

Masters, S.H. (1975) Black-White Income Differentials: Empirical Studies and Policy Implications. New York: Academic Press.

Masters, S., and Garfinkel, I. (1977) Estimating the Labor Supply Effects of Income Maintenance Alternatives. New York: Academic Press.

Moon, M., and Smolensky, E., eds. (1977) Improving Measures of Economic Well-Being. Madison, Wis.: Institute for Research on Poverty.

National Research Council (1971) Policy and Program Research in a University Setting. Advisory Committee for Assessment of University Based Institutes for Research on Poverty. Washington, D.C.: National Academy of Sciences.

National Research Council (1978) The Federal Investment in Knowledge of Social Problems. Final Report. Vol. 1. Study Project on Social Research and Development. Washington, D.C.: National Academy of Sciences.

Olsen, E.O., and Barton, D.M. (1976) The Benefits and Costs of Public Housing in New York City. Discussion paper no. 372. Madison, Wis.: Institute for Research on Poverty.

Palmer, J. (1978) Creating Jobs: Public Employment Programs and Wage Subsidies. Washington, D.C.: Brookings Institution.

Perry, C., Anderson, B., Rowan, R., and Northrup, H. (1975) The Impact of Government Manpower Programs. Industrial Research Unit, Wharton School. Philadelphia: University of Pennsylvania.

Plotnick, R.D., and Skidmore, R. (1975) Progress Against Poverty: A Review of the 1964-1974 Decade. Madison, Wis.: Institute for Research on Poverty.

Reynolds, M., and Smolensky, E., eds. (1977) Public Expenditures, Taxes, and the Distribution of Income: The U.S., 1950, 1961, 1970. Madison, Wis.: Institute for Research on Poverty.

Rich, R. (1975) Selective utilization of social science related information by federal policy-makers. Inquiry 13:239-45.

Robins, P., and West, R. (1978) Participation in the Seattle and Denver Income Maintenance Experiments and Its Effects on Labor Supply. Research memorandum no. 53. SRI International, Menlo Park, Cal.

Ross, H.L., and Sawhill, I.V. (1975) Time of Transition: The Growth of Families Headed by Women. Washington, D.C.: Urban Institute.

Smith, M.S. (1975) Evaluation findings in Head Start Planned Variation. In A.M. Rivlin and P.M. Timpane, eds., Planned Variation in Education. Washington, D.C.: Brookings Institution.

Smolensky, E., and Gomery, J.D. (1973) Efficiency and Equity Benefits from the Federal Housing Program in 1965. Reprint no. 88. Madison, Wis.: Institute for Research on Poverty.

Suchman, E. (1967) Evaluation Research: Principles and Practice in Public Service and Social Action Programs. New York: Russell Sage Foundation.

Taeuber, K.E. (1968) The Effect of Income Redistribution on Racial Residential Segregation. Reprint No. 21. Madison, Wis.: Institute for Research on Poverty.

Taeuber, K.E. (1975a) Racial Segregation: The Persisting Dilemma. Reprint No. 180. Madison, Wis.: Institute for Research on Poverty.

Taeuber, K.E. (1975b) Demographic Perspectives on Housing and School Segregation. Reprint No. 162. Madison, Wis.: Institute for Research on Poverty.

U.S. Congress, Joint Economic Committee (1972) Studies in Public Welfare. Subcommittee on Fiscal Policy. 93rd Cong., 2nd sess.

U.S. Congress, Senate (1978) Welfare Research and Experimentation. Hearings before the Subcommittee on Public Assistance of the Committee on Finance. November 15, 16, 17, 1978. 95th Congress, 2nd sess.

Watts, H.W., and Rees, A., eds. (1977a) The New Jersey Income-Maintenance Experiment. Vol. 2. Labor-Supply Response. Madison, Wis.: Institute for Research on Poverty.

Watts, H.W., and Rees, A., eds. (1977b) The New Jersey Income-Maintenance Experiment. Vol. 3. Expenditures, Health, and Social Behavior: The Quality of the Evidence. Madison, Wis.: Institute for Research on Poverty.

Weisbrod, B. (1969) Collective Action and the Distribution of Income: A Conceptual Approach. Reprint No. 34. Madison, Wis.: Institute for Research on Poverty.

Weiss, C. (1977a) Research for policy's sake: the enlightenment function of social research. Policy Analysis 3(4):531-46.

Weiss, C., ed. (1977b) Using Social Research in Public Policy Making. Lexington, Mass.: Lexington Books.

Weiss, C. (1978) Improving the linkage between social research and public policy. In Laurence E. Lynn,

Jr., ed., Knowledge and Policy: The Uncertain Connection. Washington, D.C.: National Academy of Sciences.

Williamson, J.G. (1977) The Sources of American Inequality. Reprint No. 226. Madison, Wis.: Institute for Research on Poverty.

Williamson, J.G., and Lindert, P. (1976) Three Centuries of American Inequality. Discussion paper No. 333. Madison, Wis.: Institute for Research on Poverty.

Winsborough, H.H. (1975) Age, Period, Cohort, and Education Effects on Earnings by Race. Reprint No. 172. Madison, Wis.: Institute for Research on Poverty.

Wright, E.O. (1976) Class Boundaries in Advanced Capitalist Societies. Reprint No. 219. Madison, Wis.: Institute for Research on Poverty.

APPENDIX A

POVERTY RESEARCH IN THE UNITED STATES: A REVIEW OF FEDERAL PROGRAMS AND RESEARCH ORGANIZATIONS

Vincent T. Covello

INTRODUCTION

The federal government currently sponsors a substantial amount of research on the causes, extent, correlates, and consequences of poverty in the United States. The purpose of this appendix is (1) to identify the research programs of the principal federal agencies supporting and conducting research on poverty; (2) to describe the research activities of the principal performers of federally sponsored poverty research; and (3) to present data on federal expenditures for poverty research in fiscal 1977.

The data reported in this appendix are intended to serve as a guide to the main federal and federally sponsored poverty research programs. The data can, among several uses, provide a framework for an evaluation of the system of federal support for poverty research.

Because of the broad scope of the subject matter, the emphasis is not on completeness of coverage but on highlighting the most important federal research programs on poverty. Although most federal agencies with a significant poverty research component have been

canvassed, some relevant research programs may have been omitted. The descriptions of each program can in no sense be considered exhaustive. Generally, only research programs of fairly recent origin are described. Moreover, specific programs that seem central to an understanding of poverty are treated in greater detail than programs that appear only indirectly related.

The decision not to systematically survey and categorize all federally sponsored poverty research projects was based on several considerations. First, there are more than 180 agencies, bureaus, offices, and divisions that support social research in the federal government (Study Project on Social Research and Development 1978). It is possible to identify at least some poverty-related research projects in many of these agencies. Considering the limited resources available for the committee's inquiry, it was impossible to collect data on all poverty-related research projects funded by the federal government in a given year. For example, a preliminary computer search of the Smithsonian Scientific Information Exchange files, which contain data for less than 60 percent of all federal research projects, produced listings for several thousand projects involving poverty research.

Second, although agency research reports often contain lists of research projects, detailed project descriptions are seldom provided. Moreover, agency publications rarely provide information on project expenditures or on the disciplines and affiliations of the researchers. In order to obtain such data, contract and grant files in each agency must be individually examined.

Third, a number of unresolved problems impede the collection of reliable data on the federal funding of social research generally and research on poverty specifically. One problem is that research activities are seldom identified as specific items in agency budgets (in part because agency research budgets are often the first to be cut by Congress). Another problem is that the organizational location of research activities can change from year to year. Moreover, the meaning of the term "research" is open to debate and a formal distinction between research and other activities that produce and apply knowledge is often difficult to maintain (Study Project on Social Research and Development 1978). As a result, agencies may combine statistical record-keeping, dissemination activities,

demonstrations, experiments, program evaluations, and basic research activities in such a way as to make subsequent attempts to identify research expenditures extremely difficult.

Data and Methods

The work of the National Research Council's Study Project on Social Research and Development was used as a point of departure for this review of federal research on poverty. The study project carried out a survey of expenditures for social research and development throughout government. One volume of the study project's six-volume study (Abramson 1978) gives the results of that survey in detail and describes each program of research that it judged to have a social component. From the study project's survey, an initial list of the principal federal sponsors of poverty research was developed. Although the definition of poverty research is not always a clear one, the agencies' programs were examined for research activities that could be defined as systematic, intensive study directed toward the greater knowledge or understanding of individuals or groups with low incomes, or of public policies and programs concerned with individuals or groups with low incomes.

This definition excluded research activities that are only indirectly related to the low-income population--such as fiscal and monetary research concerned with macroeconomic policies. The definition also excluded most program evaluations and demonstrations. An attempt was made, however, to include program evaluations and policy formation demonstrations that were closely related to research on poverty, for example, the negative income tax experiments and the housing allowance experiments.

The initial list of federal sponsors of poverty research was then modified on the basis of interviews with staff from federal agencies and congressional offices and a bibliographic search of five social science data bases that list federally sponsored projects on poverty research. As a result, 14 agency sponsors of research on poverty were identified: the office of the Assistant Secretary for Planning and Evaluation, the Social Security Administration, the Social and Rehabilitation Service, the National

Institute of Education, and the Office of Education, in the Department of Health, Education, and Welfare; the office of the Assistant Secretary for Policy Development and Research, in the Department of Housing and Urban Development; the Economic Development Administration, the Bureau of the Census, and the Office of Minority Business Enterprise, in the Department of Commerce; the Employment and Training Administration and the office of the Assistant Secretary for Policy, Evaluation, and Research, in the Department of Labor; the Food and Nutrition Service, in the Department of Agriculture; the Community Services Administration; and the National Science Foundation. Although several other agencies support or conduct some poverty-related research, these 14 agencies represent the principal federal sponsors of poverty research.

For each agency, detailed research budget and program information was derived from the following sources: agency congressional budget justifications; agency "R&D" and "statistical" budget submissions to the Office of Management and Budget; agency responses to the National Science Foundation annual survey of "Federal Funds for R&D and Other Scientific Activities"; survey results of the National Research Council's Study Project on Social Research and Development; and personal interviews with agency staff.

Table A-1 presents the results of the review. These 14 agencies of the federal government spent $89.6 million in 1977 for poverty research. Of the departments listed in the table, the Department of Health, Education, and Welfare is by far the largest supporter of poverty research, accounting for nearly 53 percent of the total.

One may interpret this total as large or small: either emphasizing that the federal government spent a substantial amount (nearly $90 million) on poverty research, or stressing that this sum represents a very small fraction (.06 percent) of total federal expenditures on antipoverty programs. (As shown in Table A-2, federal antipoverty program expenditures in 1977 amounted to $163.1 billion.) In any case, a definitive judgment cannot be reached without assessing the extent to which this research has proven useful in policy formation and has improved our understanding of the nature, causes, and cures of poverty.

TABLE A-1 Federal Expenditures for Poverty Research (fiscal 1977, $ millions)

Agency	Expenditures for Poverty Research
Department of Health, Education, and Welfare	
Office of the Assistant Secretary for Planning and Evaluation	$20.0
Social Security Administration	12.5
Office of Education	8.0
National Institute of Education	5.0
Social and Rehabilitation Service	1.7
Department of Housing and Urban Development	
Office of the Assistant Secretary for Policy Development and Research	19.9
Department of Commerce	
Economic Development Administration	10.0
Bureau of the Census	0.4
Office of Minority Business Enterprise	0.4
Department of Labor	
Employment and Training Administration	4.5
Office of the Assistant Secretary for Policy, Evaluation, and Research	1.0
National Science Foundation	4.1
Department of Agriculture	
Food and Nutrition Service	1.1
Community Services Administration	1.0
TOTAL	$89.6

The rest of the appendix is divided in two parts: the first describes the principal federal sponsors of poverty research. The second describes the principal outside research organizations that carry out federally sponsored poverty research.

FEDERAL SPONSORS OF POVERTY RESEARCH

The research programs of the principal federal agencies supporting and conducting poverty research are described below. Expenditures in fiscal 1977 for poverty research are in parentheses.

TABLE A-2 Federal Expenditures for Major Antipoverty Programs (fiscal 1977, $ billions)

Program	1977 Expenditures
Aid to Families with Dependent Children	$ 5.4
Supplemental Security Income	4.6
Veterans' and Survivors' Non-Service-Connected Pensions	3.1
Food Stamps	5.0
Child Nutrition and other food assistance programs of the Department of Agriculture	3.2
Medicaid	9.1
Housing Assistance	2.4
Basic Educational Opportunity Grants	1.4
Compensatory Education (Title I)	1.9
Head Start	0.5
Social Security[a]	82.4
Unemployment Compensation[a]	13.1
Comprehensive Employment and Training Act	5.6
Work Incentive Program	0.4
Earned Income Tax Credit	0.9
Medicare[a]	21.9
Community Development Block Grants	2.2
TOTAL	$163.1

[a]Benefits paid under these programs are not income-tested; that is, they do not require beneficiaries to prove that their incomes are below a specified eligibility level.

SOURCE: Special Analyses, Budget of the United States Government, Fiscal Year 1979, and the Budget of the United States Government, Fiscal Year 1978.

Department of Health, Education, and Welfare (HEW)

Office of the Assistant Secretary for Planning and Evaluation ($20.0 million) As described in its annual program plan, the Office of the Assistant Secretary for Planning and Evaluation (ASPE) is a cross-cutting agency with activities spanning the entire range of HEW programs. ASPE's primary responsibility, however, is to coordinate HEW activities in economic and social analysis, program analysis, planning, and evaluation.

In 1973, many of the poverty-related research and demonstration programs conducted by the Office of Economic Opportunity (OEO) were transferred to ASPE. These research projects, together with the income maintenance experiments also administered by ASPE, comprise the most extensive research effort concerning poverty in the federal government.

A key consideration in the choice of specific ASPE

research projects is the potential impact of research results on HEW policies and programs. A high priority, therefore, is given to projects that have a direct bearing on such policy areas as welfare reform, national health insurance, and human service programs.

ASPE's research activities, mostly extramural, are funded by congressional appropriation under the original OEO research authority. The program is divided into four broad categories of research: (a) Income Maintenance and Employment; (b) Health; (c) Other Human Services; and (d)Basic Research and Statistical Data. Each category is described below.

Income Maintenance and Employment Research projects in this category are designed to provide a better understanding of the causes of low earnings from employment; to ascertain the effects, or likely effects, of existing or proposed income maintenance and employment-related assistance programs; and to suggest policies and programs that will increase self-sufficiency and reduce dependence among low-income families and individuals. Several of the most important projects are described below.

(a) Income Maintenance Experiments: New Jersey-Pennsylvania, Rural, Denver, Seattle, and Gary. A substantial proportion of ASPE's budget is used to support social experimentation on income maintenance. As of 1977 five experiments had been undertaken. The first two--the New Jersey-Pennsylvania Graduated Work Incentive Experiment (commonly referred to as the New Jersey Negative Income Tax Experiment, or NIT) and the Rural Income Maintenance Experiment--were originally sponsored by OEO.

OEO initiated the New Jersey Negative Income Tax Experiment in 1967 through a combined grant to the Institute for Research on Poverty at the University of Wisconsin and to Mathematica, Inc. The experiment was designed to measure the effects of instituting an income maintenance plan to replace the current welfare system, paying special attention to the work disincentives of such a plan. The New Jersey Negative Income Tax Experiment was carried out in four cities: Paterson-Passaic, Jersey City, Trenton, and Scranton.

The Rural Income Maintenance Experiment, which began in 1969, was conducted to investigate the effects of an income maintenance plan on the rural population, including the elderly (who were excluded from the New Jersey experiment). The Rural Income Maintenance

Experiment was carried out in two states: Iowa and North Carolina.

The Seattle and Denver Income Maintenance Experiments were initiated approximately one year later to study the effects of longer-range income guarantees. Families in the New Jersey Negative Income Tax Experiment knew they would receive payments for only three years, whereas families in the Seattle and Denver Income Maintenance Experiments were told they would be eligible for payments for either three, five, or twenty years. Denver and Seattle also provided greater geographic and ethnic diversity; in addition, they were designed to measure the effects of providing manpower training and employment counseling services.

Finally, the Gary Income Maintenance Experiment, which began in 1970, focused primarily on the differential effects of an income maintenance plan on one-parent versus two-parent families. In addition, the Gary experiment was designed to measure the effects of providing social services and subsidies for day care.

Table A-3 provides summary information on each of the experiments. In 1977 ASPE provided approximately $9.7 million for support of these experiments and for analysis of their results.

(b) The Transfer Income Simulation Model (TRIM) and the Dynamic Microsimulation Model (Dynasim). The Transfer Income Simulation Model is the basic simulation model used by HEW to estimate the costs and caseloads of alternative income maintenance programs. The Dynamic Microsimulation Model is a simulation model designed to project the economic and demographic characteristics of the U.S. population taking into account the long-range effects of economic policies.

Other recent ASPE studies on income maintenance and employment include research on: race differences in earnings; female wage rates; labor market supply and demand; policy options for welfare reform initiates; the use of time by the unemployed; the conversion of in-kind benefits into cash income equivalents; dependence and family structure; and unemployment and inflation.

Health In the category of health, ASPE carries out studies to determine the availability and use of health services, particularly by low-income groups. The principal ASPE project on health is the Health Insurance Study (HIS), consisting of two parts: (a) the health insurance experiment and (b) the nonexperimental health insurance studies. In 1977 ASPE provided $3.7 million

TABLE A-3 Characteristics of Major Federal Income Maintenance Experiments

Experiment	Purpose	Size	Program Period[a]	Duration of Experiment	Cost ($ millions)
	To determine the effects of alternative levels of income support on:				
New Jersey-Pennsylvania Negative Income Tax Experiment (NIT): Jersey City, N.J. Paterson-Passaic, N.J. Trenton, N.J. Scranton, Penn.	the work effort of the working poor, mainly male-headed families living in urban areas.	1,216 families	1968-1972	3 years	$ 7.8[b]
Rural Income Maintenance Experiment (RIME): Iowa North Carolina	the work effort of the rural poor; also designed to measure the effects of income support on rural-to-urban migration.	809 families	1969-1972	3 years	6.0
Gary Income Maintenance Experiment (GIME)	the work effort of one-parent vs. two-parent families; also designed to measure the effects of providing social services and subsidies for day care.	1,780 families	1970-1974	3 years	20.0[c]
Seattle Income Maintenance Experiment (SIME)	the work effort of the poor when work training, counseling, referral, and day care services are also provided.	2,042 families	1970-1990	3 years, 5 years, and 20 years	34.3
Denver Income Maintenance Experiment (DIME)	the work effort of the poor when work training, counseling, referral, and day care services are also provided.	2,742 families	1971-1991	3 years, 5 years, and 20 years	44.1

[a] Design through final report.
[b] Interview and research costs: $5 million (estimated).
[c] Interview and research costs: $13 million (estimated).

for the experiment and the non-experimental studies. The experiment involved 2,800 families enrolled in 11 health insurance plans. Four sites for the experiment were selected: Dayton, Ohio; Seattle, Washington; Fitchburg, Massachusetts; and Charleston, South Carolina. The experiment will be completed in 1982 at a total estimated cost of $59.7 million.

Among the concerns of the nonexperimental health insurance studies are the demand for and costs of health services and the responsiveness of the supply of physicians to the demand for medical services.

Other ASPE health research activities include analyses of the organization and delivery of health care and studies dealing with medicaid reimbursements and physician billing practices for low-income patients.

Other Human Services Research projects in the category of other human services are designed to study both the effectiveness of various education programs and ways to improve the quality and delivery of social services to the disadvantaged. Education research projects are carried out to analyze the effects of existing or proposed education programs on the poor. Social services research projects are carried out to analyze the effects of existing or proposed educational programs on the poor. Social services research projects study the availability and appropriate use of long-term care facilities and associated social services for disabled and elderly populations. ASPE also sponsors research on day care programs and social services for single-parent families.

Basic Research and Statistical Data Research activities in this category include studies aimed at increasing fundamental understanding of the nature and causes of poverty and inequality. The program also supports research designed to improve the collection, analysis, and use of statistical data on policy-relevant economic, social, health, and demographic behavior. Several of the projects sponsored under this program are described below.

(a) The Panel Study of Income Dynamics (Michigan Longitudinal Survey). The Panel Study of Income Dynamics, otherwise known as the Michigan Longitudinal Survey, has been conducted since 1968 by the Survey Research Center of the University of Michigan. The Michigan Longitudinal Survey, originally sponsored by the OEO, is now the responsibility of ASPE. The study was designed to focus on changes in the economic status

of families and individuals by following a sample of approximately 5,000 families, heavily weighted to lower incomes, over a period of years. Families in the sample have been interviewed every year since 1968. It is expected that interviewing will continue.

(b) The Institute for Research on Poverty at the University of Wisconsin-Madison. The Institute for Research on Poverty was established in 1966 at the University of Wisconsin-Madison by OEO as a national, university-based center for the multidisciplinary study of poverty. Responsibility for the institute was transferred to ASPE in 1973. The institute's research activities are described in the section on research organizations.

In addition to these and other projects, ASPE provides partial support for analyses of the Survey of Income and Education conducted by the Census Bureau and for the development of the national Survey of Income and Program Participation.

Social Security Administration ($12.5 million) The Social Security Administration is responsible for the administration of the following programs: Social Security (Old Age and Survivors Insurance and Disability Insurance), Supplemental Security Income (SSI), and Aid to Families with Dependent Children (AFDC). Prior to 1977, the Social Security Administration also administered the medicare program. However, as a result of 1977 HEW reorganization, the medicare program was transferred to the new Health Care Financing Administration.

Approximately two-thirds of the Social Security Administration's research is conducted by the in-house staff of its Office of Research and Statistics. The Social Security Administration supports poverty-related research activities in the areas described below.

Economic and Long-Range Studies ($2.3 million) Research activities include studies on social security financing, redistribution effects of social security on the economy, income maintenance alternatives, effects of social security on individuals and families, the relationship of social security to other public and private income maintenance programs, and trends in social security and welfare expenditures.

Health Insurance Studies ($6.2 million) Before the transfer of medicare to the Health Care Financing Administration, the health insurance research program

had primary responsibility for the review and evaluation of the medicare program. This responsibility included studies on the extent to which the program met medical care needs, and the program's effect on medical prices and on the health care industry. In addition, the Current Medicare Survey and other medicare program data were used to answer questions on program operations and on the characteristics and circumstances of medicare beneficiaries.

Supplemental Security Income Studies ($2.0 million) Research activities include studies on the effects of the Supplemental Security Income (SSI) program and on the characteristics and circumstances of certain population groups (aged, blind, and disabled people with incomes below specified levels). In addition, program and survey data of the SSI program are used to develop indices of poverty and income adequacy.

Family Assistance Studies ($2.0 million) The Social Security Administration assumed responsibility for the Aid to Families with Dependent Children (AFDC) program and the Child Support Enforcement Program following the March 1977 HEW reorganization. Research activities for these programs, which had previously been carried out by the Social and Rehabilitation Service, were assigned to a new unit within the Social Security Administration, the Family Assistance Studies Staff. This group collects, tabulates, and analyses recipient, benefit, and operational data relating to AFDC and other family assistance and child support enforcement programs within the Social Security Administration. The staff also conducts policy-related research on changes in the size and composition of AFDC clientele and on the effectiveness of programs of the Social Security Administration aimed at increasing earnings and reducing poverty.

Social and Rehabilitation Service (January-March 1977: $1.7 million) Prior to March 1977, the Social and Rehabilitation Service administered three major programs: Aid to Families with Dependent Children (AFDC), Medicaid, and Social Service Programs. As a result of the 1977 HEW reorganization, the service was abolished and its programs were transferred to other agencies within HEW. The Social Security Administration assumed responsibility for AFDC; the Health Care Financing Administration, a new agency, was given responsibility for Medicaid, and the Office of Human

Development Service assumed responsibility for the Social Service Programs. The research activities associated with these programs were transferred to each appropriate agency.

The Social and Rehabilitation Service's poverty-related research activities were designed to resolve AFDC and Medicaid policy and program issues and to develop the knowledge needed to improve federal, state, and local delivery of social services. The principal research office within the service was the Office of Planning, Research, and Evaluation.

The Social and Rehabilitation Service gave high priority to supporting extramural research in the areas described below.

Income Maintenance Research activities included the development of a microsimulation of the AFDC program, studies to improve state and federal AFDC forecasting capability, analyses of AFDC caseloads, an examination of the effect of "income disregard" policies, management studies of public assistance programs, and welfare reform research.

The Social and Rehabilitation Service also supported analyses of the biennial survey of AFDC recipients conducted by its National Center for Social Statistics. These analyses provided information on the extent to which AFDC had raised families out of poverty and on the extent of overlap between the AFDC population and the poverty population more broadly defined.

Health Services Research activities included studies on: medicaid management programs; alternative cost reimbursement methods; state claims processing procedures; and the effects of health service programs on both providers and recipients.

National Institute of Education ($5.0 million) The primary responsibility of the National Institute of Education (NIE) is to conduct and support research on education. As described in the agency's program plan, one of its principal objectives is to help solve or alleviate the problems of American education and to promote its reform and renewal.

The research program of the National Institute of Education is divided into six groups: basic skills; educational equity; education and work; finance and productivity; school capacity for problem solving; and dissemination and resources. The research program of the educational equity group is the most directly

related to poverty in that it sponsors research on education programs for students from low-income families. For example, with funds transferred from the Office of Education, the educational equity group supports research on compensatory education programs authorized under Title I of the Elementary and Secondary Education Act.

The Office of Education ($8 million) The statutory function of the Office of Education is to administer programs of financial assistance to educational agencies, institutions, and organizations. The Office of Education is also responsible for promoting educational innovation and reform through the use of demonstrations and the development of materials.

The office consists of six bureaus and the Office of the Commissioner. Most of the Office of Education's research on the educational problems of the poor is carried out by the Bureau of Elementary and Secondary Education (formerly the Bureau of School Systems). One of the bureau's primary responsibilities is to administer and conduct research on Follow Through, a program designed to assist in the overall development of children enrolled in kindergarten through third grade who are from low-income families. A principal objective of the program is to extend the educational gains made by children in Head Start and other similar preschool programs. In fiscal 1977, approximately $8 million was obligated for research related to Follow Through.

Department of Housing and Urban Development (HUD)

Office of the Assistant Secretary for Policy Development and Research ($19.9 million) As a result of the 1973 reorganization of HUD, the Office of the Assistant Secretary for Policy Development and Research assumed responsibility for all HUD research. The office supports a wide range of external research concerned with meeting housing needs and with improving and developing the nation's communities. The principal poverty-related research activities of the office are described below.

Experimental Housing Allowance Program ($8.8 million) A priority in HUD research is the effort to develop improved housing assistance programs for low-income families. As part of this effort, the

Experimental Housing Allowance Program is testing the feasibility of a national program of direct cash housing payments to low-income households. The program (also referred to as the Housing Allowance Experiment) is divided into four areas: the Demand Experiment; the Supply Experiment; the Administrative Agency Experiment; and the Integrated Analysis.

(a) The Demand (Consumer) Experiment. The demand experiment is primarily concerned with determining how households, receiving alternative forms and amounts of cash assistance, use their housing allowances. The two experimental sites are Pittsburgh and Phoenix; approximately 1,200 renter households are enrolled in each city.

(b) The Supply (Market) Experiment. The supply experiment is designed to determine how the housing market responds to an allowance program. It attempts to simulate a full-scale direct cash assistance program. The two experimental sites are Green Bay, Wisconsin, and South Bend, Indiana; about 6,000 renter households are enrolled in each city.

(c) The Administrative Agency (Management) Experiment. The administrative agency experiment concentrates mainly on how a national program of direct cash assistance for housing might be administered. It includes about 900 recipients and involves eight different agencies--two welfare agencies, two state agencies, two metropolitan-area county government agencies, and two local housing authorities.

(d) Integrated Analysis. The fourth major area, the integrated analysis, is combining data on consumer demand, market supply, and administrative activities in order to estimate the probable effects of a national housing allowance program. This work is also being used to generalize the results from the twelve experimental sites in order to identify consistent patterns and to explain differences.

Enrollment of families in the experiments began in 1973. The final reports of the demand and administrative agency experiments were due in 1978, while the final reports of the supply experiment and the integrated analysis will be completed by 1981. The total estimated cost of the Experimental Housing Allowance Program (to completion) is $205.7 million ($93.7 million for research and technology and $112 million for payments). Table A-4 provides summary information on each of the experiments.

TABLE A-4 The Experimental Housing Allowance Program (total cost: $205.7 million)

Component	Purpose	Size	Program Period[a]	Duration of Experiment
Demand (consumer) experiment: Pittsburgh Phoenix	To determine how households, receiving alternative forms and amounts of cash assistance, use their housing allowance. Issues addressed include: (1) effects of the program on the quality of housing, on patterns of residential mobility, and on the maintenance and rehabilitation of existing dwellings; (2) effectiveness of the program as compared to other forms of income maintenance; (3) potential abuses of the program.	2400 renter households	1973-1978	3 years
Supply (market) experiment: Green Bay South Bend	To determine how the housing market responds to allowances. Issues addressed include: (1) effects of the program on the supply and cost of housing and on patterns of residential mobility; (2) impact of the program on housing of non-participants.	1200 renter households	1973-1981	5 years
Administrative agency (management) experiment: Salem Peoria Tulsa Bismark Springfield San Bernadino Durham Jacksonville	To determine how a national housing allowance program might be administered. Issues addressed include: (1) cost of such a program; (2) scope of services and methods of delivery; (3) amount of administrative control.	900 recipients, 8 agencies	1973-1978	2 years
Integrated analysis	To identify consistent patterns, explain differences, and generalize experimental findings using data from all three experiments.		1973-1981	

[a]Design through final report.

Section 8 Research and Direct Cash Assistance Technical Studies ($6.9 million) Section 8, or the Lower Income Housing Assistance Program, was established by the Housing and Community Development Act of 1974. Research activities related to this program include the development of an ongoing system of data collection, analyses of program effectiveness, and studies aimed at increasing the efficiency and effectiveness of Section 8 housing assistance programs. Section 8 research also examines housing assistance programs in rural areas with high concentrations of low-income individuals and families. Other research in this program explores program options and the potential relationship of a direct cash assistance program to other housing subsidy income transfer programs.

Community Development Research ($4.2 million) Under Title I of the Housing and Community Development Act of 1974, HUD sponsors research on the socioeconomic factors that produce slums and ghettos. As part of this program, studies are conducted on: the causes and processes of neighborhood and community decline; methods for identifying neighborhoods and communities susceptible to decline; and the conditions associated with revitalization of ghettos and slums.

Department of Commerce

The Economic Development Administration ($10.0 million) The Economic Development Administration administers grant and loan programs aimed at helping economically distressed communities reduce unemployment, underemployment, and outmigration through the development of job opportunities in public and private enterprises. The primary objective of its research is to identify the causes of unemployment and the specific factors hindering community economic development. The research program includes studies on: unemployment and underemployment; income distribution; educational training programs and employment and training resources; the economic effects of migration on rural and urban areas; the economic impact of regional development plans; and the effects of government policies on economically distressed communities.

Most of the research is supported through contracts and grants. In addition to the Office of Research's budget of $3 million, the Economic Development

Administration uses $7 million of technical assistance funds for research at the local level on local economic conditions.

Bureau of the Census ($.4 million) Since 1968 the Bureau of the Census has issued annual reports on the number and characteristics of the poor based on data collected from the March supplement of the Current Population Survey. In 1977 the bureau spent approximately $240,000 for these special tabulations, $40,000 of which came from its own funds. The remaining $200,000 was transferred to the bureau from other federal agencies. In 1977 the bureau also spent approximately $335,000 for analyses of the Survey of Income and Education, conducted in 1976 at a total cost of $12 million. The Survey of Income and Education was a one-time survey to determine for each state the number of children aged 5 to 17 living in families at or below the poverty level. It was conducted by the bureau in consultation with the Department of Health, Education, and Welfare to fulfill the requirements of the Education Amendments of 1974 (PL 93-380).

Office of Minority Business Enterprise ($.4 million) The Office of Minority Business Enterprise is responsible for promoting and developing businesses owned and operated by members of minority groups. The agency funds state and community-based business development organizations that provide assistance and specialized services for minority firms. The office sponsors research on the number, size, capabilities, and needs of minority enterprises as well as on the special problems of particular minority groups in starting and operating their own businesses.

Department of Labor

Employment and Training Administration ($4.5 million) The Employment and Training Administration, formerly the Manpower Administration, is the principal sponsor of extramural research in the Department of Labor. Its major research office is the Office of Research and Development.

The largest share of the research budget of the

Employment and Training Administration is allocated for analyses of the Comprehensive Employment and Training Act (CETA) program. The purpose of the CETA program is to provide job training, public service jobs, and other services leading to unsubsidized employment for economically disadvantaged, unemployed, or underemployed persons. The enactment of CETA in 1973 consolidated approximately ten different categorical programs in the Department of Labor (Neighborhood Youth Corps, Job Corps, the Emergency Employment Act, etc.). The administration also sponsors research on the Work Incentive Program (WIN), a work and training program designed to assist welfare recipients in obtaining jobs.

Other activities include studies that examine the Unemployment Insurance program, the U.S. Employment Service, public service employment programs, and employment and training programs for special groups, such as migrant seasonal farm workers, minorities, Native Americans, and the elderly. The administration also sponsors research on the effects of federal assistance programs on minority businesses and on the feasibility of a large-scale public job creation program; it also provides support for analyses of the National Longitudinal Survey of Labor Force Behavior and for the development of a simulation model of labor market behavior, inflation, and manpower resources. Finally, the Employment and Training Administration has primary responsibility for research related to supported work, a program designed to increase the employment prospects of low-income disadvantaged persons who have had particular difficulties in obtaining or holding a job.

Office of the Assistant Secretary for Policy, Evaluation, and Research ($1.0 million) The office of the Assistant Secretary for Policy, Evaluation, and Research is responsible for coordinating all research, evaluation, policy development, and planning activities of the Department of Labor. The office sponsors both long-range research and analyses that cut across various agencies of the department. In-house staff and researchers under contract conduct research on: unemployment insurance; public service employment; labor force participation; welfare reform; minimum wage laws; and manpower policies.

Department of Agriculture

Food and Nutrition Service ($1.1 million) The Food and Nutrition Service administers the Department of Agriculture's food assistance programs: the Food Stamp Program; Child Nutrition Programs; the Food Distribution Program; and the Supplemental Food Program. The principal objective of these programs is to provide food assistance for designated groups, especially those with low family incomes and nutritionally deficient diets.

The Food and Nutrition Service has primary responsibility for research related to these food assistance programs. Since the service has a limited capacity for in-house research, most of its research is conducted by other agencies of the Department of Agriculture (e.g., the Economic Research Service and the Agricultural Research Service) as well as by private research organizations. Research is sponsored on the consumer behavior of food assistance recipients and on the nutritional needs of the poor.

Independent Agencies

Community Services Administration ($1.0 million) The Community Services Administration was created in 1975 as the successor to the Office of Economic Opportunity. Its overall purpose is to develop programs aimed at reducing poverty and to promote innovative ideas related to the delivery of assistance to the poor. Its programs emphasize local initiative, self-help, and community action. The Community Services Administration conducts research on: strategies of economic development; the impact and effectiveness of community economic development programs; and the management of community action organizations.

National Science Foundation ($4.1 million) The legislative charge of the National Science Foundation (NSF) is to initiate and support fundamental research in all scientific fields. Grants and contracts are awarded to universities and to other research organizations for research designed to resolve basic scientific questions. In addition, research is supported on selected social problems of national importance.

The principal NSF offices sponsoring poverty-related research are the Division of Social Sciences and the

Directorate for Applied Sciences and Research Application, formerly the Directorate for Research Applied to National Needs. Research activities include studies on: the origins and consequence of U.S. welfare policies; public transfer programs and income inequality; racial difference in earnings and employment; the management and delivery of social services; and problems of equity and income distribution.

Other Federal Agencies

The 14 agencies described above provide the vast majority of support for federally sponsored poverty research. A number of other federal agencies, however, also provide some measure of support and deserve mention.

Of these additional agencies, the activities of the Office of Human Development Services are particularly important. The Office of Human Development Services, formerly the Office of Human Development, is responsible for developing and coordinating programs for specific target populations with special needs: children and youth; the aged; physically and mentally disabled persons; Native Americans; and people living in rural areas. The principal units within the office supporting poverty-related projects are the Administration for Children, Youth and Families and the Administration on Aging.

The Administration for Children, Youth and Families, which includes the former Office of Child Development, supports projects on a wide range of issues relating to the health, education, and welfare of children and families. The administration also funds demonstration and evaluation projects on Project Head Start, a comprehensive preschool program designed to provide developmental services to disadvantaged children.

The Administration on Aging is responsible for coordinating federal and state services and policies that affect the elderly. It also administers three major grant programs: the National Nutrition Program, which provides low cost, nutritious meals to persons age 60 or over; state and area agency grant programs that provide comprehensive, coordinated service systems for older persons at the community level; and a research, demonstration, and manpower development program, which

seeks to identify effective methods of helping older persons. Research projects related to these programs include studies on the following: the aging process; financial resources and living arrangements of the elderly; social and environmental conditions affecting the aged; and social services for the nation's elderly. A principal objective of the research program is to provide the knowledge necessary for the development and improvement of governmental services for older persons most in need.

Some poverty-related research is also sponsored by the Cooperative State Research Service in the Department of Agriculture. Under the authority of the Hatch Act of 1887, the Cooperative State Research Service distributes funds to state agricultural experiment stations for research on agricultural resources, agricultural marketing, and rural development. Following broad research guidelines set by the service, each state is responsible for developing its own research program. Although much of the research is not related to poverty, several state agricultural experiment stations have initiated and sponsored studies on the housing needs, economic status, employment opportunities, and consumer behavior of the low-income rural population.

Other federal agencies that support poverty-related research are listed below.

Department of Agriculture
- Economic Research Service

Department of Defense
- Defense Advanced Research Projects Agency
- Department of the Air Force
- Department of the Army
- Department of the Navy

Department of Health, Education, and Welfare
- Health Services Administration
- National Center for Health Services Research
- National Institute of Child Health and Human Development
- National Institute of Mental Health
- Administration for Native Americans
- Public Health Service
- Public Services Administration

Department of Justice
- Law Enforcement Assistance Administration
- Office of Policy and Planning, Attorney General

Department of Labor
- Bureau of Labor Statistics

Department of Transporation
    Urban Mass Transportation Administration
Department of the Treasury
    Office of Tax Analysis
Independent Agencies
    ACTION
    Appalachian Regional Commission
    Commission on Civil Rights
    Equal Employment Opportunity Commission
    Legal Services Corporation
    Veterans Administration
Executive Office of the President
    Council of Economic Advisers
    Office of Management and Budget
Legislative Offices
    Congressional Research Service
    General Accounting Office
    U.S. Congress, Joint Economic Committee
    U.S. House of Representatives, Budget Committee
    U.S. House of Representatives, Ways and Means Committee
    U.S. Senate, Finance Committee, Subcommittee on Public Assistance
    U.S. Senate, Human Resources Committee
Other
    National Manpower Policy Task Force

RESEARCH ORGANIZATIONS

The number and variety of agency sponsors of poverty-related research are matched by an equal array of research organizations. Some carry out poverty research as their only or primary functions; others are involved only peripherally or as part of a broad range of other activities. Eight principal research organizations engaged in federally sponsored research are described below. Poverty-related research expenditures in fiscal 1977 are in parentheses.

University-Based Research Organizations

Institute for Social Research, University of Michigan ($.8 million) The Institute for Social Research was established at the University of Michigan in 1946 as a center for interdisciplinary research in the social sciences. The institute is both financially and

administratively an organic part of the university. However, all of the institute's research support comes from outside grants and contracts. The institute's total annual budget in 1977 was approximately $9 million. The federal government currently provides more than half of the institute's revenues, with the remainder coming from foundations, private industry, local and state governments, and other universities.

In 1977 the principal poverty-related research activity undertaken by the institute was the Panel Study of Income Dynamics, described in this appendix under the Office of the Assistant Secretary for Planning and Evaluation of the Department of Health, Education, and Welfare. Funds for the panel study amounted to approximately $.8 million in 1977. The institute's other poverty-related research activity within the past five years includes studies on: minority group problems; the measurement of poverty; and problems of disadvantaged youths.

Institute for Research on Poverty, University of Wisconsin-Madison ($2.2 million) As previously noted, the Institute for Research on Poverty was established in 1966 by the Office of Economic Opportunity (OEO). Its charge was to conduct research on the nature, causes, and cures of poverty. When OEO was abolished in 1973, responsibility for the institute was transferred to the Office of the Assistant Secretary for Planning and Evaluation (ASPE) in the Department of Health, Education, and Welfare (HEW).

The institute supports more than 92 research projects related to poverty. Most of these projects fall into one of the following broad categories (figures in parentheses are approximate percentages of the institute's budget spent on these research activities): transfer programs, employment strategies, and labor market behavior (23 percent); economic status and inequality (19 percent); status attainment, social mobility, and education (19 percent); household decision making and demographic behavior (16 percent); legal, political, and administrative systems (12 percent); segregation and discrimination (8 percent); and miscellaneous topics, such as the aged and disabled (2 percent). In addition, the institute sponsors the Progress Against Poverty Series, a biennial series of reports on how poverty in the United States is changing both in extent and character.

HEW supports the institute through an annual core grant of approximately $1.6 million. The institute also received $0.6 million in 1977 from other federal and state agencies, making its total 1977 budget $2.2 million. (See the body of the report for the committee's evaluation of the Institute for Research on Poverty).

Private Nonprofit Research Organizations

Brookings Institution ($.5 million) The Brookings Institution, a private nonprofit organization located in Washington, D.C., was established in 1927 to concentrate on policy research on economic, government, and foreign policy. The total annual budget of the Brookings Institution in 1977 was approximately $7 million, a budget financed largely by endowment and by the support of government agencies, foundations, corporations, and private individuals.

Poverty-related research is carried out in both the economic studies program and the government studies program. Research activities in 1977 included an evaluation of the federal health care program for the poor, a study of the problem of inadequate earnings (with particular emphasis on minimum wage policy, public service employment, earnings supplemention techniques, and a negative income tax), monitoring studies of the community development block grant program, an analysis of school desegregation and busing, and studies of public service employment. In addition, Brookings sponsored two conference volumes in 1977, one on the effectiveness of public service job creation programs and the other on the rural income maintenance experiment. Total expenditures for these studies amounted to approximately $0.5 million in 1977.

RAND Corporation ($4 million) The RAND Corporation, a private nonprofit institution located in Santa Monica, California, was established by the United States Air Force in 1948 to advise the government chiefly on defense issues. By 1967, the scope of RAND's research had broadened to include a program of domestic studies, and today its programs in national security and domestic research are nearly equal in size. The total annual budget of the RAND Corporation in 1977 was approximately $35 million, a budget financed with support from

federal, state, and local governments; from private foundations and other philanthropic sources; and from its own funds.

The domestic division's budget was approximately $17 million in 1977, of which $4 million was budgeted for poverty-related research. Three-fourths of this sum was used to support research related to the housing assistance supply experiment of the Department of Housing and Urban Development. In 1977 RAND also conducted studies on the following: welfare dependence; participaion in the Aid to Families with Dependent Children program; the effect of demographic changes on the social security system; patterns of black migration; differences between blacks and whites in earnings and employment; efforts to promote economic development in central cities; and the effectiveness of public works and public employment programs.

Urban Institute ($4 million) The Urban Institute is a nonprofit research corporation located in Washington, D.C. The institute was established in 1968 to study problems of urban communities, although its current research activities cover the full range of domestic social policy issues.

The 1977, Urban Institute expenditures for poverty-related research amounted to more than $4 million. More than half of the institute's poverty research budget was allocated for research on housing, including studies of the experimental housing allowance program, the Section 8 housing assistance program, and residential segregation. Institute researchers also examined the CETA program, the Work Incentive Program, unemployment insurance, welfare reform proposals, income simulation models (TRIM and DYNASIM), welfare system administration, and health care for the poor.

SRI ($5 million) SRI is an independent, nonprofit consulting and research corporation located in Menlo Park, California. Formerly affiliated with Stanford University and known as the Stanford Research Institute, SRI was founded in 1940 to perform a broad spectrum of problem-oriented research under contract to industry and government.

Poverty-related research at SRI is conducted through the Center for the Study of Welfare Policy, which is part of its Urban and Social Systems Division. The

center was established in 1970 to design and implement the Seattle and Denver Income Maintenance Experiments.

In 1977 poverty-related research expenditures at the center amounted to more than $5 million. The center conducted more than 20 research studies, many of which were funded as part of the Seattle and Denver Income Maintenance Experiments. Individual studies included evaluations of labor force response, marital status change, human capital investment, patterns of migration and fertility, the demand for subsidized housing, and economic issues in the demand and supply of child care. In addition to the Seattle and Denver studies, the center also undertook the following projects: an investigation of the impact of income maintenance on juvenile delinquency; a study of recipients of federal supplemental benefits, and an examination of state unemployment insurance laws.

Private For-Profit Research Organizations

ABT Associates ($9 million) ABT Associates is a for-profit social science research organization located in Cambridge, Massachusetts. Established in 1965, ABT Associates currently has a staff of more than 700, including 100 PhD-level social scientists.

In 1977, expenditures for poverty-related research amounted to nearly $9 million. Most of this research was supported through contracts with various federal agencies. The Department of Labor and the Department of Health, Education, and Welfare, for example, have supported ABT studies of CETA, Medicaid, Compensatory Education, Follow Through, and Head Start. The Department of Housing and Urban Development is, however, the principal source of revenue for ABT poverty-related research, having contracted with ABT (1) to design, plan, conduct, and manage the Housing Allowance Demand Experiment; and (2) to evaluate the demonstration agencies participating in the Housing Allowance Administrative Agency Experiment. The total cost of the demand experiment contract (December 1972-April 1978) is $24 million; the total cost of the administrative agency experiment contract (April 1972-April 1977) is $9 million.

Mathematica Policy Research ($9.7 million) Mathematica Policy Research is a for-profit social science survey

and research firm located in Princeton, New Jersey. Established in 1959, Mathematica has a staff of 634, including 77 PhD-level social scientists.

In 1977, its expenditures for poverty-related research amounted to $9.7 million. Most of the poverty research projects are supported through contracts with agencies of the federal government, including the Department of Labor and the Department of Health, Education, and Welfare. The following major poverty-related projects were undertaken in 1977: an evaluation of the supported work program, analyses of data from the Seattle and Denver income maintenance experiments, an evaluation of the Job Corps program, and studies of unemployment assistance and welfare reform alternatives.

NOTE

1 Although federally sponsored statistical activities directly related to poverty are briefly described in this report, more complete data can be found in a recent Department of Health, Education, and Welfare publication (Citro and the Center for Census Use Studies 1977).

REFERENCES

Abramson, M.A. (1978) The Funding of Social Knowledge Production and Application: A Survey of Federal Agencies. Vol. 2. Study Project on Social Research and Development, Assembly of Behavioral and Social Sciences. Washington, D.C.: National Academy of Sciences.

Citro, C. and the Center for Census Use Studies (1977) The Measure of Poverty: An Inventory of Federal Data Bases Related to the Measurement of Poverty. Technical Paper IX. Washington, D.C.: Department of Health, Education, and Welfare.

Study Project on Social Research and Development (1978) The Federal Investment in Knowledge of Social Problems. Assembly of Behavioral and Social Sciences. Washington, D.C.: National Academy of Sciences.

APPENDIX B

ACKNOWLEDGMENTS

In preparing this report, the committee consulted with many people. We recognize their contributions and are grateful for their valuable comments and assistance.

Henry Aaron, Brookings Institution
Mark Abramson, Office of the Assistant Secretary for Planning and Evaluation, Department of Health, Education, and Welfare
Robert Alford, Department of Sociology, University of California at Santa Cruz
Jodie Allen, Office of the Secretary, Department of Labor
Jacquiline Ashby, Department of Sociology, Cornell University
Michael Barth, Office of the Assistant Secretary for Planning and Evaluation, Department of Health, Education, and Welfare
Barbara Bergmann, Department of Economics, University of Maryland
Blanche Bernstein, New York City Human Resources Administration
Ken Bowler, Staff, Subcommittee on Public Assistance, House Committee on Ways and Means

Vee Burke, Congressional Research Service
Harris Chaiklin, School of Social Work and Community Planning, University of Maryland
Robert Crain, Department of Social Science, RAND Corporation
William Darity, Department of Economics, University of Texas at Austin
Robert Davis, Institute for Research on Poverty, University of Wisconsin
Greg Duncan, Survey Research Center, Institute for Social Research, University of Michigan
Edwin Eames, Department of Anthropology, Baruch College, City University of New York
Christopher Edley, Domestic Council, Executive Office of the President
Joseph Feagin, Department of Sociology, University of Texas at Austin
William Form, Department of Sociology, University of Illinois
Walter Francis, Office of the Assistant Secretary for Planning and Evaluation, Department of Health, Education, and Welfare
Irv Garfinkel, Institute for Research on Poverty, University of Wisconsin
Nathan Glazer, Russell Sage Foundation
Thomas Glennan, Jr., RAND Corporation
Edward Gramlich, Department of Economics, University of Michigan
David Greenberg, Office of the Assistant Secretary for Planning and Evaluation, Department of Health, Education, and Welfare
Harold Guthrie, Urban Institute
Cheryl D. Hayes, National Research Council
Stephen Hiemstra, Economic Analysis and Program Evaluation Staff, Food and Nutrition Service, Department of Agriculture
Robert Hodge, Department of Sociology, University of Southern California
J. McV. Hunt, Department of Psychology, University of Illinois
Alfred Kahn, Columbia University School of Social Work
Joseph Kershaw, Department of Economics, Williams College
Walter Korpi, Swedish Institute for Social Research, University of Stockholm
Robert Landsman, Community Services Administration

Barbara Laslett, Department of Sociology, University of Southern California
Robert Levine, Congressional Budget Office
Frank Levy, Urban Institute
Elliot Liebow, National Institute of Mental Health, Department of Health, Education, and Welfare
Michael Lipsky, Department of Political Science, Massachusetts Institute of Technology
David Lyon, RAND Corporation
Nicola Madge, Thomas Coram Research Unit, London
Leslie McClements, United Kingdom Government Economic Service
James McPartland, Center for Social Organization of Schools, Johns Hopkins University
William Mirengoff, National Research Council
James Morgan, Survey Research Center, Institute for Social Research, University of Michigan
William Morrill, Mathematica, Inc.
Alice Nakamura, Faculty of Business Administration, University of Alberta
Masao Nakamura, Faculty of Business Administration, University of Alberta
Richard Nathan, Governmental Studies Program, Brookings Institution
Guy Orcutt, Department of Economics, Yale University
Larry Orr, Office of the Assistant Secretary for Planning and Evaluation, Department of Health, Education, and Welfare
Lisa Peattie, Department of Anthropology, Massachusetts Institute of Technology
Paul Peterson, Department of Political Science, University of Chicago
Thomas Pettigrew, Department of Psychology and Social Relations, Harvard University
Frances Pivens, Department of Political Science, Boston University
Martin Rein, Department of Urban Studies and Planning, Massachusetts Institute of Technology
David Richardson, Mathematica, Inc.
Ann Riordan, Smithsonian Science Information Exchange
Howard Rosen, Office of Research and Development, Employment and Training Administration, Department of Labor
Michael Rutter, Department of Psychiatry, Institute of Psychiatry, London
Peggy Sanday, Department of Anthropology, University of Pennsylvania

Allan Schick, Urban Institute
Alvin Schorr, Community Service Society and the Florence Heller Graduate School for Advanced Studies in Social Welfare, Brandeis University
Thomas Staples, Social Security Administration, Department of Health, Education, and Welfare
Ernst Stromsdorfer, Department of Economics, Indiana University
Harold Watts, Center for the Social Sciences, Columbia University
Carol Weiss, Bureau of Applied Social Research, Columbia University
Walter Williamson, Institute of Governmental Research, University of Washington
Arnold Winard, Bureau of the Census