

The Institute's research program is guided by the senior staff and reflects assessment of the needs and opportunities presented by the current policy environment and issues facing employment program administrators and staff. Staff members specialize in specific areas of the labor market, offering different but complementary perspectives on issues of common concern. Research Grants and Mini-Grants are awarded to scholars around the world to supplement in-house research. Issues that the Institute focuses on include the following:

## ■ Causes and Consequences of Unemployment

A central purpose of the Institute is to produce research on the causes and consequences of unemployment and to design and evaluate policies to assist the unemployed. For decades, the Institute has concentrated on problems of dislocated and economically disadvantaged workers and has published many studies on this topic. Institute staff and grantees study the extent and nature of worker displacement, wages lost because of displacement, and the roles of labor exchange and job training in helping displaced workers return to work. Institute staff also help design, implement, and evaluate programs that offer innovative ways to assist the economically disadvantaged in overcoming barriers to employment, such as developing and refining a set of tools to help One-Stop staff identify the needs of customers and to provide more effective services.

### Employment Research Data Center

*With the cooperation and assistance of the U.S. Department of Labor (USDOL), the Upjohn Institute serves as the repository of many research and evaluation projects conducted by the USDOL. Project data and reports available from the Institute's Web site include the Washington, Illinois, and Pennsylvania Reemployment Bonus Demonstrations; JTPA Standardized Program Information Reports; evaluations of the Effectiveness of Active Labor Market Programs in Poland and Hungary; Lifelong Learning Demonstration, and more.*

## ■ **Workforce Quality: Childcare, Education, and Training**

The Institute is actively involved at the local, state, and national levels in the development and evaluation of education and training programs. Recognizing the importance of education and training in enhancing worker productivity and employment security, Institute staff have conducted evaluations of workplace literacy programs, youth apprenticeships, postsecondary technical education, and education programs for the disadvantaged and at-risk individuals. Staff members have played a role in the formulation and assessment of active labor market policies and programs in other countries, including Hungary, Poland, and Serbia. In addition, the Institute has published work by grantees who developed a groundbreaking new measure of human capital, and by others who explored on-the-job training, the relationship between teacher pay and teacher quality, the value to firms and employees of worksite child care programs, and how child care centers manage to attract and keep qualified staff.

## ■ **Unemployment Insurance and Workers' Compensation**

The Institute devotes considerable attention to the working and effects of the unemployment insurance (UI) system, supporting research that has resulted in the publication of more than 20 books and monographs on the subject. The Institute has played a key role in designing and evaluating field experiments on innovative reemployment policies, such as the reemployment bonus and alternative work search requirements. The Institute has been closely involved with the efforts of the Advisory Council on Unemployment Compensation, which was established by Congress to reexamine the UI system. Currently, it is engaged in a national evaluation of the UI system.

Institute projects have also been at the forefront of research on workers' disability compensation (WC) programs. Several important

studies have been undertaken with an emphasis on WC system design and administration for the State of Michigan, as well as in Canada and Australia. A joint study with researchers at Michigan State University has led to pathbreaking disability prevention and management techniques that help employers find ways to better manage escalating WC costs. The Institute has also published on the impacts of the Americans with Disability Act, on the labor market outcomes for those with disabilities, on the structure of the WC system, and on the level of earnings replaced under WC.

## ■ **Regional Economic Development and Local Labor Markets**

The Institute has traditionally viewed unemployment and other labor market problems as being caused in part by deficient demand for workers. Over the years, the Institute has given considerable attention to economic development policies that create more and better jobs. Since most economic development policies in the United States are carried out by state and local governments, the Institute's research on job creation focuses on these entities along with local labor markets. Local labor markets are also of interest to the Institute as useful laboratories for testing theories about the labor market effects of national policies. As states are given more responsibility for designing and implementing social programs, the outcomes of these programs offer valuable insights into the effectiveness of a wide variety of policies.

Staff projects in this area include examining the effects of regional development policies on the number and types of jobs created, who benefits from job growth, who gets the newly created jobs, and the adjustment of local labor markets. In addition, Institute grantees have examined the effects of state and local tax incentives, including enterprise zones, on business growth and location decisions, on job chains in local labor markets, and on foreign direct investment in U.S. labor markets.

The Institute maintains a long-standing interest in the economic development of west Michigan. Central to this effort is the quarterly publication *Business Outlook for West Michigan*. The Institute also maintains a regional database, which may be accessed through its Web site.

## ■ Poverty, Inequality, and Welfare Reform

Welfare reforms enacted during the 1990s drastically changed the way society views the low-wage and welfare populations. Cash assistance became a temporary means of support, and transition to work became the emphasis of government programs. Institute staff have examined ways to increase the demand for low-wage workers and explore whether the benefits of getting a significant number of welfare mothers to enter the labor force exceed the cost of providing child care. The Institute also has published studies that look at the likely impacts of welfare reforms during a recessionary economy, the labor-market outcomes of welfare recipients forced to leave the rolls and enter the workforce, the impacts of welfare reform on the rural population, and ways of improving the Earned Income Tax Credit, the centerpiece of the nation's antipoverty efforts.

## ■ Employee Benefits, Compensation, and Retirement

The increase in pension and health care costs as a share of total worker compensation has attracted the attention of Institute investigators. In recent years, the Institute has supported research and published monographs analyzing private accounts for social security, comparing private pension policies in industrialized countries, examining pension portability and the effects of pensions on job mobility, and analyzing the relationship between pensions

and retirement behavior. It also has published noted studies on profit sharing, Medicare reform, comparable worth, access to health care for uninsured and underinsured workers, and the employment effects of health care costs.

## ■ International Trade and Labor Market Comparisons

The Institute conducts, supports, and publishes research on a wide variety of policy issues related to labor market dynamics, including issues with international implications. Staff have focused on contingent employment arrangements in various industrialized economies and studied the effects of technological change on employment and organization in the workforce. The Institute has also given considerable attention to international comparisons of workforce arrangements, published a number of notable studies on the impacts of international trade on the U.S. labor market, and conducted research on job reallocation in the labor markets of transition economies.

## ■ Labor-Management Relations

Over the decades, the Institute has provided considerable grant support for the study of labor-management relations. It views improved labor-management relations as critical to enhancing worker productivity and national competitiveness. Particular interest has been paid to research that addresses new developments in labor-management cooperation. Publications from the Institute have analyzed findings from the Commission on the Future of Worker-Management Relations (commonly called the Dunlop Commission), labor standards in the United States and Canada, and workplace justice systems outside the union environment.