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Announcing the 2020 class of academic grants and grantees

August 2020

Macroeconomic Policy

Racial and ethnic inequality in consumption smoothing

Peter Ganong, *assistant professor, University of Chicago*
Pascal Noel, *assistant professor, University of Chicago*
Damon Jones, *associate professor, University of Chicago*

Grant Type: Academic
Grant Amount: $75,000

Forty-two percent of Americans report that they do not have savings that could be used to cover unexpected expenses, a staggeringly high number. And there are stark racial differences, with 38 percent of White households and 55 percent of Black households saying they don't have money to cover an emergency expense—one manifestation of the Black-White wealth divide. Yet there is surprisingly little research on how typical month-to-month fluctuations in income affect consumption and even less evidence on how this consumption smoothing varies with wealth. Given how central consumption dynamics are for macroeconomics, it's important to understand the sensitivity of consumption to income and how that might vary by race and wealth.

This project uses exciting new data to explore how income shocks may be passed through to consumption. By linking deidentified administrative bank data with self-reported race information from voter registration records, the authors will be able to identify the response of consumption by race with a large enough dataset (the analysis sample consists of 1.8 million matched bank-voter records) to identify racial differences credibly. Understanding how well households can smooth consumption, and how and why some groups—such as Black and Hispanic households who have lower-than-average wealth—may face greater challenges in doing so, is central for developing policy to address economic inequality and ensure vulnerable households achieve economic security.

Mark-ups, labor market inequality, and the distributional implications of monetary policy

Greg Kaplan, *professor of economics, University of Chicago*

Grant Type: Academic
Grant Amount: $60,000

This project is part of a broader agenda to develop quantitative macroeconomic models that can be used to study the distributional implications of macroeconomic shocks and policies. Existing macroeconomic models are limited in their ability to create realistic dynamics in the distribution of labor income in response to macroeconomic shocks. Since labor income is one of the most important dimensions of economic inequality and the most important determinant of economic welfare for the majority of U.S. households, this is a significant limitation.

This paper will begin by developing a theory to demonstrate the new heterogeneity that is going to be a key force in the model. It will be followed by an empirical section to show the fact that the model is seeking to address and to highlight the important empirical facts that other models are missing, such as that not all labor income is similarly cyclical and that expansionary and productive occupations have systematically different experiences. The final section addresses the general equilibrium consequences of this heterogeneity, a step that is critically important for doing policy counterfactuals.

Monetary policy, credit, and labor income redistribution

Martina Jasova, *assistant professor of economics, Columbia University*
Dominik Supera, *Ph.D. candidate in finance, University of Pennsylvania*

Grant Type: Academic
Grant Amount: $58,110

There is an enormous amount of interest recently in the heterogeneous effects of monetary policy, with an eye on questions such as whether monetary policy contributes to inequality. This research will examine two significant research questions within this literature: the effect of monetary policy on inequality and differential effects of the credit transmission channel.

This project will use Portuguese administrative data that matches employer-employee data with credit registry data. The project is likely to lead to fine-grained estimates of the effects of monetary policy on the distribution of labor income, as well as on the effects of the distribution of firm credit outcomes.

Measuring the rise of wealth inequality, capital gains, and income inequality

Jacob Robbins, *assistant professor of economics, University of Illinois at Chicago*

Grant Type: Academic
Grant Amount: $35,400

Capital gains are one of the largest components of income at the top of the wealth distribution and play a key role in measuring wealth inequality. Yet capital gains are rarely included in estimates of the wealth distribution in economics, mainly because measurement requires detailed information on the distribution of wealth at the individual security level.

This project will construct a new dataset to directly measure the holdings of public equities and fixed-income assets for all individuals in the United States using internal IRS data from the 1099-DIV and 1099-INT forms, which have not previously been used by researchers. This improved data will allow for more accurate estimates of wealth inequality, including new estimates of top-end wealth inequality. It will also shed light on savings rates across the income distribution and bring to bear new evidence of whether the rich save more.

Place-based climate policy in the United States

Eva Lyubich, *Ph.D. candidate in economics, University of California, Berkeley*

Grant Type: Doctoral
Grant Amount: $15,000

This project explores whether, as an empirical matter, people have constrained choice sets in energy consumption due to where they live, and if that, in turn, may mean that traditional models of the efficiency of carbon taxation are incorrect. The researcher will decompose the spatial heterogeneity in carbon emissions into a component driven by individual preferences and a component driven by place. Using U.S. Census data, the American Community Survey, and the Longitudinal Employer-Household Dynamics, among other data sources, the author explores how factors such as climate, income inequality, segregation, and public disinvestment impact place-based heterogeneity. Since so much emission heterogeneity is tied to income, there are clear implications for how this could impact and be impacted by inequality. Findings have the potential to inform our understanding of how carbon taxes may need to be accompanied by rezoning or other policies.

The innovation dividend of fiscal policy: The impact of defense spending on local innovation in the United States

Pedro Juarros, *Ph.D. candidate in economics, Georgetown University*
Daniel Valderrama, *Ph.D. candidate in economics, Georgetown University*

Grant Type: Doctoral
Grant Amount: $15,000

This study focuses on place-based policies and how geographic concentration of innovation affects regional economic growth in the United States. The researchers will explore how local fiscal stimulus in the form of defense spending impacts both innovation and economic growth. Using contract-level data on defense spending and county-level measures of innovation, the researchers will attempt to identify through which channels defense spending affects aggregate innovation. They use Gross Domestic Product, personal income, and total employment to evaluate how defense spending affects economic growth.

Monetary policy and firm heterogeneity in the United States

Lina Yu, *Ph.D. candidate in economics, Georgetown University*

Grant Type: Doctoral
Grant Amount: $15,000

With the Federal Reserve's focus on promoting maximum employment, it is important for researchers to understand how U.S. monetary policy affects firms' employment differently. This research project will analyze how the age and size of a firm impacts the firm's responsiveness to monetary policy. Using the Business Dynamics Statistics and Quarterly Workforce Indicators datasets from the U.S. Census Bureau, the researcher will attempt to provide new evidence on the distributional effect of monetary policy on the employment of heterogenous firms in the United States from 1977 to 2007.

Market Structure

Do merger reviews promote competition and stall consolidation?

Thomas Wollman, *associate professor of economics, University of Chicago*
José Ignacio Cuesta, *assistant professor of economics, Stanford University*
Federico Huneeus, *postdoctoral associate, Yale University Cowles Foundation for Research in Economics, and senior economist, Central Bank of Chile*

Grant Type: Academic
Grant Amount: $75,000

This project will provide estimates of the impact of prospective merger reviews on antitrust enforcement actions, product prices, input prices, output, investment, and research and development. Using administrative data collected through taxation, employment, and antitrust provision, the project exploits the introduction of a premerger notification policy in Chile to see how it changed the types of mergers being agreed to.

The result will help policymakers understand how much notification systems have a deterrent impact. Prospective merger reviews constitute a large share of antitrust enforcement expenditures, and yet little work has systematically studied its effectiveness. By providing a comprehensive study across industries using detailed data on real economic variables, this project could provide invaluable insights into the effects of mergers in both input and output markets, the impact of notification requirements, and the resource allocation within enforcement agencies.

A large-scale evaluation of merger simulations

Vivek Bhattacharya, *assistant professor of economics, Northwestern University*
Gaston Illanes, *assistant professor of economics, Northwestern University*

Grant Type: Academic
Grant Amount: $75,000

This project asks whether standard merger simulation techniques in industrial organization effectively predict price changes in observed mergers, and if not, if predictions depart from reality systematically and in a way consistent with efficiencies or coordinated effects. Using scanner data, the authors will run a standard merger simulation on a large set of completed mergers and compare predictions to outcomes, creating a comprehensive retrospective of the effects of mergers on prices, which will inform us of whether typical approved mergers in the United States tend to increase prices. They will also study the sources of the prediction error.

Regulation of merger policy is a primary tool of competition policy in the United States. Merger simulations are used to decide whether mergers are anti-competitive or whether they should be permitted. This ambitious project could provide a wealth of information about consummated mergers and the predictive power of merger simulation techniques, contributing to the infrastructure used to regulate competition.

Mark-ups in the cement industry: An evolution of scale economies and market power

Nathan Miller, *associate professor of economics, Georgetown University*

Grant Type: Academic
Grant Amount: $51,750

Prior research suggests that concentration and firm mark-ups have increased in the United States over the past several decades, potentially resulting in a higher share of income going to capital instead of labor. These previous multi-industry studies have not addressed why concentration and mark-ups may have increased, and how policies, such as greater antitrust enforcement or merger review, could alter these trends.

This project aims to contribute to these unanswered questions by focusing on an industry-specific analysis. Utilizing cement industry data from the United States between 1973 and 2019, the authors will explore how technological change sparked by the introduction of the precalciner kiln altered market structure and the changes in the share of income going to owners' profits relative to workers' wages over time.

Cannabis-infused dreams: A market at the crossroads of criminal and conventional

Michele Cadigan, *Ph.D. candidate in sociology, University of Washington*

Grant Type: Doctoral
Grant Amount: $15,000

Policy changes at the state and local levels have created recreational cannabis markets in many municipalities across the United States. It is well-known that the War on Drugs disproportionately incarcerated members of the Black and Latinx communities. This research project will explore how the legalization of recreational cannabis in Seattle, Boston, and San Francisco integrated criminal justice and racial economic equity initiatives. The researcher will conduct interviews and complete a comparative case study of policy debates and implementation. Using this mixed-methods approach, the researcher intends to illuminate how market power granted by states can shape equity.

The role of culture and competition in media diversity: Historical evidence from U.S. radio stations

Lena Song, *Ph.D. candidate in economics, New York University*

Grant Type: Doctoral
Grant Amount: $15,000

This historical analysis focuses on whether racial discrimination by firms led to underprovision of content for minorities in the U.S. radio market in the post-war Jim Crow era and whether competition in the market reduced the racial divide. More specifically, the researcher looks at how the entry of television in local markets in the 1950s and 1960s affected programming for Black audiences. Using Federal Communications Commission annual financial reports, directories of radio stations, and the National Opinion Research Center's 1944 and 1946 racial attitude surveys, the author will analyze how and if discrimination played a role in firms' programming decisions.

Human Capital & Well-being

Recessions during young adulthood and U.S. racial income inequality

Andria Smythe, *assistant professor of economics, Howard University*

Grant Type: Academic
Grant Amount: $20,000

This research promises to advance our understanding of employment scarring by empirically teasing out the racial differences in long-term consequences of deep U.S. economic downturns for those who are relatively young when a recession hits. Focusing on the 1980 recession, which was both deep and long, the author will use a triple-difference approach to examine the recession's long-run effects by comparing the incomes in adulthood of teens (ages 14 to 17) and young adults (ages 18 to 22) (first difference), living in counties with a more-severe versus less-severe recessions (second difference), who are Black or Hispanic versus White (third difference).

Using the differences in the severity of the recession across local areas as an identifying variation, the author will utilize individual-level data from the National Longitudinal Survey of Youth in 1979, along with county-level location data with special access from the U.S. Bureau of Labor Statistics. The 1980 recession is far enough in the past to allow a study of the outcomes of the sample when individuals are in their mid-30s to mid-40s years of age. This research is poised to provide insight into the long-run effects of recessions on Black and Hispanic youth who resided in regions where the recession was deepest, adding nuance to our understanding of the "scarring" effects of recessions on young workers by adding a racial component. Giving the current economic situation, it is clear why this research is relevant to current policy debates.

The impact of a tuition credit program on Pell-eligible student outcomes

Fenaba Addo, *associate professor, University of Wisconsin-Madison*
Cliff Robb, *associate professor of consumer science, University of Wisconsin-Madison*

Grant Type: Academic
Grant Amount: $67,000

Research shows how important college is to upward economic mobility. Yet there are many barriers to getting into and completing college, most notably cost. Community colleges are frequently touted as a cost-effective path, whereby students begin at a community college and then transfer to a 4-year university. This research focuses on transfer students and Wisconsin's Promise Tuition grants, a place-based scholarship which offers debt-free tuition assistance.

Over the past decade, more and more states and postsecondary institutions are offering such grants, yet there is virtually no research that focuses on their impact on transfer students, particularly transfer students' degree completion. This project explores the intersection between transfer students, their perceptions related to college finances, and the design of Promise Tuition scholarships and grants by using a mixed methods study.

The first part utilizes student-level administrative data from the University of Wisconsin to examine course-taking patterns, credits attempted and completed, Grade Point Average, persistence rates, financial aid eligibility and receipt, and degrees conferred. The second part is a survey of a random sample of transfer students in order to elicit information regarding college experiences and finances. This rich case study promises to inform not only policy debates around college affordability and completion, but also our understanding of how the institutional structures of postsecondary education in the United States are supporting or inhibiting intergenerational mobility.

Measuring intergenerational mobility in the United States over the 20th century

Martha Bailey, *professor of economics, University of California, Los Angeles*
Paul Mohnen, *postdoctoral research fellow, Population Studies Center, University of Michigan*
Shariq Mohammed, *postdoctoral research fellow, University of Michigan*

Grant Type: Academic
Grant Amount: $70,000 over 2 years

A clearer picture of U.S. intergenerational mobility is emerging for the latter part of the 20th century, but the same is not true for earlier in the century. This project is a massive data undertaking that will produce a database of mobility rates going back to 1900. Previous work, most notably the American Opportunity Study, links U.S. Census Decennials from 1940–2000.

This project makes some important extensions. It will expand the feasible linkages back to 1900 so that the panel spans the entire 20th century. Perhaps the most important contribution is the use of the Social Security Numerical Identification Files, or SS-5s, which contain information obtained from the application for a Social Security card for more than 40 million individuals who died prior to 2007 and include substantially more information on individuals than U.S. Census records, increasing the number of linkages and the quality of those linkages. In particular, the wealth of information in a single record is vastly superior to a Census-to-Census linking process and will better facilitate linkages within families, including for married women who have changed their names, improving the representation of women and racial and ethnic minorities. This will allow the researchers to study differences across space (states), as well as differences by race and gender.

The long-term evolution of inequality: Poverty, pollution, and human capital

Spencer Banzhaf, *professor of economics, Georgia State University*
Randall Walsh, *professor of economics, University of Pittsburgh*

Grant Type: Academic
Grant Amount: $61,000

Environmental inequity is intertwined with income inequality in a variety of ways. Demand for housing, for example, is higher in cleaner areas than in polluted ones, and, at the same time, evidence is accumulating that the communities in which children grow up have long-lasting impacts on their economic and other social outcomes. Other research finds that pollution exposure in utero and in early childhood can have lifelong effects on economic outcomes, suggesting pollution may be one important characteristic of the communities in which children grow up.

This project engages with these issues by investigating the relationships among race/ethnicity, income, pollution, and human capital in Pittsburgh from 1910 to 2010. The two main areas of research are sorting by race that leads to inequality in pollution exposure, and the effects of childhood exposure to pollution on adult income. Although limited to Pittsburgh, it is a strategic site. Once considered "Hell with a lid off" because of the intense pollution arising from the furnaces of the steel industry, exposure to pollution used to be extremely high in the early 20th century but has since declined dramatically, allowing for the comparison over time.

To do this, the authors will take advantage of never-before-used historical data and link it to demographic characteristics of individuals with known residential locations to pollution exposure, jobs, and future outcomes. An anonymized version of these data will be made publicly available, creating a valuable resource for future research.

Building a new national data infrastructure for the study of wealth inequality and wealth mobility

Fabian Pfeffer, *associate professor of sociology, University of Michigan*

Grant Type: Academic
Grant Amount: $25,000

Previous research indicates that wealth inequality in the United States has increased since the mid-20th century and is much higher than income inequality. Wealth inequality is particularly worrisome since wealth provides many advantages, including securing against shocks and transferability to the next generation. Yet despite the relevance of wealth for our understanding of inequality and mobility, available data on wealth inequality is limited.

This project will make an important contribution by drawing on tax data linked to external data on housing equity to overcome the limitations of survey data and by linking these data across generations within families and by generating geographic aggregates at small-scale geographical levels. This will allow the author to answer pressing questions, such as how concentrated wealth is locally and the stickiness of the wealth distribution across generations.

Dual-earner migration decisions, earnings, and unemployment in the United States

Joanna Venator, *Ph.D. candidate in economics, University of Wisconsin-Madison*

Grant Type: Doctoral
Grant Amount: $15,000

This project will examine how Unemployment Insurance policies interact with job search behavior in dual-earner households in the United States. More specifically, the researcher will explore the impacts of an expansion of Unemployment Insurance to include workers who leave their jobs due to their spouse getting a job that requires relocation. Using the National Longitudinal Survey of Youth from 1979 and 1997, and the Survey of Income and Program Participation from 2008, this study will seek to explain how and if access to Unemployment Insurance influences whether households will migrate long distances and attempts to measure if access to Unemployment Insurance is associated with higher wages after the household moves. The findings have the potential to inform our understanding of the gender wealth gap and women's labor force participation, as well as geographic mobility, which has been declining in recent decades.

The impacts of welfare cuts on well-being during the Great Recession: Evidence from linked U.S. administrative and survey data

Derek Wu, *Ph.D. candidate in public policy, University of Chicago*

Grant Type: Doctoral
Grant Amount: $15,000

This research project will examine the short- and long-run impacts of being suddenly removed from critical government programs, including the Supplemental Nutrition Assistance Program, Medicaid, and the Temporary Assistance for Needy Famiies program. The author will utilize the case of Indiana, which, in 2007, attempted to automate its welfare systems, resulting in a number of individuals being removed from essential welfare programs. The author will use linked administrative and survey data to first analyze the effects of the policy change on enrollment and demographics in the programs and then identify the short- and long-term impact of being removed from welfare on earnings, occupation, financial solvency, and health outcomes.

The individual-level effects of diversity programs

Janet Xu, *Ph.D. candidate in sociology, Princeton University*

Grant Type: Doctoral
Grant Amount: $15,000

This study will seek to explore the consequences of diversity programs on recipients' individual-level labor market outcomes. Using an audit study, the researcher will examine how Black university diversity scholarship recipients fare when seeking entry-level jobs after graduation in comparison to other Black job applicants. The author then will link these results to a survey of hiring professionals to understand the social and psychological phenomena that may explain the differential treatment of diversity scholarship recipients. The author also will use administrative data from a California postdoctoral program to compare post-Ph.D. outcomes of diversity scholarship recipients to applicants who were closely considered but did not receive the scholarship. The study could add to our understanding of the unintended consequences of diversity initiatives, which may inadvertently stigmatize recipients, and the broader implications of efforts to create more access and more means of support for scholarship recipients of color.

Labor Market

Domestic outsourcing in the United States

Johannes Schmieder, *associate professor of economics, Boston University*
David Dorn, *professor of globalization and labor markets, University of Zurich*
James Spletzer, *principal economist, U.S. Census Bureau Center for Economic Studies*
Lee Tucker, *economist, U.S. Census Bureau Center for Economic Studies*

Grant Type: Academic
Grant Amount: $70,000

Recent research finds that most, if not all, of the growth in earnings inequality in the United States may be explained by the growth in inequality across firms or establishments. This finding is consistent with research showing that workers in outsourced establishments—such as call centers, janitorial service companies, or security services—receive lower pay and benefits than those workers doing the same jobs but who are employed by lead or primary firms. But our knowledge of the extent and impact of outsourcing on a broader set of workers is limited, in large part because of data constraints.

This study will provide evidence based on rigorous, quantitative analysis of the extent to which outsourcing has contributed to inequality in the United States. The study will rely on Longitudinal Employer-Household Dynamics data linked with American Community Suvey data and will use the methodology established in a previous paper based on German data. A key shortcoming of the LEHD data is that it does not have information on occupation. By linking to ACS data, the authors will be able to observe occupation for a subset of those in the LEHD dataset and to assess the effects of outsourcing on outcomes besides earnings—most critically, health insurance.

Technology and outsourcing in last-mile delivery

Steve Viscelli, *senior fellow and lecturer, University of Pennsylvania*

Grant Type: Academic
Grant Amount: $48,500

This study will provide a much-needed window into the sorts of labor processes that are coming to dominate an increasingly important industry: package delivery. It will examine how workers experience new technological and outsourcing practices. It will focus on new technologies in three categories—communication and monitoring, algorithmic planning and management, and the surveillance of delivery by customers—that are used to manage workers and how workers respond to these technologies in the context of outsourcing.

This large qualitative project involves 2 years of ethnography and 100 interviews. It will provide ethnographic insights into Amazon.com, Inc. delivery workers, in particular women, workers of color, and immigrants—all of whom will be a particular focus of the interviews. This research will be a valuable contribution, given the lack of attention by researchers on this burgeoning and quickly changing segment of the industry.

Using job posting and resume data to better understand the U.S. labor market

Siwei Cheng, *assistant professor of sociology, New York University*
Michael Hout, *professor of sociology, New York University*

Grant Type: Academic
Grant Amount: $35,000

The U.S. labor market literature relies, for the most part, on government survey data, which is invaluable for identifying economywide trends and differentials but lacks the detail needed about tasks and occupations to detect changes in how work is organized. This project will use two datasets assembled by Burning Glass Technologies containing millions of job postings and millions of resumes. The data offer the scope and scale to make fine distinctions and explore the array of skills embodied in workers and the tasks called out by employers.

This project has three aims. First, it will examine variation within occupational categories and connections across categories. Given the growth of within-occupational inequality, understanding within-occupation heterogeneity in skills and other attributes is extremely important. Second, it will use resume data to examine worker mobility. This is a novel approach and is likely to offer important insights about labor market mobility. Third, it will investigate job quality, including nonwage benefits and employment relations, and the incidence of nonstandard work (temporary, on call, and contract based). Nonstandard work is not regularly measured in government surveys, so exploring whether job posting data can offer insight into the prevalence of nonstandard work arrangements and whether such arrangements are associated with job mobility and access to nonwage benefits, as well as differences in wage levels between similar occupations with different employment relations, could lay the groundwork for future research.

Where does new work come from?

David Autor, *professor of economics, Massachusetts Institute of Technology*
Anna Salomons, *professor of employment and inequality, Utrecht School of Economics*
Bryan Seegmiller, *Ph.D. candidate in financial economics, Massachusetts Institute of Technology*

Grant Type: Academic
Grant Amount: $76,000

This project will construct a database of new work from 1900 to 2020 by compiling a list of job titles from the U.S. Census Bureau's Alphabetical Index of Occupations. Previous research on "new work" measures the introduction of new job titles beginning in 1964 and documents that new work is performed by high-skilled workers and in cities. Preliminary work in this project indicates that at least some of these previously documented patterns may not have been true in the middle of the 20th century. The authors' aim is: to chart the evolution of new work over 12 decades; to assess the potentially varying importance of new work in job creation and skill demands during different epochs in this period; and to test a set of economic hypotheses about where and when new work arises.

The project has the potential to provide insight into why the locus of job creation, measured in terms of occupations, industries, skill demands, and wage levels has varied across decades, and the role of new technologies in the creation of new work. In addition to compiling job titles from U.S. Census data, the researchers will link the text of patents to new job titles to explore the impact of new technologies on jobs, and will link to the Consumer Expenditure Survey to measure demand shifts for the relatively recent period (from 1980 onward) to test the hypothesis that demand shifts may lead to new work.

The evolution of civil rights enforcement and economic prosperity of minorities

Jamein Cunningham, *assistant professor, University of Memphis*
Jose Joaquín Lopez, *assistant professor, University of Memphis*

Grant Type: Academic
Grant Amount: $74,000

Despite the existence of a vast literature on U.S. labor market discrimination, there is still a lack of empirical evidence on the degree to which the private enforcement of anti-discrimination legislation through the federal courts has influenced racial divides in earnings and other socioeconomic outcomes. Using the Federal Court Cases: Integrated Data Base on Civil Terminations, the authors will create a set of comprehensive measures of civil rights enforcement at the court level, providing the opportunity to track changes in enforcement across 90 U.S. District Courts between 1970 and 2019.

These measures of enforcement will be linked to socioeconomic outcomes using data at the individual and household levels in order to shed light on how enforcement of civil rights legislation via the courts influence labor market outcomes and intergenerational mobility of minority groups. In addition, the authors will create a comprehensive dataset on the political party composition of judges across courts and over time to examine how presidential appointees have influenced the evolution of civil rights enforcement and their implications for racial inequities in U.S. labor market outcomes and intergenerational income mobility.

Labor market frictions and adaptation to climate change: Implications for earnings and job quality of low-skilled workers

Robert Jisung Park, *assistant professor of public policy, University of California, Los Angeles*

Grant Type: Academic
Grant Amount: $49,000

Rising income inequality and declining labor market prospects are among the most salient features of the U.S. labor market today, particularly for non-college-educated men who are more likely to work in jobs which involve exposure to the elements, including in construction, agriculture, or warehousing. Growing evidence indicates that temperature stress may have important impacts on cognitive performance, labor capacity, and workplace safety, suggesting that added extreme heat due to climate change may significantly reduce earnings and job quality for many low-skilled workers.

This project asks whether climate change could exacerbate recent trends in economic inequality and, if so, the possible scope for workplace adaptation and policy reforms. This project will examine the impact of a 2006 California policy to mandate a heat-illness-prevention standard on worker injuries, employment, wages, and profitability. It will provide additional evidence on the impact of temperature on workplace safety and contribute descriptive analysis on how various demographic groups are differentially exposed to occupational extreme temperature risk.

The research uses administrative data on 11 million workplace injuries in California, injury and fatality data from the federal Office of Safety and Health Administration and the U.S. Bureau of Labor Statistics, and quasi-experimental variation in daily temperature at the U.S. ZIP code level from the National Climatic Data Center. This analysis will allow for an occupation by community zone level breakdown of workplace climate exposure by race, formal education, and immigrant status. The novel coronavirus and COVID-19, the disease caused by the virus, has placed a spotlight on the health and economic inequalities among workers in the United States and so, too, will climate change. By exploring the overall and disparate impacts on workers, this research will provide concrete evidence on policies to mitigate such impacts.

Understanding collective labor action in platform businesses

Adam Reich, *associate professor of sociology, Columbia University*
Luke Elliott-Negri, *Ph.D. candidate in sociology, City University of New York*
Ruth Milkman, *distinguished professor of sociology, City University of New York*
Suresh Naidu, *professor of economics and international and public affairs, Columbia University*

Grant Type: Academic
Grant Amount: $48,300

This project will use surveys to assess the role customers play as a source of power for U.S. workers who strike or protest working conditions, as well as the effects of different aspects of job quality on the likelihood of workers to leave a current job. The coronavirus pandemic is providing a laboratory for examining how the salience of these issues affect workers' views of their jobs and their willingness to work under conditions of varying risk.

The first survey will use experiments embedded in a Facebook-based convenience sample to target food workers broadly, with a focus on W-2 employees at meat processing facilities, grocery stores, restaurants, and platform-based food delivery workers, including but not limited to Instacart. The second will survey a nationally representative sample of the full U.S. population in order to assess changing food consumption habits, as well as perceptions of food workers and collective action during the pandemic. This timely research promises to bring worker views into the public discussion of quality jobs, including welfare and safety, and will shed light on how workers and customers are intertwined in workplace issues of the day.

Optimal tax policy in imperfectly competitive U.S. labor markets

Benjamin Scuderi, *Ph.D. candidate in economics, University of California, Berkeley*

Grant Type: Doctoral
Grant Amount: $15,000

This project will explore the problem of implementing federal tax policy aimed at encouraging work when U.S. labor markets are imperfectly competitive. More specifically, this researcher will study the effect and optimal design of wage subsidies through the Earned Income Tax Credit in monsoponistic labor markets. In estimating the incidence of the EITC on both workers and firms, this research seeks to understand whether the purported inequality-combatting benefits of this federal tax credit are undermined by the capture of a large portion of the subsidy by employers. Because labor market power is known to vary considerably across place, and because exposure to concentrated markets varies by race and gender, this research will help to benchmark the effects of labor market power on places and demographic groups.

Workers' bargaining power in the United States over time

Glen Kwende, *Ph.D. candidate in economics, American University*

Grant Type: Doctoral
Grant Amount: $15,000

A prominent feature of the post-Great Recession U.S. economy is the lack of adequate wage growth despite a tight labor market. One explanation is that a decline in workers' bargaining power put downward pressure on wage growth. The declining labor share of income is popularly cited as one reason behind weakened worker bargaining power, and a burgeoning field of research ascribes much of this decline to the increase in monopsony power in the United States. This researcher seeks to estimate workers' bargaining power over time in the United States. It will make some important extensions on the job search model, and then move onto a model of wage determination that looks at how labor market dynamics, such as vacancies and unemployment, impact wage determination via worker bargaining power.

Benefit risk, claim timing, and Unemployment Insurance benefit generosity in California

Geoffrey Schnorr, *Ph.D. candidate in economics, University of California, Davis*

Grant Type: Doctoral
Grant Amount: $15,000

Many social insurance programs replace some percentage of prior earnings while a claimant is away from work during a shock, such as unemployment, disability, or the birth of a child. Implementation relies on “base periods” from which prior earnings are measured in order to establish the wage replacement rate. This project will explore the base period and its implications for a large subset of primarily low-income program recipients. Focusing on California’s Unemployment Insurance program and combining three administrative datasets, this researcher seeks to explain how earnings volatility, among other factors, can impact the value of Unemployment Insurance and claimant experience with the program. Other research shows that low-income workers experience significant volatility in earnings, partially due to a lack of control over how many hours of work they are given. Understanding how income volatility in the base period impacts subsequent volatility/income decline while receiving benefits is an important policy question.

The redistributional consequences of multiple minimum wages

Jonathan Garita, *Ph.D. candidate in economics, University of Texas at Austin*

Grant Type: Doctoral
Grant Amount: $15,000

This project will analyze how the labor market absorbs an increase in the minimum wage. Utilizing the case study of Costa Rica’s highly binding and relatively more comprehensive minimum wage policy that includes multiple wage floors based on workers’ skill levels, the author will use employer-employee microdata and administrative data to explain how minimum wages shape the earnings distribution and the labor market equilibrium.