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Job Training Policy in the United States

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subsidize general education at the employer level. The question of which is more economically efficient or provides the greater welfare (or both)—subsidies at the organization level or at the worker level—is not mentioned, much less analyzed.

In summary, Ahlstrand and her coauthors provide a well-organized introduction to the practice of work force development in the late 1990s in the United States. Its chief merits are the authors' persuasive anecdotal evidence for making models of worker training more complete and the attention they draw to the issue of training subsidies. Its chief problems lie in the data selected (which are probably biased), a lacuna in the authors' review of the prior literature, and the incompleteness of the policy suggestions.

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Job Training Policy in the United States. Edited by Christopher J. O'Leary, Robert A. Straits, and Stephen A. Wandner. Kalamazoo, Mich.: W. E. Upjohn Institute for Employment Research, 2004. 332 pp. ISBN 0-88099-307-3, \$50.00 (cloth); 0-88099-306-5, \$22.00 (paper).

The impetus for this book was apparently the initiation in most states in 2001 of the Workforce Investment Act of 1998. WIA replaced the Job Training Partnership Act of 1982 (JTPA), which had replaced the Comprehensive Employment and Training Act of 1973 (CETA), which, in turn, had replaced the Manpower Training and Development Act of 1962 (MDTA). This book reviews and analyzes the earlier acts, and also presents contextual comparisons with the public training policies of other nations and with employer-provided training. Chapters 2–8 are based on papers originally presented at a 2002 conference; Chapters 1 and 9, by the editors, provide an introduction, guidance, and conclusions. A primary objective of the work appears to be provision of historical background for consideration of the objectives and initial experience of WIA.

One frequently repeated historical misconception should be noted early, even though it does not appear to have had major impact on

the conclusions. The editors state early in Chapter 1 that MDTA “was marketed to the American public as an antipoverty program.” That supposition is repeated by other chapter authors a number of times. Actually, MDTA was introduced in 1962 as a program to re-train and re-employ what would later be called displaced or dislocated workers who, it was supposed, had lost their jobs primarily because of technological change, at the time characterized as “automation.” Out-of-school youth in related circumstances were also included. Then, following the design and implementation of the “war on poverty” in 1964, administrative guidelines were issued in 1966 requiring that 65% of MDTA trainees thereafter be drawn from “disadvantaged groups.” The other 35% of the training slots were to be used to alleviate Vietnam-related “labor shortages.” Thereafter, MDTA and its successors encompassed what would become in JTPA three separate and quite different training programs for youth, economically disadvantaged adults, and displaced workers. WIA continues that tradition by designating separate youth and dislocated worker programs while adding an open eligibility adult program but specifying that the competitively disadvantaged should have priority within it when funds are scarce, which they always are.

Aside from that one common misconception, the chapter authors are obviously deeply knowledgeable concerning training policy in general and their chosen topics in particular. In Chapter 2, Burt Barnow and Jeffrey Smith evaluate the incentive-oriented performance management system incorporated in WIA in historical context. They identify substantial incentives for “gaming” and “cream skimming” and propose design changes to alleviate those problems. Chris King in Chapter 3 adds other publicly financed training programs to the discussion, including, among others, the Job Corps, welfare-related Temporary Assistance for Needy Families (TANF), foreign trade-oriented Trade Adjustment Assistance (TAA), vocational education, and vocational rehabilitation. He cites and explores a number of evaluations of these programs, drawing from them a number of recommendations to apply to WIA. He cites particularly WIA's “work first” bias and advocates a purposeful coordination of work experience and skill training, noting the essentiality of formal career development both now and into the future.

Ronald D'Amico and Jeffrey Salzman (Chapter 4) focus on WIA's broadening of eligibility to all non-dislocated adults, examining administrative records and interviews with work force

practitioners in 50 areas in 23 states. They note that WIA's "work first" emphasis has resulted in a trend away from skill training. Since the time of JTPA, the proportions of program participants receiving occupational skill training, basic skills instruction, and on-the-job training have declined, respectively, from 67% to 42%, from 18% to 2%, and from 9% to 5%. Moreover, training duration has shortened, with 34% of WIA participants enrolled less than three months compared to 26% of JTPA participants. Still, they laud WIA as a movement away from "silo programs" for the disadvantaged and dislocated and toward a "first-class workforce development system" providing "an array of career tools for the universal customer."

In Chapter 5, Janet Javar and Stephen Wandner highlight the role of community-based and faith-based organizations, community colleges, and other public education institutions and for-profit companies and proprietary schools as supplements to and substitutes for the public employment service in the provision of WIA services. Paul Decker and Irma Perez Johnson in Chapter 6 highlight the use of Individual Training Accounts as vouchers to allow eligible clients to make their own choices among services and among eligible training providers to provide those services. They see "empowering customers and increasing accountability" as key goals of WIA but perceive many obstacles along the way.

In Chapter 7, Robert Lemon, Signe-Mary McKernan, and Stephanie Riegg turn attention away from training that is publicly financed or publicly administered (or both) to examine the volume and results of employer-provided training. They quote estimates indicating that from 23.6% to 69.8% of all employees receive some formal training at employer expense, including tuition reimbursement as well as on-the-job training. Of course, the employers choose whom to employ and train, whereas the publicly supported programs are trying to influence whom the employer chooses. Lori Kletzer and William Koch, in Chapter 8, compare the practices of seven other countries and draw lessons for public policy.

In the final chapter, the editors summarize the WIA experience, but only to 2001. They are generally favorable to the Individual Training Account approach, the values of individual choice, and the generalization of eligibility. Yet they recognize the decline in available resources and the need for a "renewed sense of mission to assist the most vulnerable members of our society, such as at-risk youth and individuals with

disabilities." They cite the rising skill requirements of the economy but do not note the implications of that trend for the relatively short-term remedial skill training practices of WIA and its predecessors. An unstated recognition of that incongruence may, however, underlie their recommendation that the federal role in employment and training evolve into providing pilot programs, information on best practices, and a clearinghouse of information, leaving state community colleges as the primary instruments for employability development.

The Upjohn Institute and the editors and authors have provided a sound review of the 2001 status of that portion of U.S. job training policy represented by the Workforce Investment Act and its predecessors. It would have been helpful to note the consequences of deleting from JTPA and WIA the subsistence payments provided by MDTA and CETA.

Since CETA ended, only welfare recipients and those with other earners in the family have been able to use training programs for the disadvantaged. No attention is given to the general inability of such short-term programs to meet the remedial requirements of at-risk youth. Brief mention is made of the values of co-enrollment among various programs. But nowhere is it noted that, with lengthening career preparation requirements, the Pell Grant is becoming more important than WIA in preparing both low-income youth and low-income adults for occupations capable of providing family-sustaining earnings.

The 2004 volume is a valuable contribution, but it can also be seen as—in the Upjohn tradition—a single step in a march forward that will not end, since society itself will not stop changing. Its successor should focus more precisely on how subsistence might be provided to allow an adequate second chance at climbing a career ladder to a family-sustaining earnings level, with perhaps 50% of median family income as the minimum target.

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International and Comparative

How Institutions Evolve: The Political Economy of Skills in Germany, Britain, the United States, and Japan. By Kathleen Thelen. Cam-