

Measuring Costs and Benefits of Incarceration

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University of Chicago

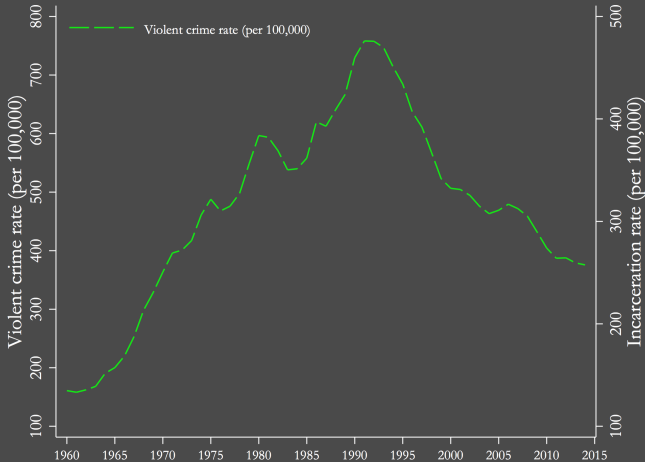
Incarceration policy affects a lot of people

Over 2 million prisoners in the US

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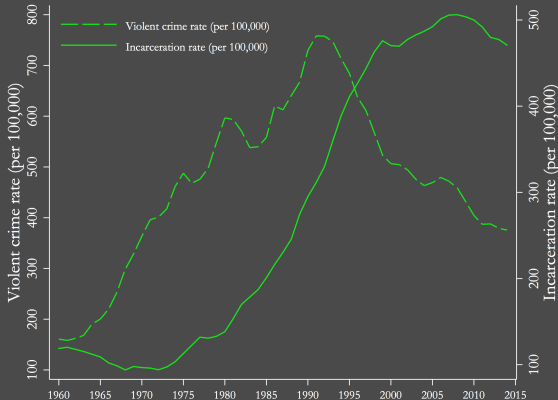
Violent crime and incarceration rates since 1960



Incarceration policy affects a lot of people

Over 2 million prisoners in the US

Violent crime and incarceration rates since 1960



Incarceration rates are (indirectly) a policy choice

- Incarceration is very costly, (maybe) important for stopping crime

This talk

Rigorous evidence on costs and benefits of incarceration

- New data and new methods

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Why do we incarcerate people?

Benefits	Costs
Incapacitation	Jail/prison costs (\$\$\$)
Behavioral change	Costs to family members
Justice/retribution	Costs to wider community
General deterrence	

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Goal: understand what will happen if we incarcerate a defendant

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 - Randomly assign defendants to jail (on average the same)
 - Unethical/impossible

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 - Incarcerated defendants are different (more prior convictions)
- ② Run a Randomized Controlled Trial
 - Randomly assign defendants to jail (on average the same)
 - Unethical/impossible
- ③ Use a natural experiment
 - Find a court where randomization is already happening

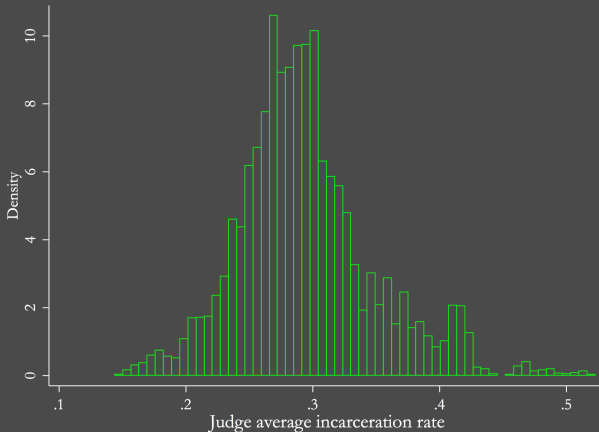
Ohio courts (felonies and misdemeanors)

- Cases assigned to judges randomly
- Judges have **lots of power**
- **Key idea:** compare defendants assigned to lenient judges and defendants assigned to severe judges
 - **Only** thing that differs is incarceration, not other decisions

Sentencing varies widely by judge

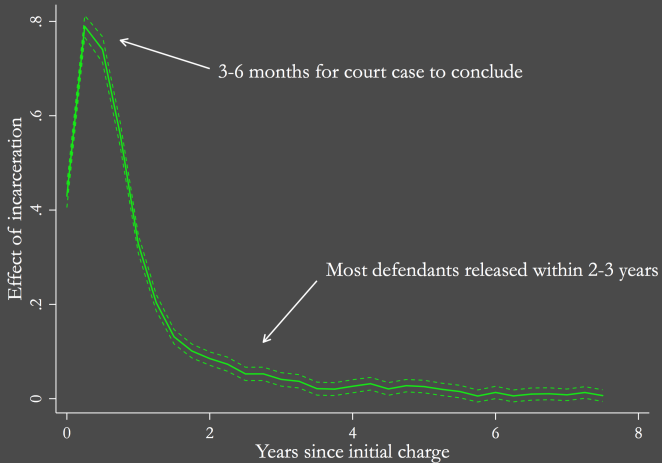
- Some judges incarcerate 15% of cases, others incarcerate 50%

Histogram of judge incarceration rates (255 judges)

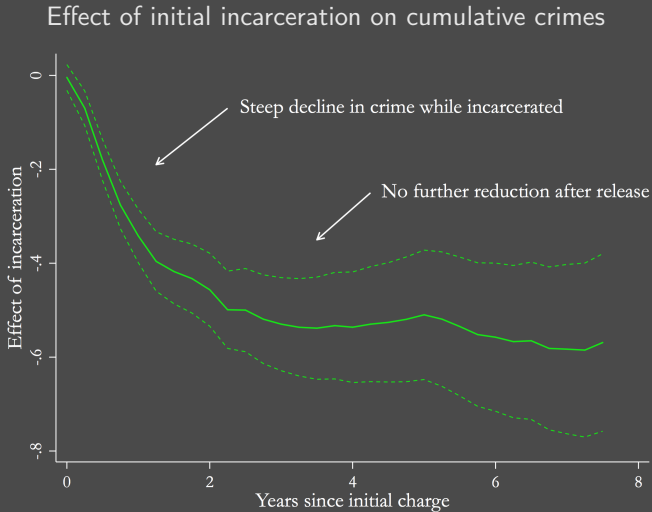


Incarceration is short-lived

Effect of initial incarceration on being incarcerated in each quarter



Incapacitation reduces future crimes



Cost-benefit of incarceration

Putting it all together

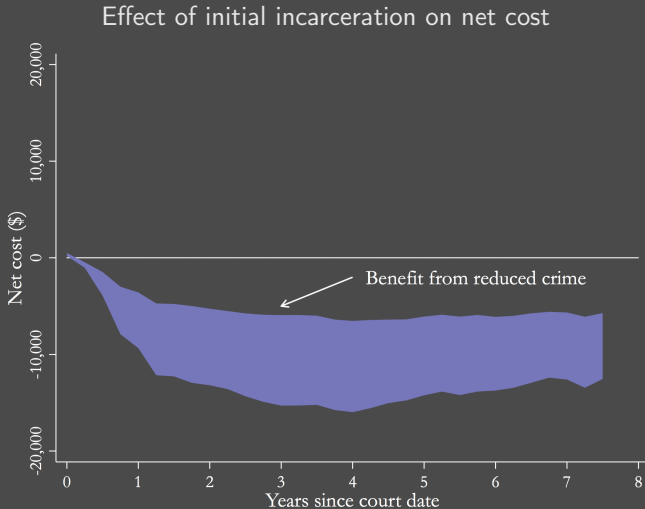
- Incarceration costs \sim \$26,000/year in Ohio
- Put dollar value on each subsequent crime

Cost-benefit of incarceration

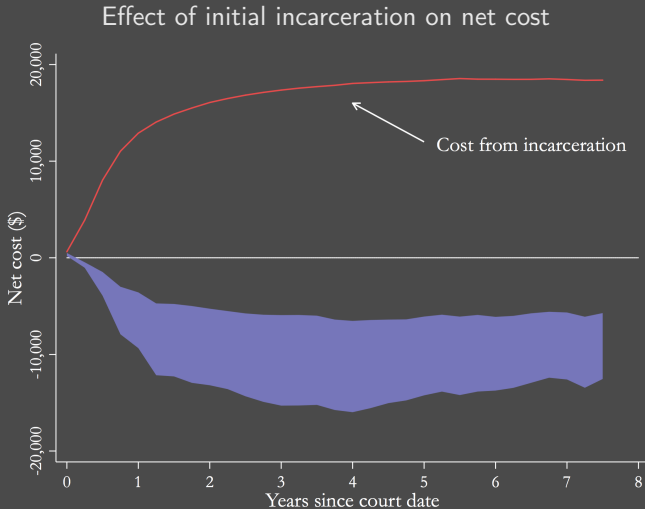
Putting it all together

- Incarceration costs \sim \$26,000/year in Ohio
- Put dollar value on each subsequent crime
 - High and low range for most crimes
 - Assault: [\$44,606, \$119,434]
 - Burglary: [\$23,492, \$54,652]
- Present range of possible estimates

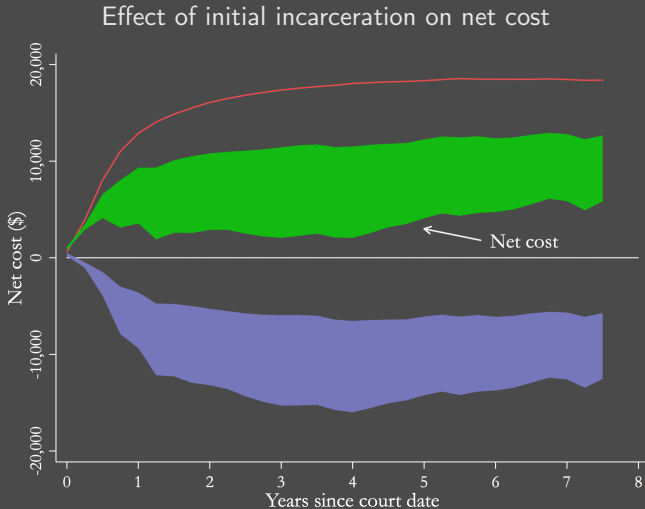
Cost-benefit of incarceration



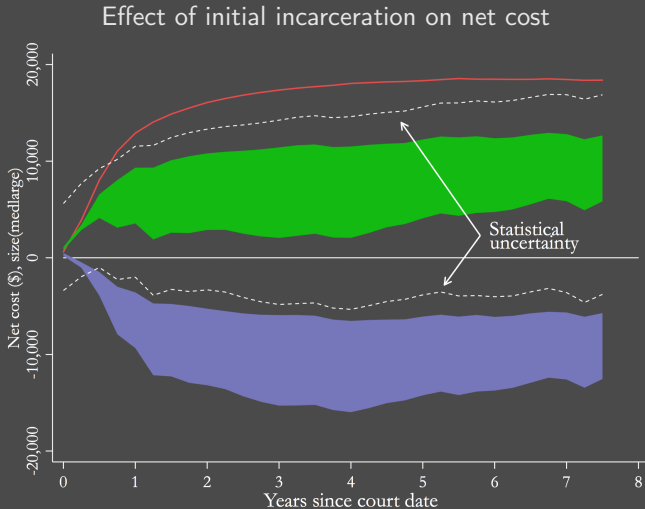
Cost-benefit of incarceration



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Cost-benefit of incarceration



What about other costs?

Incarceration might affect defendants' children

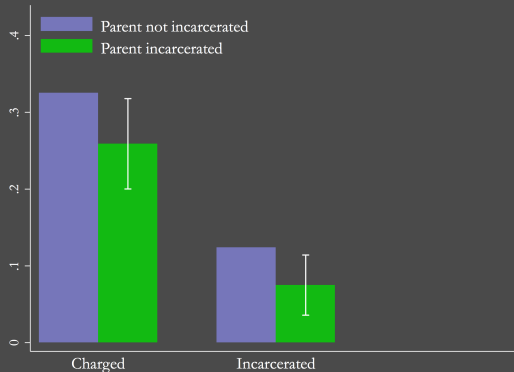
- Conventional wisdom is that parental incarceration is bad

What about other costs?

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- We find the opposite:

Effect of parental incarceration on child outcomes

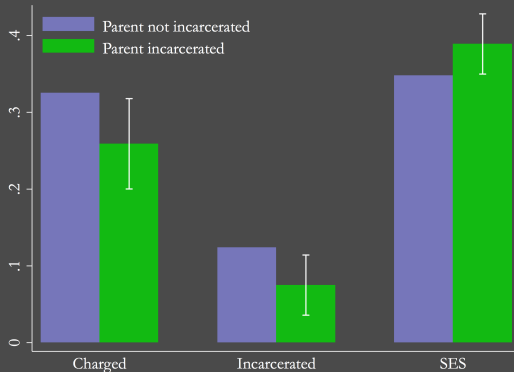


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Child benefits do not outweigh costs

Partial net cost of incarceration

	Net costs (\$)
Crime costs for adults	[-12,884, -6,489]

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Partial net cost of incarceration

	Net costs (\$)
Crime costs for adults	[-12,884, -6,489]
Crime/SES costs for children	[-5,806, -3,268]
Cost of marginal incarceration	17,975
Overall	[-715, 8,218]

Conclusion: incarceration is expensive crime reduction

Quasi-experimental estimates of the costs and benefits of incarceration

- Incarceration averts 0.6 crimes
- Benefit outweighed by high cost

Children modestly benefit from parental incarceration

- Benefits unlikely to make incarceration net positive

Other recent work

Incarceration

- Similar results, entirely different research design (Rose & Shem-Tov, 2019)

Incarceration and employment

- Incarceration has small ↓ on employment (Morenoff et. al, 2018)

Diversion (second chance to avoid criminal record)

- ↓ recidivism, ↑ employment (Mueller-Smith & Schnepel, 2019)

Higher minimum wage/EITC

- ↓ recidivism (Agan and Makowsky, 2018)

Pre-trial bail (holding defendants before trial)

- ↑ guilty pleas, ↓ employ, **no** effect on crime (Dobbie et al, 2018)

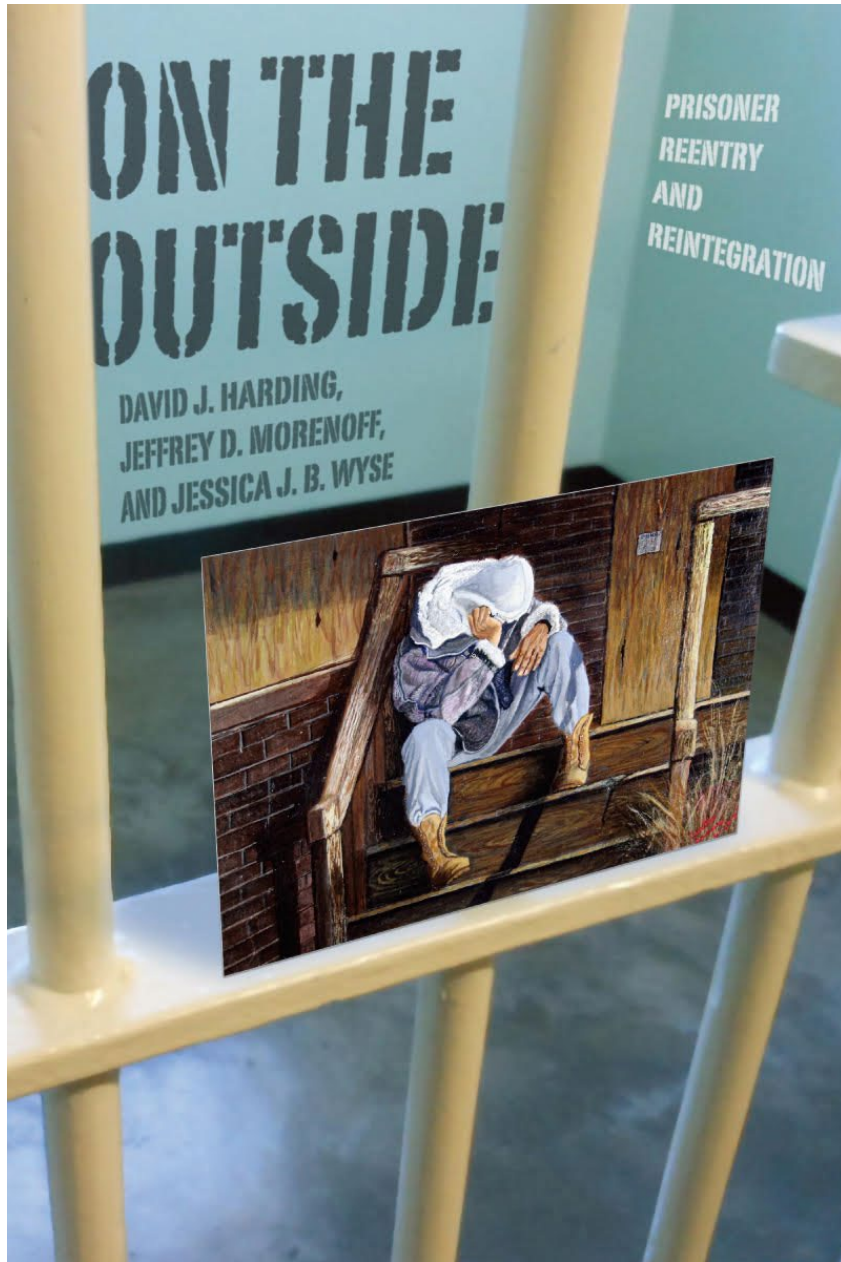
On the Outside: Prisoner Reentry and Reintegration



Jeffrey D. Morenoff
(in collaboration with David J. Harding and Jessica Wyse)

Study Design

- Administrative Data
 - Cohort of 11,000 individuals paroled in Michigan in 2003, followed over time through 2009
 - Linked state records from police, courts, corrections (including parole agent case notes), and Unemployment Insurance Agency
- Qualitative Interviews
 - Sample of people within one month of release from prison in 2007-2008
 - 22 subjects (15 men, 7 women) followed for 3-4 years
 - 155 total interviews



Outline of Talk

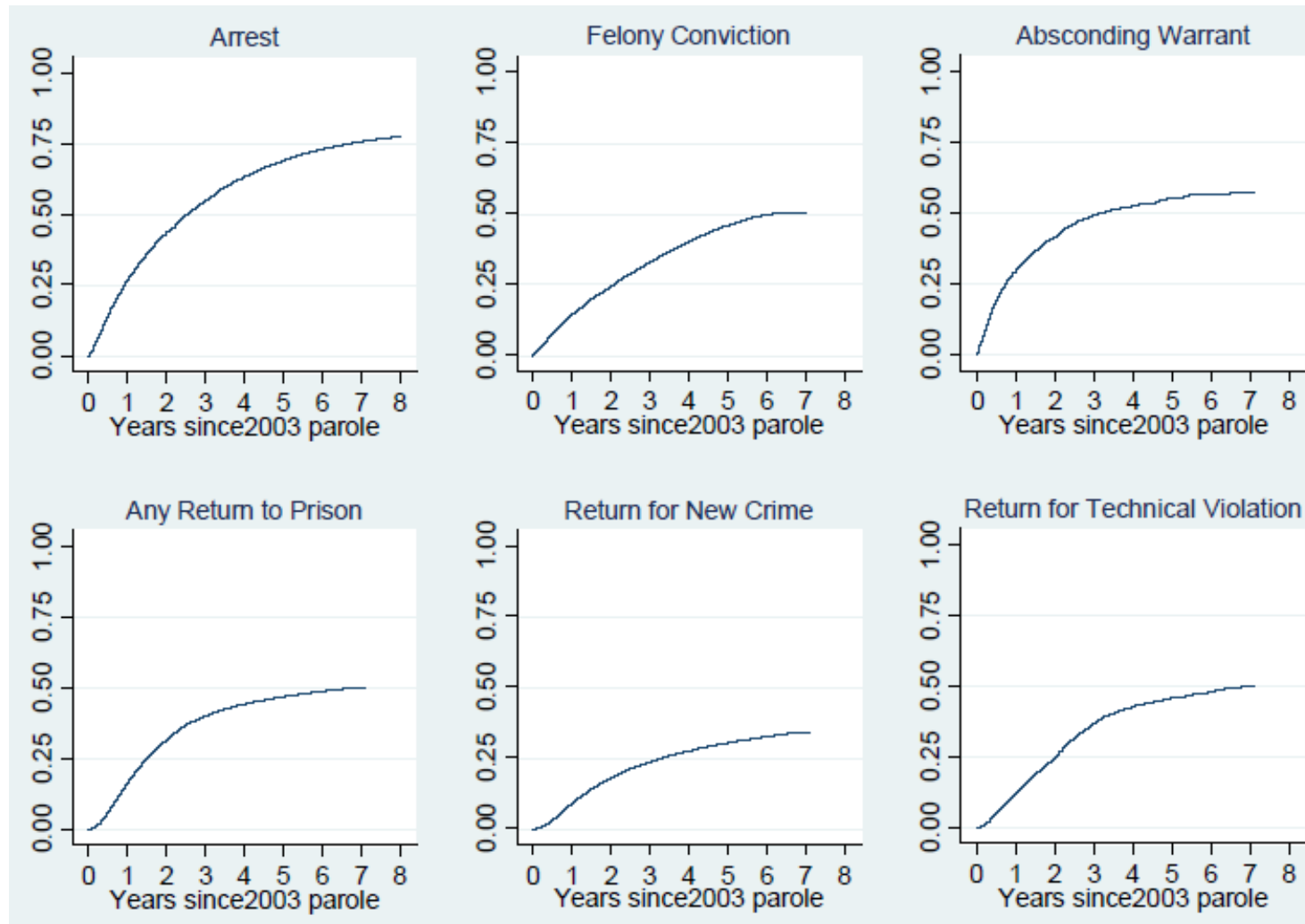
1. Returning home
2. Residential and economic instability
3. Finding work after prison
4. Conclusions and policy implications

1. Returning home

***In prison I can't disappoint anyone;
out there I can.***

– Randall, 32-year-old African American man

Multiple Pathways to Recidivism



(Data from 2003 Michigan Parole Cohort)

Prison's Revolving Door

PNAS

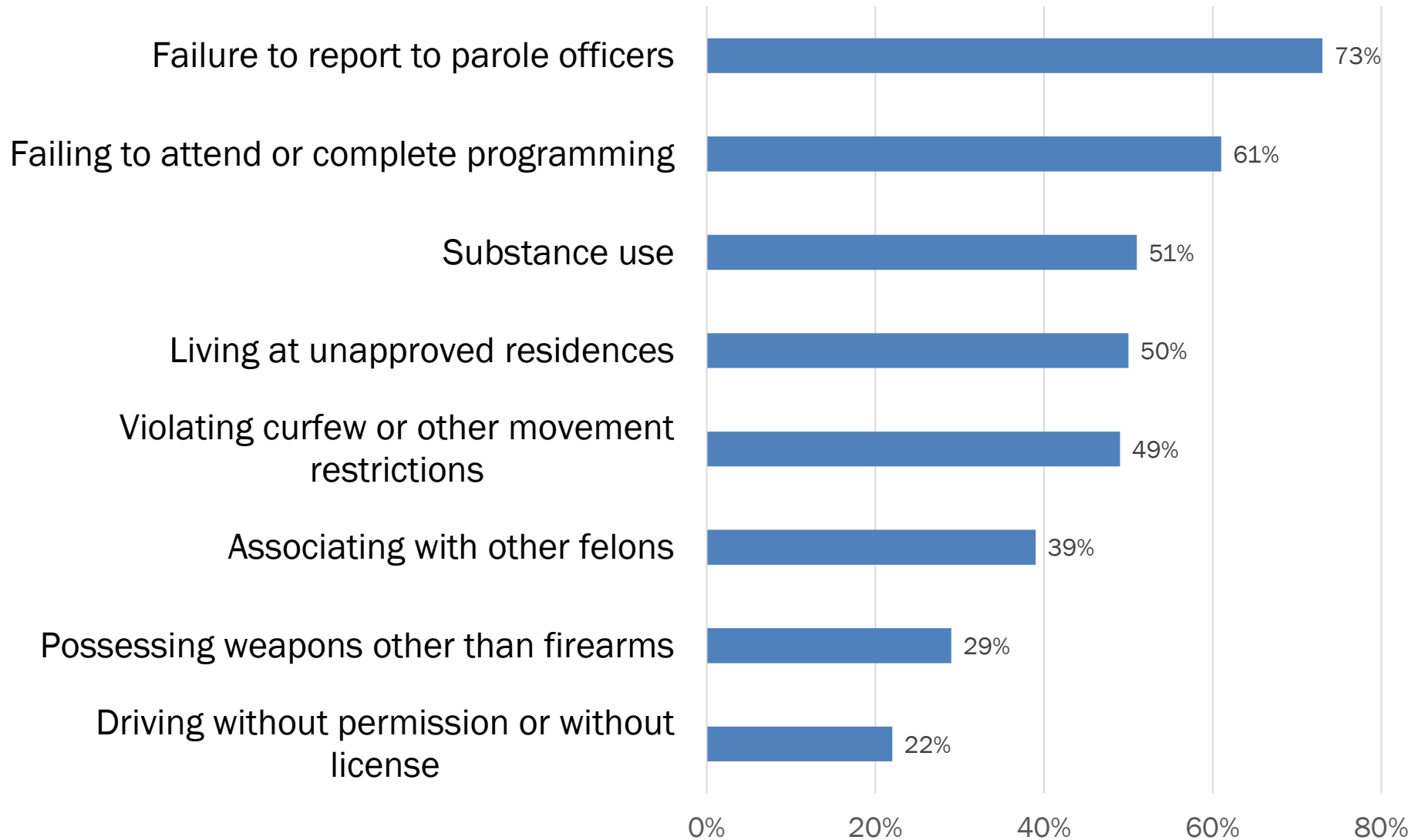
Proceedings of the
National Academy of Sciences
of the United States of America

(Harding et al., 2017)

- Being sentenced to prison for felony increases likelihood of returning to prison within 5 years
- Most of these returns were due to parole violations rather than new crimes



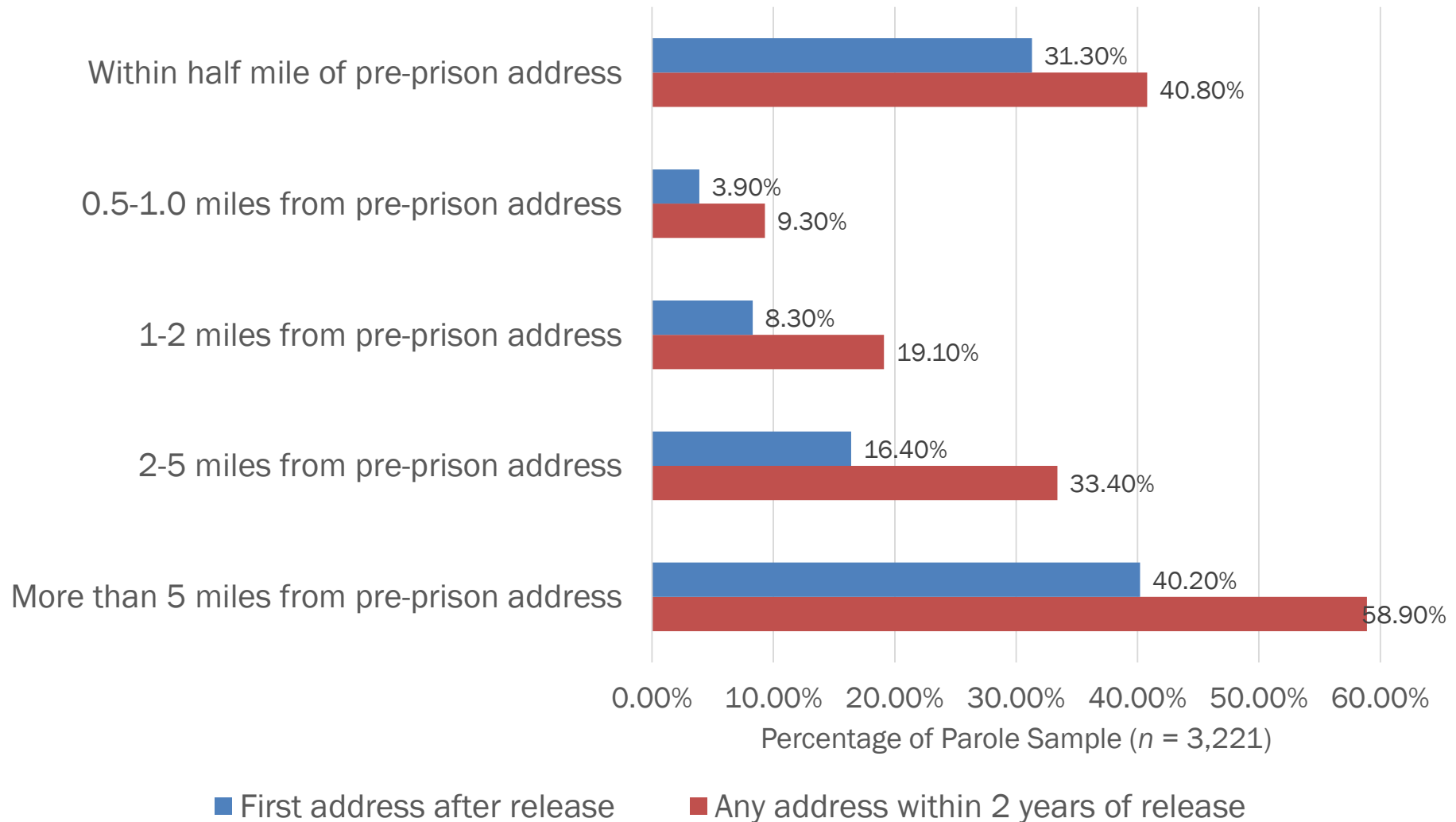
Reasons for Parole Infractions



A Place to Call Home?

- Common **reentry myth** is that most people return to the same neighborhoods that got them into trouble
- Relatively **few people** return to same address where they lived before prison
- Why?
 - Trying to avoid the old neighborhood
 - Go to live with family who have moved away from the old neighborhood
 - Living in institutionalized setting

Distance between Pre- and Post-Prison Address



I messed up before, going to wet places and wet faces. Soon as you go around there and they drinking, they smoking crack, and they using heroin, and they ask you for some money...Then, if they don't know where I'm staying, that's how it's gonna be. I'm not letting nobody know where I [live] but my kids and my family.

– Lenora, 51-year-old African American woman

2. Residential and Economic Instability

Extreme Residential Instability

Residential Moves during First Two Years

Average parolee moves **2.59 times per year**

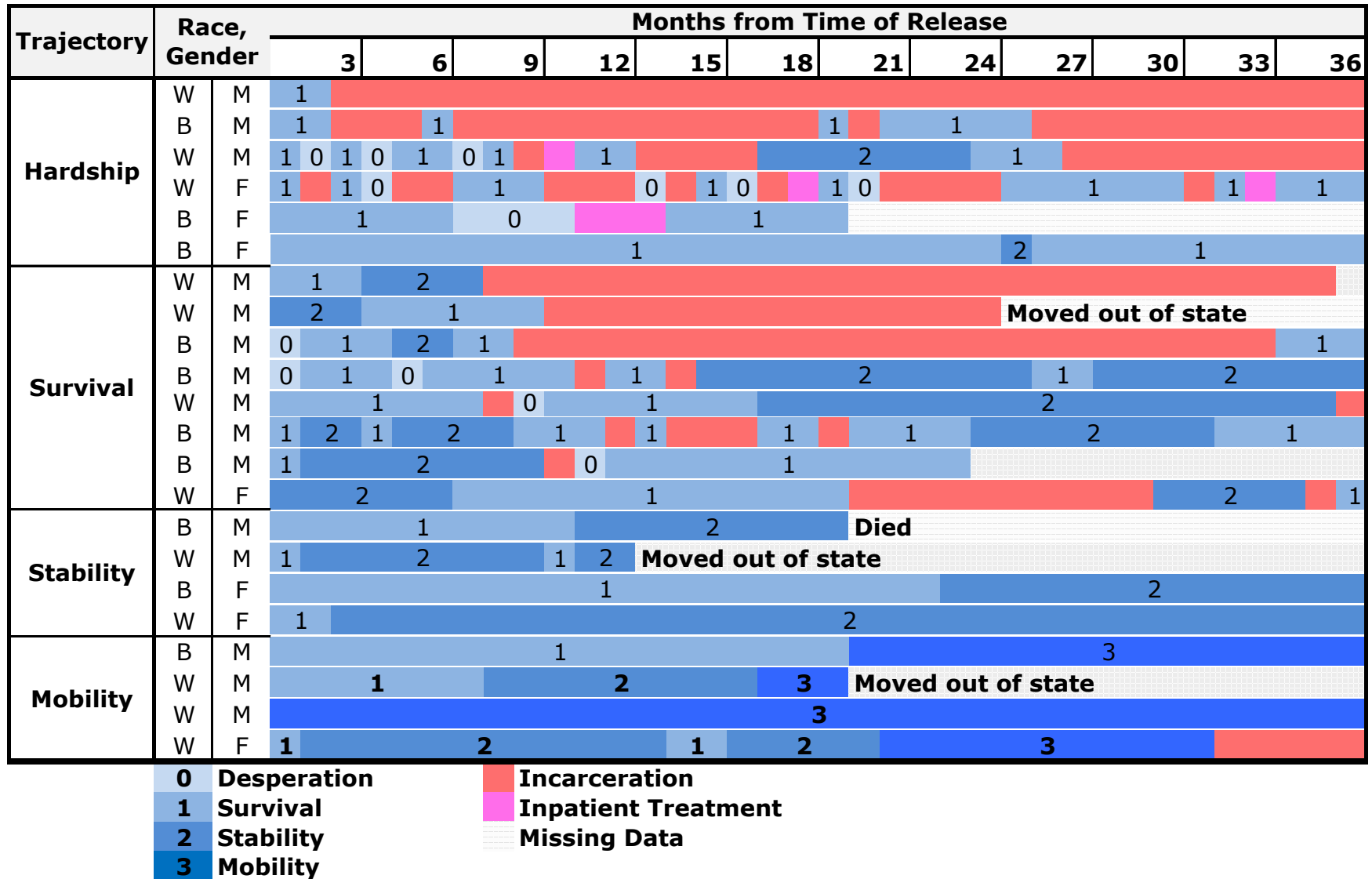
- These moves amount to an average of 25.5 miles between residences per year
- Roughly $\frac{1}{4}$ of moves are due to intermediate sanctions (e.g., jail, correctional center, treatment programs)

Extreme Economic Instability

States of material hardship describing book subjects

1. **Desperation:** extreme material need
2. **Survival:** getting by, but housing and food sources are unstable and insecure (shelters, transitional housing)
3. **Stability:** secure source of shelter and food, reasonable certainty of meeting needs in foreseeable future (stable living situation, stream of income)
4. **Independence:** sufficient resources and prospects for advancement beyond day-to-day existence (secure job)
5. **Custody:** prison, jail, detention center, residential treatment program

Trajectories of Economic Instability





Legal Financial Obligations and Monetary Sanctions

- Examples: restitution, supervision fees, electronic monitoring fees, lawyer fees
 - Such payments typically account for **30%-60%** of one's annual income
- Debt contributes to erosion of credit scores, limiting access to housing and education
- Study participants either did not pay their fines at all or had family members pay for them

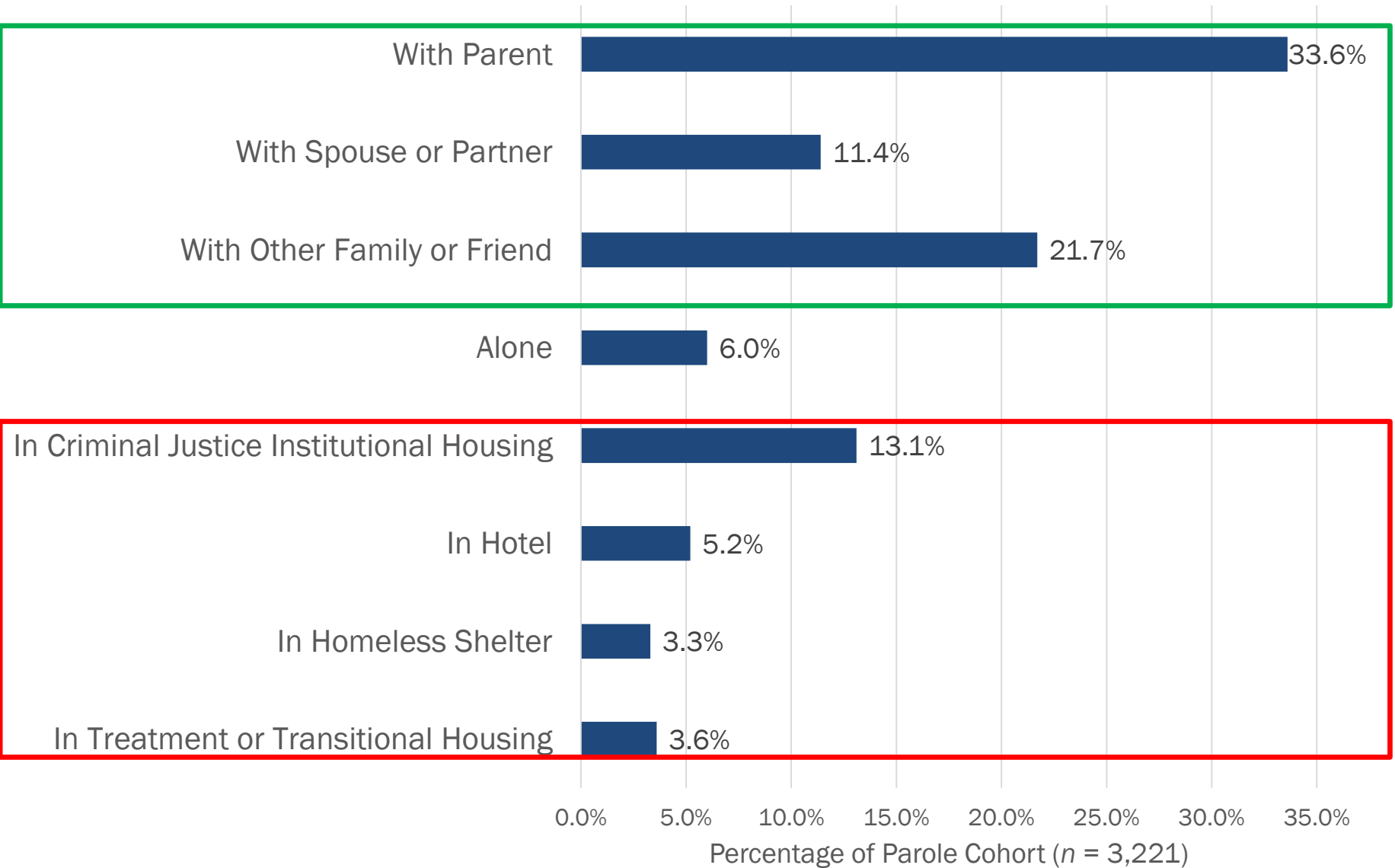
Key Role of Families

- **Instrumental support**
 - Housing, food, transportation, finding jobs
 - Families bear burden for meeting most material needs
 - Burden falls disproportionately on families with fewest resources
- **Emotional support**
 - Family relationships help provide sense of identity and prosocial roles
- **Stress/Conflict**
 - Role strain, coercion

My husband, it's kind of like [pause] we hold each other up or we pull each other down, together.

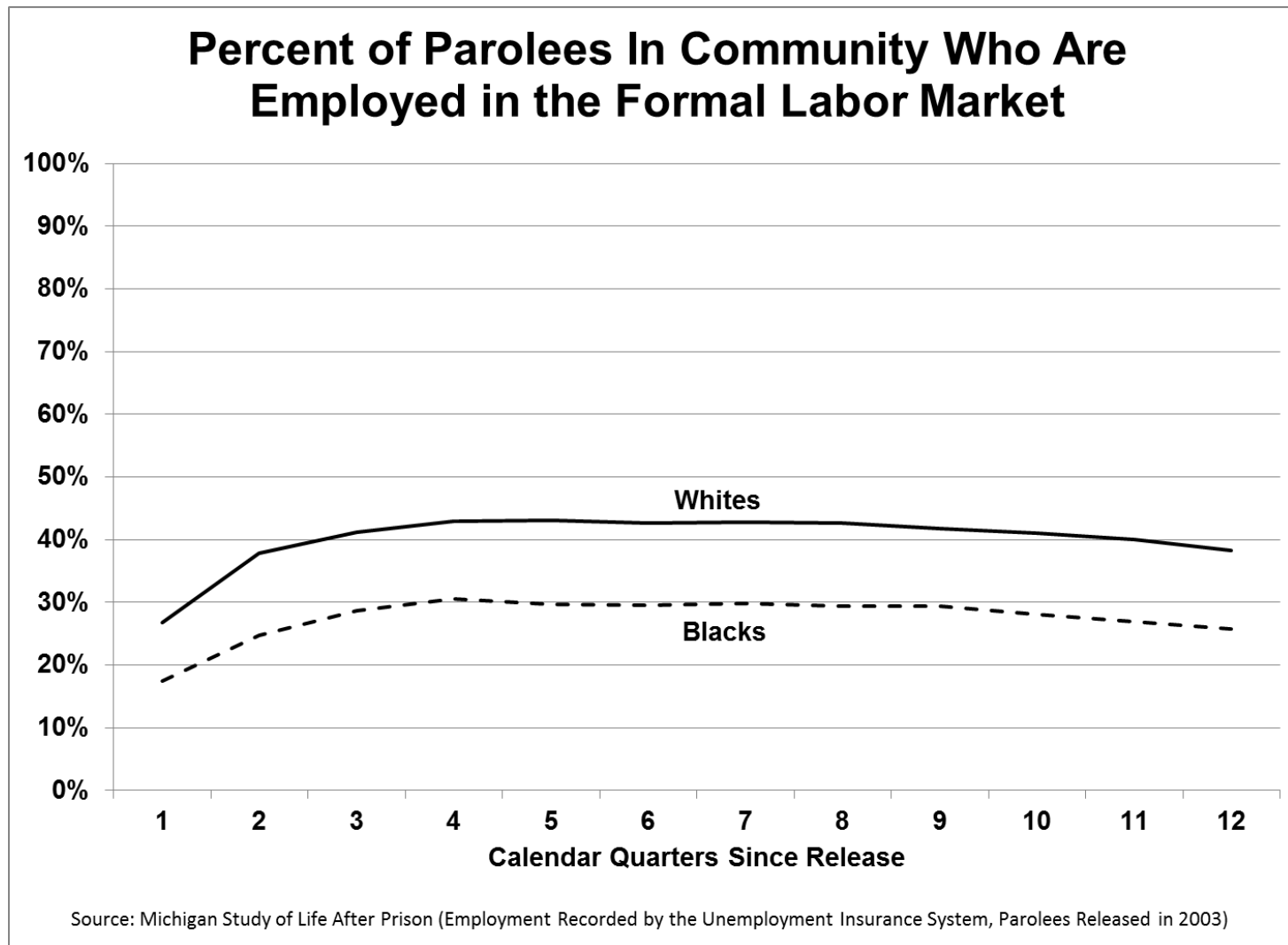
– Jane, 48-year-old white woman

Living Arrangements After Release



3. Finding work after prison

Work Is Very Hard to Find after Prison





Modal Employment Trajectories Over 3 Years



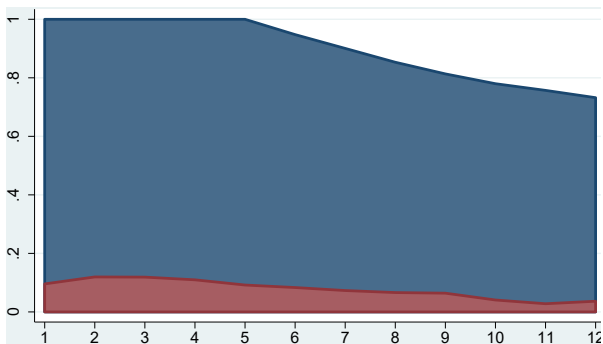
Unemployed



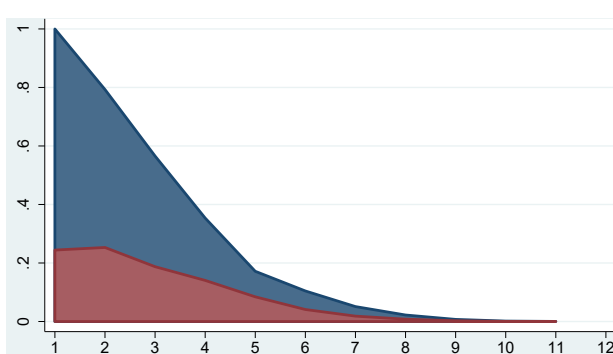
Employed

Plots show %employed/unemployed at each calendar quarter since release from prison

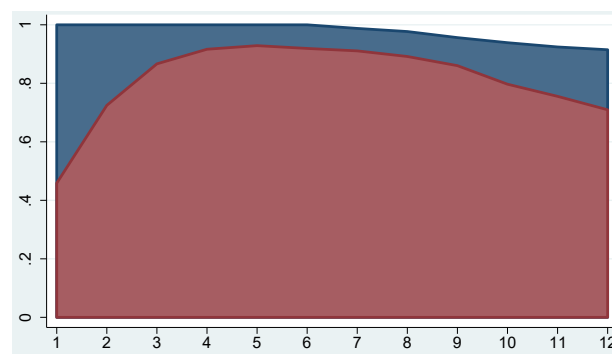
Low Employment (45%)



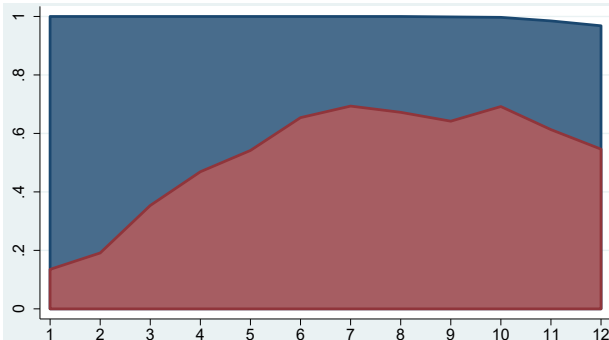
Reincarceration (25%)



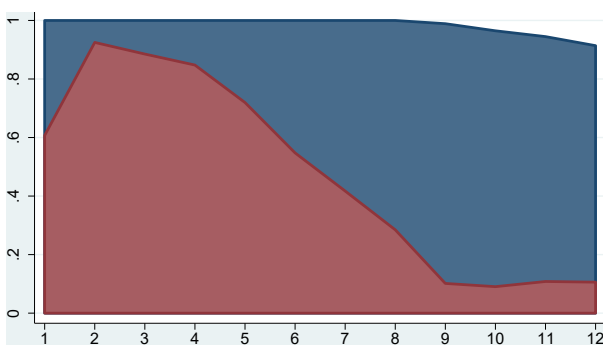
Steady Employment (17%)



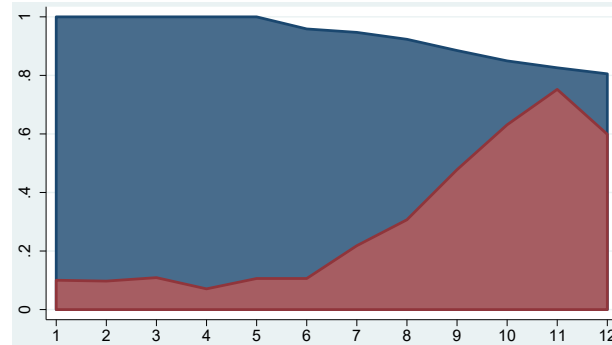
Slow Starters (6%)



Trouble Maintaining (4%)



Late Bloomers (3%)



Types of Jobs

- Most jobs are in secondary labor market
 - Low wages, high turnover, poor working conditions
- Most common types of jobs (% of employed parolees)
 - Administrative and support industries (temp work, janitorial and maintenance work): **25%**
 - Manufacturing: **20%** (highest wages)
 - Accommodation and food services: **16.5%**

Balancing Work with Parole

- Exclusion from some types of jobs and professional licenses/certification
 - These conditions vary widely across states
- Surveillance: parole check-ins, electronic monitoring
- Employment verification checks

They don't want me working at no car wash. I can't work at no bar. I think that's against parole guidelines...You can't get paid under the table, basically...They want to see the check stub for verification of a job. There got to be a check stub.

– Randall, 32-year-old African American man

4. Conclusions and Policy Implications



What Is Reintegration?

- More than just avoiding recidivism
- Rebuilding social networks
- Involvement in institutions other than the criminal justice system
- Material security and stability as foundation
- Involvement in civic, religious, and/or political life (longer term)

Key Social Contexts for Reintegration

- **Neighborhoods**
 - Proximity to jobs, drugs, old friends
 - High degree of residential instability after prison
- **Families**
 - Especially important for providing material needs
 - Incarceration of loved one imposes large burdens on families
- **Labor Market**
 - Work is very hard to find
 - Most jobs are in secondary labor market
- **Criminal Justice System**
 - Shift in community corrections from **social work model** (rehabilitation, reintegration) to **law enforcement model** (surveillance, control)
 - Disruptive effect of intermediate sanctions

Prison as Turning Point?

- Potential for positive change
 - Cooling out, reflection, break from challenges of daily survival and drug addiction
 - Ties to close family can strengthen, and ties to friends/acquaintances who have been bad influences can weaken
 - Many leave prison with very positive attitudes and a lot of optimism (the “reentry moment”)
- But the challenges of reentry are overwhelming

Policy Considerations

- **Justice Reinvestment**
 - Shrinking prison system and directing cost-savings toward social services and supports
 - Average cost per inmate is more than \$31k per year and varies widely (as high as \$60k-\$70k in some states)
 - Prison sentences do little to reduce re-offending and may actually increase future criminal behavior
 - Reducing prison population need not jeopardize public safety
- **Making parole more supportive than punitive**
 - Disruptive effects of intermediate sanctions
 - Parole should be oriented more toward rehabilitation
- **Using time in prison to prepare for release**
 - Effectiveness of intensive treatment and prison education programs
 - More programming earlier in sentences
 - More postsecondary education

Policy Considerations (continued)

- **Rebuilding spoiled social identities and remediating stigma**
 - Removing occupational licensing barriers, restoring access to social welfare benefits
 - Expanding opportunities for expungement, regulating companies that maintain criminal record databases
 - Problems with “Ban the Box” laws: they do not prevent background checks and may harm employment among African Americans without criminal records
 - Developing ways for people with criminal records to signal reform/rehabilitation through positive credentialing
- **Supporting families who do the work of reintegration**
 - Programs that directly involve families in reentry process
 - Enhancing public benefits available to families supporting reintegration
 - Need for long-term supportive housing

Thinking beyond prisoner reform to reintegration

BY DAVID J. HARDING, JEFFREY D. MORENOFF AND JESSICA J. WYSE, OPINION CONTRIBUTORS —

03/15/19 04:30 PM EDT

THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL

37 COMMENTS



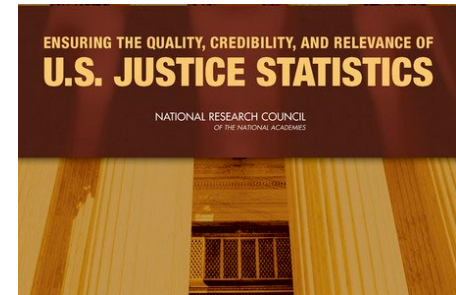
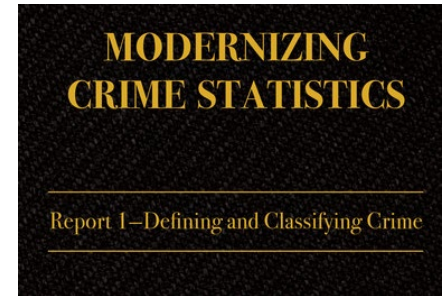
Lack of National, Integrated Criminal Justice Data in U.S.

Data are currently siloed in agencies that operate largely independently

- Per multiple National Academy of Sciences reports

Examples of scientific questions that cannot be fully addressed

- What share of U.S. population currently holds a felony conviction?
- How many people have ever spent time in jail or prison?
- What proportion of kids experience parental involvement in the criminal justice system at some point during their childhood?
- How do these measures differ across space, time, and demographic groups?





Building a National Data Repository



Michael Mueller-Smith, University of Michigan

Keith Finlay, U.S. Census Bureau

- Collecting, harmonizing, and linking data that cover long time periods and multiple jurisdictions
- Traces each criminal episode through the justice system by linking records
- Integration with data held by the Census Bureau
- Funding
 - NSF Resource Implementations for Data Intensive Research (RIDIR)
 - Bill and Melinda Gates Foundation
 - Pilot funding from Laura and John Arnold Foundation

Federal Support for Our Research on Incarceration and Reentry

- **Eunice Kennedy Shriver National Institute of Child Health and Human Development**
 - Research grants (R01 HD079467-02; 1R21HD060160)
 - Center grants at U Michigan and U California, Berkeley
- **National Science Foundation (SES 1061018; SES 1060708)**
- **National Institute of Justice (2008-IJ-CX-0018)**

Publications

Book

- [2019. Harding, David J., Jeffrey D. Morenoff, and Jessica Wyse. *On the Outside: Prisoner Reentry, and Reintegration*. Chicago: University of Chicago Press.](#)

Articles

- [2013. Harding, David J., Jeffrey D. Morenoff, and Claire Herbert. “Home is Hard to Find: Neighborhoods, Institutions, and the Residential Trajectories of Returning Prisoners.” *Ann Am Acad Pol Soc Sci*.](#)
- [2014. Morenoff, Jeffrey D. and David J. Harding. “Incarceration, Prisoner Reentry, and Communities.” *Annu Rev Sociol*.](#)
- [2014. Harding, David J., Jessica J.B. Wyse, Cheyney Dobson, and Jeffrey D. Morenoff. “Making Ends Meet After Prison.” *J Policy Anal Manage*.](#)
- [2014. Wyse, Jessica J.B., David J. Harding, and Jeffrey D. Morenoff. “Romantic Relationships and Criminal Desistance: Processes and Pathways.” *Sociol Forum*.](#)
- [2015. Herbert, Claire, Jeffrey D. Morenoff, and David J. Harding. “Homelessness and Housing Instability among Former Prisoners.” *The Russell Sage Foundation Journal of the Social Sciences*.](#)

Publications (continued)

- [2017. Harding, David J., Jonah A. Siegel, and Jeffrey D. Morenoff. “Custodial Parole Sanctions and Earnings after Release from Prison.” *Soc Forces*.](#)
- [2017. Harding, David J. Cheyney C. Dobson, Jessica J.B. Wyse, and Jeffrey D. Morenoff. “Narrative Change, Narrative Stability, and Structural Constraint: The Case of Prisoner Reentry.” *Am J Cult Sociol*.](#)
- [2017 Harding, David J., Jeffrey D. Morenoff, Anh P. Nguyen, and Shawn D. Bushway. “Short- and Long-Term Effects of Imprisonment on Future Felony Convictions and Prison Admissions.” *Proc Natl Acad Sci USA*.](#)
- [2018. Harding, David J., Jeffrey D. Morenoff, Anh P. Nguyen, Shawn D. Bushway. “Imprisonment and Labor Market Outcomes. Evidence from a Natural Experiment.” *Am J Sociol*.](#)
- [2019. Harding, David, Jeffrey D. Morenoff, Anh Nguyen, Shawn Bushway, Ingrid Binswanger. “A natural experiment study of the effects of imprisonment on violence in the community.” *Nat Hum Behav*.](#)