Promoting Employment After Prison

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U.S. Incarceration Rates, 1925-2004

* 2.1 million prison and jail inmates, 2004
* 765,000 on parole, 2004
* 4.1 million on probation, 2004
* 7 million under supervision, 2004
Economic Status of Ex-Prisoners, 30–34

Schooling

Relative to Nonprisoners (%)
0 20 40 60 80 100
10.7 years v.
13.2 years

Employment*

25 weeks v.
45 weeks

Earnings*

$8,829 v.
$26,988

* Adjusted for schooling and AFQT
Part I: Transitional Programs

- Full-time low-skill work, to build work routines (similar to Doe Fund, CEO, or NSW)
- Housing immediately after release
- Drug treatment, which can be supported in the housing facilities

Need two more parts to go to scale...
Part II: Elimination of Collateral Consequences

- Federal law currently denies benefits for housing, education, and welfare for felony and drug offenders
- No evidence that benefit denial serves public safety
- Housing benefits, in particular can assist reintegration
Part III: Incentives for Employers

- Work Opportunity Tax Credit provides employers with tax credit for new hires of ex-felons up to a year from release
- Federal bonding provides $5000 insurance against theft or embezzlement by employers with criminal records
Costs and Benefits

▶ General idea: move correctional costs from custody (expensive) to community supervision and intensive programming (cheap)

▶ Transitional services cost $10,500 per parolee, yielding total cost of $7.4 billion

▶ Over half paid for by reducing parole revocation

▶ Difficult to justify programs on purely cost-benefit basis, but cheaper than incarceration with little loss of public safety