

## HAMILTON PROJECT FROM PRISON TO WORK: OVERCOMING BARRIERS TO REENTRY

Bob Rubin: Good morning. I'm Bob Rubin. On behalf of all my colleagues at the Hamilton Project, let me welcome you to our discussion today entitled From Prison to Work: Overcoming Barriers to Reentry.

The Hamilton Project, as many of you probably know, began about three years ago. Our objective was to set forth an economic strategy for our country, an economic strategy that would enable us to thrive in a global economy that is undergoing transformational change of historic importance.

More recently, we've had a number of events, a number of panels that have dealt with the immediate financial crisis. We've had discussions of fiscal stimulus, we've had discussion of mortgage renegotiation. We've had discussions of the terrible conditions that are affecting so many Americans today and what kinds of policy responses might be effective in relation to that.

At the same time, for the most part, our focus has been on long-run issues. In that respect, we believe the United States with its flexibility, its dynamism has many advantages in the global economy.

But to realize the potential from those advantages, we must meet our critically important and hugely consequential challenges and it's meeting those challenges that has been the predominant focus of the Hamilton Project, including healthcare policy, energy policy, education, reestablishing sound fiscal conditions, once the economy is on a healthy path again.

Issues that are going to affect the well being of mainstream America for years and decades to come. To discuss these subjects, we've had periodic events with papers that were subject to rigorous academic review and truly distinguished panels of academics and policy experts.

Today's subject, prisoner reentry, is a little different than anything else we've done at the Hamilton Project. And it is not only a serious social and moral issue, though I'm sure all of us here today think it is exactly that. But it's also an immensely important economic issue.

With over two and a quarter million Americans incarcerated and hundreds of thousands of people released each year, if you think of it in an economic context, there are enormous gains that could be had in social cost saves and productivity realized if real progress could be made in bringing released prisoners back into the economic mainstream.

All of you are here because you care about this issue. My own concern about prisoner reentry grew largely out of my involvement in an organization called the Local Initiative Support Corporation, the nation's largest community development organization, and I've chaired it for many, many years.

In addition, my son, my younger son, worked as a volunteer teacher at the Fortune Society in New York for some period of time. And he used to come home and talk about the enormous challenges and difficulties of trying to accomplish successful prisoner reentry with so many members of the released population.

It's because of all of this that our then director of the Hamilton Project, Jason Furman, and I, discussed including prisoner reentry as an economic issue for the Hamilton Project.

Our program today is designed to serve two purposes: To provide additional exposure for an issue that unfortunately receives far too little exposure in our society, and, two, to provide a forum for discussion of a serious proposal for dealing with prisoner reentry and for the issues around prisoner reentry more generally.

For both of these reasons, we are deeply, deeply honored to have with us to deliver our keynote address senator Jim Webb of Virginia. His focus in the Senate has been largely on national security issues. But he's also engaged strongly with economic and social issues as well.

In that context, he has been a champion of the Second Chance Act, and he has used his position on the Joint Economic Committee to focus on the link between prisoner release and the larger economy. I don't think there's any question but that having an American political leader of the enormous standing and distinction of Senator Webb involved with prisoner reentry, who contributed greatly to giving this issue the prominence that it is so important that it have, important not only for released prisoners, but for all Americans.

In keeping with the practice of the Hamilton Project, I won't go into the senator's resume. It's in your materials. But I would strongly recommend you look at it. It is the resume of a deeply committed American who has now become a major political leader.

After Senator Webb's address Doug Elmendorf the director of the Hamilton Project project, who was sitting here, he's changed his mind and sitting down here. Will come to the stage and moderate a Q&A discussion with the audience.

Then after that we'll have a policy roundtable. At our roundtable, Bruce Western of the Sociology Department of Harvard, who also teaches at the Kennedy School, will provide an overview of the new proposal on prisoner reentry that will then be released as a Hamilton Project paper.

Then we'll have a panel of experts who will discuss both that paper and the issues more generally around prisoner release.

Let me briefly introduce the members of the panel. Though, again, I'll not go into their resumes, they're in your materials. But it's a truly distinguished panel. I've already mentioned Bruce Western. Let me just add that his work focuses on linking or on the link between incarceration and social and economic and equality in America.

Scott Anders, the Assistant Deputy Chief of the Probation Office of the Eastern District of Missouri. He's developed partnerships at the local and state federal level to assist offenders becoming productive members of the community.

Glenn Martin, Associate Vice President of Policy and Advocacy of the Fortune Society, which is truly a remarkable organization in New York City that has had a long history of helping released offenders reenter the community.

The final member of our panel is Michael Thomas, prosecuting attorney, Saginaw, Michigan. Mr. Thomas was named 2008 Michigan Crime Victim Advocate of the Year, and he's also co-chair of the Corrections and Reentry Committee of the National District Attorneys Association.

And, finally, we have as our moderator Doug Elmendorf, Director of the Hamilton Project. Doug is a highly distinguished economist, highly respected economist who has served at the U.S. Treasury Department, the Federal Reserve Board, the White House Council of Economic Advisors and the Congressional Budget Office. Doug is not unfamiliar with economic policy. Doug has also done an excellent job in managing our Hamilton Project.

Let me also express my appreciation and the appreciation of all of us to Doug and to Karen Andersen, the Managing Director of the Hamilton Project, for putting together what is really a terrific, terrific program on a very, very important subject.

With that, it is my enormous honor and privilege to introduce as our keynote speaker the Honorable Jim Webb, Senator of the Commonwealth of Virginia, to begin our program.  
Senator Webb.  
(Applause)

Jim Webb: Thank you very much. It's an honor to be with you today. I'd like to begin by thanking Bob Rubin and the Hamilton Project for not only inviting me here but for having taken on this job as one of their initiatives. Actually, Bob when you were speaking about the areas that the Hamilton Project project has decided to engage in, it's very similar to what we decided to do in our own office when I reached the Senate.

I have something that my staff knows well. We call the 80/20 rule that is 80 percent of the time in the senate you're focusing on the issues that you have to focus on, the committee hearings, the bills that are up, et cetera, but we consciously try to block 20 percent of our time on what I call the trajectory issues, the long-term issues that are really challenging our country that too often you're not able to focus on in the day-to-day activities of government.

Some of that is national security oriented and the need to reorient our national strategy, our national security policy around the country.

A lot of it involves economic fairness, how we can work through the vast disparities that have overcome our system in terms of a breakdown along what I worry are class lines in a way we haven't seen since probably Teddy Roosevelt's administration.

But others are these sorts of issues that politicians, I think, too often are afraid of in terms of their own longevity. Issues like the one we're talking about today. And so there's something of a confluence here in terms of what we've been trying to do in our office and what the Hamilton Project has been working on. And I also would like to start off by saying very clearly I am not the expert in this room. I'm someone who has a great deal of concern about the issue of incarceration and all of the implications that have gone into what's happened in our criminal justice system.

There are a lot of experts in this room. There will be a panel filled with some very, very dedicated people who have been working on this issue, I would say Professor Bruce Western presented some really fine testimony in one of the hearings we held earlier.

And I think we're all very lucky today to have the panel that will follow me to the podium.

I came through the military. I think when you look at the United States Marine Corps, you see a pretty good model on how you can, on the one hand, have a disciplined environment and on the other hand have a fair environment. I'm sure that what I have done since then and when I look at our criminal justice system has been dramatically affected by what I saw when I was on active duty in the military.

But really the seminal event for me in terms of our own system came about when I became if not the first, one of the first American journalists to be allowed inside the Japanese prison system about 25 years ago.

It was an incredible eye-opener in not only seeing how the prison systems were run, but when I started studying the Japanese criminal justice system at large as compared to our own, even 25 years ago, and was struck by the statistic that in Japan, which had half of our population, there were only 40,000 people in prison. Only 40,000 sentenced offenders in prison.

At that time we had 780,000 people in prison in this country. Those of you who are familiar with the system today know that we now have more than 2.3 million people in jail in the United States. One number I saw was 2.38 million people, and approximately 7 million people involved in the criminal justice system one way or the other. Either incarcerated or on probation or working on parole under a parole system.

That's a staggering, staggering statistic not only in terms of fairness, in terms of how we are approaching the well-being of our society, but in terms of what it does to our economy in two different ways. The cost of incarceration and the cost of lost opportunities for people who enter the prison system and then have a very difficult time for the rest of their lives.

And I want to be very clear at the outset, at the same time, that I feel very strongly about the need to put the right people behind bars. We all want to see violent criminals brought to justice. I personally have a very strong feeling about the danger of organized gangs in this country and the fact that we need to enforce the laws in the proper way when it comes to those sorts of activities. But there's something else that's going on when we're locking up such a high percentage of our people and marking so many of them at an early age in a way that affects and in some cases eliminates their chances for a productive life that the rest of us enjoy. Since I've been in the Senate, I've been focusing on these issues the best we can given the committees I'm on.

And as you know we've held a number of hearings in June of last year, this year, I chaired a joint economic hearing to explore the impact of illegal drug economy in the

United States addressing the need for policy reforms and trying to develop a line that we could actually measure between where the problem begins, where it hits the street, how it impacts individuals and what we can do afterwards.

In October of last year, I was able to chair a hearing on the larger issue of incarceration, trying to put a price on it. Trying to bring experts in to discuss with us the overall price to the United States economy. As I mentioned earlier, in terms on the one hand of having to run so many prisons and the criminal justice system at large and the other the price of lost opportunities.

I put together, along with the cooperation of George Mason University, a three panel symposium fairly recently that took a broader look at the real range of issues that go into the parameters of illegal drug use in our society. And to try to really discuss solutions that we can put into place in the immediate and also long-term environment. As Mr. Rubin mentioned. I was a co-sponsor of the Second Chance Act, which was passed and signed into law earlier this year.

It is a proactive measure. It works to provide job training, drug treatment and other reentry programs to help ex-offenders stay off the streets and hopefully reduce the recidivism rate.

I'm also a co-sponsor of the Gang Abatement and Prevention Act that would provide over a billion dollars over five years to combat gang violence and in that regard I've had a number of personal meetings with law enforcement leaders in this area about the implications of gang violence in Virginia.

What do we know from having gone through this experience? We know the United States locks up more people than any other country. We've got five percent of the world's population. We've got 25 percent of the world's known prison population.

We know that we're spending an enormous amount of money. Professor Western estimates the annual correctional spending amount at 70 billion. I would think if we're going to get more on that, state spending on corrections increasing 40 percent over the past 20 years.

Professor Glenn Lowery who testified before my JCE hearing last year estimated we're spending 200 billion on corrections and law enforcement.

We know that minority communities are disproportionately represented in the nation's prisons, particularly African Americans who are 13 percent of the population and more than half of prison inmates compared to one-third 20 years ago.

We know we're witnessing a very violent war on our border, which is largely driven by the drug trade. There was an article in the Washington Post just yesterday that mentioned that there had been 700 killings along the Mexican border in the last month alone.

We know that prisons are housing a great proportion of our nation's mentally ill. The number of mentally ill in prison is calculated nearly five times the number of people in inpatient mental hospitals. Forensic psychologist Edith King pointed out that nationwide jails have become the number one holding stop for mentally ill.

And we know that we all want to ensure that as many resources as possible are dedicated to something of a triage here. We need to take care in the proper way of violent crime. We need to separate out in some way how we're dealing with drug offenses and we need to find better ways to treat those who have mental illness.

It's not a crime to be mentally ill. It's not a crime to be addicted to drugs. It is a crime to live by violence and to extort money from people who are trying to have a basic way of life, and we need to get back to making those sorts of distinctions, because another thing that I think we have learned, that I feel strongly about, is we're not locking up the right people. We're locking up the wrong people too often all across our country.

The number of people, the statistics that have been shown to me and my staff, the number of people in custody on drug charges increased 13 times in the last 25 years. And despite the number of people we've arrested, illegal drug industry and the flow of drugs has remained undiminished.

The analysis that we've seen in terms of drug use patterns in this country is very interesting when you compare them to who is being imprisoned on drug offenses, on nonviolent drug offenses. The statistics we have seen on our staff show that drug use really doesn't vary by ethnic group in the United States. It's very, very little variance whatsoever.

African Americans are estimated at 14 percent of regular drug users. At 37 percent of those who are arrested for drug offenses and they're 56 percent of people in the state prisons on drug crimes. And all of this money and all of this turmoil that has been going into this issue really hasn't affected supply or usage rates. The last study that was done in terms of high school seniors, attitudes about drugs, the 2006 study showed that 86

percent of high school students in the United States report that it is very easy or fairly easy to obtain marijuana. 47 percent report the same for cocaine.

39 percent for crack. 27 percent for heroin. We've also learned that there's a disconnect in terms of how we are defining gangs. We know that gangs are involved in all sorts of widespread criminal activity and yet when we talk to people who work in the area of criminal justice, we don't get the discussion about how gangs operate outside of certain communities or across state borders or, in many cases, internationally, and we have to do a better job about figuring that out.

We know that our current combination of enforcement, diversion, interdiction, treatment and prevention is not working. We need a better formula in terms of how we are dealing with these different areas.

We have learned that alternatives to enforcement have shown in a variety of approaches that we can reduce incarceration. We can improve public safety. We can produce social benefits in excess of their costs if we move into more creative ways of dealing with the problems in our society.

I would say at this point, after our staff has been working on this for a couple of years in a structural way, we need more analysis. We need more of the type of analysis we're going to get today. We need to hear more from the experts so we can really examine our options.

And we need to work with law enforcement to in some way get our arms around coordinated criminal activity that has crossed state and national borders. And we need to engage America in this entire discussion.

Too often we have these discussions either in compartmented ways or they don't happen at all. I recall at the beginning of the presidential campaigns, Arianna Huffington of the Huffington Post, wrote an article that said that if this didn't become one of the major issues of the presidential campaign, it was a national shame.

Well, it didn't become an issue in the presidential campaign at all. And it is a national shame. We need to have this discussion. I believe personally we need to support programs that work for adult offenders that help prevent crime reintegrate prisoners being released. In this context there's an enormous need to shift our policy choices to evidence-based options that are proven to contribute to lower crime rates.



Fear, political fear and ideology have too long driven policy in this area. I've been very impressed with what I've seen with respect to drug courts. I think if we can separate drug use from other types of crime and deal with it in a different way, we're going to affect the criminal justice system and we're going to help improve the lives of people who simply get involved in nonviolent drug use.

We've seen a number of assessments in this area. The Center For Court Innovation did a broad review. Their bottom line was that average reduction in recidivism associated with drug courts was 13 percent. In other words, people who went through drug courts as opposed to going into the regular criminal justice system were 13 percent less likely to be involved in the criminal justice system after that.

The Washington State Institute For Public Policy looked at 57 studies and estimated an 8 percent decrease.

We in our office will be looking at ways to examine the further expansion of drug courts. I believe we need to treat drug addiction. We need to separate drug addiction from prison environments to the extent we can.

We need to support community and faith-based programs. The last administration put a lot of emphasis on areas on faith-based initiatives that fit with a lot of its own political ideology. I believe that short structures around the country, I can certainly see it in Virginia, are natural repositories that are already in existence where we can encourage reentry programs without having to create new bureaucracies.

And I believe that we really need in a very vigorous way to take the expertise of the type that we're going to hear today and bring it to the new administration. We've got a new set of eyes on the problem and come out with some concrete programs and solutions. And that's why we're here today.

And a final point before I take questions, I think, from my experience over the past couple of years, we do have a tremendous opportunity to work on this issue in a bipartisan fashion.

When I reach out to colleagues on the other side of the aisle and start discussing this problem, there are people over there who understand the damage that our present way of doing business in the area of criminal justice is putting onto our society economically, as this organization is looking at it. In terms of personal harm, in terms of lost opportunities, and so this is a chance for us to commit ourselves to working in this new

administration and with this new Congress and with organizations like the Hamilton Project to really start making a difference.

And with that, I'd be happy to take your questions. I'm going to walk over and get a cup of coffee. And yes, sir, I'll listen to you while I'm getting my coffee.  
(Applause)

Doug Elmendorf: There are microphones being brought to you. Please wait until the microphone gets to you to start your question. And start, please, by saying who you are and what organization you are here with.

Walter Jurassic: Yes, sir. Good morning Senator Webb. It is my privilege to see you and speak to you. It seems to me that -- I'm Walter Jurassic and I live in Springfield, Virginia. [Inaudible].

It seems to me that the solution is like rocket science to solve of the problems in crime. However, my observation is that 25 percent of high schools are dropouts. They never finish high schools.

I wonder to the kids and looking around, troubled kids. Their answer was we don't have the opportunity. The teacher don't teach us anything. The parents don't know what to do. I emphasized that very important is to push for better education. Not only for privileged, not only so-called elite, but for all.

Without it, we cannot solve the current problems. Thank you, Senator.

Jim Webb: Thank you. I'm sure everyone heard the question. It regarded the importance of education and encouraging young people to finish school.

The percentage of high school graduation now, which is, as you said, is about 75 percent, is about the same as it was when I was young. When people say that the overall percentage has increased, in aggregate terms that's about the same that it was in the 1960s, 1970s. That doesn't mean we need to -- that we should accept that it is the norm.

If you look at incarceration rates, the statistics, and if you look at recidivism rates, they're very closely tied to whether someone has finished high school. There's no doubt about that.

And another piece of this is something that we have put into one of our initiatives on my staff is adult education. Young adult education. I feel very strongly that the best encouragement that you can have -- the best encouragement you can have if you're trying to decide whether to stay in school, is a parent who can serve as a role model.

And there are so many cases where young people get off track. They're 16, they're 17 years old. You might have a child or might just rebel and decide you want to go get a job.

And once you haven't finished your education, the on ramp to get back up on that highway gets harder and harder. And we are exploring an initiative in my office to focus on the young adult, the young to a little older adult to get them a chance to also finish their high school and do something more.

So this isn't just a young people problem or challenge. It's a challenge for people who are a little older as well.

Are you going to pick --

Doug Elmendorf: I can if you'd like. Right here. Just wait a moment for a microphone.

Wendell Howell: Good morning, Senator. Wendell Howell, Addictions Coalition of Delaware. Also the National Coalition of Full Opportunity for Felons chairman. So let me just say that I think it's great that you've taken leadership in a major way in this country.

I'm sad as a criminal justice advocate working at the state level and to see the disproportionate reality of incarceration of primarily black, young blacks in our criminal justice system. And you've spoken well towards that end.

In Delaware, as an example, quickly, we have about 19 percent population of blacks. Yet, we have 63 percent in our prisons.

Now, Virginia has the same situation. You have about 19 percent blacks and you have 63 percent or 62 percent in your prisons. We look at the state of Iowa we have two percent black population in the state and 45 percent of the prison beds are occupied by blacks. There's some real racism that's gone on throughout our criminal justice system and we have a history of it and I'm glad for your participation in the Second Chance Act and your leadership there. One of the things we've got to do is we've got to break the barriers to create jobs. That's one of the five things that people need when they complete reentry. There are basically five things. Jobs and housing are two of them. I think spirituality, spiritual support is another, family support is another and changing the

pre-prison attitude of prisoners is another one that's important. What we did in Delaware to break the barriers, quickly, is a Senator, Karen Peterson, passed a Senate Bill 226 which allowed us in Delaware to eliminate -- it allowed us in Delaware for our professional associations or our professional boards to admit felons and others who committed offenses. That has gone a long way. We've created over 200 jobs in our small state in the last couple of years as a result of that declaration. So there's some things that we need from you nationally, and I would hope that the support we get from funding of these organizations in criminal justice, that you make sure that you limit the amount of funding for staff of new organizations that you make it go to prisoners, prisoners' programs so we can truly help them.

Jim Webb: Let me -- you've raised two points that I want to comment on that I think they're important. One is I can't tell you how many people have come up to me once I -- I started talking about this issue during the campaign. My political advisors were telling me it's political suicide.

How can you not talk about it? But since I started talking about it I've had so many people come up to me and say you know I was convicted of a felony when I was 22 years old. I'm 40 years old now. I've gotten out. I've got an education. I want to work and I've got this thing following me around the rest of my life. When can I say I have paid the price?

And it's very important for us, and particularly with the magnitude of this problem right now, that we create the right attitude as long as the people who are coming out of the system are moving forward in the right direction.

We've got to reinforce that. It's a leadership question and it's a community question. And the other piece of it, when you look at the disproportionate nature in terms of the results along racial lines, the last book that I wrote, I used an example when I was trying to explain the implications of sort of minor drug use, and the way we're not dealing with this honestly.

And I said and I'll say it again right now, there's a street corner in Washington D.C. at this moment where a young black man is selling some drugs to -- and it could even be another black person. But a young black man of that community is on a street corner selling drugs. You've got somebody coming in from Northern Virginia they could be white, Asian, well off African American, doesn't matter.

That person is going to buy those drugs, drive back into Springfield, let's say, sell them. Now, once the person who has bought that drug clears that neighborhood, the chances

of them getting caught are pretty small. But because the drug activity is so concentrated in this neighborhood up here, where the young black man is selling, sooner or later he's going to get caught. And somebody else is going to come behind him. He's going to go to jail. He's going to enter a hell in which he will never recover.

And so you've got two people basically doing the same thing, quite frankly, by the time they're 50 years old the person who bought that drug and took it out into Northern Virginia is going to talk about his reckless youth, it might even be a judge. (Laughter) I went to Georgetown Law School, I know what this is all about.

(Applause)

And then the person who got caught, he's probably not even going to be able to vote. That is the reality. That's the challenge that we have, and that's why we've got to kind of triage what we're putting people in jail for and look for better ways to deal with it.

Doug Elmendorf: We'll take a question from over here, the second person there. Please. Please try to ask, when you get to the microphone, please try to ask a short, focused question.

Max Kenner: I'll do my best. Max Kenner from the Bard Prison Initiative in Bard, New York. We know the scope of the problem, nearly two and a half million people in prison, we also know who is in prison, that prisons target or the people in prison end up being overwhelmingly from certain communities. So in those communities, the net is cast so wide particularly among young black men that we know there are people who are capable there.

We know there are people who are ethical there, the whole thing. Given all that, is it then cynical for us to really emphasize treatment and vocational education rather than a liberal arts education, mathematics, history, the arts, et cetera, as a means of reintegrating people into the economy and also as a means of healing?

Jim Webb: Well, let me talk for a minute about what impressed me about the Japanese model when I was over there as a journalist, because it sort of goes to what I've been saying about triaging the people that we're bringing inside the whole net, this whole of criminal justice.

We're lumping all these people together. We're putting more and more people in prison for nonviolent crimes. One thing that we've seen in the studies that I should have mentioned when I was talking was that the criminal, the level of criminal activity really hasn't gone up as the American prison population has increased. It's the enforcement

mechanism that has gotten wider for things like probation violations or parole violations or systemic types of things.

But we're lumping all these people together and then they're getting involved in prison environment and the chance of recidivism is really higher. In Japan, what they do is they have two different types -- and obviously we're not Japan. I'm not saying we should follow the model but it goes to what we're talking about.

They have two types of prisons Category A. Category B. Category A first offenders. Whatever your offense is first offender you go into Category A. Category B, career criminals. They separate them out in a different place. In Category A prisons, what they did, when I was going through the system, was they focused on reentry. They basically said you're all going to work, and we're going to teach you a skill that is marketable. At that time -- you can pick your skill today. At that time it was very heavily automobile mechanics, workman-type skills. Then you got a certificate from that prison, or from the prison system. It doesn't say the Japanese Ministry of Justice gives you this certificate, it's the same certificate you would get anywhere else, a marketable certificate.

You go back into the community you have this marketable skill, and you're ready to go. So the idea of creating a skill, a skill that someone can take out of prison and bring to the community, I think, is a very valid concept.

Doug Elmendorf: Another question. The woman back there.

Ann Loper: Hello. I'm Ann Loper from the University of Virginia. I echo all the comments appreciating what you've done. Among this increase, one group that has particularly been affected is women. The increase in women has been astronomical in the last 20 years. Many of these women who are themselves single parent, mothers, with the impact just rippling on and on through those communities.

I wonder what thoughts you might have about initiatives or policy issues or things that we might be thinking about in terms of women in prison and how we might be addressing their needs.

Jim Webb: You know, honestly I don't have any specific policy recommendation. I'm happy to listen to people's viewpoints. I know that the nature of a lot of, the nature of incarceration for a lot of women is different because of motherhood and in some cases being expectant mothers and those cases but I'm happy to listen to people on that.

Yes, sir.

Bob Rubin: Senator, my question is this: You, having lived in the world that you're living in now for two years, you talked about the fear of politicians for dealing with this. You talk about ideology. We have this enormous fragmentation of our criminal justice system across states, cities and localities. How do you break through all of that politically so that you can actually move forward in some concrete way? And if you did have the opportunity what are two or three concrete things you'd like to see happen over the next few years?

Jim Webb: The question is about political fear. And I think it invades the political process. People -- politicians are warned that whatever you say on this issue is going to be cut and spliced and it's going to be up on a TV ad saying soft on crime, et cetera, et cetera. And I think the counter to that as with so many issues is people in this country really want leadership now.

And what they want is people who will stand up and say what's wrong and try to bring issues toward solutions. In terms of initiatives, I think that we will be in a place within the next year or so to come forward with some very specific legislative I can't say answers, but legislative proposals that will start moving this back in the right direction.

Politicians are always asked, you know, where is your legislative fix. This is the kind of issue, as with where the economy is and where our national strategy is going that it's easy to take one bite or another bite, but what we want is a philosophical approach. If I had to give you my philosophical approach at the moment it's first -- what I call the triage. Let's start breaking these components apart. Violent crime. Gang crime, we need to have a balance on that issue as opposed to the way we're dealing with the drug situation, which is out of all logical perspective right now.

And those who have issues of mental illness and those sorts of things, they're all lumped together. And to push at the early stage right now in making sure that people who come out of prison have the right ability to transition into a meaningful life. Part of that is stigma, as we were talking about before and part of that is just the reality of getting them skills, having focal points in the communities where they're welcomed back and those sorts of things.

Doug Elmendorf: One last quick question. The gentleman back -- yes, sir, the microphone is coming this way.

Speaker: Thank you, Senator when I was doing voter protection down in Fredricksburg, there was a woman waiting outside the poll booth who said she accompanied two friends but could not vote because she was a convicted felon.

And in terms of some of the panoply of things we're working on to have people reentry, I'd like to know where you think there might be some improvement, Virginia being one of the states that does not permit felons to vote?

Jim Webb: If you have paid the price that your community, through its government, has decided you should pay for the crime that you have done, then you should be made whole. I don't think that's a difficult concept. And I know we are one of the few states that requires the intricate process of governmental pardons, et cetera. I've worked with some people that I know personally in other states that have the same problem.

And I think it's unfortunate that the pushback on this, when it comes up, is more tinged with -- you see this in the media, where they'll say we're letting all these bad people come in and they're going to vote in a different way.

I think the enormity of the problem in terms of people who have gone through the criminal justice system right now means that we should simply just say if you have paid the price for the infraction that you made against your community, you're whole. I don't think that's hard.

(Applause)

Thank you all very much. It's a pleasure to be with you.

Doug Elmendorf: Thank you, Senator Webb.

(Applause)

We are very grateful to Senator Webb for his comments, his answers to our questions and commitment to this issue. He very graciously said we should listen to more experts on this topic. We have a panel of experts here today, and we'll get started right now and move into the rest of our program.

Okay, let us move on immediately, we have Professor Bruce Western from Harvard University, talk about his proposal for prisoner reentry. Bruce, it's all yours.

Bruce Western: I'd like to start by thanking the Hamilton Project, Secretary Rubin and Doug on their leadership on this issue. I think they're really providing a tremendous forum. And I'm very grateful. What I thought I would do today is speak very, very briefly



about a policy proposal I've put together under the auspices of the Hamilton Project proposing a project for a national prisoner reentry program.

This proposal for a national prisoner reentry program is motivated by the very high rates of incarceration in the United States that we've been hearing about this morning.

I thought I would begin by providing a little bit of empirical context. If we look at incarceration rates in Western Europe, in western European countries incarceration rates vary between about 50 and 100 per 100,000 that means .1 percent of the population of these countries in Western Europe on any given day are in prison or in jail.

In the United States, of course, the incarceration rate is in order of magnitude larger. It's about 700 per 100,000. We can also consider the scale of the prison population in historical terms. And we have good data that go back to the mid-1920s. If we go back to 1925, over the period from 1925 to the mid-1970s the incarceration rate in the United States, the rate of imprisonment was about 100 per 100,000 the same rate we observe in western Europe today.

But from the mid 1970s the system began to be transformed and incarceration rates have increased almost continuously for the 35 years now. In 2007 we have about one and a half million people in prison. About 780,000 in local jails. 800,000 on parole and another 4.2 million on probation.

There's a historically large population under correctional supervision. As large as these figures are, they're not the most important thing, I think, about imprisonment in the United States today. All of the figures I've shown you so far are a snapshot at a point in time we might also ask what's the likelihood somebody's going to serve time in prison at some point in their lives.

If we think about men born in the late 1940s just after World War II, among African American men if they didn't go to college, if they only had a high school education, either dropped out of high school or completed their high school education, about 12 percent of them by their mid 30s would go to prison. If they did drop out of high school, the number's about 17 percent. About 17 percent would have prison records.

If we compared this birth cohort to one born 20 years later in the late 1960s, so these now are men who are reaching their mid 30s at the end of the 1990s, imprisonment rates, lifetime risks of imprisonment are very much higher. And among non-college African men, 30 percent now are going to go to prison at some point in their lives. If they

dropped out of high school, 60 percent are going to go to prison at some point in their lives.

So for this group a very low education African American men prisoners become a normal life event. This is historically known. This is really only emerged in the last 20 years. And this is the motivation for the proposal that I'm going to describe now.

What I'm going to do is describe a policy program, a national policy program, that consists of four main parts. And each of these parts is meant to work together as a system and they're designed to improve employment among people coming out of prison, reduce recidivism and also reduce prison populations.

What's the first part? We need more programs in prison. During this period in which prison populations have increased so dramatically, support for programs in prison has declined. What should we be focused on? In my view we should be focused on correctional education. I think a good standard is provided by the federal Bureau of Prisons. For functionally illiterate prisoners, correctional education is compulsory. And provisions made for 240 hours of compulsory schooling for functionally illiterate prisoners in the federal system.

This is the standard that we should adopt nationally. And the idea is to be able to get people to a point where they might be prepared for post secondary education. In addition to this, we also need to make preparation in prison for people to return to society. And the main idea here with discharge planning, national standard for discharge planning, is particularly to connect people to post prison programs.

What post prison programs are there? I think we need a very significant expansion of the kinds of transitional services that will help people assume mainstream social roles. The main proposal I'm making today is a year of community service employment for all parolees who are in need of work, and I estimate that's going to be up to a year of supported work for about 200,000 people, 200,000 people annually.

In addition to this main proposal for community service employment, we need two other kinds of transitional services that are going to support the effectiveness of transitional jobs. One is housing. One is expanded substance abuse treatment. These two other supplementary transitional services I think are going to make transitional jobs more effective, produce long run gains, long run gains in earnings and employment and long run reductions in recidivism.

Now, programs that have these features are already going on all around the country in different localities. In order to go to scale, in order to think about this in a national context, I think we need two more kinds of supports.

And the first is a different kind of parole supervision. Parole over the last 10 years has become a driver of prison populations. Parole revocations, particularly for technical violations, has been a significant cause of the increase in prison populations over the last 10 or 15 years. This is a big problem for programming. It's a big problem for programming because people who come out of prison will fail, will relapse into drug use, will lose their jobs, will miss appointments, with very high probability.

If they're on a very quick trigger, if they get revoked very quickly, the dosage of services that might be provided to them will be necessarily reduced. To make services effective, we need to relax these very stringent rules we now have for the revocation of parole for technical violators. Technical parole violators now account for about a third of prison admissions.

We must make national funds for reentry services conditional on curtailing parole revocations for the services to be effective we have to do this.

Reimprisonment, which is what's happening now, should be replaced with a system of graduated sanctions, more intensive supervision in the community, more intensive programs in the community. And as a last resort, short jail stays as an alternative to reimprisonment. This will make transition services more effective.

The final piece of this involves the elimination of collateral consequences. Right now felony convictions, particularly drug convictions, create all sorts of ineligibilities for a variety of social services, particularly educational benefits and access to TANF and food stamps.

These collateral consequences serve no public safety interest that I've seen. I think the motivation for these collateral consequences is purely punitive and, in fact, is counterproductive for maintaining public safety and we should abandon the bans on eligibility for educational benefits and welfare benefits for people with drug and other felony convictions.

The other big area in which there are limits on eligibility for federal benefits is in the area of housing. I think the argument for public safety here is more ambiguous and this is an area that needs to be reviewed. We simply don't know, I think, what the effects would be of eliminating the ban for federal housing benefits, and this is something that we have to

evaluate and we need to take very seriously the possibility of also abandoning bans for federal housing benefits.

Okay. That is my four-point proposal for national prisoner reentry program. What will it cost. The in prison component I think will cost \$700 million. If we were to try and implement the federal standard for correctional education nationwide in state prisons, about \$800 million if we were to restore TANF and Pell Grant eligibility. The big ticket item in all of this is transitional services, particularly the transitional jobs piece, which is about \$5 billion.

The benefits, though, are similarly large. The gains and earnings, the production from working community service employment I think amounts to about \$3.2 billion. And the big reduction, of course, is in reduced crime and correctional costs which I calculate to be around \$8 billion. So in this proposal I think the costs of the proposal approximately equal the benefits and perhaps the benefits slightly exceed the cost.

In addition to the benefits that I can quantify, there are a whole variety of hard-to-quantify benefits that we should also take seriously. Lifetime increases in earnings, lifetime reductions in crime. And I think we should also take very seriously the improvements in child well-being of having men and women back in the community able to economically contribute to their families.

Okay. In summary, the National Prisoner Reentry Program offers transitional jobs bundled with other supportive services. And all of them are actually paid for by reduction in crime and correctional cost. By weighing the social cost of incarceration, the National Prisoner Reentry Program offers a new logic for correctional policy. The more sparing use of incarceration in my approach reinforces a model of corrections in which social reintegration is the key task, which the path for returning prisoners accepts failure as normal but remedial. This approach can disrupt the expansive logic of current correctional policy and can promote a broader and sustainable public safety through social investment.

Thanks very much.  
(Applause)

Doug Elmendorf: Bruce and I are joined here on the stage by three distinguished practitioners in the prisoner reentry area. I'm going to ask each of them in turn to respond to Bruce's proposal, and then we'll have a more general discussion here and then turn and involve you in that discussion. Let me begin with Scott Anders from the Probation Office in the Eastern District of Missouri. Scott.

Scott Anders: I'm the Assistant Deputy Chief in the Eastern District of Missouri. I'm not here today representing the U.S. Courts or Judicial Conference. I'm excited here to speak to you about evidence-based practices that we've implemented in the Eastern District of Missouri and the partnerships that we've developed, which have resulted in a recidivism rate of 14.9 percent compared to the 67.5 percent nationally over a three-year period.

In the past 48 consecutive months, the unemployment rate of ex-offenders under our supervision has been lower than that in the community. In addition, 46 percent -- there's been a 46 percent decrease in positive drug tests of offenders that are involved in our reentry court, which was modeled after a drug court program out of Oregon. We recently had several offenders close on new homes as well, utilizing incentives that are available now, the \$7,000 tax credit for first-time home buyers, and the American Dream Grant which has provided \$10,000 towards closing cost or down payment.

It's very important that we're connecting what we're doing with the economic conditions that are in place as well as some of the areas that we can connect education and training.

So in terms of the proposal with transitional jobs, it's our position that any transitional job program really should focus on a career opportunity. Transitional jobs are great for people that may need to build a work ethic or may need to build a work record.

But it's vital to an effective project that this be linked to career potential. Recently there was a \$4 billion appropriation for the neighborhood revitalization act. This would be an excellent opportunity for us to connect ex-offenders with rehabbing foreclosed abandoned properties. We made a similar proposal in the St. Louis area already. I was recently told that the mayor of Chicago has already committed to including ex-offenders in this type of a project. So that would be an excellent way of connecting the traditional job component to it.

In 2004, based upon the success that we were having, we went to Washington D.C. and proposed a federal partnership with the Bureau of Prisons, U.S. courts, Department of Labor and Department of Education and other federal agencies to develop apprenticeship programs in federal prison that were linked to the high growth jobs, high growth occupations.

And ultimately then link that to community-based apprenticeship programs. As a result of that now we have points of contact in every federal probation office and every federal

prison throughout the country. So the success of a proposal also depends upon the system's approach of us all working together. We can provide leadership in many federal locations, but there are also cities, such as Baltimore, Chicago that have provided leadership on reentry.

In some jurisdictions it's the state such as in Kansas. So we need to collaborate within our system but also between local, state and federal agencies. Training is also a vital component to a successful proposal. And the National Institute of Corrections has an excellent training program called Offender Workforce Development Specialist Training, three-week training program where they invite local and state, federal jurisdictions to come together and learn about workforce development and other reentry issues.

And a great component of that training is that they actually come together and put an action plan together about how they'll go back and implement this process in their local jurisdiction. So we're encouraging local, state and federal governments as well as community agencies to come together and work on this process together.

I think all of those are vital pieces. Some examples of how we've implemented these partnerships in the Missouri area in the eastern district of Missouri specifically, our federal partner, U.S. Department of Labor, funded skilled training programs around high growth occupations. Local, state and federal offenders were able to go through training programs and ultimately find careers in these high growth occupations.

In addition, the Department of Transportation funded training for ex-offenders to become involved in rebuilding the highway expansion project. In every state there's a Department of Transportation. So we encourage you to connect with those pieces.

In addition, the department of revenue donated camera equipment to provide valid state IDs in state prisons for inmates prior to release. And the Missouri Highway Patrol is going in and administering the driver's exam before the inmates are released.

It's encouraging to see how local, state and federal jurisdictions can work together. In St. Louis, our mayor has invited employers to participate in career fairs, has hosted employer breakfast on this topic and recently participate in a public service announcement, asking employers to hire ex-offenders.

So what I would say in closing about the proposal is I know now my daughter who, when she was in first grade, came home with an Internet assignment.

Having been involved in law enforcement for 20 years, I was somewhat concerned about that. And I realized that if the other first graders were learning the Internet, then she would be behind if she didn't learn that. And now she's in fifth grade and she came home with a PowerPoint assignment. (Laughter) so some of us don't know how to do PowerPoint.

Understanding that, that some inmates may have served a 20-year prison sentence. Education is very important but I encourage collaboration with community colleges and in the federal system we have community colleges coming inside the prison to administer state certified education programs.

So just to strengthen the proposal, I would focus on some of those things as well.

Doug Elmendorf: Thank you very much, Scott. We'll move on to Glenn Martin from the Fortune Society.

Glenn Martin: I'd like to start by congratulating Bruce and the Hamilton Project for asking us to think boldly about this very wicked problem, if you will.

I think Senator Webb did a great job of reminding us that, even though we should be focusing on reentry, we shouldn't lose sight of the fact that we put way too many people in prison to begin with. I want to help conceptualize my statements by talking a little bit about the Fortune Society and what brings me to this work. And I'll be very brief. The Fortune Society is a very large multi-departmental, multi-service nonprofit that was started about 40 years ago specifically to address this issue.

We have a career development department amongst all the other things we do, education, housing, counseling, family services and so on where we serve 700 people who have some sort of criminal justice, whether it's one day in jail or 30 years in prison. And we serve 700 people. We do about 400 placements at around \$9.60 per hour on average. Some folks much higher, and some folks at minimum wage. But we think we have a pretty good success rate. We act as an intermediary. We help people get jobs based on our relationship with the employers that we developed over the last 30 years or so.

My work before I got to the Fortune Society was the co-director of the National Hire Network, which was a national effort to address employment barriers that people with criminal records face.

And I have a brother who is in prison in New York state. I have an older brother who is a federal correction officer. I, myself, served six years in prison in New York State before I started doing this work. So a little bit of where I'm coming from when it comes to my statements.

I'm very supportive of a lot of components of Bruce's proposal. The idea of increased access to education in prison and post-release. In my opinion, many of the people that end up in prison are the product of our failed educational policies to begin with. So it seems like it makes common sense to expose people to education as a way to deal with this issue.

Graduated sanctions, the idea of not putting people back in prison immediately because they may fail a drug test and so on. We think failure is absolutely part of people getting back on their feet. We definitely take that approach at the Fortune Society. In this economic climate you would think you would want to do more of what works and less of what doesn't. We have seen prisons have a pretty high failure rate, two-thirds over three years. I think any other industry that had that sort of failure rate would be out of business or at least asking for a bailout.

(Laughter)

(Applause)

And the idea of standardized discharge planning I think is a really good idea. And, of course, transitional supportive housing at the Fortune Society, we actually run transitional housing in Harlem, New York, 62 units for people coming home from prison, and now we're building another 114 units in the community half of them for people coming home from prison. I think it's a way to stabilize folks so they can go into drug and alcohol treatment and all the other needs that they may have.

And then Bruce also paints a picture of sort of like the perfect storm, overreliance on incarceration, our lack of embracing alternatives to incarceration in a very structural way. The host of collateral sanctions attached to criminal convictions.

Communities ill-equipped to deal with the large numbers of people coming home. And, of course, the disparate impact on people of color. We created this social underclass of folks, if you will, and we've been -- there's a bit of hypocrisy in our criminal justice system that tells people to come home, work and find stable housing, then we've created all these structural barriers.

So sometimes -- but, again, it's a very, we're taking a very bold approach and I appreciate that. Because sometimes doing our work you sort of feel like you're standing



in the emergency room putting Band-Aids on cancer, if you will. The idea of looking at this on a structural level is really important.

So Bruce and I sort of diverge around the idea of taking transitional jobs to scale. I think transitional jobs can be really good for a small segment of this population, the folks who have no work history at all. The folks who lack soft skills, the idea how to interact with people in the workplace, show up to work on time, dress properly for work and so on.

And I think this can be a really good resume builder for folks. Some of the areas we diverge, however, I think the assumption is that obviously at the end of the transitional job period that people transition into the normal labor market. And I've worked with Bruce in the past on a great study he did, discrimination in low wage labor markets, which clearly shows in a state like New York where you have very clear anti-discrimination statute giving guidance to employers, you still have a huge amount of discrimination against job seekers with criminal records whether they're qualified or not.

And so I would like to see a host of proposals that address the systemic issues on top of the idea of creating transitional job initiative. And I think those things are things that we can do that have no cost attached. And I'd love to talk a little bit about those as we get a little bit further into our conversation.

A couple of other things about the transitional job model. The idea of immediate employment and immediate pay may be beneficial for a certain group of folks, but I worry about the folks who didn't get meaningful drug and alcohol treatment while they were in prison. So immediate pay can translate into immediate relapse for some folks. So they have a huge concern. And then the idea of people working on work crews, having eight, nine, 10 guys on a work crew who all may not have had exposure to the labor market, I wonder sort of where the benefit comes from having this group of folks together, and is that sort of meaningful workplace networking and so on. We can discuss it a little bit more as we go around.

Doug Elmendorf: Thank you very much, Glenn. That was helpful. We'll try to come back to the issues you raised.

Our last panelist is Michael Thomas, prosecuting attorney in Saginaw County, Michigan.

Michael Thomas: Thanks, Doug. I also want to echo the thanks to Secretary Rubin and Senator Webb for inviting us all here today with the Brookings Institution and Hamilton Project to raise our consciousness on this incredibly important issue.

The Secretary has put a spin on this and put a focus on this in terms of its relationship to economics and our country's position at the present time that as a person from law enforcement and public safety is my number one focus all the time that I really hadn't spent a lot of time thinking about before. So I congratulate him on that.

And I also think it is a very relevant topic certainly in light of the last few months. I was talking with the professor before we stepped in here and got the sense that perhaps I was added to this discussion to perhaps provide some counter point to the reentry discussion.

And I have a couple of points I want to make before I talk about the Michigan Prisoner Reentry Initiative, MPRI. You all should have a booklet in your folder. I'd like you to take a look at that. That's our report to America and citizens of Michigan as to what's going on with reentry in Michigan.

But actually I'm unabashed strong enthusiastic supporter of reentry. I think number one it's morally the right thing to do for people who have paid their debt to society as pronounced by a judge and the citizens in their community.

I think it is unfortunate that we sit and sometimes keep our foot on the necks of these people for long periods of time and invade their families and invade our communities. And we can do much better and it's time to put corrections back in the Department of Corrections.

(Applause)

Number two, I think any progressive law enforcement official who doesn't understand that taking someone who comes into the criminal justice system and offering them an opportunity to understand what it means to become a law-abiding contributing citizen, take advantage of the opportunities that we have as an American citizen really misses the point. And I don't think most prosecutors, most district attorneys in America, are in that particular camp.

I just want to make a couple of points, though, before we talk about MPRI and how we're trying to do reentry and rehabilitation in the state of Michigan. Number one, we shouldn't lose sight of the fact that prisons do serve a useful purpose, an unfortunate and inexpensive purpose in our society. We have individuals who prey on other individuals in our communities.

I always say to groups when I go out to speak that we have the level of crime in our communities that we are willing and have put up with. And that we can do better than that. I also say that it's extremely unfortunate that we have a very high disproportionate

section of victims in this country who are people of color and senior citizens and young people. And we need to start asking questions about how did that situation come to play.

Why do we have so many disproportionately African American, Hispanic victims of crime in America and perpetrators of crime in the community? We need to deal with that directly. Part of dealing with it is dealing with that issue of what are we going to do when we're in prison with our time there, what are we going to do when we start to go home on parole and then how are we going to maintain our law-abiding status when we get back into the community.

As recently as this week, Los Angeles Police Chief Bill Braton talked about the economic reality of having more police officers in Los Angeles and how he seems to buck the trend there nationally of in these times of increasing budget deficits, how does he manage to get more police officers and do more law enforcement in Los Angeles and what is the net effect of that? The conclusion he drew was that as a result of having more police officers, they got more crime prevention in Los Angeles and it was positive economically for the Los Angeles community and for businesses and obviously for jobs in that community.

That's what we want to see in America. We want to see more jobs as Senator Webb spoke to us earlier and all of our distinguished panelists will support that.

So let's talk about MPRI, Michigan Prisoner Reentry Initiative, just a few moments before we turn it back over to Doug. Governor Granholm said in Michigan about five years ago what can we do better to try to reduce crime in Michigan and improve our climate, our very, very difficult economic climate in Michigan, make us more attractive to business?

And we knew we had a crime problem in the state of Michigan. We have it in Detroit. We have it in my home city of Saginaw, down the street in Flint, Michigan we looked at the research in the area, obviously Professor Western's was first and foremost and that of Jeremy Travis, what can we do to do a better job of people coming into Department of Corrections and into prisons and try to get better results.

Michigan doesn't overincarcerate at least in terms of statistically compared to the rest of the country. The national average is 40 percent of all felons are sentenced to prison. In Michigan it's about 21, 22 percent at the present time, about 25 percent in my county.

We try to think that we've done that through some planning. We've closed six prisons over the course of the last five years in the state of Michigan. We've tried to implement this reentry program on a statewide basis. Scott referenced Kansas as another state

that's trying to do this statewide. Quite frankly it's trying to eat the elephant entirely all at the same time. It's been a bit of developing the flight plan after the plane is off the ground. But we're working very hard in Michigan, and we think we have some good results to report after the three-year implementation period.

You look at something statistically as relevant as returns to prison. In Michigan, the United States I'm pretty sure this is true, correct me if I'm wrong, professor, 50 percent of all people who go to prison return to prison within two years.

It's incredible. Glenn mentioned that this is not exactly a prescription for success as you look at statistics like that. Two-thirds of all prisoners, when they're released as ex-offenders or home-comers as they're sometimes called, reoffend, commit new offenses within three years after that. They don't all go back to prison and they don't need to go back to prison.

But that's not exactly the kind of report card that you'd like to have if you ran a business. And so we implemented MPRI. About 2005 we started with pilot sites. The key issue is jobs. It always is jobs. Because it's tough to have dignity in life unless you have a job and you have something that you can be proud of and that you can contribute to society.

The professor highlights transitional jobs, and I think makes very good points about the importance of this for the first year that parolees are out of prison. Glenn I thought made some even better points about how we need to not just focus on transitional make-work jobs, picking up trash, helping out in community projects but looking at the type of jobs that Scott was talking about: Can we find career-changing jobs, perhaps in the transportation field, perhaps in the infrastructure of America, perhaps we'll talk about that in a few minutes here.

But it's important to give these individuals typically males about 95 percent of the time coming back into our communities. Coming home. It's important to give them an opportunity to turn their life around and that's where jobs are important. Work skills, social support for them and their jobs, and what we in Michigan like to call life coaches. Because so many of these individuals who are sent to prison sometimes through no other -- there's nothing else that can be done other than send them to prison in the state of Michigan because of their record, because of the seriousness of the crimes that they've committed.

But 95 percent of them are coming back to our community, and they need somebody in their corner. It's family. It's faith. It's difficult to talk about faith in a secular setting, but

faith is part of our lives. We all had faith when we came here today that we could end up doing something better than what we've done in the past.

So life coaches, mentoring is a big part of MPRI and how the program works. Who pays for this? Because I'm sure that's what economic, the economic success that we want to see with reentry and with our country, we have to consider how we go about paying for this program. The professor gave us one of his suggestions on how to do that.

We invest \$33 million out of a \$2.2 billion budget in the state of Michigan on reentry. We get some additional funding from the Jet Foundation. The initial results as I said one out of two has been reduced to one out of three going back to prison. That's a good early report card.

But the key is how do we keep these individuals, these citizens, these neighbors of ours, when they come back to our community, how do we keep them motivated in terms of turning their lives around and how do we offer them opportunity, job skills, housing, transportation, medical, mental health, substance abuse support in the community.

We've started at the state level in Michigan, but we can't be successful in helping our home-comers stay home without the investment and the commitment and the full buy-in of the community.

I would suggest that as we talk about this in the roundtable now and after we go forth from this meeting today that we look at some demonstration projects across America. Bruce has given us a very optimistic and a very high goal, which I think that our country should be up to to do a better job in terms of corrections.

Look at some demonstration projects across America. I would offer and submit MPRI and Michigan as part of this, and I look forward to the discussion. Thank you.

Doug Elmendorf: Thank you very much, Michael. So I'll ask a few questions to get this started.

(Applause)

I'll ask a few questions to get it started and then we'll open it up to you. Bruce, could I start with you to relate your proposal to what's in the second chance act that Senator Webb talked about, if you would like other alternative proposals that are on the table and why you think that this is the most important direction for us to go.

Bruce Western: Yes, Second Chance is supporting a whole variety, a whole variety of activities as the space under Second Chance also explicitly for supporting faith-based and for providing in-prison programs.

In addition to Second Chance, there's a vast literature and a great deal of interest at the moment in reentry policy. The reason why I took the approach I did was two fold. One is I'm completely struck by the very, very severe human capital deficits of people in prison.

So this is a population that's reading at a sixth grade level on average and in many cases has no history of regular employment. So for my point of view this was the key problem to solve, to try and build habits of regular work for a population with very, very low levels, very, very low levels of skill.

Now, over the last several years there have been a number of very encouraging evaluations of transitional job programs that are precisely producing gains for this disadvantaged fraction of what's already a very disadvantaged population. And I think the variety of programs that are entertained by second chance and that are out there reflect the variety of challenges that people are coming out of prison face.

The focus I've taken have been motivate by really trying to take the bull by the horns and try and address in a very aggressive way the most severe obstacles for the most severely challenged fraction of the population.

Doug Elmendorf: Thank you. Maybe a question for all of you about the obstacles that this sort of effort faces. So, Scott, you talked about the contacts you've made in different parts of the government to be helpful. What do you see and what do others see as the forces that are slowing this down? Is it a lack of money? Is it a lack of imagination, creativity in developing new approaches? Is it lack of political will for helping a set of the population that doesn't always appear the most sympathetic, the problem that Senator Webb has talked about? Does anybody have a sense of what the blocks are?

Michael Thomas: I think one of the most important components to have in place with a proposal like this is a way to track outcomes. I think one of the biggest challenges we've experienced is how do you get agencies that haven't been tracking employment outcomes to motivate staff to do that. There was a study done nationally that found only 20 percent of correctional agencies were tracking employment outcomes.

We have to know where we're beginning to know how far we've come. When we started, the economy was great. It was before 9/11. And I was one of those people that thought if a person wants a job they can get it. And we pulled files and were manually counting

people that were unemployed. I was surprised to find that 12.1 percent were unemployed at that time. And another seven percent were drawing disability.

So I would have never imagined that that was the case. Another agency was applying for a grant and asked what was the unemployment rate of female offenders under our supervision and it turned out to be 50 percent.

We won't know that those problems exist without tracking employment outcomes. We also have a place now because we've implemented that process that we've made employment of ex-offenders a priority. We have a data system that sends out electronic e-mails to officers each month and it says these are the people that are not working.

So it's a way to keep our system accurate by reminding them to enter data or it's a supervision tool to remind them to take action. So just a process like that really puts offender employment on the front burner.

Doug Elmendorf: That's very interesting. Glenn, Michael other points to emphasize about what's slowing this the process down?

Glenn Martin: Sure. I think for too many years being tough on crime has been good politics, bad policy, if you will. I think I'm really heartened by the fact that we're having this national discussion around reentry. I refer to it as reentry mania sometimes. But I think it creates a huge amount of opportunity to shift the discussion, if you will. I think part of it is that we need to increase our appetite for risk. I think if we're going to do things differently we have to at least accept the fact that some people are going to fail and some people are going to fail pretty significantly. I think the government should take the lead on some of this stuff. I think if you want to encourage private employees to do the right thing, then government should take the lead and elected officials should gain the courage to stand up and say this is the right thing to do. This is something we should be doing.

I think there's some very concrete policies we can do even on the federal level. We can codify Equal Employment Opportunity Commission guidance on how to consider a job seeker with a criminal record the same way we have anti-discrimination in New York state that's very specific.

I think we can ban the use of arrests alone, arrests that didn't lead to conviction in making employment decisions Pell grant, as Bruce mentioned, the idea of bringing back Pell Grant eligibility for people who are currently in prison. This is one thing that's been

measured over and over and works, right? People get a master's degree their rate of recidivism drops to around two percent.

So we know that it's a mechanism that works. And we should stop talking about it as it's a zero sum game, talk about what it is. It's one-tenth of one percent of the budget of Pell Grant budget that was used at the height of Pell Grant usage.

Then the fact, as Senator Webb talked about the fact that we're not necessarily seeing an increase in the sort of rate of crime compared to when he was younger, but one thing I think we are seeing is the explosion of technology and access to criminal records. And so employers, any employer can turn around and within minutes for 10 bucks get anyone's criminal record from birth. Going back 30, 40, 50 years, yet most employers are not savvy enough to interpret criminal records and most of them have no appetite for the liability that comes along with hiring a person with a criminal record.

And in New York City I think we're doing some courageous things. We just passed a bill that creates a safe harbor for employees who actually follow our anti-discrimination statute so we're directly responding to the liability concern.

In some other local jurisdictions are creating tax credits and other incentives to hiring in this population. I think we need to do bold things up front things that don't necessarily cost money but respond to this issue in a way that says that this is a very significant really wicked issue. I think of other populations, when I think of folks that are disabled trying to get into the labor market and so on. We've done very bold things with the Americans with Disabilities Act, you can't discriminate against someone who has a disability in the employment context. I think we need to be just as bold on this issue.

Michael Thomas: I think there are two issues that I seem to be more concerned about in terms of being obstacles. One is the basic culture of corrections philosophy in America over the last 20, 30 years. When I started out as a defense attorney 30 years ago, there was another R word. There was rehabilitation, and you would try to do something to help your client rehabilitate, present himself in a better light and get a better result in his life.

The word rehabilitation has been struck from the lexicon of corrections over the course of the last 20, 30 years. And we've seen nothing more than kind of incapacitation, warehousing and there are some criminal justice benefits from that. It's difficult to commit a murder inside of a prison setting. Although it does happen. But it doesn't happen as often as it does out on the street.



So we need to get back to that and change the culture of corrections philosophy to look at reentry and planning for reentry for all of these citizens back into our community. The other thing is Bruce talks about transitional employment, and that is extremely important, because many of the people that we deal with in this system don't have much of a work experience. As I said to Bruce, many of them think 6:00 in the morning is the time you go to bed not the time to get up to go to work.

But I think where the real work that needs to be done is in regular employers in America. Getting the point across to them that an ex-offender or home-comer can be just as good an employee and sometimes even better with training than other applicants in the pool.

Not just to look at the line on the application that says yes I was convicted of a crime before and throw that on another pile or mentally check it out. And we have examples in America of people that have done that. In Grand Rapids, Michigan, there's a gentleman by the name of Fred Keller. Runs K Industries. And specifically goes out and tries to recruit ex-offenders to work in his company because someone in his company raised his consciousness because he had been in an institution before and he knew what it meant to have a job and have a new meaning in life.

Fred Keller goes around and speaks around the country and speaks very eloquently in Michigan about the good employees that he has on his payroll who came out of corrections at one point in their life, have made the life change and now are working and achieving success the same as the rest of us. That's what I think we need to do is talk to regular employers through business in America and point out the fact that these people have paid their debt. It's time to give them a second chance, hence the act, and to move forward.

And I think we've got some good stories. And that's the other thing that I consistently try to remind folks in the Department of Corrections in Michigan. Let's publish the good news of people who are succeeding after they came out of MPRI.

Let's have handouts that show four, five textbook examples of guys who became chefs, guys who now own a business, guys who are successful out there, and, unfortunately, because as the young lady from Delaware indicated earlier, females being sentenced to prison are increasing now, let's try to highlight and focus on some of the positive aspects that these people have achieved in their life. My mother told me when I was growing up you can learn from a bad example, Mike. It's a lot easier to learn from a good example.

Doug Elmendorf: Thank you. Why don't we open it up to all of you now so I don't just ask all the questions. Same thing as before. Wait for a microphone to come to you, identify yourself and your organization. This man here on the third row, please.

Speaker: Good morning. [Inaudible] from the Consultation Center at Yale University. We've been evaluating a few reentry programs, pilot programs in the state of Connecticut.

I just wanted to comment on the benefits of prerelease engagement and connecting prerelease services with post release services so then when folks are released they have a familiar face and they have an investment in a program that they can go to upon their release that seems to be having a, making a major difference.

Our preliminary results with the Bridgeport Program are 40 percent recidivism reduction with this type of program. I want to welcome the effort of Hamilton Project and your interest in bringing this table here.

And when you mentioned obstacles, I also wanted to -- that triggered a question which perhaps the gentleman from Michigan could answer or provide some ideas. There seems like we are things are moving in the right direction and we are having a lot of really good ideas. Now, in terms of switching things around, this is an industry. So as we implement change, the industry of corrections which absorbs large amounts of state and federal budgets. I mean the state of Connecticut is the largest department in the state, that's something that will have to be dealt with. In some instances that involves talking to unions and changing the culture in those organizations and perhaps improving services could be a way of reshifting their priorities or their responsibilities of this staff that is currently working for the Department of Corrections and in a way sort of smoothing that transition out, just your thoughts on that.

Michael Thomas: Well, I think as the recent national election indicated in America, change starts at the top. In Michigan, it started with Governor Granholm's commitment. She hired Patricia Caruso as Director of Corrections, who came from the Upper Peninsula. And they resolutely set the benchmark down: We were going to do things differently in Michigan instead of the same thing we've been doing for the last 30 years.

We put the full imprimatur of government behind reentry. The programs are -- the culture in the prison supervision is we will support reentry. And while we probably made some errors originally in kind of bringing out the staying home and going home faction, in other words, getting more people out on parole for obvious reasons, to the detriment of the

getting ready phase, we're fully ramping getting ready through the 41 prisons in the state of Michigan.

But it's got to start at the top. If there isn't the commitment at the top that the culture of corrections philosophy is going to change, I doubt it will change.

Doug Elmendorf: We'll start here.

Donald Murray: My name is Donald Murray. I'm with the National Association of Counties. There's been a lot of discussion on prison reentry. But there's a major area in jail reentry.

There are nine million people that go to jail each year. And out of that nine million, 700,000 go on to prison and then 650,000 come out of prison. But many of the -- everyone in prison has first been in jail. So our position is that we need to start the reentry process the moment the individual enters the system.

The moment they enter the correctional system we should begin to evaluate and assess that individual's needs and work right from there. Any comment on that?

Doug Elmendorf: Would somebody like to comment on that.

Scott Anders: We're partnering with our local state county and state correctional systems, and in St. Louis we've held several annual career fairs for ex-offenders and the construction unions have hosted career fairs for ex-offenders the past two years.

So there are actually more local and state offenders that attend these career fairs than there are federal offenders. And by jointly planning, in Missouri, we brought National Institute of Corrections in and conducted offender workforce development training and working with them on the Missouri reentry process developing regional reentry groups connecting with faith-based organizations to implement this process.

So by implementing the systems approach as a community and partnering with the local probation office, the local jails and county, it all becomes under one umbrella.

And when I mentioned the project before, with the construction and rehab of foreclosed homes or abandoned homes, you can take inmates that are involved in prison industries, have Department of Labor certify those vocational enterprises as apprenticeship training programs so inmates have portable certification when they come out, they're building cabinets in the federal prison in Greenville. Framing houses inside a state prison. So we

can involve the inmates in this process as well as ex-offenders going through construction training programs and then ultimately cleaning up the neighborhoods and providing home ownership opportunities.

But we're including all local, state and federal offenders.

Doug Elmendorf: Thank you, Scott. Question this woman here. Yes, you.

JoAnn Nathans: I'm JoAnn Nathans with the Job Opportunities Task Force in Baltimore. I'd like to just mention a program and a series of programs that we've done that might be useful on the ground in other communities to help employers overcome their fear of liability, especially negligent hiring and other doctrines of the sort we have in Maryland.

We have a very impressive executive director, but when we tell employers it's the right thing to do, that's not nearly as effective as a lawyer that we recruited to help us. He's a partner in one of the prominent law firms in Baltimore. When we first started talking with him he wasn't sure that he really saw eye to eye with us.

But we continued to talk, and he has been able to speak and make presentations at our meetings that we hold specifically for employers to talk about how they can carefully hire people who are ex-offenders and be able to protect themselves from liability.

We've also found that it helps -- we don't expect the employers to come to our meetings so much. So we try to have a bit of time on their agendas. Like with the Greater Baltimore Committee and our chambers of commerce. So that's what we're trying to do in our efforts to reach employers.

We are totally funded by foundations, including Jet, especially for this project. And we're grateful for that.

Doug Elmendorf: Thank you. Glenn, do you think in New York you are making, that the state or city are making progress on this dimension. You emphasized the importance to this as well.

Glenn Martin: I think there's a lot to learn from what we're doing in New York. We've been doing it a for a very long time. Probably because we've incarcerated way too many people for a very long time.

I did want to go back to something someone said about correction and changing the culture of correction because New York has a host of ATI programs, alternative to

incarceration unlike anywhere else probably in the world, and we've actually seen a reduction in crime and a simultaneous reduction in our prison population. And there was a proposal to actually close a few prisons recently, and those prisons remain open even though they're totally underutilized.

And so part of the discussion for us as advocates is how do we help these upstate rural economies that are dependent on the prisons as an economic engine, if you will. So it very much is an economic issue, and I'm glad that we're having that sort of discussion today, and that's the framework, because obviously we could have never envisioned that our success alternative to incarceration wouldn't result in the closure of these prisons but it shows that the issue is a lot larger.

Doug Elmendorf: The man in the back with the white piece of paper in his hand.

Speaker: Thanks. I think the paper helped me. My question is: Do you believe that for-profit corporations have had an effect on the incarceration rate of prisoners? And just a quick second part to that. Do you believe that there's something in a more positive manner that for profit corporations can do or should they be involved in the corrections facilities at all.

Glenn Martin: I'm not sure --

Michael Thomas: I think I understand what he's saying.

Doug Elmendorf: [Inaudible].

Michael Thomas: And in the state of Michigan, we've had CCA come in and do almost a youth prison in Baltimore, Michigan, which I think was pretty much an abysmal failure, and I've never been a big fan of for-profit being involved in the actual incarceration of citizens that we're taking their freedom away from.

But you know as you mention this, I don't know why the profit margin, the profit motive, and I don't know why for profit corporations couldn't get involved in doing something positive in the corrections field in terms of showing best practices in terms of corrections and maybe achieving some of the types of reentry results that Bruce and the rest of us up here want to see in our community.

And I don't think you can just look consistently at transitional and make-work projects. In our local prison that -- I live a quarter mile from. Our prisoners, 1268 people incarcerated there, work every year on house forms, foundation forms for Habitat for Humanity Homes

in the community. Teaches them a skill, gets them a foot in the door in terms of their resume. And I think we need to take it a step up from there. We talked on our pre-phone call here for this program today about what can we suggest by way of infrastructure in America, and how can we involve home-comers and ex-offenders in the life skills that are going to be necessary in order to change the infrastructure in America from the current dire straits to something more positive?

Scott Anders: I'd like to follow up because the two questions the one on recruiting employers and the question about private partnership kind of blend together in terms of some work that we've done. And nationally Meineke, the president has said that they want to support hiring ex-offenders, nationally. And they're going in to prisons, such as in the federal correctional institution in Butner, and providing training to certify ex-offenders in auto mechanics. If you look at the economic situation, there are certain areas that may experience job growth. Auto mechanics may be one because people are not buying new cars currently. Cars are requiring service to be done.

So if you look at the possibility of these public/private partnerships, another example of how the auto industry can be involved is Rankin Technical College has an auto training program. Their lot was full off cars that fell of loaders or hail damaged. They were there for training purposes. They've been donated.

They said we'll take these vehicles on a loader to the prison and we'll take portable equipment there and we can train inmates in auto mechanics. And then we have auto mechanic shops out in the community that are willing to hire the ex-offenders when they're released.

Public/private partnerships can be very important. Another group St. Louis Council of Construction Consumers that represent the owners and they hire the construction companies to come in and do projects. And they have a diversity committee. And their goal is to make sure that a certain number of women and minority workers are employed on these construction jobs.

And so we had a common mission when we spoke with them. We said we have people who have gone through training programs, apprenticeship programs, they're skilled, and we were able to work together. Overnight they had arranged a meeting with us with construction company leaders.

So consider how you can involve public/private partnerships in this.

Doug Elmendorf: Want to answer anything Bruce?

Bruce Western: I've got to say I heard a slightly different question being asked about whether vested economic interests were propelling the increase in incarceration rates. We do have now a \$70 billion correctional budget, and there are many private vendors who are taking advantage of that budget.

My sense is, though, that the main driver has not been these vested economic interests. I tend to think the main driver behind the increase in incarceration rates has very much been a political process, one in which state governors, state attorney generals are competing with each other to be tougher on crime. And this has generated a very punitive, very, very punitive Penal Code that looks quite different today from the one we had, say, in the mid 1970s.

Doug Elmendorf: Take a question here from the woman in the fourth or fifth row.

Question: I hope you take him next because he's had his hand up for a very long time. Good morning. My name is Yolanda Tully. I work for Coffee Consulting in Bethesda, Maryland. We're part of a national demonstration with the U.S. Department of Labor and Department of Justice, prisoner reentry program, of which each individual on the panel outside of Mr. Western, there's a program in your city or in your state that is doing reentry.

And as a suggestion, I agree with the gentleman from Michigan who said look at some of the other demonstration projects out there. This has been an initiative of the White House Center for Faith Based Initiatives through the President's, through the presidential initiative to focus on nonviolent offenders finding them employment opportunities and putting \$21 million to 30 cities across the country that are community-based organizations and faith-based organizations to do exactly what you have proposed, Mr. Western.

But my other question to part of your proposal is you talked about a national employment program or a national program, prisoner reentry program. And given the light that we've been doing this work with the labor department and the justice department, one of the things, there was not money provided for key issues, housing and substance abuse.

And then another entity, of course, the education piece which we know a lot of former offenders coming home need. My question is what do you propose? Who runs this program, if you will, if it's a national entity, giving that even we've had challenges with the federal government working together across two agencies.

So we do need money for housing, education, the labor piece and the justice piece. So that's about five. And health and human services because there's substance abuse. So that's about five federal agencies that would cross-over, if you will to deal with these issues. How do you propose that that's managed or handled?

Bruce Western: It's a great question. I spend a little bit of time talking about this in my proposal. The basic idea, I think, is to create a pool of reentry funds that could be administered jointly by labor and justice, for example. States would apply for these. And ultimately we would get to a system of block grants.

There's so much variability across states, it's impossible to entertain all the local, all the local circumstances. So I think a system of block grants in which demonstration states would come on line first, provide ongoing evaluation that would disseminate results to the policy community through successive competitions for these reentry funds more and more states would come online. Maybe ultimately because the reductions in cost would trickle down to the states. This ultimately becomes a state responsibility and that's how we would transition, I think, in very broad strokes to a national plan.

Doug Elmendorf: We are unfortunately already running late. And there was one more short but important part of our program. But can we thank right now Bruce Western for his very interesting proposal and Michael Thomas, Glenn Martin and Scott Anders for their participation today.  
(Applause)

Bob Rubin: Thank you, Doug. We do have one more part of the program if you'd wait one moment I'd like to -- can I make three comments on all this?

Doug Elmendorf: Yes, sir.

Bob Rubin: Just listening to this. First of all, it's a remarkable panel and remarkably important subject. But I have three reactions to various comments you made.

Glenn, you made a comment about risk. You said we have to take more risks. What strikes me, I asked Jim Webb this when he was up here, I think part of the problem is risk in a policy sense, but part is in a political sense. From a politician's point of view, every time a parolee commits a crime, that's enormous exposure. Every time you have a large number of successful reentries, you get no benefit for it.

And somehow or other we have to deal with that political issue. And that's not just a question of with respect to this issue. I was in government for six and a half years in



Washington. I lived this for a long time. It's a problem, not always happily, it's a problem that crosses a lot of areas of our society.

Secondly, it relates a little bit to this, all of you are in your communities and you've come here because you care enormously about this. Politicians are very responsive to what they hear their constituents say because they like to get reelected. I think if you will bring these issues to their attention and persuade them that, as Jim Webb said, it's an important area for leadership, you can actually accomplish something I think in respect to all this.

And then there was this very thoughtful question at the end about coordination across the departments within the federal government. That's a world I lived for six and a half years. I don't know the answer to it. But it's a very, very good question. And I think one thing you could try to do with the new administration is to get them to focus on how you're going to take all these different departments that focus on this and find some way of coordinating. What President Clinton did, as you know, economic policy, set up a new council. I'm not suggesting another council because there's a lot of councils in government. But to try to do something along those lines.

This was really terrific, Doug. A really remarkable panel, and I thought Jim Webb was terrific.

Let me ask you to stay for two more minutes if I may for something different.

The reason we can have a panel like this, and the reason we can have discussions the Hamilton Project has had over the time we've been around, is because there are so many robust policy thinkers in America. And one of the things that struck us was that we should try to do our little bit, it's very little we recognize, but our little bit to try to encourage robust policy thinking in the future.

What we did was we set up a process to award two prizes each year, one to an undergraduate and one to a graduate student, so the next generation, if you will, of policy thinkers that related to rigorous pursuit and rigorous presentation of innovative policy solutions to the critical issues facing our nation. We announced the prize program in December of '07. As I said a moment ago we give one prize undergraduate level one prize to the graduate level.

The submissions are evaluated by members of the Hamilton Project Advisory Council, very distinguished group of academics and policy thinkers. And so let me, if I may, present this year's award, if I can find them. Yes, this year's awards.

Okay. This year's undergraduate Hamilton Project Policy Innovation Prize Winner is Nathan Punwani, recent graduate of Lehigh University. His proposal -- thank you. His proposal, too heavy for me, and I don't keep in good enough shape, I guess.

His proposal is entitled Medicare and Medicaid Reform Ensuring Long Term Solvency, obviously an enormous important issue. Proposed a comprehensive policy regime to curtail cost growth in healthcare. As many may know the cost, the increase in healthcare costs are very often thought of as being the underlying major underlying cause of problems of Medicare and Medicaid. Nathan, where are you? I thought that was you. Okay. Why don't you come up.  
(Applause)

Congratulations. Stay right here.

Oh wow. I go to the gym three times a week and I can't do it.

This year's Graduate Hamilton Project Policy Innovation Winner is Robert Nelb, a student at Yale University, and where's Robert? Okay. He's hiding in the back. Okay. And Yale is certainly one of the best schools in New Haven.  
(Laughter)  
(Applause)

There's that. There's this. Let me announce what your -- and Robert's proposal is entitled Opportunity Options Using Tax Information to Increase Health Insurance Coverage. The idea that Robert has is to create a system in which individuals can allow the government to use their tax information and other databases to simplify their enrollment in both public and private health insurance plans. I'll thank both of you and I wish you the best in the years ahead. There's a tremendous, tremendous need for robust policy thinking and we look forward to your being part of the policy world as life goes forward. Thank you all very much and thank you for being here.  
(Applause)