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More Prisoners Versus More Crime is the Wrong Question

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The unprecedented surge in incarceration since 1980 has stimulated a national debate between those who claim that locking up over 2 million people is necessitated by public safety concerns, and those who say the human and financial burden of imprisoning so many of our citizens is intolerable.

But framing the incarceration debate as a tradeoff between public safety and public finance is far too narrow. The best evidence suggests the prison population could be substantially reduced with negligible effects on crime rates. Crime could actually be reduced if the savings were

put to use in strengthening other criminal justice programs and implementing other reforms. Making this case requires that we confront widespread skepticism about the possibility of reducing criminal behavior on the outside.

The research community has made real progress in identifying the causal effect of various crime-related policies in recent years, providing us with proven alternatives to prison for controlling crime. The key has been to make greater use of experimental methods of the sort that are common in medicine, as well as “natural experiments” that arise from naturally occurring policy or demographic shifts.

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Recommendations

- The resources currently dedicated to supporting long prison sentences should be reallocated to produce swifter, surer, but more moderate punishment. This approach includes hiring more police officers—we know now that chiefs using modern management techniques can make effective use of them.
- Increased alcohol excise taxes reduce not only alcohol abuse but also the associated crime at very little cost to anyone except the heaviest drinkers. Federal and state levies should be raised.
- Crime patterns and crime control are as much the result of private actions as public. The productivity of private-security efforts and private cooperation with law enforcement should be encouraged through government regulation and other incentives.
- While convicts typically lack work experience and skills, it has proven very difficult to increase the quality and quantity of their licit employment through job creation and traditional training, either before or after they become involved with criminal activity. More effective rehabilitation (and prevention) programs seek to develop non-academic (“social-cognitive”) skills like self-control, planning, and empathy.
- Adding an element of coercion to social policy can also help reduce crime, including threatening probationers with swift, certain and mild punishments for illegal drug use, and compulsory schooling laws that force people to stay in school longer.

The unprecedented surge in incarceration since 1980 has stimulated a national debate between those who claim that locking up over 2 million people is necessitated by public safety concerns, and those who say the human and financial burden of imprisoning so many of our citizens is intolerable. This debate played itself out vividly in the U.S. Supreme Court’s May 2011 decision (*Brown v. Plata*) requiring California to dramatically scale back the size of its prison population. The majority’s decision written by Justice Anthony Kennedy focused on inhumane conditions in California’s prisons. In dissent, Justice Antonin Scalia emphasized the “terrible things [that were] sure to happen as a consequence of this outrageous order,” while Justice Samuel Alito argued the majority was “gambling with the safety of the people of California.” These dissenting opinions will sound familiar to states considering cutbacks in incarceration to balance dwindling state budgets.

However, framing the incarceration debate as a tradeoff between public safety and public finance is far too narrow. Prison is not the only option we have for controlling crime. But making the case for alternative approaches has historically been an uphill battle. What noted crime expert and UCLA professor Mark Kleiman calls the “brute force” strategy of locking up lots of people in prison has an obvious logic to it. The perception that “prison works” is reinforced by today’s crime rates, now at a 50-year low.

In contrast, there is an abiding skepticism about the effectiveness of other efforts to change criminal behavior on the outside. One reason for this skepticism is the difficulty of distinguishing cause from effect in crime data. For decades, criminologists have maintained that one obvious alternative to prison—putting more police on the streets to help deter crime—doesn’t work, because the numbers suggest a positive association between



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the crime rate and the number of police. (This is analogous to the association between the large numbers of physicians in areas with high concentrations of sick people, such as hospitals.)

Confidence in rehabilitation through social programs also is low, because recidivism rates are so high, even among inmates who participate in re-entry programs. In a recent interview, for example, the Los Angeles District Attorney told *Time* that, with respect to rehabilitation for gang-involved inmates, “we predict with some degree of confidence... it will fail in many, many, many cases.”

Fortunately, in recent years researchers have made real progress in identifying the impact of various crime-related policies. The key has been to make greater use of experimental methods of the sort common in medicine, as well as “natural experiments” that arise from naturally occurring policy or demographic shifts.

The over-riding conclusion of the best new research is that there is “money on the table”; we can reduce the financial and human costs of crime without stimulating resurgence in crime rates.

Prisons and crime

Much of the reluctance to reduce the prison population reflects a belief that the extraordinary reduction in crime that occurred in the 1990s was caused by a surge in imprisonment. But even a casual look at the actual statistics challenges the view that prison trends get all or most of the credit for the crime drop.

Looking at three periods from recent history, we see that the crime drop of the 1990s did coincide with a large increase in the prison population. But the large crime *increase* during the prior period was also associated with a jump in imprisonment—and so was the relatively static crime pattern since

2000. If the prison surge of the 1990s gets credit for the crime drop, then fairness requires that the prison surge of the 1980s gets the blame for the crime increase of that period, while the prison increase of the 2000s was largely irrelevant. This type of armchair analysis supports almost any conclusion.

| PERCENTAGE CHANGE | | |
|-------------------|---------------|---------------------------------------|
| | Prisoners/cap | Robbery rate |
| 1984-1991 | + 66 | +33 |
| 1991-2000 | + 42 | -47 (the crime drop) |
| 2000-2008 | + 10 | 0 |

More rigorous studies suggest that increased use of imprisonment indeed should receive *part* of the credit for the crime drop of the 1990s, in the sense that crime was lower than it would have been had we taken all the funds devoted to prison increases and spent it for purposes other than crime control. But is that the right counterfactual? If the vast increase in prison expenditures came at the expense of alternative crime-control efforts that might be even more effective, then the net effect of the imprisonment boom is not so clear, even qualitatively.

Alternatives to prison

Prison alternatives can be organized into two large and somewhat overlapping bins of crime-control activities, which we label “changing individual propensities towards crime” and “changing the offending environment.” Under each heading, we identify particularly promising programs, based on recent assessments of costs and benefits. We conclude with rough calculations that highlight the potential magnitude of the inefficiency within our current policy approach—that is, how much extra crime-prevention could be achieved by simply reallocating resources from less-efficient to more-efficient uses.

Changing individual propensities towards crime

1. *The difficulties of changing poverty and adverse mental health:* While a large body of criminological and psychological theory has emphasized the role of economic disadvantage and mental health problems in contributing to criminal behavior, empirical evidence suggests that job training and mental health courts are not the most cost-effective ways to control crime—not because these disadvantages don’t matter, but because they are so difficult to modify in practice.

2. *Coercive social policy:* The average high school graduation rate in the America’s 50 biggest urban school systems is about 53 percent. One of the few levers available to policymakers to ensure youth stay in school is to raise the compulsory schooling age—although it is natural to wonder what good schooling will do for youth who are being forced to go against their will. It is thus striking that we have strong quasi-experimental evidence from both the United States and Great Britain that cohorts exposed to an increased compulsory schooling age have reduced crime involvement. That benefit augments the usual list of benefits associated with more schooling, and it complements the benefits of early childhood interventions like Perry Pre-school (a two-year preschool program for disadvantaged 3- and 4-year-olds) and Head Start (the large-scale federal preschool program).

3. *Social-cognitive skill interventions:* Most of the economics-of-crime literature has focused on ways of reducing crime by changing the incentives that confront potential offenders, with very little attention devoted to helping people respond to the incentives they already face. A growing body of evidence shows that social-cognitive skills—for example, impulse control, interpersonal skills and future orientation—influence people’s response to incentives and predict criminal involvement, schooling and employment participation.



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Moreover, intervention research also suggests that targeted efforts to improve the social-cognitive skills of young people at risk and to modify the social systems that may contribute to or reinforce delinquency can reduce crime. The benefits of such efforts can far exceed their costs.

Changing the offending environment

1. *Swiftness and certainty, not severity, of punishment:* Much of the increase in America's prison population since the 1970s comes from an increase in average sentence lengths. Yet new data from the randomized Hawaii Opportunity Probation with Enforcement (HOPE) experiment found that frequent drug testing, followed immediately by a very short jail stay for dirty urine, substantially reduced drug use and criminality among probationers. Studies of the federal gov-

ernment's Community Oriented Policing Services (COPS) police hiring grants provides further empirical support for the growing consensus that swiftness and certainty of punishment may actually be most important for controlling crime. The notion that crime is reduced by simply putting more police on the streets without changing what they do, and that deterrence (rather than simply incapacitation) may be an important mechanism behind this result, also overturns the conventional wisdom that prevails in many criminology circles.

2. *Demand curves for criminogenic goods are negatively sloped:* The federal and state excise taxes on beer and liquor have declined markedly (in real terms) since World War II. These rates are considerably below the marginal external social cost, even if effects on crime are not considered. Many people outside the economics profession

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are skeptical that modest changes in the price of alcohol can do much to change use, given the social context in which drinking so frequently occurs; the possibility that many of highest-risk alcohol users have some level of dependency; and how little attention so many people pay to a 5, 10 or even 20 percent change in prices. Yet the empirical evidence that raising taxes and prices would reduce some types of crime is very strong.

3. Private co-production: Most of the research on crime control strategies focuses on the role played by government and non-profit interventions. But private citizens and businesses account for a surprisingly large share of resources devoted to preventing crime. State and local governments can help reduce crime indirectly by encouraging private actions that make law enforcement more productive. Two examples for which benefits exceed costs by an order of magnitude are building the police-

tracking infrastructure for Lojack, and creating the legal framework for Business Improvement Districts (where local businesses are subject to tax payments that go in part toward making the neighborhood clean and safe).

It bears repeating that the goal is not to identify the “best” alternative to prison, but rather the best portfolio of options.

What the status quo costs us

Our review of the best available social science suggests that America’s current approach to crime control is woefully inefficient. Much greater crime control could be achieved at lower human and financial cost. To illustrate the potential gains from improving the efficiency of the current system, consider the following hypothetical policy experiment.

Imagine that we changed sentencing policies and practices in the United States so that the average length of a prison sentence reverted to what it was in 1984—i.e., midway through the Reagan administration. This policy change would reduce our current prison population by around 400,000 and total prison spending (currently \$70 billion annually) by about \$12 billion per year.

What would we give up by reducing average sentence lengths back to 1984 levels? In terms of crime control: not all that much. Assume that society “breaks even” on the \$12 billion we spend per year to have average sentence lengths at 2009 rather than 1984 (so that the benefits to society are just worth \$12 billion), although more pessimistic assumptions are also warranted.

What could we do instead with our newly acquired \$12 billion? One possibility would be to put more police on the streets. Currently, the United States spends around \$100 billion per year on police protection, so this hypothetical policy switch would increase the nation’s police budget by 12 percent, enabling deployment of as many as 100,000 more police officers. The estimated elasticity of crime with respect to police is far larger (in absolute value) than even the most optimistic assessment of what the elasticity of crime would be with respect to increased sentence lengths. This resource reallocation would lead to a decline of hundreds of thousands of violent and property crime victimizations each year.

A different way to think about the potential size of this efficiency gain is to note that the benefit-cost ratio for increased spending on police may be on the order of 4:1. If the benefit-cost ratio for marginal spending on long prison sentences is no more than 1:1, then reducing average sentence lengths to 1984 levels in order to increase spending on police could generate net benefits to society on the order of \$36 billion per year.

Suppose instead that we devote the resources from a \$12 billion cut in prison spending to support-

ing high-quality preschool programs. This would enable a large increase in federal spending on preschool services—for example, \$12 billion would represent a 150 percent increase in the annual budget for Head Start (currently around \$8 billion per year). Currently Head Start can enroll only around half of eligible 3 and 4-year-olds, and provides early childhood education services that are far less intensive than successful, widely-cited model programs like the Perry Preschool and Abecedarian. Head Start children participate in the program for shorter periods (usually one year, versus two to five years for the others), and the educational attainment of Head Start teachers is lower.

A 150 percent increase in Head Start’s budget could dramatically expand the program on both the extensive and intensive margins. Given available data, the benefit-cost ratio of this expenditure would fall in the range of 2:1 to 6:1—that is, from two to six dollars in long-term benefit for every dollar spent. Reallocating resources from long prison sentences to early childhood education might generate from \$12 billion to \$60 billion in net benefits to society.

If crime reduction is a key goal, we might do better still by focusing on human capital investments in the highest-risk subset of the population—through efforts to address social-cognitive skill deficits of young people already involved in the criminal justice system. Marvin Wolfgang’s seminal cohort studies found that only a small fraction of each cohort commits the bulk of all crime. While early intervention programs target children during the time of life in which they are most developmentally “plastic,” interventions with adolescents and young adults can be more tightly targeted on those whose arrest histories suggest they are likely to end up as serious offenders. Another benefit of targeting criminally active teens and adults is an immediate crime reduction payoff.

What sort of social-cognitive skill development could we provide to high-risk young people with \$12 billion per year?

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With around \$1 billion, we could provide functional family therapy (FFT) to each of the roughly 300,000 youths on juvenile probation. E.K. Drake and colleagues estimate that FFT costs something less than \$2,500 per youth, with a benefit-cost ratio that may be as high as 25:1 from crime reduction alone.

With the remaining \$1 billion we could provide multi-systemic therapy (MST) to almost every arrestee age 19 and under. The cost of MST is around \$4,500 per year, with a benefit-cost ratio of around 5:1.

Estimates such as these indicate that diverting \$12 billion from long prison sentences to addressing social-cognitive skill deficits among high-risk youth could generate net social benefits on the order of \$70 billion per year. Even if FFT and MST, when implemented at large scale, are only half as effective as previous experiments suggest, this resource switch would still generate substantial societal benefits.

The preceding calculations are intended to be illustrative rather than comprehensive benefit-cost analyses, and, clearly, they are subject to a great deal of uncertainty. Nevertheless, they strongly suggest the enormous efficiency gains that could result from reallocating resources from prisons to other uses that will, among other beneficial outcomes, reduce crime.

A key challenge we currently face is that our government systems are not well suited to converting the fifth year of a convicted drug dealer’s prison term into an extra year or two of Head Start for a poor child. Government agency heads have strong incentives to maximize the budgets of their agencies, and pour any resources that are freed-up from eliminating ineffective program activities back into their own agencies. This is the intrinsic difficulty of rationalizing policies across domains, agencies, and levels of government. If we could solve this problem—and orient the policy system to up-weight evidence from design-driven research—then in our quest for effective crime control, it appears possible that we could have more for less. ■

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