From Prison to Work: A Proposal for a National Prisoner Reentry Program

Bruce Western
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The Project is named after Alexander Hamilton, the nation’s first treasury secretary, who laid the foundation for the modern American economy. Consistent with the guiding principles of the Project, Hamilton stood for sound fiscal policy, believed that broad-based opportunity for advancement would drive American economic growth, and recognized that “prudent aids and encouragements on the part of government” are necessary to enhance and guide market forces.
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NOTE: This discussion paper is a proposal from the author. As emphasized in The Hamilton Project’s original strategy paper, the Project was designed in part to provide a forum for leading thinkers across the nation to put forward innovative and potentially important economic policy ideas that share the Project’s broad goals of promoting economic growth, broad-based participation in growth, and economic security. The authors are invited to express their own ideas in discussion papers, whether or not the Project’s staff or advisory council agrees with the specific proposals. This discussion paper is offered in that spirit.
Abstract

Around seven hundred thousand mostly low-income and minority men and women are released from prison each year. Returning to lives of low wages and high rates of unemployment, about two thirds will be rearrested within three years. I propose a national prisoner reentry program whose core element is up to a year of transitional employment available to all parolees in need of work. Transitional jobs are supplemented by substance-abuse treatment and housing after release, expanded work and educational programs in prison, and the restoration of eligibility for federal benefits for those with felony records. The program costs are offset by increased employment and reduced crime and correctional costs for program participants. By shifting supervision from custody in prison to intensive programs in the community, the national reentry program improves economic opportunity and reduces prison populations.
Contents

Introduction 5

1. The Problems of Mass Imprisonment and Post-Prison Employment 6

2. Evidence on Prisoner Reentry Programs 10

3. A Proposal for a National Prisoner Reentry Program 14

4. Costs and Benefits 23

5. Objections and Alternatives 27

6. Conclusion 28

Appendix: Case Studies 29

References 32
Introduction

In the current era of mass incarceration, low-income young men with little schooling are pervasively involved in the criminal justice system. Those returning from state or federal prison face high rates of unemployment and recidivism. Both these measures—unemployment and recidivism—reflect the acute challenge of reentering society and assuming mainstream social roles.

I propose a national prisoner reentry program whose main element is a year of community service employment buttressed by transitional services and in-prison education. The national prisoner reentry program aims to increase employment among released prisoners while reducing prison populations. Achieving these objectives will yield a sustainable public safety that overcomes the long-term negative consequences of criminal punishment and promotes the economic improvement of poor communities.
1. The Problems of Mass Imprisonment and Post-Prison Employment

The growth of the penal system over the past thirty years has redrawn the landscape of urban poverty in America. Prison and jails now hold 2.25 million inmates—mostly minority and poorly educated young men. Swelled largely by drug offenders and parole violators, state and federal prisons return more than seven hundred thousand prisoners each year to inner-city communities across the country. Although growth in the prison population has helped reduce crime rates over the past decade, today’s penal system presents two related challenges for public policy.

First is the problem of prisoner reentry. In the late 1970s around one hundred and fifty thousand inmates were released from state or federal prison each year. Today, that number is about five times as large. These enlarged cohorts of released prisoners return overwhelmingly to inner-city neighborhoods of concentrated poverty where jobs are scarce, crime rates are high, and social disorganization is itself deepened by the population turnover associated with mass incarceration. Under these conditions, the benefits to impoverished families and communities of post-prison employment are potentially large.

Frequently returning to social and economic adversity, former prisoners themselves are poorly equipped to lead productive lives. Mostly minorities and aged in their thirties or older, prisoners average about a tenth-grade education (Table 1). Survey data show that about one-third of state prison inmates were jobless and two-thirds had a history of heavy drug or alcohol use at the time of their incarceration (U.S. Department of Justice 2004). The disadvantage of prisoners is also indicated by chronic health problems, high rates of mental illness, and cognitive scores well below grade level. Further, prisoners have very little work experience, even compared to others with similar schooling and demographic characteristics.

After returning home, ex-prisoners are out of work about half the time, earn on average around $9,000 a year, and experience virtually no growth in earnings (Western 2006, ch. 5). Prison time itself may impede successful reintegration into society; studies show that incarceration is associated with reduced earnings and employment rates, and increased rates of divorce and separation (Western 2006). Perhaps failure after release from prison is indicated most vividly by recidivism rates: the 1994 national recidivism study showed that more than two thirds of former state prisoners were rearrested within three years of release, and half of those rearrested were back in prison within that time (Langan and Levin 2002).

Whereas the problem of prisoner reentry has grown

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**TABLE 1.**

<table>
<thead>
<tr>
<th>Demographics, Indicators of Skills and Employability, and Program Participation of State Prisoners</th>
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<tbody>
<tr>
<td>1991</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td><strong>Demographics</strong></td>
</tr>
<tr>
<td>Black (percent)</td>
</tr>
<tr>
<td>Latino (percent)</td>
</tr>
<tr>
<td>Median age (years)</td>
</tr>
<tr>
<td><strong>Skills and employability</strong></td>
</tr>
<tr>
<td>Average schooling (years)</td>
</tr>
<tr>
<td>Employed before imprisonment (percent)</td>
</tr>
<tr>
<td>Reporting heavy drug use (percent)</td>
</tr>
<tr>
<td><strong>Program participation</strong></td>
</tr>
<tr>
<td>Substance-abuse treatment (percent)</td>
</tr>
<tr>
<td>Work or education program (percent)</td>
</tr>
</tbody>
</table>

with the incarceration rate, assistance for prisoners and their families has contracted. Resources for educational and other rehabilitative programming in prison have shrunk, and social services after release vary substantially across jurisdictions. Despite the acute human capital deficits of prisoners, participation in work and education programs has declined from 44 percent in 1991 to 25 percent in 2004. Because of these changes, released prisoners may be less prepared for the labor market than they were in the past. Adding to the challenge of prisoner reentry, the labor market for low-skilled men has deteriorated. Earnings among men with only a high school education have stagnated and joblessness among young non-college-educated blacks remains persistently high.

The second public policy challenge of today’s penal system is presented by the scale of correctional expenditures in state budgets. The growth of the prison population has changed the functions of state governments. For most of the twentieth century, the imprisonment rate in the United States hovered around one hundred per one hundred thousand (Figure 1a). From 1975 to 2005, the fraction of the population in prison grew five-fold, and the costs of corrections ballooned. In 2005, total correctional spending was $70 billion, up from $19 billion (in 2007 dollars) in 1982. This represents an average annual cost of about $27,000 per prison inmate.

Increased spending on prisons means fewer resources for other budget priorities. Spending on corrections as a share of states’ general funds increased about 40 percent from 1987 to 2007 (Figure 1b). Over this same period, spending on higher education as a share of state spending declined by about 30 percent. These figures indicate a shift in priorities away from human capital investment toward criminal punishment.

**Figure 1(a)**

*Imprisonment Rates, 1925–2005 (per 100,000 of U.S. population)*

![Graph showing the trend of imprisonment rates from 1925 to 2005](image-url)
The policy problems of reentry and rising correctional budgets are the most visible signs of the challenge to social justice created by extraordinary rates of incarceration among young black men. Black men are seven times more likely to be incarcerated than white men, and large racial disparities can be seen for all age groups and at different levels of education. The large black-white disparity in incarceration is unmatched by most other social indicators. Racial disparities in unemployment (two to one), nonmarital childbearing (three to one), infant mortality (two to one), and wealth (one to five) are all significantly lower than the seven-to-one black-white ratio in incarceration rates. Among black men under age forty, around one in nine is currently behind bars in prison or jail. Among black male high school dropouts under forty, one in three is incarcerated. Over a lifetime, about one in five black men born since 1965 will serve time in prison. Indeed, black men are now more likely to go to prison than to graduate from college with a four-year degree (Western 2006, p. 29). At the very bottom of the education distribution, a third of non-college-educated black men and two-thirds of black male high school dropouts born since 1965 will go to prison at some point in their lives.

The historically novel normality of imprisonment for young black men with little schooling was produced by a newly punitive criminal justice policy applied most zealously in poor urban neighborhoods that offered few legitimate economic opportunities. Mandatory minimum sentencing, truth in sentencing, and habitual offender enhancements for those on their second and third strikes increased prison commitments among those arrested, and increased time served among those in prison. Through the 1990s the growth in the incarceration
rate was swelled by increasing rates of parole revocation (Blumstein and Beck 2005). As the criminal justice system became more punitive, high levels of joblessness exposed young low-skill men in inner cities to the scrutiny of the police, the lure of illegal income, and the disorder of chronic idleness (Western 2006, ch. 3). Harsh punishment and the jobless ghetto combined to produce the mass imprisonment of young black men with no more than a high school education.

The penal system now reflects the contours of severe disadvantage among young men, and deepens inequality by diminishing the life chances of those with prison records. In the long run, public safety itself is threatened by mass incarceration because those released from prison have trouble joining the mainstream of social life. Increasing employment and reducing crime among those released from prison has become central to improving economic opportunity among today’s urban poor, and central to reducing the scale of a penal system that now shapes the life path for a generation of young black men.
2. Evidence on Prisoner Reentry Programs

The problem of prisoner reentry is an active area of policy interest; many programs for improving employment and reducing recidivism have been proposed. For example, the Reentry Policy Council (2005) provides an encyclopedic discussion and makes dozens of policy recommendations. A wide variety of work, training, and education programs, in prison and after release, forms an uneven patchwork of services that frequently operate with only limited success.

Recent reviews offer a mixed assessment of the effects of reentry programs on employment. Dan Bloom (2006) observes that there have been few randomized evaluations, although ex-prisoners were sometimes included in studies of programs that were more broadly designed to assist disadvantaged workers. Visher, Winterfield, and Coggershall (2005) review eight random-assignment studies of employment-based programs and find that the average effect on recidivism is small and insignificant. Conversely, a broad survey by the British Department of Education and Skills concludes that well-designed programs successfully promoted employment among ex-prisoners, although evidence for the effects on recidivism is weaker (Hurry, Brazier, Parker, and Wilson 2006).

Despite conflicting reviews, policy lessons can be drawn from a small number of well-designed studies (see Table 2). Many evaluations of programs for prisoners report large reductions in recidivism, but these results are often artifacts of weak research designs. In particular, selection into programs is often poorly controlled and program dropouts are often ignored. The evaluations on which I focus are all based on experimental or strong matching or regression designs and report effects for all program participants and not just program graduates.

Four kinds of programs have tried to increase employment and reduce crime among those with criminal records: (1) transitional employment programs, (2) residential and training programs for disadvantaged youth, (3) prison work and education programs, and (4) income supplements for the unemployed.

Transitional employment programs provide subsidized work to parolees who work in small crews under close supervision. An early randomized experiment, the National Supported Work (NSW) Demonstration (1975–78), placed parolees and probationers in construction industry jobs. Three years after entry to the program, about 42 percent of NSW clients over the age of twenty-six had been rearrested, compared with 54 percent in the control group (Uggen 2000). NSW participants over age twenty-six were also less likely to report illegal earnings. There were no significant differences between program and control groups among those aged twenty-six and younger. The value of transitional employment for ex-prisoners is also indicated by recent evaluations of the two transitional jobs programs from New York. An evaluation of the CEO program (2004–05) found that parolees entering transitional jobs experienced increased employment and were 19 percent less likely to be rearrested after a year. However, this effect was only found for those entering the program within three months of release from prison (Bloom, Redcross, Zweig, and Azurdia 2007). Because of small sample sizes, these program effects were not significant. The ComALERT program (2004–06) in Brooklyn, New York, provides up to a year of subsidized employment in combination with housing and substance-abuse treatment. Program participation was associated with significant improvements in employment and a 18 percent reduction in arrest rates compared to a matched control group with similar demographics and criminal history (Jacobs and Western 2007). In sum, transitional employment for up to six to twelve months immediately after prison release is associated with reduced recidivism.
### Table 2.

Results from Employment and Training Programs for Ex-Prisoners

<table>
<thead>
<tr>
<th>Program</th>
<th>Sample size</th>
<th>Description</th>
<th>Method</th>
<th>Program effects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transitional employment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NSW (1975–78)</td>
<td>1,497</td>
<td>Minimum wage construction jobs in small supervised crews for ex-prisoners</td>
<td>Random assignment</td>
<td>–22% on arrest if over age twenty-six; +6% (n.s.) on arrest if age twenty-six or younger</td>
</tr>
<tr>
<td>CEO (2004–05)</td>
<td>977</td>
<td>Minimum wage manual jobs, job readiness training, and placement for parolees</td>
<td>Random assignment</td>
<td>–19% (n.s.) on arrests for those entering program within three months of prison release; +6% (n.s.) on arrests for those entering program after three months of prison release; +144% on employment over a year</td>
</tr>
<tr>
<td>ComALERT (2004–06)</td>
<td>996</td>
<td>Manual jobs, drug treatment, and housing mandated to drug treatment</td>
<td>Matching</td>
<td>–18% on arrests; +45% on UI employment (N = 128)</td>
</tr>
<tr>
<td><strong>Other residential and training programs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPTS (1994–97)</td>
<td>398</td>
<td>Family counseling, housing assistance, job readiness, and placement for probationers and parolees</td>
<td>Random assignment</td>
<td>–16% (n.s.) on drug use, –7% (n.s.) on arrests, +9% (n.s.) on full-time employment</td>
</tr>
<tr>
<td>Job Corps (1994–96)</td>
<td>2,450</td>
<td>Residential education and training for high school dropouts aged sixteen to twenty-four, subsample with prior arrests</td>
<td>Random assignment</td>
<td>–3% (n.s.) among nonserious arrestees, 8% (n.s.) among serious arrestees on arrests; +10% for nonserious arrestees, -2% (n.s.) for serious arrestees on fourth-year employment</td>
</tr>
<tr>
<td>JTPA (1987–89)</td>
<td>416</td>
<td>Classroom training, on-the-job training or job search assistance, including a subsample of male youth arrestees</td>
<td>Random assignment</td>
<td>+6% (n.s.) on arrests; no effects on UI earnings</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Program</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Prison Work and Education</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>PREP (1983–85)</td>
<td>750</td>
<td>Vocational training for at least 6 months in mostly clerical or manual fabricating and repair jobs</td>
<td>Matching</td>
<td>–24% on reincarceration after 8 to 12 years for inmates in prison industries, –33% for inmates in vocational training or apprentice-ships, –23% (n.s.) for inmates in prison industries and training</td>
</tr>
<tr>
<td>Florida GED (1994–99)</td>
<td>12,956</td>
<td>In-prison GED classes and exams; GED graduates compared to high school dropouts with GEDs</td>
<td>Regression</td>
<td>+6% (n.s.) on quarterly UI earnings after one year; effects slightly larger, though temporary, for nonwhites.</td>
</tr>
<tr>
<td>3-State Study (1997–98)</td>
<td>3,170</td>
<td>In-prison programs in basic education, GED preparation, life skills and cognitive skills, secondary and post-secondary education</td>
<td>Matching</td>
<td>–16% on arrests; +5% (n.s.) on employment after one year and 30% on earnings; 3-year program effects for earnings and employment not significant</td>
</tr>
</tbody>
</table>

### Income supplement programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Sample size</th>
<th>Description</th>
<th>Method</th>
<th>Program effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIFE (1972–74)</td>
<td>432</td>
<td>Unemployment benefit ($252 weekly) for parolees</td>
<td>Random assignment</td>
<td>–13% on arrests; +12% on full-time employment</td>
</tr>
<tr>
<td>TARP (1975–77)</td>
<td>3,982</td>
<td>Unemployment benefit ($250 weekly) and placement for parolees</td>
<td>Random assignment</td>
<td>+3% (n.s.) on arrests, –25% on earnings</td>
</tr>
</tbody>
</table>

Source: Evaluations are reported by Manpower Development Research Corporation (1980) for NSW; Uggen (2000) for different effects by age; Bloom, Redcross, Zweig, and Azurdia (2007) for CEO; Jacobs and Western (2007) for ComALERT; Rosenman, Sridharan, Gouvis, Buck, and Morley (1999) for OPTS (drug treatment also formed part of OPTS, but controls also received treatment); Schochet, Burghardt, and Glazerman (2001) for Job Corps; Bloom, Orr, Bell, Cave, Doolittle, Lin, and Bos (1997) for JTPA; Saylor and Gaes (1997) for PREP; Kling and Tyler (2007) for Florida GED; and Steurer, Smith, and Tracy (2001) for Three-State Study; Mallar and Thornton (1978) for LIFE (program included job placement which was ineffective); Rossi, Berk, and Lenihan (1980) for TARP. 

n.s. = Not statistically significant.
and increased employment, at least for the first year or two after release. (CEO and ComALERT are described in greater detail in the appendix.)

Whereas transitional employment for ex-prisoners yields positive results, public service employment programs have improved employment and earnings for other populations with only mixed success (Ellwood and Welty 2000, pp. 322–331). Many large employment and training programs involving criminal offenders are focused on youth. Most youth involved in serious crime, however, are unlikely to desist while they are still in late adolescence. The effectiveness of transitional employment for those in their late twenties and older is encouraging for a reentry program for released prisoners, 80 percent of whom are at least twenty-five years old.

Other programs have combined several supportive services like housing and drug treatment, though not transitional employment, to move ex-prisoners into the labor market. The Opportunity to Succeed (OPTS) program (1994–97) provided mandatory substance-abuse treatment in intensive residential placements, as well as job readiness training. A year after random assignment, the treatment group had accumulated an extra month of full-time employment and were 9 percent more likely to have held a full-time job. Recidivism was also modestly lower in the treatment group, although the program effect was not significant (Rossman, Sridharan, Gouvis, Buck, and Morley 1999). Job Corps, targeting high school dropouts under age twenty-five, also provided housing in combination with education and training programs. Perhaps because participants were relatively young, Job Corps failed to produce significant reductions in one-year arrest rates or to produce significant increases in employment among those with prior serious arrests (Schochet, Burghardt, and Glazerman 2001). The Job Training Partnership Act (JTPA, 1987–89) provided training and job search assistance similar to Job Corps, but in a nonresidential setting. This less-intensive intervention had no effect on the earnings and rearrest rates of male youth with arrest records (Bloom, Orr, Bell, Cave, Doolittle, Lin, and Bos 1997).

Three large-scale studies suggest the importance of prison education. The PREP study (1983–85) found that participation in vocational training and work programs was associated with reduced rates of reincarceration in federal prison as long as twelve years after release (Saylor and Gaes 1997). The Three-State Recidivism Study (1997–98), named for study groups in Maryland, Minnesota, and Ohio, examined a variety of educational programs, including basic education, GED preparation, and secondary and postsecondary schooling. Although the study did not distinguish the effects of different types of educational programs, those who participated in classes in prison had only a 48 percent rearrest rate after a year, compared with a 57 percent rearrest rate for the comparison group (Steurer, Smith, and Tracy 2001). Program participants had higher earnings in the first year after release, but this earnings advantage disappeared after three years. Similar to the Three-State Recidivism Study, the Florida GED study (1994–99) found no enduring gains to earnings or employment for those who obtained a GED in prison. Still, some immediate improvements in earnings were found, particularly for nonwhite GED holders (Kling and Tyler 2007).

The main alternative to improving economic opportunities through work, housing, and education has involved paying unemployment benefits to released prisoners. Beginning in 1971, the Baltimore LIFE (Living Insurance for Ex-Prisoners) experiment (1972–74) randomly allocated released state prisoners to a thirteen-week treatment consisting of weekly $252 payments and job placement in some cases, while a control group received no treatment. After twelve months, 49.5 percent of the treatment group had been rearrested, compared with 56.9 percent of the controls (Mallar and Thornton 1978). The LIFE program was replicated on a larger scale in Texas and Georgia in the TARP (Transitional Aid for Released Prisoners) experiment (1975–77). The TARP participants had higher rates of unemployment than the control group, however, and were no less likely to recidivate (Rossi, Berk, and Lenihan 1980).
3. A Proposal for a National Prisoner Reentry Program

The striking result from this survey of correctional programming is the substantial unevenness of the programs’ effects. The programs vary greatly in their content and in their clients. Less-intensive interventions such as the income supplements of TARP or the training of JTPA and interventions directed at male youth have been unsuccessful. More-intensive interventions tend to be more successful, particularly if they target adult offenders who may be more motivated than younger offenders to desist from crime. The results from CEO and ComALERT also suggest that timely interventions focused on the period immediately after prison release have a greater chance of success.

Timely and relatively long-term transitional employment appears promising because it addresses perhaps the key barrier to steady post-prison employment: the very low level of work experience among released prisoners. In many cases, men and women coming out of prison have never held a regular, legitimate job. As a result, the rudimentary life skills of reliability, motivation, and sociability with supervisors and coworkers are undeveloped. Often we think of these characteristics as “noncognitive skills” that are formed in childhood (Carneiro and Heckman 2004). These noncognitive skills are as important for success in the labor market as are the more familiar cognitive skills of math and verbal ability (Heckman, Stixrud, and Urzua 2006). The evaluation results for transitional jobs suggest that the habits of everyday work and the noncognitive skills on which they are based can be developed in adulthood by the daily rehearsal of the routines of working life. Encouraged by the successful results of timely and large-dose transitional jobs programs, I propose up to a year of subsidized community service employment for all parolees in need of work as the centerpiece of a national prisoner reentry program.

To foster work habits and tackle the problem behaviors of formerly incarcerated men, several additional supports are needed. First, transitional housing and substance-abuse treatment may enhance the effectiveness of transitional jobs for the homeless and drug addicted. Second, parole reforms that curtail the reincarceration of technical parole violators will facilitate the learning process in which new noncognitive skills of reliability and persistence are being developed. Third, prison education programs should be expanded to improve readiness for transitional employment and work in the open labor market. Finally, eligibility for federal welfare and education programs should be extended to those with felony convictions.

In contrast to the proliferation of numerous small-scale measures to assist ex-prisoners, the national prisoner reentry program consists of a small number of large-scale measures that are intended to work together as a system, moving prisoners out of custody into the community. Unlike many reentry proposals, my proposed program has the reduction in prison populations as an explicit policy objective. The proposal also takes a realistic view of program effectiveness. Transitional employment by itself will only modestly reduce recidivism and improve employment, and these effects may be short-lived. Still, the impact of transitional jobs can be enhanced by supplementary services and supportive parole supervision.

We can think of the national reentry program as a sequence of stages that prepares people for work in the open labor market. In this sequence, prison education and discharge planning is preparatory for transitional jobs and other services in the community. The effectiveness of transitional jobs is supported by parole reform, and the expansion of eligibility for federal programs.
In Prison: Education, Work, and Discharge Planning

To be prepared for transitional employment, prisoners must be equipped with basic literacy, job skills, and rudimentary job readiness. Prisons have been, historically, a graveyard for rehabilitative criminal justice. As correctional administrators know well, the prison’s main job is the safe and secure custody of its inmates. As a result, even orderly and well-run prisons can be unfriendly contexts for teaching prosocial behaviors. If we must choose between in-prison and community programs, we should probably spend our money in the community where program effects for the formerly incarcerated are larger and the social benefits distributed more widely.

Although the imperatives of custody may compromise rehabilitation, the modest goals of literacy and basic job skills may be achievable. State prisoners average a tenth-grade education and score below their grade level on cognitive tests. Improving the cognitive skills of prisoners is thus an important part of a post-prison employment program. In addition to providing work and education programs, prisons can also play an important role at the time of release by connecting inmates to their post-release social supports.

By setting universal standards for adult education, the Federal Bureau of Prisons offers a good model for schooling in custody. Federal prisoners who are functionally illiterate or who lack a high school diploma or GED are required to enroll in 240 hours of educational programs. In 2004 about 40 percent of new federal prisoners were enrolled in education programs, compared to 20 percent of new state prisoners. I propose a national minimum standard for correctional education based on the federal standard. As in the federal system, the national minimum standard would aim to achieve a twelfth-grade level of functional literacy for state prisoners. Such a standard would help prepare prisoners for the labor market, GED exams, and postsecondary schooling. Compulsory correctional education throughout a state prison system would require the availability of basic education in virtually all facilities. Widely offered standard programs would help inmates remain in class as they moved from prison to prison.

Meeting the national standard would require a significant expansion of state correctional education. In most states, schooling is mandated only for prisoners under age twenty. States signing on to the national education standard would receive federal aid to make up the shortfall between current spending on correctional education and the level required to meet the goal of 240 hours of basic education for functionally illiterate prisoners.

We can estimate the cost of this effort by using the current levels of federal spending on correctional education and survey data on program participation by low-education state prisoners. Precise figures are hard to determine, but it appears that the annual per pupil spending of the Federal Bureau of Prisons on educational programs roughly equals the national per pupil average for secondary school, or about $9,000 in 2007 dollars. A 240-hour literacy or secondary school program would thus cost about $2,000 per prisoner.1 About one fourth of state prisoners lacks a high school diploma or GED and is not currently involved in any school program. In line with a national standard for state prisoners, 240 hours of basic education for these three hundred forty thousand inmates would cost $680 million.

For inmates not enrolled in education programs, correctional facilities could offer work in prison industries making products used for state and local governments (e.g., office furniture). Again, the federal prison system provides a model. Federal prison industries employ prisoners in clerical, sales, and manual semiskilled occupations. The program is entirely self-funding and employs about 17 percent of federal inmates, about twice the percent-

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1. An average secondary school year is about 180 days of about 6.5 hours each, so 240 hours of correctional education is equal to about 20 percent of a school year.
age of state prisoners in work programs. Earnings vary from $0.25 to $1.15 an hour, and are applied to unpaid fines, victim restitution, and child support. The PREP evaluation, described above, found that six months’ work in federal prison industries was associated with a 24 percent reduction in re-incarceration rates at least eight years after release (Saylor and Gaes 1997). Deficiencies in research design probably account for some of this estimated effect. Operating prison industries on a large scale will likely reduce the benefits we see for federal prisoners. Still, the PREP evaluation suggests that modest reductions in recidivism can be obtained at modest cost.

Although I propose mandatory participation in education programs and an expansion of prison industries, participation in work and school programs could be handled in several ways. First, work or school could be required of all prisoners in need, just as the federal system requires education of all prisoners, and just as some policy analysts have argued for work programs for all prisoners. In addition to building the skills of prisoners, mandatory work and education programs could be seen as a way to demand more accountability from prisoners (Travis 2005). Second, programs could be voluntary and linked to reductions in time served. “Good time” is already provided for successful program participation in many jurisdictions. Adopting this approach nationally would allow expanded education and work programs to reduce prison populations through early release.

In addition to work and education programs in prison, I also propose national standards for discharge planning that readies prisoners for release from incarceration. Released prisoners are at highest risk of recidivism immediately after release from prison (Langan and Levin 2002; Visher and Kachnowski 2007). In many jurisdictions, prisoners are released with a little gate money and no real direction until their first parole appointment, which is sometimes weeks after reentry into society. During this period, prisoners are at high risk of rearrest or drug relapse, particularly if they have uncleared legal obligations and lack work or housing. Discharge planning helps released prisoners move quickly into employment, housing, and substance-abuse treatment. National guidelines for discharge planning would recommend that departments of correction prepare for a prisoner’s release by resolving uncleared warrants, fines, and child support obligations, and providing a state-issued identification card.

Prisoners would also receive a risk and needs assessment to provide referrals for employment, housing, and treatment to ensure the transition to a supportive social context in the first days out of prison. The needs assessment would take account of skills, schooling, employment history, and employment opportunities of parolees, as well as the many risk factors associated with recidivism. Discharge planning would regulate entry into transitional jobs and treatment, ensuring that only those with real needs would receive referrals.

We currently have little systematic information about the effectiveness of discharge planning, although it is widely recommended by policy analysts (Petersilia 2003; Travis 2005). A recent randomized experiment evaluating the New York prerelease program, Project Greenlight, found no reductions in recidivism for prisoners receiving discharge planning (Wilson and Davis 2006). More evaluations of discharge planning are needed. National standards for discharge planning cost relatively little and represent a modest but realistic step toward enlisting prisons in a more active role in ex-prisoners’ reentry into free society.

**Transitional Employment, Housing, and Substance-Abuse Treatment**

Sobriety and the habits of regular work offer the best chance of improving employment among released prisoners. The path to a steady job will be prepared by a bundle of intensive transitional services (employment, housing, and substance-abuse treatment), weighted to support the first months back in free society.
The national program for transitional employment assigns prisoners to a post-release job as part of their discharge plan if they have no guaranteed employment prior to release. Those assigned to the program would be required to report for work within a week of prison release, as a condition of parole. Transitional employment would last up to twelve months, although job placement services would aim to quickly move ex-prisoners into the open labor market. Employment would consist of full-time minimum-wage work in a small crew under the direction of a supervisor. Program participants would work in community service jobs maintaining parks, roads, or public buildings and grounds. The states would develop these programs to best fit local conditions. Transitional jobs might be directly organized by public agencies, or put under contract to nonprofit organizations. Administered in this way, the transitional employment program resembles the National Supported Work (NSW) Demonstration of the 1970s, or contemporary welfare-to-work initiatives.

Figures on the parole population and employment rates among prisoners help us estimate the scale of the transitional jobs program. At current levels, about 70 percent of annually released prisoners—four hundred ninety thousand ex-inmates—are on some kind of supervised release and would be eligible for transitional employment. (Those released without supervision cannot be mandated to programs, and would fall outside the scope of the initiative.) A third of all prisoners were unemployed at prison admission; data on released prisoners indicate one half to three quarters are out of work in their first months after release (Sabol 2007; Visher and Kachnowski 2007). If one half of all parolees need work immediately after release from custody, the transitional employment program would need to supply two hundred forty-five thousand jobs annually.

Supplementing the employment program, states would also provide transitional housing for homeless ex-prisoners. There are no national statistics on homelessness among ex-prisoners, but figures from major jurisdictions suggest 10 to 20 percent of parolees are homeless for some period in the two years after release (Metraux and Culhane 2004). Around one hundred thousand additional beds would be needed to guarantee housing to homeless parolees. To promote sobriety and the habits of regular work, homeless parolees would be assigned to supportive housing that combines accommodations with substance-abuse treatment and other counseling services. Such supportive housing, like transitional employment, would be provided for up to a year. Because homeless ex-prisoners are likely to have the most acute needs, supportive housing offers a promising path to stable and independent housing. Supportive housing for homeless parolees will also provide the social benefit of reducing the numbers of ex-prisoners in city shelters or illegally residing in public housing.

Finally, to support employment I propose expanding resources for substance-abuse treatment for parolees. Around two-thirds of state and federal prisoners reported a history of heavy drug or alcohol use prior to incarceration. In many jurisdictions, parolees with substance-abuse problems are mandated to attend treatment programs. We lack national figures for parolees, although 40 percent of probationers attend drug or alcohol treatment as a condition of their supervision. These figures suggest that around 30 percent of parolees—about two hundred thousand—may need treatment and are currently without a treatment mandate. If half of these prisoners were already in some kind of substance-abuse program, then about one hundred thousand parolees would require additional treatment.

A national program for transitional employment, housing, and drug or alcohol treatment would represent a significant commitment to the economic and social reintegration of ex-prisoners. The gross cost of transitional employment depends on how many parolees will move to unsubsidized work within a year. Post-release surveys suggest half of all program participants obtain employment after six months. Therefore, two hundred forty-five
thousand parolees would enter the program but the cost would be based on one hundred eighty-four thousand annual equivalent participants. Using the NSW Demonstration as a guide to gross costs, each participant would be paid $14,300 in annual wages (in 2007 dollars), and the service provider would receive $15,400 in overhead to cover the costs of supervision and administration (Bartik 2001, p. 194). These costs are similar to those of the New York CEO and ComALERT programs reviewed above. The relatively high New York minimum wage on which CEO and ComALERT costs are based suggests average national costs may be lower in practice. Supportive housing would annually cost about $10,000 for each of one hundred thousand beds. One year of substance-abuse treatment in a nonresidential program costs about $4,900 for each of one hundred thousand parolees (Substance Abuse and Mental Health Services Administration [SAMHSA] 2003). In total, the gross annual cost of transitional programs would be about $7 billion.

Outside a correctional setting, this type of program might subsidize those who could be self-sufficient in the open labor and housing markets. As part of a reentry program, however, released prisoners would not voluntarily enroll. Instead, transitional jobs, housing, and treatment would be assigned by prison and parole authorities using a needs assessment at discharge. Participation in the programs would not be voluntary at the discretion of ex-prisoners, but mandatory as a condition of supervised release. There is often a tension in the allocation of program services between helping those who are likely to do well and helping those who are most in need. Assigning transitional services on the basis of a formal risk and needs assessment at discharge will tend to channel services to parolees who are more needy and at higher risk.

**Parole Reform**

The effectiveness of services for released prisoners is reduced by the harshness of criminal punishment. Imprisonment reduces employment and disrupts the family relationships that might otherwise support desistance from crime. Although mass incarceration prevents crime in the short run by incapacitating criminals, it undermines public safety in the long run by expanding the population of ex-prisoners with few economic prospects or family supports. Correctional budgets also divert resources from public safety investments in police or social services. An effective plan for prisoner reentry that builds a sustainable public safety must also reduce the heavy reliance on imprisonment as the main instrument of criminal punishment. To develop this sustainable public safety, the conditions of parole supervision and revocation must become less punitive. In particular, for transitional services to support reentry parole agencies must significantly limit reimprisonment for technical violations.

What are technical violations? Parolees are generally required to remain drug free, gainfully employed, and diligent in reporting to treatment and their parole officers. In addition to imprisonment for new crimes, parolees can also be incarcerated for violating these so-called technical conditions of release. Failing a drug test, losing a job, or missing appointments can all trigger reimprisonment for technical violations. Recommitment of parole violators has been a significant driver of state imprisonment rates through the 1990s (Blumstein and Beck 2005). By the early 2000s, parole violators accounted for a third of state prison admissions. About half of parole violators were drug offenders (Blumstein and Beck, p. 63). Unlike a conviction for a new crime, parole revocation for technical violations is often more an administrative than a law enforcement decision. Revocation decisions are often guided by the exigencies of parole caseloads and prison capacity (Jacobson 2005). The role of managerial factors in revocation decisions is reflected in large differences in revocation rates across states. Some states, like Florida and Illinois, reimprison relatively few technical violators, whereas California revokes nearly 60 percent of parolees for technical violations. Revoking technical violators in response to administrative pressures can result in overincarceration, where the prison detains those who pose little danger to the community. This recommendation for parole
reform follows a number of similar proposals by Jacobson (2005), Travis (2005), and Petersilia (2003) to reduce the recommitment of parolees to prison. In these proposals, and mine, parolees committing new crimes should of course be prosecuted in the courts and sentenced to prison if necessary.

While policy experts proposed limits on parole revocation mostly to control prison populations, curtailing reimprisonment for technical violators promotes public safety by enhancing the effectiveness of transitional services. If we view transitional programs as building the life skills for successful reintegration, we should expect failure—relapse into drug use, job loss, missed parole appointments—to be a common part of the process of reentry. Relapse is part of a learning process in which new noncognitive skills of reliability and persistence are acquired. If failure is a likely stop on the path to steady work, parole supervision must also tolerate drug relapse or unemployment without automatic return to prison. Sending parolees back to prison for failing drug tests or other technical violations truncates the acquisition of prosocial behaviors that transitional services are designed to foster. If drug relapse and other kinds of failure are common but are ultimately followed by steady employment and other positive behavior, a reintegrative system of parole release should allow for failure within a context of community-based sanctions. Keeping parolees in the community will allow them more access to transitional services and greater chances for success.

Restricting parole revocation will increase the dose of transitional services, but unchecked technical violations often indicate problem behaviors that lead to crime and other serious failures. To avoid this path, technical violators should face a range of graduated sanctions designed to control problem behaviors and maintain participation in transitional services. Instead of reimprisoning technical violators, graduated sanctions apply more-intensive parole supervision or more-intensive programming for those who fail to comply with a treatment plan. Day reporting centers, for example, can require technical violators to sign in for substance abuse and other treatment, and for community service. Attendance at day reporting centers for up to seven days a week intensifies supervision in a way that also intensifies programming. At a higher level of supervision, residential facilities strictly monitor parolees while allowing their participation in community-based programs. Stricter supervision in these ways offers greater access to services, not just greater exposure to the detection of violations. Persistent violators would face disciplinary hearings combined with short jail stays, up to several weeks. A system of graduated sanctions offers line officers a wider array of responses to parole violations than revocation and reimprisonment alone. Incarceration remains available, but more in the form of short jail stays than extended periods of imprisonment. This approach reduces the overincarceration of those posing little risk to public safety while increasing parolees’ use of community programs.

To promote the integrated development of parole and transitional services, states’ access to transitional employment funds will be conditional on restricting reimprisonment for technical violations. Replacing reimprisonment for technical violators with a flexible range of graduated sanctions redesigns parole supervision to work smoothly with a large-scale transitional employment program. Linking transitional services to restrictions on recommitment for technical violators helps shift public costs from custody to services and supervision in the community. The transitional service package provides a unified approach to promoting the dual goals of post-prison employment and a reduction in prison populations. Though punishment is reduced, the prospects for a sustainable public safety are improved.

Though parole reform will enhance the effectiveness of transitional programs, restrictions on parole revocation may increase crime among some parolees. Some technical violators who would otherwise be reimprisoned would be left in the community threatening public safety. Three pieces of evidence suggest that restricting reimprisonment of technical parole violators in combination with graduated
sanctions and transitional services poses a small risk to public safety. First, data from the 1994 Bureau of Justice Statistics (2002) show that the criminal involvement of parole violators, counted by the number of arrests, is no greater than the criminality of those who successfully complete parole, and substantially less than the criminality of parolees who are recommitted for new crimes. Certainly, technical violations by themselves often fall short of new imprisonable offenses. Drug use without any aggravating circumstances, for example, does not rise to the level of a misdemeanor and attracts only a citation in many jurisdictions. Second, the Bureau of Justice Statistics recidivism study also shows that recently released prisoners account for a small fraction, about 5 or 6 percent, of all arrests (Langan and Levin 2002). Reducing parole revocation rates would reduce the overall level of public safety by a very small fraction. Restricting parole revocation for technical violators would increase the pool of recently released prisoners by about 20 percent, which would add 1 percent to the arrest rate, assuming no reduction in recidivism due to programs or reformed parole supervision. However, programs and parole reform are likely to reduce arrest rates, and the contribution of parole revocation to overall arrest rates is likely to be smaller.

Finally, several states have recently experimented with community-based sanctions and reductions in parole revocation with no great adverse impact on crime. Analysis of Oregon parolees found 20 to 75 percent less reoffending among those receiving community-based sanctions than those receiving incarceration, controlling for scores on a risk-assessment instrument (Oregon Department of Corrections 2002). A preliminary evaluation of a Georgia program suggests parolees who are allocated to graduated sanctions with a risk-assessment instrument are no more likely to be rearrested than is a control group (Meredith and Prevost 2008). More informally, large cuts in parole revocation rates in Kansas (50 percent from 2004–06) and New Jersey (32 percent from 2001–07) coincided with significant declines in index crime rates. In short, several states have begun to adopt the kinds of parole reforms suggested here without negative effects on crime, and evaluations suggest technical violators who are sanctioned in the community or receiving very short jail stays do better than those who are reimprisoned.

How much will crime increase by restricting reimprisonment for technical violators? There were about six hundred thousand arrests for violent crimes in 2007. Recidivism statistics suggest that about 6 percent of those arrested, or thirty-six thousand, were recently released prisoners (Rosenfeld, Wallman, and Fornango 2005, p. 87). Parolees have a relatively low rearrest rate compared to unsupervised releasees (Rosenfeld et al., p. 93), suggesting that about 40 percent, or fifteen thousand, of those arrested for violence were on parole. Leaving technical violators in the community increases the parole population by about 30 percent (Glaze and Bonczar 2007, p. 7). This implies that parole reform would increase violent arrests by two thousand five hundred each year, assuming higher arrest rates among those committing new crimes and assuming transitional services and graduated sanctions had no crime-reducing effect. However, we expect the new programs and the graduated sanctions together will reduce crime by about 25 percent, a conservative summation of the effects of prison education, transitional jobs, and community-based sanctions. Parole reform under the reentry program thus will add about one thousand seven hundred arrests for violence each year. Calculations below will weigh this effect against the gross reduction in recidivism produced by the national reentry program. As we will see, the gains to public safety substantially outweigh the costs.

Collateral Consequences

To provide a supportive context for reentry and reintegration, I also propose the elimination of bans on federal benefits for people with criminal records. Some classes of felony offenders can be denied Temporary Assistance for Needy Families (TANF), food stamps (now the Supplemental Nutrition Assistance
Program, SNAP), postsecondary educational assistance, and housing benefits. In 1996, federal welfare reform created a lifetime ban on TANF and food stamps for felony drug offenders, although states could narrow the ban or opt out. Eighteen states, including California and Texas, retain the ban on ex-felons for drug-related crimes. Another twenty-two states operate a modified ban, typically exempting ex-felons who are in substance-abuse treatment. The Government Accountability Office estimates that about 15 percent of released drug offenders would otherwise be eligible for TANF or food stamps (Government Accountability Office [GAO] 2005). This would include at least forty thousand parolees released in 2006, and a larger group of ex-prisoners who are no longer under supervision.

Federal postsecondary educational benefits are also denied to prisoners and drug offenders. Prisoners have been ineligible for Pell Grants since 1994, greatly reducing the number of prison college programs. Felony and misdemeanor drug convictions also disqualify students from Pell Grants and student loans. It is difficult to estimate how many would apply for Pell Grants if the restriction on drug offenders were to be removed. From 2001 to 2003, one hundred forty thousand applicants unsuccessfully applied for benefits after reporting a drug conviction or refusing to answer a question related to drug convictions (GAO 2005). This figure does not count those with drug convictions who did not apply because they assumed they were ineligible.

Federally assisted housing benefits are also restricted for those with criminal records for drugs or violence. Public housing tenants evicted for drug-related activity also are given a mandatory ban for three years. Public housing agencies are given wide discretion to screen and evict tenants who have engaged in drug-related or violent criminal activity. Around 80 percent of public housing agencies surveyed by the Department of Housing and Urban Development (HUD) in 1999 reported that they conducted some kind of background check, whether by self-reports from applicants or, more commonly, by searching a criminal record database (Devine, Haley, Rubin, and Gray 2000). In 2002 and 2003, three thousand one hundred public housing agencies surveyed by HUD reported denying forty-nine thousand applications each year for criminal activity, which is about 4.2 percent of all applications (GAO 2005, p. 67). These figures likely understate the impact of rules against ex-prisoners because those coming out of prison are less likely to apply for federally assisted housing.

Policymakers offer a punitive motivation for the bans on welfare and educational assistance, extending punishment by withholding help from the undeserving. This motivation should be balanced by considerations of public safety and reintegration. People coming out of prison will be better equipped to resume normal life if they have access to social supports. All bans on educational and welfare benefits should be dropped, but there might be a stronger argument for excluding some ex-prisoners from federal housing benefits on the grounds of public safety. Although current rules for excluding drug offenders may be too wide, unless we understand the public safety risk posed by ex-prisoners in public housing we have no sound basis for policy. The effects of restrictions on ex-prisoners on rates of crime in federally supported housing should be evaluated before a policy decision is made.

**Broadening the Program**

The national prisoner reentry program focuses on one specific strategy for improving employment among people released from prison: transitional jobs in the context of supportive programs and supervision. A national reentry effort could be broadened to advance the main goal of steady employment for ex-prisoners. Supplementary measures might include community-based education and training. Therapeutic measures such as motivational interviewing or a cognitive behavioral program designed to develop impulse control might support the object of developing the noncognitive skills of reliability, motivation, and sociability.

Finally, the program might also target employers.
Training bonuses for employers and additional or automatic bonding of paroled workers might increase employers’ incentives for hiring workers with criminal records. To prevent job applicants from being screened out, states might also relax hiring restrictions on workers with criminal records. Opening employment to job seekers with criminal records in the health-care industry, for example, or restricting criminal background information may reduce the stigma of incarceration for those leaving subsidized jobs for the open labor market. Although we have little concrete evidence from existing evaluation research, supplementary measures such as these may improve the effects of transitional jobs. These measures would also broaden the test-bed for program evaluation.

**A Path to a National Program**

While the national prisoner reentry program outlined here suggests the scale of the effort needed to improve employment among released prisoners, wholesale reductions in state prison populations and large increases in post-release services cannot be adopted overnight. Detailed features of the programs are unspecified. States face a wide variety of challenges in adapting programs to local conditions. A feasible path for moving to a national plan will require incremental change in which policy knowledge about implementation is accumulated and disseminated.

The first step to adopting a national prisoner reentry program will thus involve establishing a relatively small number of demonstration states. These states would adopt the three key elements of the program: (1) transitional jobs and other services, (2) parole reform, and (3) expanded correctional programs. The demonstration states would be selected through a competition in which applicants would detail the programs and then demonstrate their feasibility.

Evaluation will be central to the demonstration. States must build rigorous plans for data collection and analysis to evaluate the programs. The evaluations will gauge the program’s success at reducing recidivism, and at increasing employment and earnings. Standard reporting requirements will help ensure that the program evaluations will contribute to a cumulating body of results that can easily be interpreted across jurisdictions. Although many studies have evaluated programs for released prisoners, only a few are based on randomization or similarly strong designs. The implementation of the program thus provides a significant opportunity for dramatically expanding policy knowledge through randomized evaluations. Prior evaluations of reentry programs have relied heavily on administrative data to measure employment and earnings. These data are likely quite inaccurate for those with criminal convictions. Data collection should thus draw widely from different sources, including from surveys of the parolees themselves. Reporting on the evaluation should be prompt, and reports widely disseminated. In this way, policy learning will be built into the implementation.

Implementation across states will proceed incrementally. Several demonstration states will be funded initially, and more states will be brought online over time in successive competitions for federal reentry funds. Program implementation will generate a growing body of evaluation results, and this new knowledge should be reflected in successive applications. The program will thus grow across jurisdictions, producing a common and increasing fund of policy knowledge.
4. Costs and Benefits

Table 3 summarizes the key components of the national prisoner reentry program. These figures indicate that the total gross cost of the program will equal about $8.5 billion dollars, with transitional employment accounting for more than half. The funding scheme is guided by two considerations. First, the reentry program is partly conceived to reduce prison populations and shift correctional costs from custody (which is expensive) to community supervision and programming (which is inexpensive). Second, there is great variability between the states’ criminal justice and social service agencies, so states must have flexibility to apply reentry funds to their own local conditions.

In the national prisoner reentry program, federal reentry funds are distributed to states that adopt national standards for discharge planning, intensive reentry programming, and parole supervision. These measures will reduce incarceration rates by reducing recidivism and parole revocations for technical violations. To apply for federal reentry funds, states would develop local plans for transitional services, parole supervision, and prison programs. States may opt out of the guidelines and still obtain funds if they can otherwise link the expansion of post-release services to a reduction in prison populations. Depending on local conditions, states would then distribute funds to local authorities,

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual cost per participant</th>
<th>Annual participants</th>
<th>Annual gross cost (million $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transitional services after prison</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment, up to one year</td>
<td>$14,300/$15,400^a</td>
<td>184,000</td>
<td>$5,464</td>
</tr>
<tr>
<td>Housing, up to one year</td>
<td>$10,000</td>
<td>100,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Drug treatment</td>
<td>$4,900</td>
<td>100,000</td>
<td>$490</td>
</tr>
<tr>
<td>In-prison programming</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>240 hours of basic education</td>
<td>$2,000</td>
<td>340,000</td>
<td>$680</td>
</tr>
<tr>
<td>Work in manual and clerical jobs</td>
<td>n/a</td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Elimination of collateral consequences</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restore TANF eligibility</td>
<td>$4,200</td>
<td>100,000</td>
<td>$420</td>
</tr>
<tr>
<td>Restore Pell Grants</td>
<td>$2,800</td>
<td>140,000</td>
<td>$392</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$8,446</td>
</tr>
</tbody>
</table>

Source: Author.

Note: Prison work programs are assumed to be self-funding; costs will be incurred in setting up the program. TANF figures are calculated assuming an average monthly benefit of $50. Pell Grants are assumed to provide an average benefit of $2,800. All figures are in 2007 dollars.

^a. Wages/overhead.

n/a = Not applicable.
departments of correction, workforce development agencies, and so on.

Are the benefits of these measures greater than the costs? The gross costs of the program are offset in four main ways (Table 4). First, the employment program provides benefits in the form of improvements in infrastructure, cleaner parks, streets, public grounds, and so on. The NSW Demonstration valued the output of similar subsidized employment at about 45 percent of program costs (Kemper, Long, and Thornton 1984). If the output of parolees is valued at 45 percent of its cost, the net cost of transitional employment is reduced by about $2.5 billion.

Second, the program also has large individual and social benefits for the people released from prison, their families, and their communities. By helping ex-prisoners develop social and job skills, the program will make them more employable even after the one-year employment placement has ended, increasing their future earnings. To estimate that aggregate post-program effect, we assume that the transitional employment raises earnings by 15 percent—a conservative estimate compared to the ComALERT evaluation above—and value untreated earnings at about $9,000 annually, approximately the level of earnings of ex-prisoners in survey data. Under these assumptions, the annual aggregate benefit of the program is around $250 million each year.

### TABLE 4.
Social Benefits of the National Prisoner Reentry Program

<table>
<thead>
<tr>
<th>Positive impacts</th>
<th>Annual benefits (million $)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantifiable Benefits</strong></td>
<td></td>
</tr>
<tr>
<td>Productivity from transitional employment</td>
<td>2,460</td>
</tr>
<tr>
<td>Increased earnings from the reentry program (annually)</td>
<td>250</td>
</tr>
<tr>
<td>[increased support to children of released prisoners]</td>
<td>[140]</td>
</tr>
<tr>
<td>Reductions in crime among program participants</td>
<td>2,500</td>
</tr>
<tr>
<td>Reductions in correctional costs . . .</td>
<td></td>
</tr>
<tr>
<td>due to reductions in crime</td>
<td>1,510</td>
</tr>
<tr>
<td>due to reductions in parole revocation</td>
<td>4,050</td>
</tr>
<tr>
<td>Total</td>
<td>10,770</td>
</tr>
<tr>
<td><strong>Hard-to-quantify benefits</strong></td>
<td></td>
</tr>
<tr>
<td>Lifetime increases in earnings</td>
<td></td>
</tr>
<tr>
<td>Lifetime reductions in crime</td>
<td></td>
</tr>
<tr>
<td>Improved child well-being due to increased earnings and reduced crime</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author.
Note: Increased support to children in brackets is not counted among the total benefits because it is already counted in the annual increased earnings. All figures are in 2007 dollars.

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2. ComALERT participants earned 37 percent more than a matched comparison group with earnings measured by unemployment insurance records, and 29 percent more than a matched comparison group with self-reported earnings.
year. The program effects may well decay, but even over a three-year period total effect may exceed half a billion dollars.

Importantly, a portion of these wages will flow to families of ex-prisoners. About 80 percent of state prisoners are fathers, so fertility estimates suggest around two hundred fifty thousand children would obtain some economic benefit from these subsidized wages. Some children may benefit because wages from transitional jobs will make ex-prisoners more-attractive partners for the mothers of their children. Additional wages may thus contribute to higher rates of coresidence and greater financial contributions of fathers to children (e.g., Blau, Kahn, and Waldfogel 2000; Hoffman and Duncan 1995). In other cases, the wages of transitional jobs may contribute to fathers’ child support payments. Beston (2006) estimates that 25 percent of household spending is spent on the child in single-child families, and recent analyses (Geller, Western, and Garfinkel 2008) suggest that formerly incarcerated parents contribute about $2,000 annually to each child. If a father in transitional employment contributes a quarter of his earnings of $10,200 to his child, this will yield an increase of $550 annually over his unsubsidized contribution, passing on in the aggregate around $140 million each year to poor children. In addition to increased earnings, ex-prisoners would become more supportive spouses and parents due to improved literacy and sobriety. These family effects are hard to quantify but should be counted among the social benefits of the reentry program.

Third, the national reentry program will reduce crime. The sequence of interventions proposed here, including prison education, transitional services, and parole reform have not been evaluated in combination. Evaluation studies show that transitional jobs by themselves reduce recidivism by 20 percent (Bloom et al. 2007; Jacobs and Western 2007; for prisoners over age twenty-six see Uggen 2000). If we consider the effects of expanded prison education and program effects under a system of graduated parole sanctions, the national prisoner reentry program could reasonably reduce arrests by 25 percent. Arrest rates among released prisoners suggest new parole cohorts account for four hundred fifty-five thousand arrests each year, so the national reentry program would produce a 25 percent reduction of one hundred fifteen thousand arrests and a somewhat smaller number of prison admissions each year.

The reentry program yields a reduction in crime, but parole reform may increase crime by expanding the number of released prisoners in the community. Above, I estimated that the increased number of recently released prisoners would increase violent arrests by one thousand seven hundred, which implies an increase in total arrests of thirty-four thousand. (Arrests for violence are about 5 percent of all arrests.) The net effect of the reentry program on arrests is thus one hundred fifteen thousand less thirty-four thousand, a reduction of about eighty thousand arrests. Levitt’s (1996) estimates suggest one out of seven crimes results in an arrest, suggesting the reentry program will avert about five hundred sixty thousand crimes annually, given current levels of crime and parole supervision.

Estimates of the economic costs of crime vary widely, though a common estimate accounts for pecuniary loss, medical costs, lost working time, and pain and suffering. Considering these factors yields an average cost of crime of $4,500 in 2007 dollars (DiIulio and Piehl 1991; Freeman 1996; Levitt 1996). At this price, the social benefit of reduced crime is about $2.5 billion.

About a third of those rearrested return to prison for a new offense, suggesting that the eighty thousand arrests averted will eliminate correctional costs for twenty-four thousand ex-prisoners. Given median time served of twenty-eight months, reduced crime will yield an incarceration reduction of fifty-six thousand prison years at the cost of $27,000 a year. The total savings is $1.51 billion.

Finally, the program links the expansion of services to reductions in the prison population through the elimination of imprisonment for parole violations.
Parole violations account for more than a third of state prison admissions, or two hundred thirty-two thousand out of six hundred seventy-five thousand in 2005 (Sabol, Minton, and Harrison 2007). About two thirds (or one hundred fifty thousand) of these parolees are returned to prison for technical violations (Glaze and Bonczar 2007). Figures for specific states suggest parole recommitments add an additional fourteen months of incarceration (Blumstein and Beck 2005). The annual cost of a prison bed is about $27,000, so annually diverting one hundred fifty thousand parolees saves about $4 billion each year in correctional costs. (Of course, average costs of incarceration are not equal to marginal costs, so departments of correction would need to distribute the reductions in incarceration to reduce correctional budgets.)

A list of the program’s social benefits is reported in Table 4. Program benefits slightly exceed the costs. The social benefits may be larger than those reported here because the combined effects of new programs on earnings and crime reduction may well be larger than assumed. Under current assumptions, program effects on recidivism and employment are short-lived, but they may be persistent and produce large lifetime gains in earnings and reductions in crime. Finally, the analysis takes no account of the reentry program’s likely positive effect on children’s well-being and life chances.

The costs of the national reentry program are incurred by the federal government, but the benefits flow to states (in reduced correctional costs) and individuals (through reductions in crime and increased employment). When costs and benefits are separated by levels of government there is a danger of crowding out, where states spend less in anticipation of federal support. In this scenario, prisoner reentry measures would come to resemble the federal welfare program, which takes the form of block grants to states. Despite this institutional resemblance, the effect of crowding out is likely to be very small, because so little state spending currently goes to prisoner reentry programs.
5. Objections and Alternatives

Critics may object that a national prisoner reentry program will displace private sector employment and is likely politically infeasible. Alternative proposals emphasizing a different mix of services may offer more promise.

Will the transitional employment program displace private-sector employment?
Transitional employment programs displace work in the public sector and may crowd out private sector employment by raising wages (Ellwood and Welty 2000). These disemployment effects appear to be largest when public service employment broadly recruits from the labor force and when program employment is used to counter recession. The national prisoner reentry program is unlikely to negatively affect employment. In this case, the transitional employment is highly targeted and is not broad-based. The program would not treat parolees as a whole, but would treat only those who have trouble finding work. There are few competitors for these workers in the open labor market. The employment program is also conceived as a standing feature of the process of reentry, paying minimum wages through expansions as well as recessions. As a result, the labor-displacing effects of the national prisoner reentry program are likely to be small.

Is it politically feasible to expand services for ex-prisoners?
Although transitional employment, on balance, will positively affect the economic opportunities of parolees, any measure that provides social services to criminal offenders is politically vulnerable. Few recipients would seem less deserving. Traditional rehabilitation programs were built on a philosophy of remediation, mending criminal offenders for return to society. In contrast, the national reentry program has as its key objective sustained public safety. The program aims to reduce crime by expanding economic opportunity while developing the rudimentary skills of motivation, reliability, and sociability. By keeping parolees out of prison and providing benefits that will flow to family members, the program also strengthens poor, high-crime communities. Finally, by offering a path back from mass incarceration, the program also provides states with an alternative to mounting correctional budgets. Public safety, community investment, and fiscal prudence all recommend the national reentry program as an improved and politically viable model for criminal punishment.

What about alternative approaches?
Vocational education, job readiness training, and job placement feature in other, less-expensive, reentry programs. The largest obstacles to employment among ex-prisoners are the human capital deficits that are reflected in noncognitive as much as in cognitive skills. Because the work histories of ex-prisoners are generally so poor, development of basic job skills such as maintaining a regular work schedule, following directions, and cooperating with coworkers can be enormously difficult. Programs that emphasize improving vocational skills or connecting job seekers with employers often fail to address these fundamental deficiencies of noncognitive skills. As a result, transitional employment provides more promising results than either job placement or vocational training. Because the deficits of ex-prisoners are so acute, and programs in many cases must undo the effects of the prison time, a larger dose is needed to produce reductions in unemployment and recidivism.
6. Conclusion

The American penal system has grown continuously for the past thirty-five years. Spending on corrections now totals $70 billion each year. Among men born since the late 1960s, 30 percent of blacks without college education and 6 percent of whites without college education have spent time in prison, over half serving more than two years for a felony conviction. After release, ex-prisoners experience reduced rates of employment, wages, and wage growth, and elevated risks of divorce and separation. Two-thirds are rearrested within three years, and one-fourth return to prison during that time.

The emergence of mass incarceration presents policymakers with two challenges. First is the social challenge of averting the formation of a large class of outsiders who have little contact with mainstream institutions and who are deeply and enduringly involved in the criminal justice system. Second is the fiscal challenge of reining in correctional budgets that divert resources from education and other social investments.

The large decline in crime rates through the 1990s—widely shared by other countries that did not double their incarceration rates—offers an opportunity to meet the social challenge of reentry and the fiscal challenge of mounting correctional costs. My proposal for a national prisoner reentry program aims to link the social reintegration of ex-prisoners to a reduction in prison populations. In this proposal, the choice for policymakers is not whether or not to spend money on reentry programs, but rather whether to spend money on reentry or on incarceration.

The national prisoner reentry program offers transitional jobs bundled with other supportive services, all of them largely paid for by reductions in crime and correctional costs. By weighing the social costs 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 a key task, and in which the path for returning prisoners accepts failure as a normal but remediable event. This approach can disrupt the expansive logic of current correctional policy and can promote a broader public safety through social investment.
Appendix: Case Studies

The national prisoner reentry program builds on evaluations of employment programs for disadvantaged workers, but also on the experience of model prisoner-reentry programs around the country. Three programs—the Community and Law Enforcement Resources Together (ComALERT) program in Brooklyn, Center for Employment Opportunities (CEO) throughout New York City, and Project Re-Integration of Offenders (RIO) in Texas—show the kinds of efforts that states might develop in the construction of a national prisoner reentry program.

ComALERT in Brooklyn

The ComALERT (Community and Law Enforcement Resources Together) program in the borough of Brooklyn, New York City, provides drug treatment, transitional employment, and housing to its clients shortly after their release from prison. ComALERT clients are all parolees—mostly drug and violent offenders—who have mandated treatment for substance abuse. Jacobs and Western (2006) discuss this program in detail.

ComALERT staff work closely with New York’s parole division to bring clients into the program immediately after leaving prison. A new parolee reports to his parole officer a day or two after release and ComALERT counselors are on hand to conduct screening interviews. ComALERT admits all parolees who have been mandated to drug treatment, except sex offenders, arsonists, and those with acute diagnoses of addiction or mental illness. Most ComALERT clients have convictions for drug or violent offenses. Because of the clients’ parole mandates, all ComALERT clients attend nonintensive outpatient drug treatment. Treatment involves a weekly meeting with a counselor, a weekly group session, and bimonthly drug testing.

In addition to drug treatment, ComALERT clients can be admitted to New York City’s Ready Willing and Able (RWA), a program originally designed as a welfare-to-work program for TANF recipients. Chiefly a transitional employment and housing program, RWA offers a year of full-time manual work (mostly street cleaning) at $7.50 an hour. Some of their earnings go to RWA participants as a stipend, and the rest goes to a savings account that becomes available to the participants at the end of the program. The residential participants are given up to a year of supportive housing in which they share small apartments, and receive drug counseling and educational programming. RWA participants are not allowed to use drugs or alcohol, and are tested biweekly. The last three months of the yearlong program add job readiness and placement services.

A recent evaluation of ComALERT found that two years after release from prison program, clients were 18 percent less likely to be rearrested than was a comparison group matched on demographics, criminal history, and prior drug use (rearrest rates of 39 to 48 percent, respectively). Similar differences in recidivism between the program and comparison group were found for reconviction and reincarceration. Analysis of unemployment insurance data showed that in the two quarters after the program was completed quarterly earnings were about $1,000 higher for ComALERT participants, and employment rates were about 8 percentage points higher (48 percent among ComALERT clients, 40 percent in the comparison group).

CEO in New York

The Center for Employment Opportunities has run another New York City employment-based reentry program since 1996. (See the evaluation of Bloom et al. 2007.) By 2007 the program had moved eight thousand five hundred parolees from transitional work to unsubsidized employment. Clients en-
ter the program through referrals from prison or parole officers. The program handles about two thousand parolees each year, and about half enter the program within three months of prison release. CEO accepts all ex-prisoners who are physically and mentally able to perform the transitional employment, though it excludes some offenders with histories of serious violence.

The CEO program has three main stages. Clients begin the first stage of program orientation by documenting their eligibility for employment and receiving a skills assessment. More than half of the clients have not completed high school; math and reading scores average around the sixth-grade level. The skills assessment is followed by a week of job readiness training, which concludes with assignment to a work crew.

In the second stage of the program, clients work four days a week in supervised crews providing maintenance and repair work, groundskeeping and landscaping, and light construction and demolition for government agencies. Clients work a seven-hour day at the New York state minimum wage ($7.15 an hour as of January 1, 2007).

The third stage of the program is designed to move parolees into unsubsidized work. On the fifth day of the week, clients receive a variety of employment-related and other social services. Employment services include vocational and job readiness training. “Job-ready” clients work with a job coach to receive placement. As a long-standing program, CEO has developed ties to a large number of private sector employers. As a result, it manages to place about 60 percent of its clients in unsubsidized work. After placement, CEO offers incentives such as travel and supermarket vouchers for program graduates who remain continuously employed.

CEO is one of the few established reentry programs to undertake a random assignment evaluation. The evaluation compared recidivism among those in transitional employment to a control group that used a resource room offering computer searches of job listings, phone and fax, and staff assistance with the job search. Those assigned to transitional employment spent one to four weeks, at the median, in the CEO work crews. In the first two quarters from random assignment, CEO employment rates at 60 percent were about double the employment rates of the control group. Similar to other programs, the effects of transitional employment on employment in the open labor market had declined to zero by the end of the year. For parolees as a whole, transitional employment was found to have virtually no effect on arrest rates at one year after random assignment. Parolees assigned to transitional employment had a 22.7 percent chance of rearrest, compared to 24.2 percent for the control group.

The effects of transitional employment can be seen only for those who enter the program within three months of prison release, however. For these new parolees, 21.8 percent in program group are rearrested after a year, compared to 27.0 percent of the controls. Rates of parole violation and reincarceration are both significantly lower for those going into transitional employment shortly after prison release. Similar to the results for ComALERT, the CEO evaluation suggests that access to transitional employment immediately after prison release is associated with lower rates of recidivism.

**Project RIO in Texas**

While ComALERT handles several hundred parolees and CEO employs around two thousand, Project RIO (Reintegration of Offenders) in Texas is a statewide program that in 2005–06 included around sixty-five thousand participants in prison education programs, and another fifteen thousand parolees in job placements (Texas Department of Criminal Justice, Texas Workforce Commission, and Texas Youth Commission 2006). Unlike ComALERT or CEO, Project RIO does not provide transitional employment. Instead, it enrolls incarcerated participants through the Texas correctional education system. Prisoners taking vocational, academic, or other classes can enroll in RIO if they are within eighteen months of release. RIO staff members meet
with prisoners to develop an employment plan that identifies job opportunities after release. The staff also helps obtain employment documents—such as identification cards and drivers’ licenses—and assist in placing clients in educational and other programs. RIO thus provides employment-centered discharge planning on a statewide scale.

After release from prison, RIO clients meet with job placement staff. Parolees first receive a week of job readiness training before they are placed in jobs on the open labor market. RIO services are delivered through the Texas Local Workforce Boards that handle job placement for all unemployed.

Evaluations have compared RIO clients to parolees, matched on risk factors such as a history of drug use, academic and vocational training, employment history, and so on. In the high-risk category, rearrest and reincarceration rates are 9 and 15 percent lower, respectively, for RIO clients than for other high-risk parolees (Finn 1998, p. 15). The design of this evaluation is weaker than the evaluations of ComALERT and CEO reported above, and the treatment program is different in kind (the focus in Texas is on job placement, compared with a focus on transitional employment in New York City). Still, RIO illustrates the feasibility of administering, on a large scale, a reentry program that serves people both in prison and after release.
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Author

BRUCE WESTERN

Bruce Western (Ph.D. UCLA, 1993) is Professor of Sociology and the Director of the Program in Inequality and Social Policy at Harvard University. He has research interests in the areas of labor market stratification, the sociology of crime and punishment, and political sociology. Western has written numerous articles and two books. His first, Between Class and Market, studied labor unions in Western Europe and North America. His second book, Punishment and Inequality in America, describing the recent growth of the U.S. penal population, won outstanding publication awards from the American Society of Criminology and the Crime, Law and Deviance Section of the American Sociological Association. Western has testified to Congress and at state and local levels on his research on incarceration and labor market discrimination. He sits on a National Research Council panel reviewing the Bureau of Justice Statistics and he currently chairs a committee for the American Academy of Arts and Science on “The Challenge of Mass Incarceration.” Western has been a Russell Sage Foundation Visiting Scholar, a Jean Monnet Scholar at the European University Institute, a Guggenheim Fellow, and is an elected Fellow of the American Academy of Arts and Science.
GEORGE A. AKERLOF
Koshland Professor of Economics, University of California, Berkeley and 2001 Nobel Laureate in Economics

ROGER C. ALTMAN
Chairman, Evercore Partners

HOWARD P. BERKOWITZ
Managing Director, BlackRock
Chief Executive Officer, BlackRock HPB Management

ALAN S. BLINDER
Gordon S. Rentschler Memorial Professor of Economics, Princeton University

TIMOTHY C. COLLINS
Senior Managing Director and Chief Executive Officer, Ripplewood Holdings, LLC

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PETER A. DIAMOND
Institute Professor, Massachusetts Institute of Technology

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Managing Principal, Centerbridge Partners

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Director