

*The Justice Policy Institute is dedicated to ending society's reliance on incarceration and promoting effective and just solutions to social problems.*

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## Money Well Spent:

**How positive social investments will reduce incarceration rates, improve public safety, and promote the well-being of communities.**

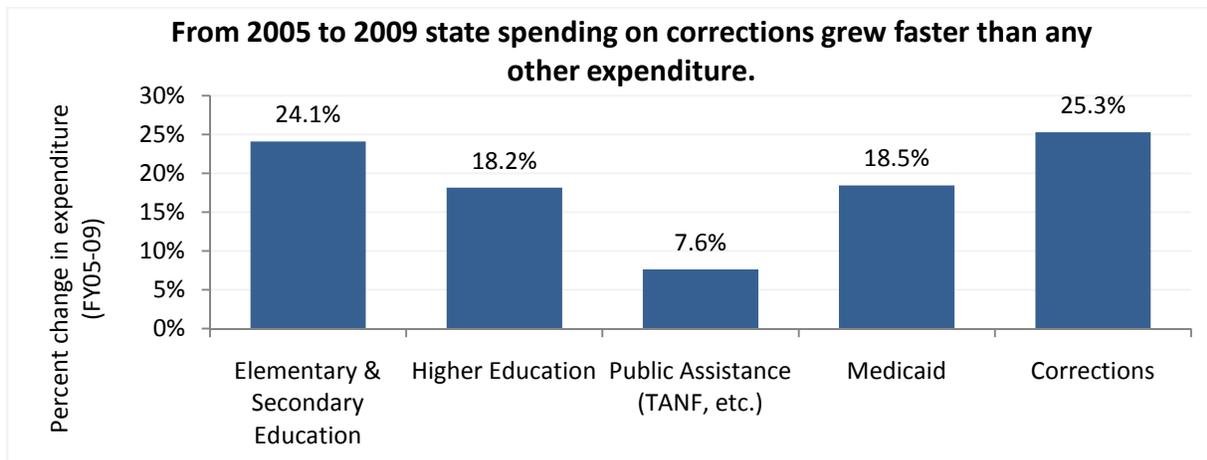
### Executive Summary

Poverty does not create crime, nor is limited wealth and income necessarily a predictor of involvement in the justice system; however, people with the fewest financial resources are more likely to end up in prison or jail. And the effects of an economic crisis like the one we are now experiencing are magnified for people with less income and wealth.

For this reason, the Justice Policy Institute chose to explore the connection between poverty and incarceration. Crime is down across the country, yet arrests and prison populations continue to increase, and disproportionately affect low-income communities and communities of color. This report focuses on the impact and overarching theme of poverty and its effects on a person's life chances, as well as factors that have an influence on likelihood of justice involvement, such as housing, education, youth development, treatment, and employment. We conclude that through focusing on the well-being of communities and individuals, we will have the greatest impact on both public safety and poverty.

### Key Findings

**State spending patterns indicate a priority of law enforcement and incarceration over vital public programs and support services.** As a result of policing practices and sentencing changes that have the greatest impact on people of color and those with lower incomes, the United States is locking up more of its residents than ever before and holding them for longer periods of time. From FY2005 to FY2009, state spending on corrections increased 25 percent nationally, more than any other expenditure. States spend more than \$53 billion per year on corrections.<sup>1</sup> Research shows that investing in services and programs that keep people out of the justice system is more effective at improving public safety and promoting community well-being than investing in law enforcement.<sup>2</sup>



Source: National Association of State Budget Officers, *State Expenditure Reports 2005-2009* (Washington, D.C.: NASBO).

**Much of the increased incarceration and racial disparities in the justice system stems from drug arrests.** The number of people incarcerated in state prisons for drug offenses increased 1,299 percent from 1980 to 2006, with the biggest increases occurring in the 1980s.<sup>3</sup> While use of illicit drugs is comparable among African Americans and whites,<sup>4</sup> African Americans, who comprise 12.2 percent of the general population,<sup>5</sup> made up 35 percent of those arrested for drug offenses in 2008<sup>6</sup> and 44 percent of people in state prisons for drug offenses in 2006.<sup>7</sup> The disproportionate enforcement of drug laws in communities of color leads to more people of color in the criminal justice system and in prison,<sup>8</sup> for those ending up with a conviction on their record, they now must overcome the collateral consequences that can impede their economic success. Drug law enforcement is also primarily responsible for the increasing number of women, particularly women of color, in prison across the U.S. Drug offenses now account for about 28 percent of women in state prisons (up from one in 10 in 1979<sup>9</sup>), compared with just 19 percent of men.<sup>10</sup>

**Investing in appropriate mental health and substance abuse treatment can improve public safety and reduce justice involvement.** Research has shown that socio-economic status impacts directly on rates of mental illness, as well as indirectly through the impact of economic hardship on low- and middle-income groups.<sup>11</sup> People with untreated mental illness may also be more likely to be involved in the justice system; over half of people in prisons and jails report mental illness of some kind, compared to 25 percent of the general population.<sup>12</sup> And people who cannot access drug treatment in the community are more likely to be arrested on a drug-related offense. People entering prison have higher rates of chronic health, substance abuse, and mental health problems than the general population.<sup>13</sup> Furthermore, without access to appropriate medical and mental health treatment while incarcerated or upon re-entry, a person may be more likely to end up back in prison.

**Criminalizing homelessness reinforces poverty and homelessness.** Most states have implemented laws specifically directed toward the punishment of people who are homeless, such as vagrancy, loitering and panhandling, as they seek to “push out” this population to another jurisdiction; this can result in more people being admitted to jails. Punishment for violating these laws can result in steep fines or incarceration: about half of people who have experienced homelessness have also spent five or more

days in a city or county jail.<sup>14</sup> About 16 percent of incarcerated people had experienced homelessness prior to arrest;<sup>15</sup> these individuals are significantly more likely to have both a mental illness and a substance addiction, which frequently go untreated in the community.<sup>16</sup>

**Stable housing is one of the most significant factors affecting the risk of involvement in the justice system.** Lack of quality, affordable housing has been linked with poor life outcomes, including decreased educational performance, exacerbation of health problems, and increased justice involvement.<sup>17</sup> Yet city and state investments in housing are decreasing, having an adverse effect on families and public safety.

**Youth of color are disproportionately impacted by the justice system.** Across the country, racial disparities in the justice system persist; for youth this means lasting impacts on life trajectories and barriers to future economic success. Youth self-report participating in illegal behaviors at similar rates across racial and ethnic groups;<sup>18</sup> yet youth of color, who represent only 16 percent of total population under 18, make up 40 percent of those in U.S. juvenile justice facilities.<sup>19</sup>

**Investments in education can reduce incarceration rates, improve public safety and promote community well-being.** The likelihood of criminal justice involvement decreases as education attainment increases.<sup>20</sup> As adults, children who received a high-quality kindergarten experienced higher employment rates and earnings, lower rates of drug use, fewer interactions with the criminal justice system, and lower incarceration rates.<sup>21</sup> Additionally, states with higher high school graduation rates and college enrollment have lower crime rates than states with lower educational attainment levels.<sup>22</sup> Despite its benefits, spending on education by states has not grown at the same rate as corrections spending<sup>23</sup> and many young people are not receiving adequate education.

**Out-of-school activities can create positive opportunities for youth.** Studies show that youth who participate in after-school activities are less likely to engage in certain risky behaviors and are more likely to have higher levels of academic achievement and self-esteem than youth who do not.<sup>24</sup> Most crime committed by youth occurs during the after-school hours between 3 pm and 6 pm,<sup>25</sup> and illegal behaviors tend to increase during the summer when youth are out of school and do not have as many scheduled activities. Finding appropriate and engaging activities for youth during these times, including after-school programs and employment, can reduce the chances that a young person will engage in illegal activities that lead to justice involvement and the negative consequences that result.

**Job training and employment are critical to a person's success in the community.** Increased employment is associated with positive public safety outcomes; states with lower rates of unemployment also have lower crime rates.<sup>26</sup> Conversely, high rates of incarceration in a community are also associated with reduced job opportunities, creating a toxic cycle of poverty, unemployment, and incarceration.<sup>27</sup> People who are incarcerated are more likely to report extended periods of unemployment and lower wages than people in the general population. Providing job training and opportunities for both youth and adults is an effective strategy both for increasing public safety and strengthening communities. And as jail time can reduce the probability of employment by between 15 and 30 percent,<sup>28</sup> increasing the availability of jobs for people returning to the community from prison is also critical.

## Recommendations

**Focus law enforcement efforts on the most serious offenses rather than quality of life offenses.** Reducing the number of arrests and subsequent detentions of people for low-level and quality of life offenses like trespassing, loitering or possession of marijuana will not only open up resources for more policing of serious or violent offenses, but it will reduce the number of people who will face the serious consequences associated with justice involvement as a result of minor offenses.

**Address racial and income disparities in arrest and incarceration practices.** Across the country, people of color and those of lower-income are more likely to be arrested and incarcerated than other racial and ethnic groups or people with higher income, despite similar offense-rates. States and localities should evaluate arrest policies that target these groups and bring more people into the justice system.

**Increase access and funding for affordable and supportive housing.** Increasing the access and funding for affordable and supportive housing would not only result in less expense incurred by jail stays, but would also greatly increase the quality of life of many people struggling with homelessness, including children and youth, who are particularly affected by lack of housing.

**Improve access to quality education for all children and invest in special education services for children who need it.** Education is one of the most important investments that can be made in a child, as it opens doors to the future. All youth, regardless of race or income-level should be afforded a quality education. As youth with special education needs may be more likely to end up in the justice system, providing early education specifically tailored to these youth can help improve graduation rates and the likelihood of success later in life.

**Invest in afterschool and recreational programs for youth.** As the majority of youth offenses occur in the off-school hours, providing constructive activities for youth during this time will improve the safety of youth and of communities and provide youth the chance to expand their horizons with different activities, including sports, the arts and other extra-curricular opportunities.

**Improve systems of community-based mental health and substance abuse treatment.** Treatment based in the community is both more effective and more cost-effective than treatment in the justice system. Providing treatment to people before they come into contact with the justice system can help increase public safety, improve the lives of individuals with mental health or substance abuse problems, and save money in the long run. And as most youth in the juvenile justice system either have a mental health condition or have experienced trauma, addressing youth's needs before they become involved in the justice system can save them the often traumatic experience of incarceration, and improve their lives and futures.

**Increase employment opportunities for those who most need them.** Access to job training for people in lower-income communities can open doors to more jobs and careers, leading to better life outcomes and less justice-involvement. And as having a job is one of the most important keys to success after

release from prison, removing legal barriers and creating incentives for employers to hire formerly incarcerated people can reap both individual and social benefits.

**Provide programs that help youth find employment, especially during the summer months.** Youth need constructive activities during the school year, but especially during the summer months to keep them engaged and productive. Youth employment programs encourage youth and teach responsibility and other marketable skills. Engaging youth now will help them build the skills they need to stay competitive in the job market.

## Conclusion

The use of incarceration and the justice system as a response to social problems is destructive, often ripping families apart and having devastating impacts on communities of color and low-income communities. Therefore it is important to invest in policies and programs that prevent people from coming into contact with the justice system in the first place. The best public safety strategies will build strong communities of healthy, engaged children and employed adults who have access to quality healthcare, education, housing, and supportive services that are affordable, and where people are treated fairly and respectfully by the justice system.



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- <sup>1</sup> National Association of State Budget Officers, *State Expenditure Report 2008* (Washington, D.C.: NASBO, 2009) [www.nasbo.org](http://www.nasbo.org)
- <sup>2</sup> See Justice Policy Institute, *Pruning Prisons and Costs of Confinement*, [www.justicepolicy.org](http://www.justicepolicy.org)
- <sup>3</sup> *Correctional Populations in the United States, 1997*, and *Prisoners in 2005*, *Prisoners in 2006* (appendix table 5); William J. Sabol and others, *Prisoners in 2008*, Table 7 (Washington, D.C.: Bureau of Justice Statistics, 2009) <http://bjs.ojp.usdoj.gov/content/pub/pdf/p08.pdf>
- <sup>4</sup> Office of National Drug Control Policy, "Minorities and Drugs," Accessed May 2010. [www.whitehousedrugpolicy.gov/drugfact/minorities/index.html](http://www.whitehousedrugpolicy.gov/drugfact/minorities/index.html)
- <sup>5</sup> Human Rights Watch, *Decades of Disparity* (New York, NY: Human Rights Watch, 2009). [www.hrw.org/en/node/81110/](http://www.hrw.org/en/node/81110/)
- <sup>6</sup> FBI Uniform Crime Report, *Crime in the United States, 2008*, Table 43A (Washington, D.C.: FBI, 2009) [www.fbi.gov/ucr/ucr.htm](http://www.fbi.gov/ucr/ucr.htm)
- <sup>7</sup> William J. Sabol and others, 2009 Table 7
- <sup>8</sup> For more information, see Michelle Alexander, *The New Jim Crow* (New York: The New Press, 2010)
- <sup>9</sup> Judith Greene and Kevin Pranis, *The Punitiveness Report-Hard Hit: The Growth of the Imprisonment of Women, 1977-2004*, (New York, NY: Women's Prison Association, 2004). [www.wpaonline.org/institute/hardhit/part1.htm#np](http://www.wpaonline.org/institute/hardhit/part1.htm#np)
- <sup>10</sup> William J. Sabol and others, 2009, Appendix Table 15
- <sup>11</sup> Christopher G. Hudson, PhD., "Socioeconomic Status and Mental Illness: Tests of the Social Causation and Selection Hypotheses," *American Journal of Orthopsychiatry* 75, No. 1 (2005): 3-18.
- <sup>12</sup> National Institute of Mental Health, "The Numbers Count: Mental Disorders in America," June 3, 2010. [www.nimh.nih.gov/health/publications/the-numbers-count-mental-disorders-in-america/index.shtml#Intro](http://www.nimh.nih.gov/health/publications/the-numbers-count-mental-disorders-in-america/index.shtml#Intro); Doris J. James and Lauren E. Glaze, *Mental Health Problems of Prison and Jail Inmates* (Washington D.C.: U.S. Bureau of Justice Statistics, September 2006). <http://bjs.ojp.usdoj.gov/content/pub/pdf/mhppji.pdf>
- <sup>13</sup> Donna Willmott and Juliana van Olphen, "Challenging the Health Impacts of Incarceration: The Role for Community Health Workers," *Californian Journal of Health Promotion* 3, no. 2 (2005): 38-48. [www.csuchico.edu/cjhp/3/2/38-48-willmott.pdf](http://www.csuchico.edu/cjhp/3/2/38-48-willmott.pdf)
- <sup>14</sup> Office of Housing and Urban Development, "Homelessness: Programs and the People They Serve," Chapter 2, December 1999, [www.huduser.org/portal/publications/homeless/homelessness/contents.html](http://www.huduser.org/portal/publications/homeless/homelessness/contents.html)
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- <sup>25</sup> Howard N. Snyder and Melissa Sickmund, 2006.
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- <sup>28</sup> Richard B. Freeman "Employment and earnings of disadvantaged young men in a labor shortage economy," in *The Urban Underclass* (Washington, D.C.: Brookings Institution Press, 1991).