

# **The Costs & Benefits of Sentencing:**

## **How to Use Economic Analysis in a Time of Fiscal Restraint**

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## Two Questions I hope to Address

- ◆ Can benefit-cost analysis inform sentencing policy?
- ◆ How should the public's view of sentencing be considered?



# Benefits & Costs of Sentencing

## ◆ Costs

- Prison costs (including any ancillary programs)

## ◆ Benefits (Incapacitation/Lower recidivism?)

- Criminal justice costs in reprocessing
- Victimization costs
- Fear of crime



## Difficulty of applying benefit-cost analysis

- ◆ Need to monetize costs of crime  
(economists have done that...)
- ◆ Benefits and costs seldom accrue to government agencies tasked with making decisions
  - Suppose \$25,000 spent on increased prison time averts crime causing \$100,000 victim loss



## What is Evidence on Benefit/Cost of Sentencing?

- ◆ “In Prison” Programs
  - Vocational education
  - Drug treatment
  - Cognitive/behavioral therapy
  - Sex Offender treatment
  
- ◆ However, all of these programs cost \$\$\$



# What is Evidence on Benefit/Cost of Sentencing?

## ◆ Sentencing Alternatives

- Drug courts/pretrial diversions
- “Shock Incarceration” & Intensive Supervision versus longer period of incarceration for nonviolent offenders
- Longer prison sentences for repeat/violent offenders

NOTE: First two cost courts less; but third might be “paid for” by less prison for nonviolent/drugs.



## Washington State (2005 mandate)

- ◆ *“...study the net short-run and long-run fiscal savings to state and local governments of implementing evidence-based treatment, human service and corrections programs and policies, including prevention and intervention programs, sentencing alternatives, and the use of risk factors in sentencing. The institute shall use the results from its 2004 report on cost-beneficial prevention and early intervention programs and its work on effective adult corrections programs to project total fiscal impacts under alternative implementation scenarios. . .”*



## Role of “Public Attitudes”

- ◆ Cost-Benefit Analysis includes cost to victims, fear to public, willingness-to-pay for crime reduction.
- ◆ But doesn't the public have a “hang `em” mentality?



## Typical “Open Ended” Survey Question:

“In general, do you think the courts in this area deal too harshly or not harshly enough with criminals?”

	General Social Survey			
	Too Harshly	About Right	<b>Not Harshly Enough</b>	Don't Know
Cumulative, 1972-1996	3.8%	9.7%	<b>80.9%</b>	5.6%



## 2006 survey in California...

- ◆ 95% say “state budget deficit major problem”
- ◆ 75% say “cut spending” or “combination of spending cuts & some tax increases”
- ◆ “Best place to reduce state spending...”
  - 28% prisons
  - 10% child care for low income families
  - 5% cutting education & job training programs
- ◆ No spending area received 50% support...



## Some additional poll results focusing on crime...

- ◆ “We should toughen and strengthen penalties for convicted criminals.”
  - 78% of Americans “strongly agree”
- ◆ “Biggest priority is to invest in ways to prevent kids from taking wrong turns and ending up in gangs, violence or prison.”
  - 80% of Californian’s agree



## So, which is it?

- ◆ Should we spend more to solve social problems

OR

- ◆ Should we cut spending & taxes...

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- ◆ Should we spend more on prisons...

OR

- ◆ Should we spend more on prevention

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“If state leaders hope voters will make the hard choices, they are fooling themselves...”

## **(1) Tax Rebate vs. Crime Control/Prevention**

*...I want you to put yourself in the shoes of your local mayor. The Federal government has given your city [\$100, \$1,000] per household. You may spend all or part of that money on crime control or crime prevention, or you may give all or part of it back to your local residents.*

*Four different crime control strategies have been recommended to you. More:*

- (1) Prisons*
- (2) Drug and alcohol treatment programs for offenders convicted of nonviolent crimes*
- (3) Police on the street, and*
- (4) Prevention programs to help keep youth out of trouble.*





## Tax Rebate vs. Crime Control/Prevention

	Percent Demand >0	Percent of Dollars...
<b>Prevention</b>	<b>89.7%</b>	<b>36.6%</b>
<b>Drug Treatment</b>	<b>70.6%</b>	<b>22.1%</b>
<b>Police</b>	<b>63.5%</b>	<b>21.0%</b>
<b>Tax Rebate</b>	<b>37.5%</b>	<b>11.9%</b>
<b>Prison</b>	<b>32.1%</b>	<b>8.4%</b>
Sample size	1234	1234



## (2) Public's view of “Appropriate Punishment”

- ◆ Typical crime vignettes
  - A 28-year-old, single man has been convicted of robbing a 28 year-old male stranger at gunpoint, stealing \$400 from him. The victim was not hurt.
  - A 28-year-old, single man has been convicted of possession of 1 gram of cocaine, worth about \$150.
- ◆ Alternative sanctions
  - Prison, followed by supervision
  - Supervision
  - Payment of fine or restitution
  - Electronic monitoring & home confinement
  - Other



## In/Out (prison): Public versus Actual

	No Prior Convictions	Prior Convictions
<b>Violent Offenses (Actual)</b>	<b>72%</b>	<b>91%</b>
- Assault (survey)	42%	63%
- Robbery (survey)	51%	76%
<b>Property Offenses (Actual)</b>	<b>39%</b>	<b>83%</b>
- Burglary (survey)	29%	70%
<b>Drug Offenses (Actual)</b>	<b>55%</b>	<b>85%</b>
- Drug Possession (survey)	21%	55%
- Drug Dealing (survey)	53%	72%



# White Collar Crimes...

	<b>Percent Incarcerated</b>	<b>Average Months (if incarcerated)</b>
<b>Fraud, counterfeiting, forgery (actual)</b>	<b>66-69%</b>	<b>14 – 16 months</b>
<b>False Medicare Claims by Physician (survey)</b>	<b>38%</b>	<b>64 months</b>
<b>Credit card fraud \$30,000 (survey)</b>	<b>43%</b> <b>59% w/priors</b>	<b>27 months</b> <b>79 w/priors</b>



## Summary of “Appropriate Sentence” Findings

- ◆ On open ended question, 80% of public agrees with statement that “courts are not harsh enough”
- ◆ Yet, on both In/Out decision and Length of Sentence, public is generally AS or LESS punitive than current sentencing practice
  - Exception: White collar crime
- ◆ Considerable support for alternatives to incarceration & rehabilitation programs



Questions?