

# Helping ex-offenders enter the labor market

*How beneficial are programs designed to improve employability and reduce recidivism? A review of research on various labor market strategies casts doubt on their effectiveness*

FREDERICK ENGLANDER

In a 1972 *Monthly Labor Review* article, Robert Taggart reviewed labor market strategies directed at improving the employability and reducing the recidivism of offenders and ex-offenders.<sup>1</sup> The 10-year period following that investigation has been characterized by a continued commitment toward the manpower strategies that Taggart reviewed and the development of several new efforts aimed at facilitating the labor market readjustment of offenders. This article reviews the more recent research on labor market strategies for ex-offenders.

The labor market strategies discussed here by no means exhaust the rehabilitative approaches that have been applied to offenders. Among the less manpower oriented approaches not reviewed here are probation, a less restrictive prison environment, noninstitutional rehabilitation settings, intensive supervision of parolees, outright discharge in lieu of parole, individual counseling, group counseling, various medical therapies, and variations in the length of prison sentences. An analysis of each of these approaches found no consistent evidence to support the effectiveness of any one of them.<sup>2</sup>

There is a consensus that any labor market oriented program for ex-offenders faces significant barriers. The inmate population is generally conceded to be unskilled, poorly

educated, and disproportionately composed of minorities and bachelors. Table 1 supports these claims.<sup>3</sup>

Offenders often have other characteristics which make them unattractive to potential employers. A profile of male participants in a number of manpower projects for offenders yields the following characterization of them and of the offender population in general. The typical male project participant:<sup>4</sup>

- Comes from an area characterized by a high crime rate and high residential mobility.
- Emerges from a "female-based" household harboring feelings of hostile dependency toward his parents.
- Is a drop-out or push-out from high school.
- Spends free time "hanging around."
- Forms superficial peer group relationships.
- Lacks "middle-class" goals, aspirations, and values.
- Is untrained, unskilled, and with no career potential.
- Has a history of crime which started during the early teens.
- Has a low self-concept and no self-confidence.
- Has been socialized into a culture of failure.

In addition, because ex-offenders are perceived to be security risks, employers avoid hiring them. Released inmates often face labor markets resistance to their employment, such as government service and many licensed occupations.<sup>5</sup>

---

Frederick Englander is associate professor of economics, Fairleigh Dickinson University, Rutherford, N.J.

**Education and training**

The labor market oriented rehabilitation approach that has been most widely applied, in many variations, is to increase the human capital of inmates through prison education and training programs.

Evaluations of the education and training programs have been found to lack sophistication, validity, quality, and effectiveness.<sup>6</sup> However, there are several isolated examples of rigorously performed evaluations conducted in the past decade. In 1977, correctional administrators in the province of Ontario, Canada, conducted a comparative study of 781 released ex-offenders who completed their confinement in either an adult training center facility offering a full-time educational program with both academic and vocational training components or a correctional center facility having the normal mix of prison work and community work project assignments. The recidivism data collected through 1979 demonstrated no significant difference in the recidivism rates between the two groups.<sup>7</sup>

A 1977 Pennsylvania study included a 5- to 6-month follow-up of 128 released offenders (45 from adult basic education or general education programs, 35 from vocational education, 13 from post-secondary education, and a control group of 35). The study was designed to determine the impact of program participation on employment status, parole violation, recidivism, and general social adjustment. Except for the result that the small group of participants had a better performance in the parole violation and recidivism index, no significant differences between the program participants and control group were found for any of the outcome measures.<sup>8</sup>

The failure of education and training programs to facilitate the post-release adjustment of offenders has been explained by various analysts<sup>9</sup> as attributable to:

- Low administrative priority allocated to these programs relative to security needs and the overall management and scheduling of the inmate population.
- Considerable turnover in inmate population.
- Outdated equipment.
- Limited supplies of practice materials.
- A competition for amenable inmates for other prison programs.
- Program coordination and standardization.
- A selection of skill modules which is not sensitive to the external labor market.
- Poor instructional staff.
- A general lack of program accountability and evaluation.

It may be noted that these potential problems in providing education and training may not be entirely responsible for the failure of these programs in facilitating offender post-release adjustment. Research has been undertaken to evaluate the importance of preincarceration formal education on the ex-offender's initial wage rate after release and his work stability after release. These studies did not find education to be a significant determinant of labor market success, as measured by initial wage or by work stability.<sup>10</sup>

The often indelible stigma of being an ex-offender and inadequate labor market experience may confine the vast majority of released ex-offenders to what has been defined as the "secondary" labor market.<sup>11</sup> Jobs in the secondary labor market are characterized by "low wages and fringe benefits, poor working conditions, high labor turnover, little chance of advancement, and often arbitrary and capricious supervision." It has been argued that once a worker has been consigned to the secondary labor market, his experiences there reinforce his undesirability as a candidate for a more attractive job.<sup>12</sup>

In the face of this situation, there may be very little that inmate education or vocational training can do to vault the ex-offender into an environment where high wages and a stable work pattern are probable and a return to criminal activity may be avoided.

**Work release**

A work-release program provides an alternate approach to dealing with the problem of providing labor market skills as well as inculcating good work habits and providing ex-offenders with money to facilitate their immediate post-release adjustment.

Ann Witte examined the post-release labor market experience and the post-release criminal activities of 641 released ex-offenders from North Carolina institutions in 1969 and 1971. She concluded that participants in the work-release program had higher wages, lower unemployment rates, more stable work patterns, and less serious criminal activity

**Table 1. Characteristics of male inmates of State and Federal prisons**

Characteristic	1950	1960	1970
Total male prison population (in thousands)	174,300	217,806	192,118
Percent under age 25	27.9	27.6	34.3
Percent nonwhite	34.5	37.7	42.0
Nonwhites as percentage of total male U.S. population	10.2	11.2	12.3
Median education in years:			
Male prisoners, 25 and older	8.1	8.6	9.8
Other males, 25 and older	9.0	10.4	11.9
Percent with high school education:			
Male prisoners, 25 and older	9.7	15.2	24.6
Other males, 25 and older	31.5	38.1	40.0
Percent skilled or semiskilled (last occupation):			
Male prisoners, 14 and older	( <sup>1</sup> )	38.7	44.2
Other males, 14 and older	78.5	79.6	80.7
Percent married:			
Male prisoners, 14 and older	38.6	39.5	34.5
Other males, 14 and older	67.6	68.7	64.2

<sup>1</sup>Data not available.  
SOURCE: U.S. Department of Commerce, Bureau of the Census. This table originally appeared in Philip Cook, "The Correctional Carrot: Better Jobs for Parolees," *Policy Analysis*, Winter 1975, p. 17.

than a comparison group that did not participate. Witte also cited a successful California work-release program as further evidence of the efficacy of this strategy.<sup>13</sup> However, when Witte and Pamela Reid used the same North Carolina data base to construct a regression model, which may improve control for differences among individuals, they found that initial post-release wages and work stability were not significantly affected by whether the individual had participated in the work-release program.<sup>14</sup> Another regression study by Peter Schmidt and Witte examining ex-offenders in North Carolina who were released in 1975 found that participation in work release was not related to recidivism, as measured by the length of time from release to reincarceration.<sup>15</sup>

In 1982, a review of 40 evaluations of work-release programs found an inverse relationship between work-release evaluations claiming success for that strategy and the methodological quality of the evaluations. The most methodologically rigorous studies demonstrated the most negative results.<sup>16</sup> Finally, isolated prison locations and poor transportation often preclude a work-release program. Even when logistically practical, the prison staff is often unenthusiastic because of security problems.<sup>17</sup>

### **Intensive job placement services**

Another labor market oriented strategy that has been used to facilitate the readjustment process for ex-offenders is a special job placement service. The first several months following release are crucial for the ex-offender. The provision of intensive job placement services may be expected to increase the probability of situating the ex-offender in a more suitable and satisfying job which, in turn, would raise the opportunity cost of returning to criminal activities.

In a controlled experiment conducted in Michigan during 1973 and 1974, the experimental group was assigned to employer contact specialists who provided ex-offenders with preemployment counseling, evaluations, job development, and follow-up service once they became employed.<sup>18</sup> The treatment was not found to have a statistically significant impact on days employed, hours worked, gross earnings, or take home pay of participants.

One of the most important controlled experiments performed in recent years is the Living Insurance for Ex-Offenders (LIFE) experiment carried out in the Baltimore area between 1971 and 1974. Although the primary ingredient of the program was the provision of financial aid to the participants, a secondary ingredient involved the provision of extensive job placement services.<sup>19</sup> A 1-year follow-up revealed that the job placement component had no significant lasting impact on employment<sup>20</sup> or arrest rates.<sup>21</sup>

Another recent income maintenance experiment that contained a job placement component was the Transactional Aid Research Project (TARP) carried out in Georgia and Texas during 1976. Two hundred experimental group members in each State received job placement assistance upon release and were allowed grants for up to \$100 for the

purchase of tools, work clothes, or other work-related items. At the end of 1 year, the recipients of this job placement assistance were not found to be significantly different from the control group with respect to property-related arrests, offenses against persons, weeks employed, or earnings.<sup>22</sup>

### **Community treatment centers**

Another strategy to assist ex-offenders in their readjustment process is to channel inmates through community treatment centers or half-way houses. Such centers provide participants with individual and group counseling and with community contact. However, the primary goal of such centers is job placement. The evidence on the success of the community treatment centers is mixed. One recent study involving a 1-year follow-up of center participants in 1978 found that the treatment group experienced more employment than a comparison group. The average daily wages were increased for minority but not for white participants. The program was found to reduce recidivism for minority members, but not for white participants.<sup>23</sup> However, a similar study of those placed in centers in 1976 found that, after 1 year, there was no significant difference between the experimental group and the comparison group with respect to days of employment or money earned when the data were adjusted to exclude the unemployment experienced by students, retired persons, housewives, or the physically disabled. Moreover, the program was found to have no significant impact on recidivism, as measured by arrest rates or severity of offenses.<sup>24</sup> In a study of 262 community treatment center participants and 1,544 nonparticipants who were released in early 1970, a 6-year follow-up revealed no significant differences between the two groups in recidivism after controlling for the individual characteristics of the released ex-offenders.<sup>25</sup>

### **Supported work**

Perhaps the most carefully planned, well-monitored, and well-funded experiment affecting ex-offenders of the last decade is the "supported work program" carried out from 1974 to 1978. The concept of supported work was stimulated by the apparent success of two similar experiments of the early 1970's. Operation Pathfinder treated 173 youthful parolees by placing them in semi-skilled jobs with trained supervisors offering strong, positive, verbal reinforcement for all improvements in the participants' job performance. The experimental group experienced greater probability of employment and longer job tenure relative to the control group.<sup>26</sup>

A supported work environment, featuring peer pressure and reinforcement, was also applied to an experimental group of ex-drug addicts in Project Wildcat. Participants were found to have higher employment and earnings levels and lower recidivism rates over the first 2 years of follow-up. However, the labor market advantages of the experimental group relative to the control group diminished over the 3-

year follow-up. With respect to criminal activity, the experimental group was more likely to be arrested than the control group in the third year of follow-up. Moreover, there was no apparent difference between the two groups in drug or alcohol use during any part of the follow-up period.<sup>27</sup>

Sponsors of the supported work program believe that it would provide ex-offenders with the opportunity to work among peers, to receive gradually increased job performance standards (graduated stress), and to obtain qualified supervision from people who understand their problems and concerns. Despite high expectations for the program, the results were discouraging. With respect to employment, hours worked, earnings, Aid to Families with Dependent Children payments, and food stamp benefits, there was an initial impact for the first 18 months following enrollment. However, for the 19- to 36-month follow-up period, there was no significant difference between the treatment group and the control group. Also, the supported work program appeared to have no significant impact at all on the arrest and conviction rates of the treatment group. It should be noted that one prominent explanation accounting for these poor results is that within the 6-month period following enrollment, the majority of the treatment group withdrew from the program complaining about work rules and low pay.<sup>28</sup>

### **Financial assistance**

Another strategy that has recently been the subject of experimentation is the provision of direct financial assistance to released convicts. Newly released ex-offenders, suddenly forced to pay for their own food, shelter, and clothing are more likely to steal, but if they are given financial assistance or employment they may become less likely to steal.<sup>29</sup> The provision of such payments may relieve the immediate financial pressure such that released ex-offenders would have a greater opportunity to engage in a longer search for a more satisfying and monetarily rewarding job.

Early experimentation with this approach was performed in California and Connecticut. California's Direct Financial Assistance to Parolees Project randomly assigned 135 male offenders paroled in 1972 to an experimental group that received weekly payments of up to \$80 for a period of 1 to 12 weeks. Their experiences were compared to those of a randomly selected control group of 118 offenders paroled in the same time period. Although 80 percent of the experimental group successfully remained on parole over a 6-month follow-up period, compared with 71 percent for the control group, subsequent calculations demonstrated that the difference was not statistically significant.<sup>30</sup>

The Connecticut project designated as the experimental group the 45 men released from the State's two major correctional institutions in early 1973. Each of these ex-offenders received a total of \$470 over an 8-week period. The two comparison groups, selected from the same facilities,

were the 45 men released just prior to the experimental group and the 45 men released immediately subsequent to the experimental group. A 12-month follow-up revealed no significant differences between those receiving financial assistance and the two comparison groups with respect to frequency and nature of parole violations, arrest records, parole officers' assessments, and employment.<sup>31</sup>

From 1971 to 1974, the Living Insurance for Ex-Offenders experiment was performed for a group of released property crime offenders with an above average risk of rearrest. Two hundred and sixteen participants were provided a \$60 per week stipend for 13 weeks. Income earned by participants would reduce the immediate stipend level, but the total \$780 could then be spaced over a longer time horizon. Those receiving financial aid were significantly less likely to be arrested for theft than the control group (22 percent versus 30.5 percent in the first year following release). There was no significant difference in the arrest rates for other crimes. Among those arrested, the experimental group was, on average, arrested 7 weeks later than the control group. The 26-percent conviction rate of the experimental group was significantly less than the 32-percent conviction rate for the control group. There was a 7.9-percent lower arrest rate among the experimental group in the second year following release. With respect to employment experience, by the 17th week following release, the two groups had equal employment rates. After the 24th week, the experimental groups had a higher employment rate than the control group.<sup>32</sup>

The success of the Living Insurance for Ex-Offenders experiment provided an impetus for the aforementioned Transactional Aid Research Project experiment carried out during 1976 and 1977 in Georgia and Texas. Experimental groups of randomly selected participants were established in each State. They were made eligible for unemployment insurance payments for either 13 or 26 weeks. Although some of these ex-offenders' benefits would be reduced by only 25 percent for a given level of earned income, most of them saw their earned income reduce their financial assistance on a dollar-for-dollar basis. Those facing the 25-percent marginal tax rate did not understand this condition and thus believed they were subject to the same work disincentive as the other experimental groups. Through the 1-year follow-up period, there was no significant difference in the property crime or other criminal arrests between the experimental and control groups. The high marginal tax rate on assistance payments resulting from earned income did exert a strong work disincentive effect on the experimental group who worked fewer weeks than the control group, but had roughly the same earnings level.

In their interpretation of these disappointing results, Peter Rossi, Richard Berk, and Kenneth Lenihan, developed a complex econometric model suggesting a rather complicated set of relationships among Transactional Aid Research Project payments, employment, leisure, and property arrests.

This model supported the view that the Transactional Aid Research Project payments, everything else held constant, reduced property arrests by 25 to 50 percent. However, this effect was offset by the fact that the work disincentives implicit in the program provided additional leisure time to plan and carry out crimes. However, the inability to test this model on additional data sets leaves its conclusions somewhat equivocal.<sup>33</sup>

Researchers have argued that financial assistance programs should be structured to avoid the increase in leisure time resulting from the high marginal tax rate on earnings.<sup>34</sup> However, to the extent that the stipends afford released offenders an opportunity to postpone reentrance into the labor market, irrespective of the level of the marginal tax rate, the ex-offender may use his assistance to purchase more leisure time which in turn can be used to plan and carry out crimes. In the parlance of the labor economist, reducing the marginal tax rate would reduce the substitution effect which prods the ex-offender toward leisure. But the stipend itself still produces an income effect which influences the ex-offender to take more leisure time.

In sum, although there have been positive results forthcoming from the financial assistance strategy, the evidence is still mixed.

IN THE PAST 10 YEARS, there has been expansion of, and experimentation with, various labor market strategies for rehabilitating ex-offenders. For the work-release, half-way house, supported work, and financial assistance strategies, successful experiments have been isolated and efforts to replicate them have generally failed. Experience with intensive job placement services has been especially disappointing. Taggart's 1972 complaint that "there is little comprehensive information about the effectiveness of prison education or training programs"<sup>35</sup> has been echoed often, but to no avail. It may be argued that administrators who have devised, implemented, or operated genuinely effective programs are seldom remiss in informing others of their achievements. The scattered available evidence on the effectiveness of prison employment and training programs does not support the efficacy of these efforts.

Although it may still be premature to make such a judgment, it seems appropriate to ask whether some of the dollars currently spent on facilitating the labor market adjustment of offenders could be better applied to increasing the education and training of those young people with the least access to these services. Such efforts may well produce a greater return in reducing criminal activity and increasing the development and potential of our human resources. □

—FOOTNOTES—

**ACKNOWLEDGMENT:** This research was supported in part by a grant from the New Jersey Department of Labor to Rutgers University, Center for Human Resources. The author wishes to acknowledge the assistance of Valerie Englander, Steven M. Director, Adam Kessler, and Frank Simonie for their helpful comments on an earlier draft.

<sup>1</sup> Robert Taggart, "Manpower programs for criminal offenders," *Monthly Labor Review*, August 1972, pp. 17-23. This effort represented a synopsis of his volume, *The Prison of Unemployment: Manpower Programs for Offenders* (Baltimore, Md., The Johns Hopkins University Press, 1972).

<sup>2</sup> See Philip Cook, "The Correctional Carrot: Better Jobs for Parolees," *Policy Analysis*, Winter 1975, pp. 11-54; James Robison and Gerald Smith, "The Effectiveness of Correctional Programs," *Crime and Delinquency*, January 1971, pp. 67-80; Robert Martinson, "What Works?—Questions and Answers About Prison Reform," *The Public Interest*, Spring 1974, pp. 22-54; and Douglas Lipton, Robert Martinson, and Judith Wilks, *The Effectiveness of Correctional Treatment* (New York, Praeger Publishers, 1975).

<sup>3</sup> Table 1 was taken from Philip Cook, "The Correctional Carrot."

<sup>4</sup> Roberta Rovner-Piecznik, *A Review of Manpower R&D Projects in the Correctional Field* (U.S. Department of Labor, Manpower Administration, 1973).

<sup>5</sup> Mitchell Dale, "Barriers to the Rehabilitation of Ex-offenders," *Crime and Delinquency*, July 1976, pp. 322-337.

<sup>6</sup> For a review of education and training research evaluation, see Robert Martinson, "What Works?"; Raymond Ball and others, *Correctional Education Programs for Inmates* (U.S. Department of Justice, National Institute of Law Enforcement and Criminal Justice, June 1979); *Correctional Institutions Can Do More To Improve the Employability of Offenders* (General Accounting Office, February 1979); and John Conrad, *Adult Offender Education Programs* (U.S. Department of Justice, National Institute of Justice, 1981).

<sup>7</sup> Sally Rogers, *An Examination of Adult Training Centers in Ontario—Community Follow-Up* (Province of Ontario, Ministry of Correctional Services, June 1980).

<sup>8</sup> John Buttram and Russell Dusewicz, *Effectiveness of Educational Programs in State Correctional Institutions: A Follow-Up Study of Ex-Offenders. Final Report* (Philadelphia, Pa., Research for Better Schools, September 1977).

<sup>9</sup> Norman Holt, "Problems and Prospects of Vocational Training in a Prison Setting," in Leon Leiberg, ed., *Crime and Employment Issues* (U.S. Department of Labor, Employment and Training Administration, 1978); James Beck, "Evaluating Prison Programs Designed to Increase the Employability of Federal Offenders: A Review of the Literature" (Washington, U.S. Bureau of Prisons, 1978); General Accounting Office, *Correctional Institutions*; and Raymond Ball and others, *Correctional Education*.

<sup>10</sup> Einar Hardin, "Human Capital and the Labor Market Success of New Parolees," *1979 Proceedings of the Business and Economic Statistics Section* (Washington, American Statistical Association, 1975); and Ann Witte and Pamela Reid, "An Exploration of the Determinants of Labor Market Performance of Prison Releases," *Journal of Urban Economics*, August 1980, pp. 313-329.

<sup>11</sup> See Ann Witte and Pamela Reid, "An Exploration."

<sup>12</sup> Peter Doeringer and Michael Piore, *Internal Labor Markets and Manpower Analysis* (Lexington, Mass., D.C. Heath & Co., 1971).

<sup>13</sup> Ann Witte, "Earnings and jobs of ex-offenders: a case study," *Monthly Labor Review*, December 1976, pp. 31-39; Ann Witte, "Work Release in North Carolina—A Program That Works!" *Law and Contemporary Problems*, Winter 1977, pp. 230-237.

<sup>14</sup> Ann Witte and Pamela Reid, "An Exploration."

<sup>15</sup> Peter Schmidt and Ann Witte, "Evaluating Correctional Programs: Models of Criminal Recidivism and An Illustration of Their Use," *Evaluation Review*, October 1980, pp. 585-600; and Robert Jeffrey and Stephen Woolpert, "Work Furlough as an Alternative to Incarceration," *The Journal of Criminology*, Vol. 65, No. 3, 1974, pp. 405-415.

<sup>16</sup> Jonathan Katz and Scott Decker, "An Analysis of Work Release," *Criminal Justice and Behavior*, June 1982, pp. 229-250.

<sup>17</sup> Robert Taggart, *The Prison of Unemployment*.

<sup>18</sup>Michael Borus, Einer Hardin, and Patterson Terry, "Job Placement Services for Ex-Offenders: An Evaluation of the Michigan Comprehensive Offender Manpower Program (COMP) Job Placement Efforts," *Journal of Human Resources*, Spring 1976, pp. 391-401.

<sup>19</sup>Kenneth Lenihan, *Unlocking the Second Gate*, R&D Monograph 45 (U.S. Department of Labor, Employment and Training Administration, 1978).

<sup>20</sup>Lenihan, *Unlocking the Second Gate*.

<sup>21</sup>Charles Maller and Craig Thornton, "Transitional Aid for Released Offenders: Evidence from the Life Experiment," *Journal of Human Resources*, Spring 1978, pp. 208-236.

<sup>22</sup>Peter Rossi, Richard Berk, and Kenneth Lenihan, *Money, Work, and Crime: Experimental Evidence* (New York, Academic Press, 1980).

<sup>23</sup>James Beck, "Employment, Community Treatment Center Placement and Recidivism: A Study of Released Federal Offenders," *Federal Probation*, December 1981, pp. 3-8.

<sup>24</sup>James Beck, "An Evaluation of Federal Community Treatment Centers," *Federal Probation*, September 1979, pp. 36-40.

<sup>25</sup>Harriet Lebowitz, *Evaluating The Effect of Federal Community Treat-*

*ment Centers on Recidivism: A Six Year Follow-Up* (Washington, U.S. Department of Justice, Federal Prison System, August 1980).

<sup>26</sup>Philip Cook, "The Correctional Carrot."

<sup>27</sup>Irvington Piliavin and Rosemary Gartner, *The Impact of Supported Work on Ex-Offenders* (Madison, Wisc., University of Wisconsin, Institute for Research on Poverty, 1981).

<sup>28</sup>Piliavin and Gartner, *Impact of Supported Work*.

<sup>29</sup>Lenihan, *Unlocking the Second Gate*.

<sup>30</sup>Scientific Analysis Corporation, *Direct Financial Aid to Parolees Project Research Evaluation* (San Francisco, Calif., Department of Corrections, 1973); and Malcolm Feeley, *The Effects of Increased Gate Money: Final on the Parolee Reintegration Project* (Hartford, Conn., Department of Corrections, 1974).

<sup>31</sup>Malcolm Feeley, *The Effects of Increased Gate Money*.

<sup>32</sup>Lenihan, *Unlocking the Second Gate*.

<sup>33</sup>Rossi and others, *Money, Work, and Crime*.

<sup>34</sup>Rossi and others, *Money, Work and Crime*.

<sup>35</sup>Taggart, "Manpower Programs."

---

### A note on communications

The *Monthly Labor Review* welcomes communications that supplement, challenge, or expand on research published in its pages. To be considered for publication, communications should be factual and analytical, not polemical in tone. Communications should be addressed to the Editor-in-Chief, *Monthly Labor Review*, Bureau of Labor Statistics, U.S. Department of Labor, Washington, D.C. 20212.

---