



The economic case for and against prison in the UK: A review of the effectiveness evidence and economic analysis

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Introduction and overview

Objective

- Is prison an effective and efficient sentencing option in the UK?
- Demonstrate the building of economic evidence onto a review.

Overview

- Background: why are we interested in economic evidence?
- Method: data synthesis + economic model
- Findings: are prisons effective/efficient?
- Conclusions: implications for policy and caveats

Why bother with economic evidence?

Effect	Net Benefit		
	Negative	Positive	Total
Increased crime	3	7	10
Reduced crime	22	74	96
Total	25	81	106

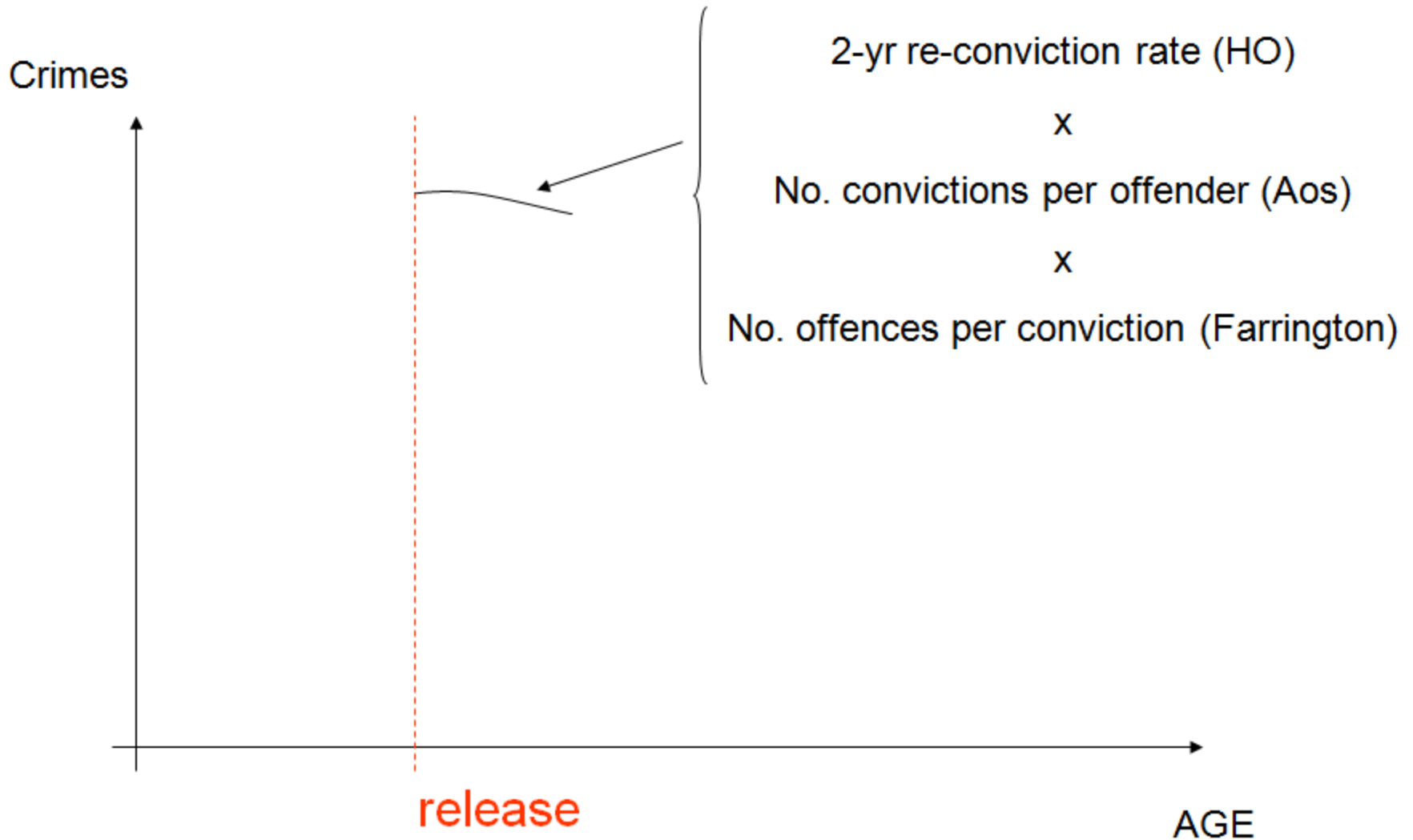
Source: Marsh, K. et al (2008, forthcoming), What does cost-benefit analysis add to decision making? Journal of Experimental Criminology.



Method

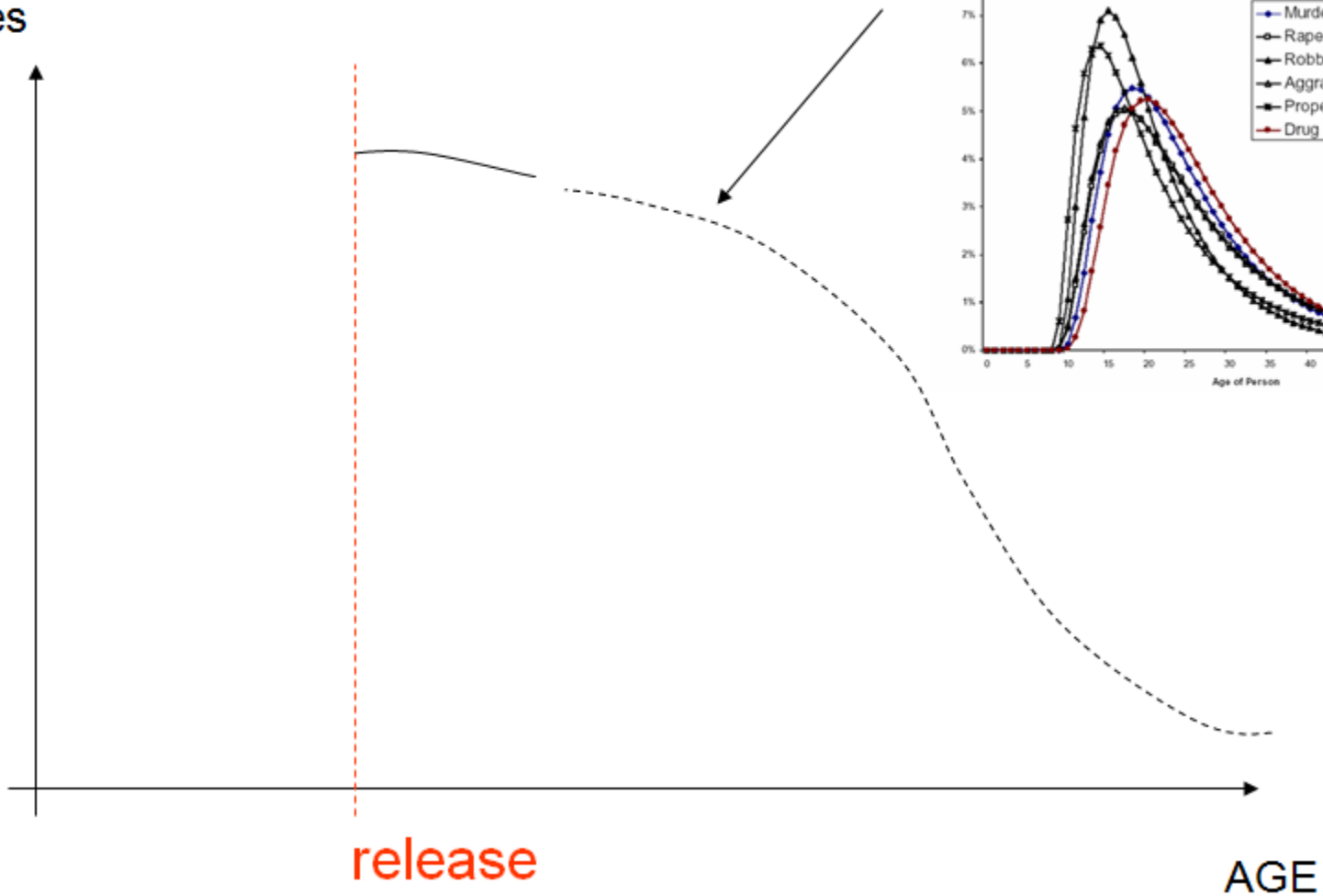
- 1. Rapid review + meta-analysis of effect estimates**
- 2. Economic model (UK-specific)**

Estimate baseline (short-run)

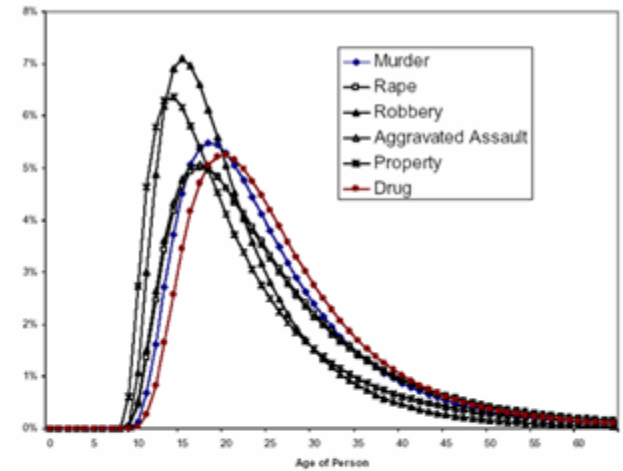


Estimate baseline (long-run)

Crimes



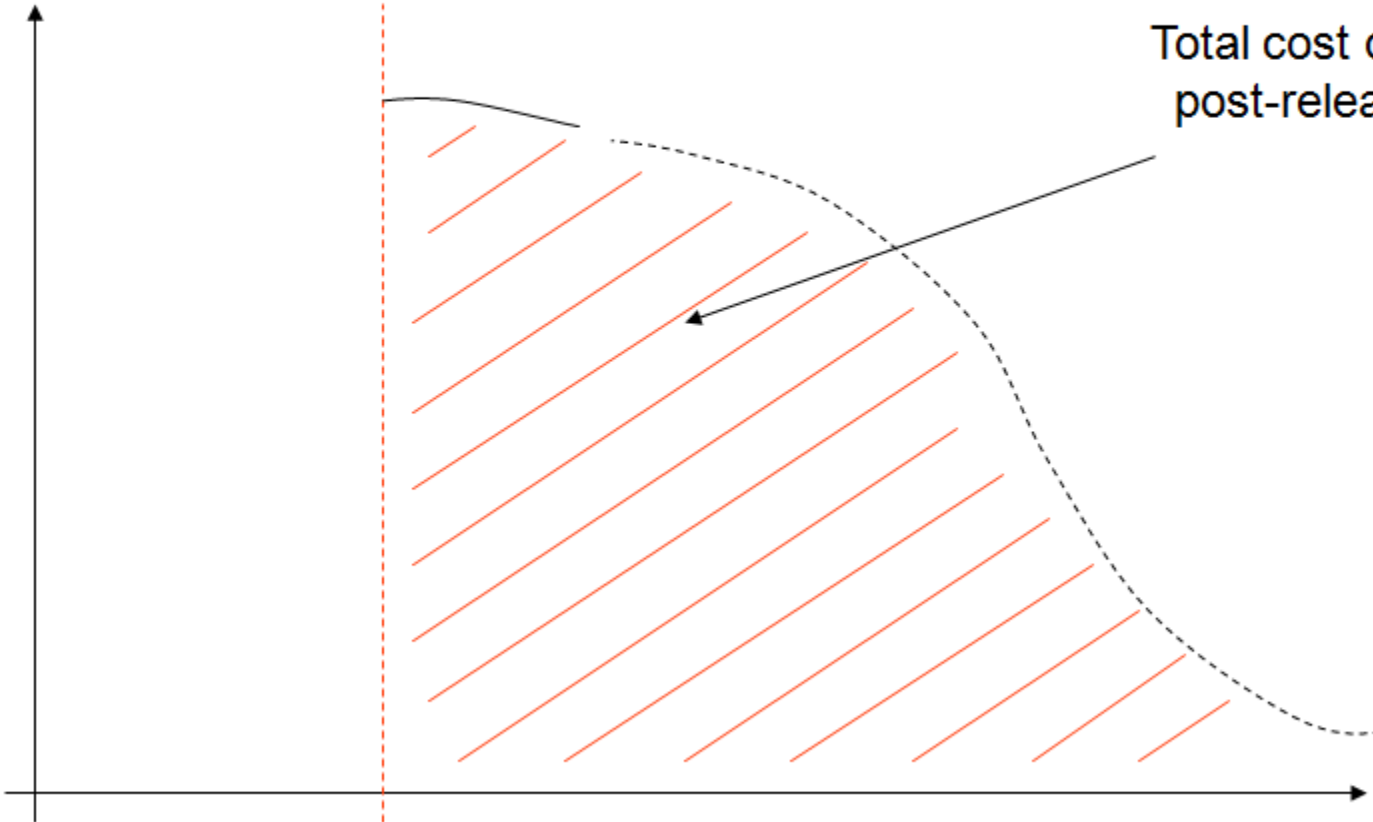
Age-crime curves



Estimate baseline (£)

Dubourg et al (2005)

£



Total cost of crime post-release (£)

release

AGE

Dubourg et al (2005)

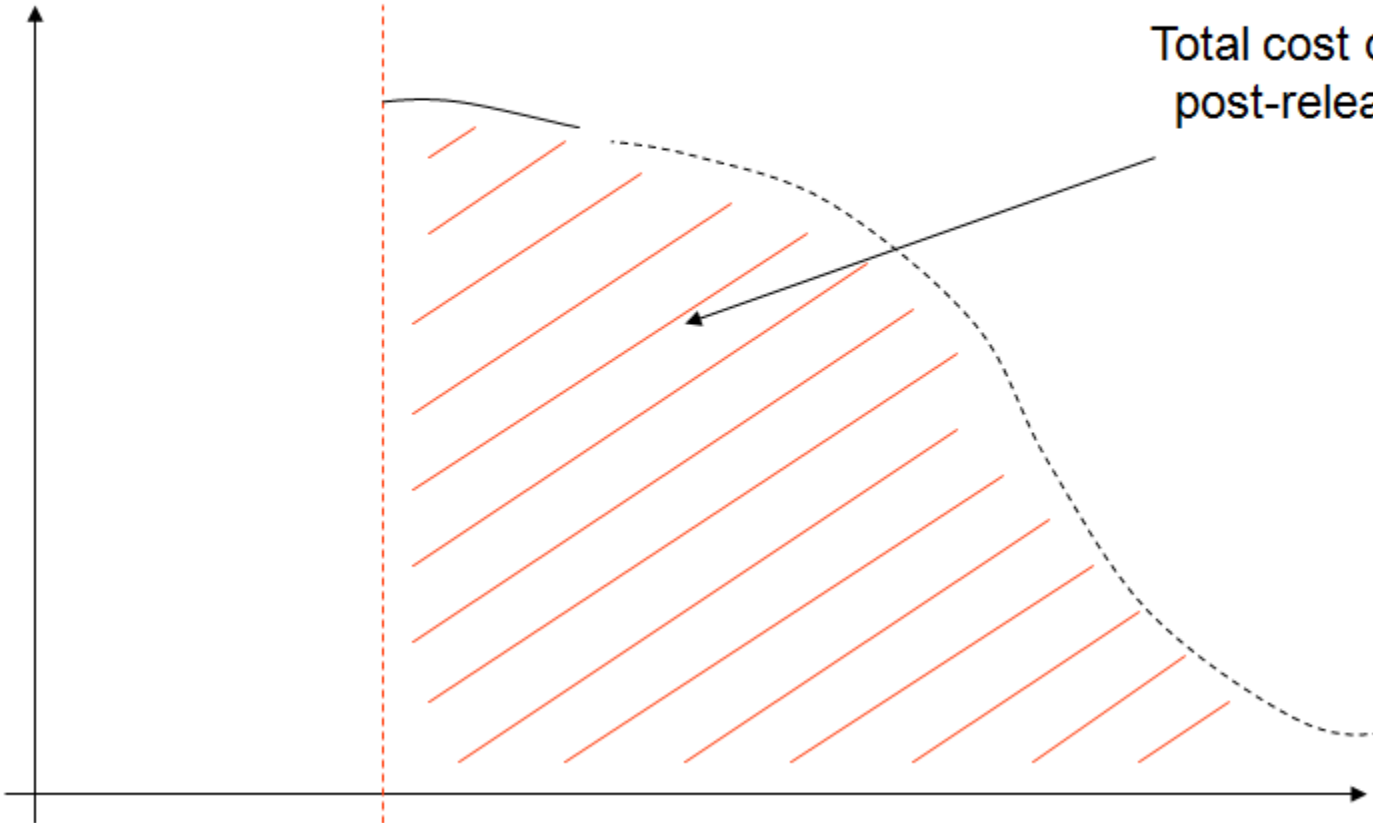
Table 2.1: Estimated average costs of crimes against individuals and households in 2003/04 by crime type and by cost category

Offence category	Costs in anticipation of crime (£)		Costs as a consequence of crime (£)							Costs in response to crime (£)		Average Cost (£)
	Defensive Expenditure	Insurance Administration	Physical and Emotional Impact on Direct Victims	Value of Property Stolen	Property Damaged/ Destroyed	Property Recovered	Victim Services	Lost Output	Health Services	Criminal Justice System		
Violence against the person	1	1	5,472	-	-	-	9	1,648	1,347	1,928	10,407	
Homicide	145	229	860,380	-	-	-	2,102	451,110	770	144,239	1,458,975	
Wounding	1	1	4,554	-	-	-	7	1,166	1,348	1,775	8,852	
Serious wounding	1	1	4,554	-	-	-	7	1,166	1,348	14,345	21,422	
Other wounding	1	1	4,554	-	-	-	7	1,166	1,348	978	8,056	
Sexual offences	3	5	22,754	-	-	-	32	4,430	916	3,298	31,438	
Common assault	0	0	788	-	-	-	6	269	123	255	1,440	
Robbery	0	21	3,048	109	12	- 19	16	1,011	483	2,601	7,282	
Burglary in a dwelling	221	177	646	846	187	- 22	11	64	-	1,137	3,268	
Theft	59	52	192	281	69	- 36	1	10	-	217	844	
Theft - not vehicle	-	33	118	175	17	- 13	1	3	-	301	634	
Theft of vehicle	546	370	800	2,367	349	- 542	1	47	-	199	4,138	
Theft from vehicle	116	50	266	240	126	- 11	1	20	-	50	858	
Attempted vehicle theft	65	21	194	-	154	-	1	11	-	65	510	
Criminal damage	13	36	472	-	212	-	2	6	-	126	866	

Estimate baseline (£)

Dubourg et al (2005)

£



Total cost of crime post-release (£)

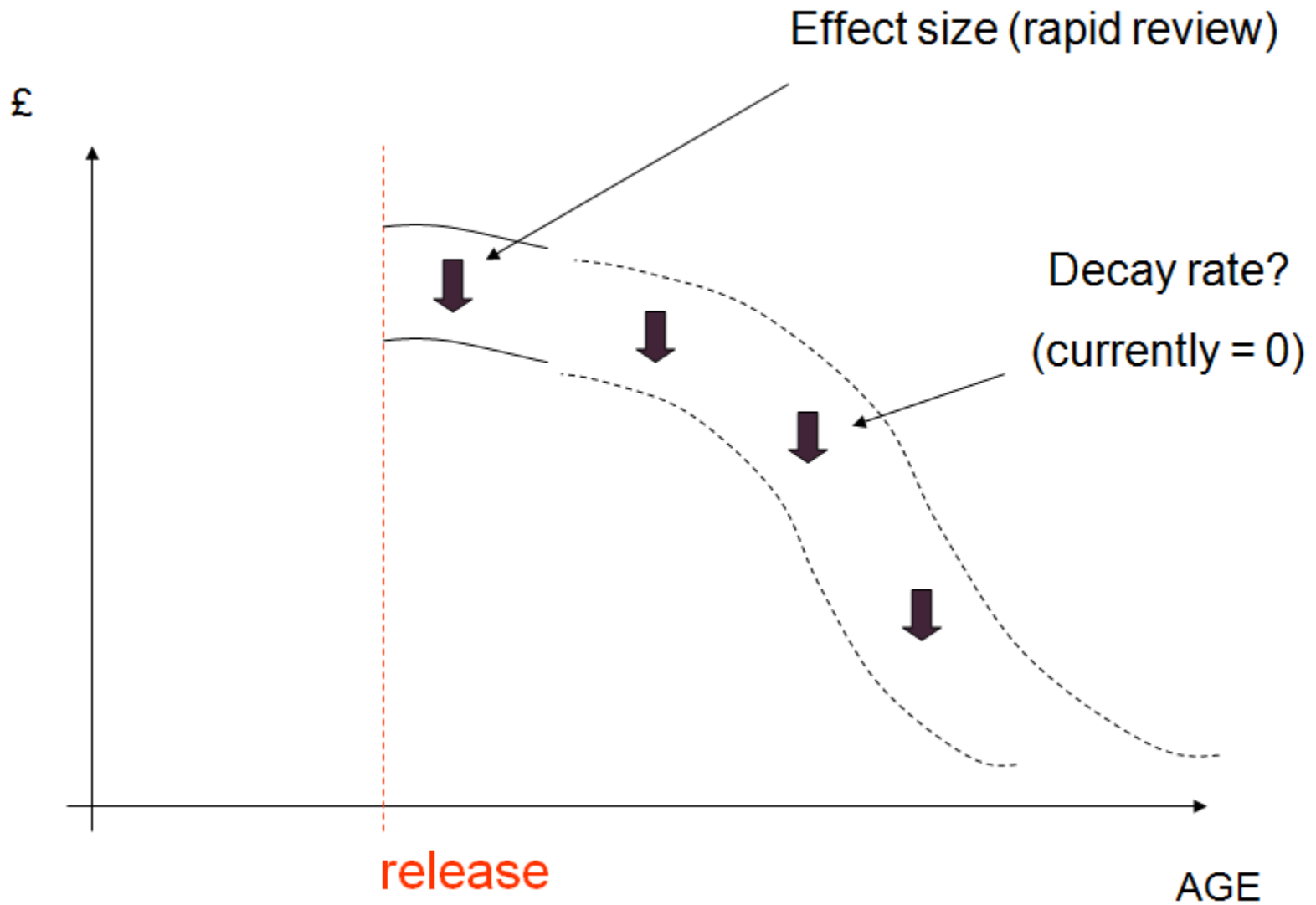
release

AGE

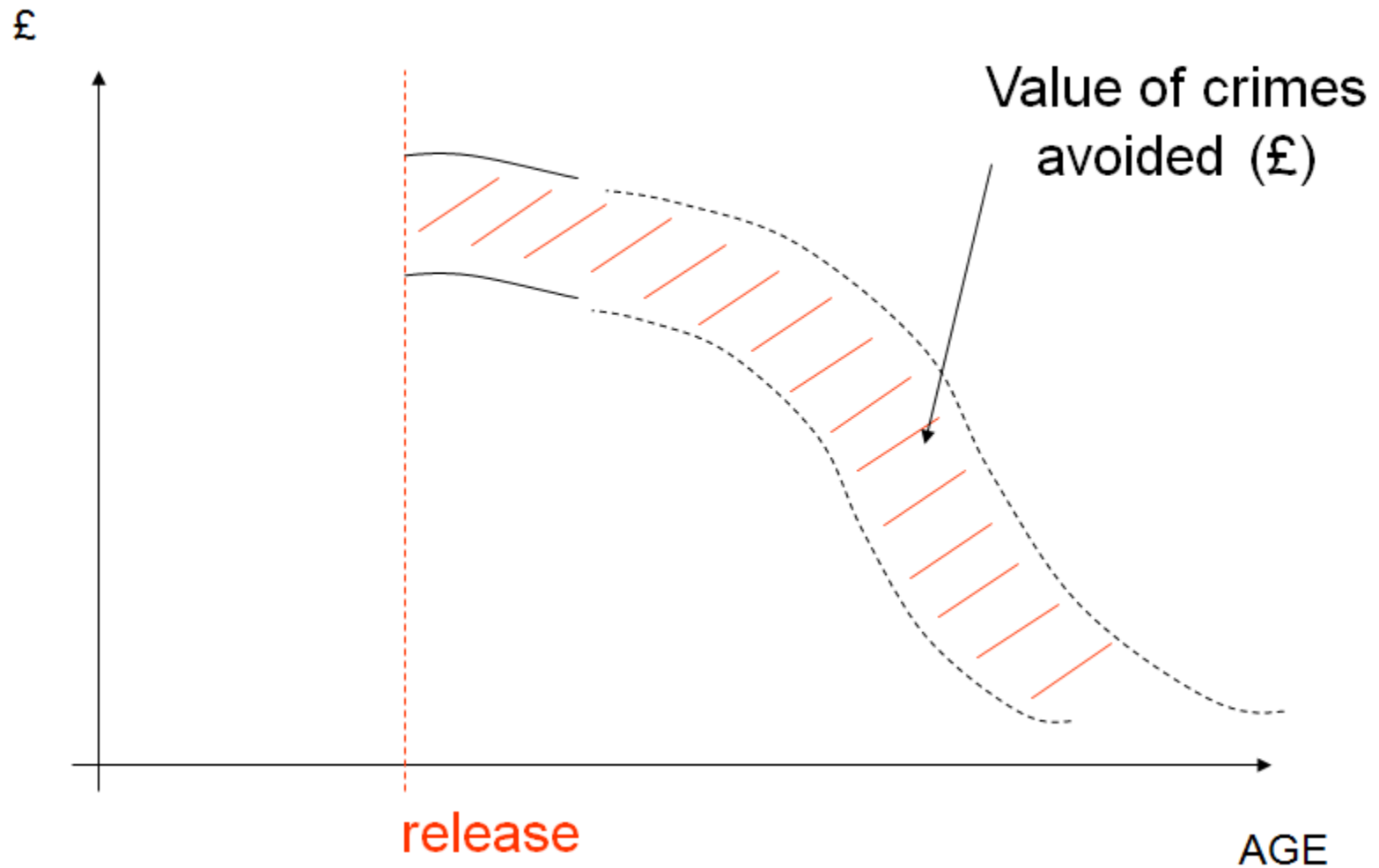
Table 1: Average discounted economic value of crime post-release from prison, by sentence offence (2007 prices)

Sentence offence (s)	Total cost of offending post-release (<i>LifetimeCost_s</i>)
Robbery	£940,674
Burglary	£369,771
Violence	£352,358
Motoring Offences	£342,183
Other Offences	£245,056
Drug Offence	£237,357
Theft and Handling	£190,851
Fraud and Forgery	£173,043
Sexual Offences	£90,399

Estimate change in crime (£)



Estimate change in crime (£)



Estimate change in crime (£)



Findings



Figure 1: Net benefit per offender to the public sector of adult sentencing options compared to standard prison (mean and 95% confidence intervals).

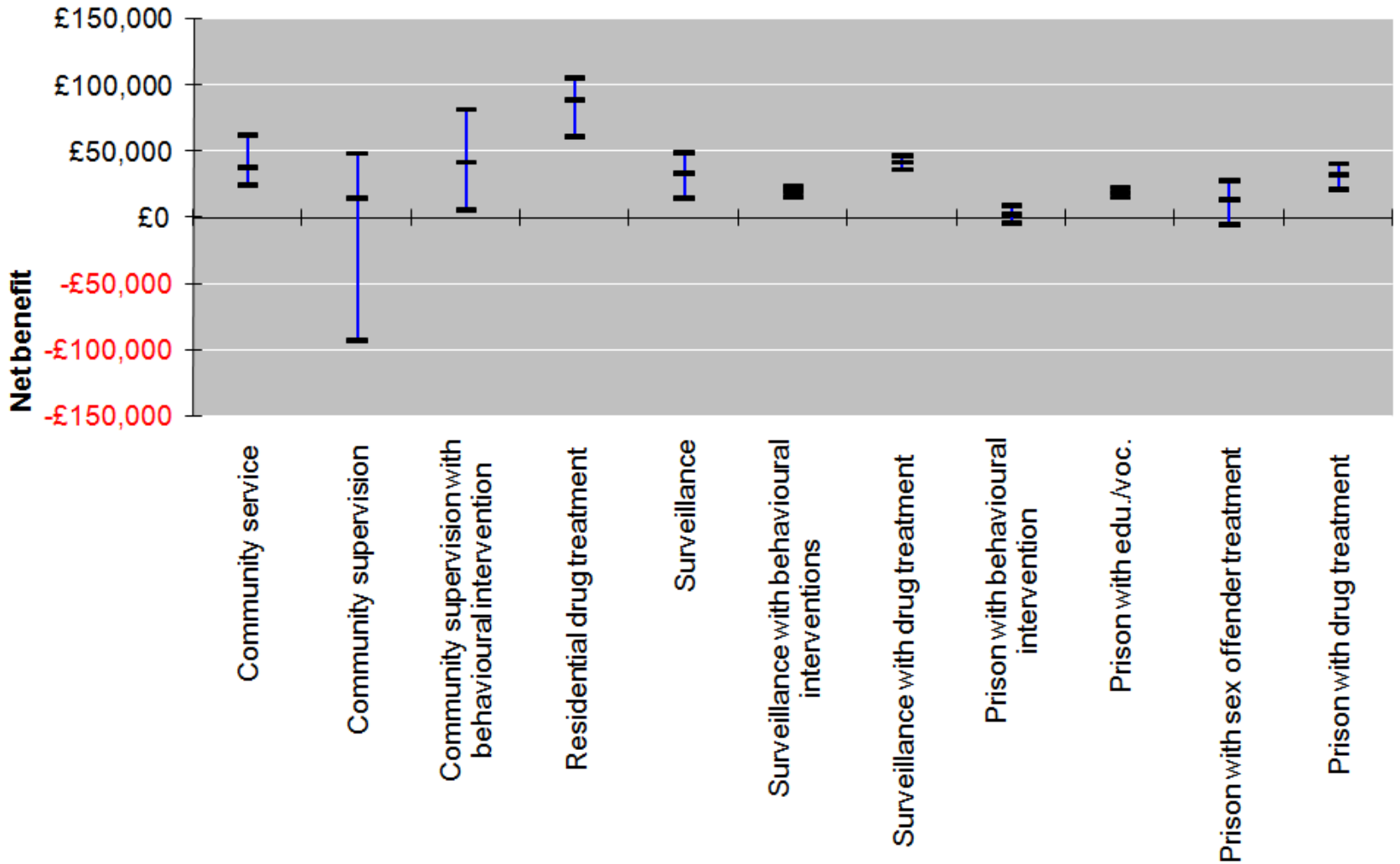
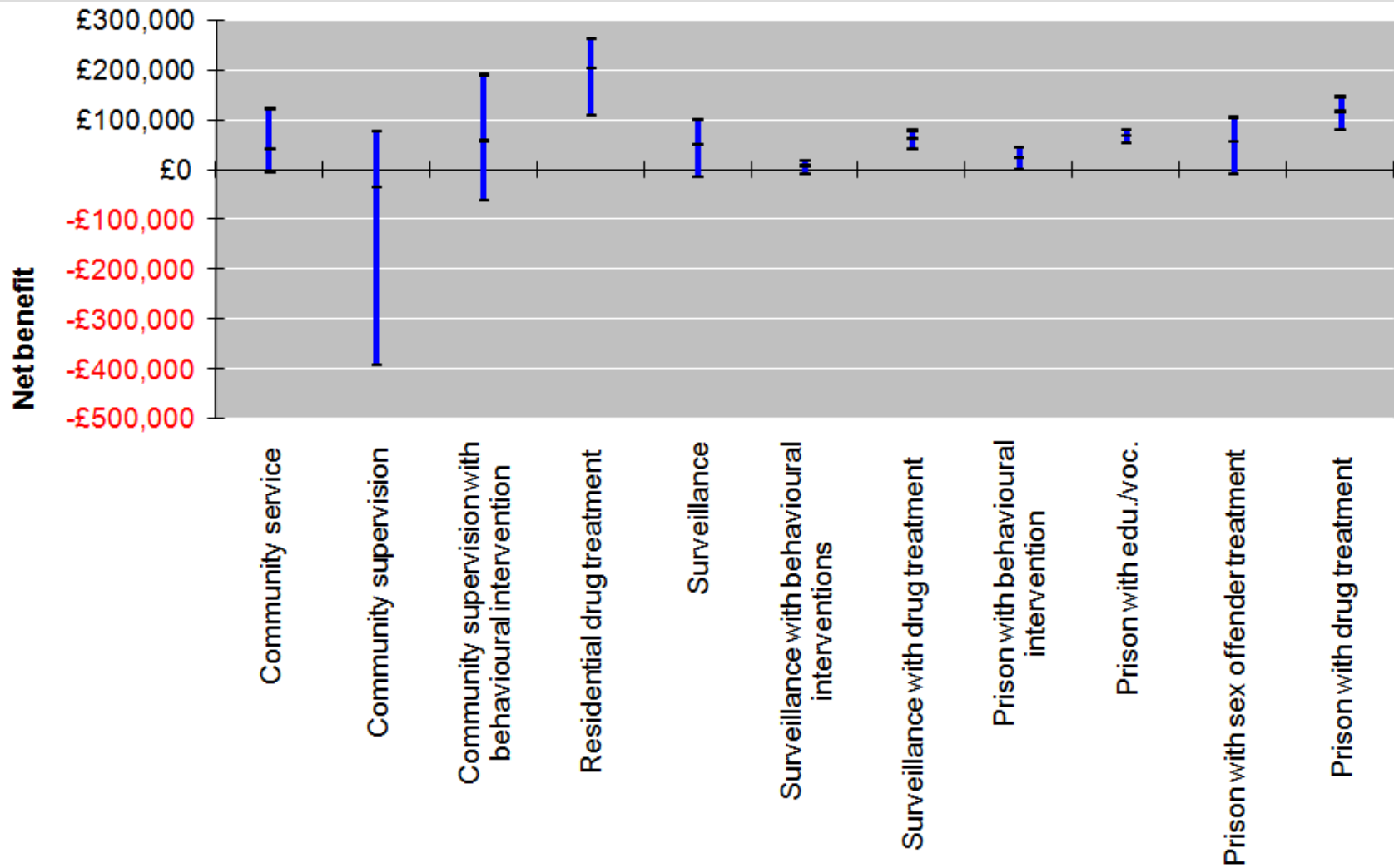


Figure 2: Net benefit per offender to society of adult sentencing options compared to standard prison (mean and 95% confidence intervals).





Discussion

Findings (societal perspective)

- The following interventions are preferred to prison (in the UK):
 - Residential drug treatment
 - Surveillance + drug treatment
 - Prison + educational/vocational interventions
 - Prison + drug treatment
- Prison is not preferred to any of the interventions analysed (in the UK)

Caveats

- Limited effect data from the UK: transferability + uncertain effect
- Assume no decay in effect (conclusion not sensitive to assumption)
- No deterrent effect or retribution effect

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