

Vera Institute of Justice

Criminal Justice Issues and Prisoners' Rights

<https://www.vera.org/blog/the-costs-and-benefits-of-incarcerating-low-level-drug-offenders>

Public Facing Advocacy Writing

This post originally appeared on the blog of the [Cost-Benefit Knowledge Bank for Criminal Justice \(CBKB\)](#), a Vera project.

When U.S. Attorney General Eric H. Holder Jr. [spoke to the American Bar Association](#) recently about a range of criminal justice issues, it was his announcement of a change in policies for charging low-level drug offenders that made headlines. As the [New York Times](#) explained, Holder has instructed federal prosecutors not to write the specific quantity of drugs involved when drafting indictments for nonviolent drug defendants who have neither a criminal history nor a significant tie to a cartel or large-scale gang. This change is expected to reduce the length of sentences that would have been triggered by mandatory-minimum laws because of the quantities of drugs involved.

[Nearly half of all federal inmates are serving time for drug-related crimes.](#) And because longer sentences result in bigger prison populations, the directive is intended to better target scarce resources. As the Attorney General explained:

By reserving the most severe penalties for serious, high-level, or violent drug traffickers, we can better promote public safety, deterrence, and rehabilitation while making our expenditures smarter and more productive.

How can cost-benefit analysis (CBA) generate information that will lead to better use of prison resources?

CBA has been used to evaluate evidence-based interventions such as [drug courts](#) and [early childhood education](#). It can also measure how the benefits of a prison sentence compare with the cost, by drawing on research about the [diminishing crime-reducing effects of incarceration](#).

A [2007 report](#) from the [Oregon Criminal Justice Commission](#) uses this research on prison economics to demonstrate how the public safety returns on incarceration declined as the inmate population increased: A dollar spent on prison returned \$1.03 in 2005, as compared with \$3.31 in 1994.

The Oregon report also highlighted how the cost-effectiveness of incarceration varies based on the severity of the offense. In 2005, each dollar the state spent to incarcerate a violent offender yielded \$4.35 in public safety benefits. The cost of incarcerating drug offenders, however, far exceeded the benefits: every dollar invested in incarcerating drug offenders yielded \$0.35 in public safety benefits, meaning that the costs were roughly three times more than the benefits. (See [page 11](#) of Oregon's report for more details.)

The analysis focused on the budgetary costs of prison. But as Attorney General Holder explained, widespread incarceration also creates human and moral costs that are impossible to calculate. During times of fiscal constraint there is intense pressure to spend our budget dollars more wisely. But it is always critical to comprehensively weigh the costs and benefits when deciding how to best advance justice and improve public safety.

This post is part of a series in which Vera experts respond to Attorney General Eric Holder's recent address to the American Bar Association calling for comprehensive criminal justice reform. Share your thoughts in the comments section below and search for the hashtag #VeraResponds on Twitter to join the conversation.

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