## The converging proportions of the U.S. adult population in the military and in prison, 1960 to 2010

Social scientific research on the labor market in the U.S. has tended to exclude the institutionalized population, particularly those in the armed forces and in prison. By contrast we explicitly treat these institutions as alternatives to civilian employment, and examine the changes over time in the distribution of the U.S. population among them. In this abstract we present our first step, the documentation of the changes from 1960 to 2010 in the proportions of the adult U.S. population in prison and the military. We find that the proportion of the adult population in the military has declined steadily during the last five decades, while that in prison has crept up over the same period. Indeed there appears to be a convergence in the two proportions, even a crossover, in recent years. This intersection may have profound implications for the labor market in the coming years, as well as for government spending on social programs related to unemployment. Figure 1 depicts these trends:

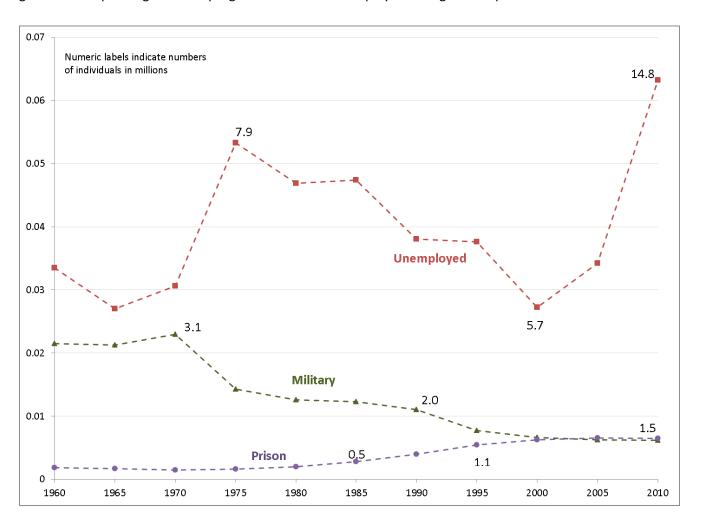


Figure 1: Proportions of the U.S. adult population unemployed, in prison and in the military, 1960 to 2010. Data sources listed on p 4.

In the final paper we will analyze the socioeconomic and geographic variation in these trends by disaggregating them by race/ethnicity, gender state. This will allow us to analyze the trends over time in the proportions of specific subgroups of the U.S. population in the various categories. These subgroups include women, people of color and young adults. For example the proportions of women in all of these categories, including prison and the military, have grown over time. The disproportionate presence of African Americans and other people of color in prison have been a focus of the scholarship on incarceration in the U.S. Researchers have also paid some attention to their presence in the U.S. military. There is relatively little research, however, that considers simultaneously both of these institutional alternatives to employment, and that examines changes over time in the distribution of women and people of color across the two.

We also hope to present preliminary multivariate time series analyses of the trends and relationships among them. Our aim is to identify the primary correlates of the changes in the various ratios while controlling for compositional changes such as population aging. We plan to exploit regional or state-level variation in the different ratios, data permitting. We will also specify periods of special interest such as large business cycle fluctuations, wars and political focus on crime and incarceration. The questions we plan to address include:

- (i) What are the empirical implications of treating the U.S. military as an employer for our understanding of the labor market? Typically omitted from labor market research, the military currently employs nearly 1.5 million adults (coincidentally about the same as the current number of prisoners). It pays wages, promotes and discharges employees, and provides them substantial benefits. The long term downturn in the proportion employed by the military may therefore have significant implications for the civilian labor market and social welfare programs.
- (ii) Assuming that the military is preferable to prison, both at the individual and societal levels, what are the implications of the recent crossover in the proportions of U.S. adults in the two institutions? Is the crossover simply coincidence or might it reflect deeper macroeconomic and socio-demographic changes? Our decomposition of the trends by gender, race and geographic region will illuminate some of the factors underlying this reversal in the two proportions. They may also indicate whether or not the two groups are "exchanging" members over time, i.e. whether some segments of the population that may have entered the military prior to the 1970s are now at greater risk of being in prison.
- (iii) What is the relationship between the uptick in the proportion in prison during the 1980s and the decline in the proportion unemployed in the same period? The first could be a lagged effect of the second. Alternatively, it could reflect a disguised form of unemployment.

Our findings have broad implications for both the scholarship on labor markets and for policy debates regarding the public costs and consequences of these institutional options to civilian employment. Such debates are currently especially intense and relevant given the Great Recession. Over the last couple of decades at least, government spending on the military and prison system has been less contested politically than spending on social programs such as unemployment benefits. Our findings

may facilitate realistic comparisons of the costs of jobs creation programs with those of maintaining the prison population, for example. To motivate our examination of these scenarios, Figure 2 shows selected combinations of proportions of the adult U.S. population in the two alternatives to civilian employment; in the final paper we will add data on federal and state spending on each of them.

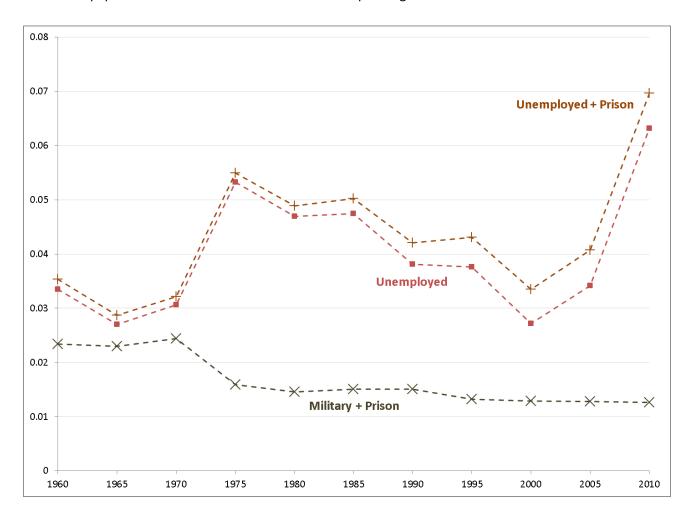


Figure 2: Proportions of U.S. adult population unemployed and in selected combinations of alternatives to civilian employment, 1960 to 2010. Data sources listed on p 4.

## **DATA SOURCES**

Base population aged 18 and over: F. Hobbs and Nicole Stoops, <u>Demographic Trends in the 20<sup>th</sup> Century</u>, U.S. Census Bureau, 2002.

Prison population: Author compilation from *Prisoners Series*, Bureau of Justice Statistics.

Military population: Author compilation from <u>military personnel reports</u> published by the Statistical Information Analysis Division of the Department of Defense.

Unemployed population: Author compilation from <u>employment data</u> published by the Bureau of Labor Statistics.