

Testimony of

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Chairman Hatch, Ranking Member Leahy, and Members of the Committee:

Thank you for inviting me to testify today. It is an honor to appear before this committee as you consider the role of Project Safe Neighborhoods in reducing gun violence in the United States. My testimony is divided into two sections: a summary of the conclusions, and supporting analysis.

Summary of major conclusions

? Funding additional law enforcement efforts to combat gun violence is in principle a good use of scarce government resources. Such efforts are important in part because of the substantial costs of gun violence to American society, estimated to be on the order of \$100 billion each year.

? The impact of Project Safe Neighborhoods (PSN) will depend on how program funds are used. PSN is designed to provide local law enforcement partnerships with flexibility in deciding how to best allocate their resources to reduce gun violence. PSN funding may be used by many local grantees to secure longer prison terms for those who commit firearm violations, following the model of Richmond, Virginia's Project Exile. However a more productive use of resources may be to increase police patrols against illegal guns. This perspective is consistent with the belief held by many scholars that for a given level of criminal justice resources, more criminal behavior will be deterred by an increase in the certainty rather than severity of punishment.

? PSN is modeled in part on Richmond's Project Exile, which is essentially a prison sentence-enhancement program that has been perceived to be a dramatic success. Launched in February, 1997, Project Exile diverts eligible gun cases to the federal courts. In practice most of the diverted cases are for "felon in possession" offenses. The desire to expand upon Project Exile is based upon the program's perceived success: It is widely believed that Project Exile is responsible for reducing Richmond's gun-homicide rate by 40% from 1997 to 1998.

? Project Exile is almost surely not as successful as has been claimed. My analysis with Professor Steven Raphael of crime data from the Federal Bureau of Investigation suggests that almost all of the observed decrease in Richmond's homicide rate following the launch of Project Exile would have occurred even in the absence of the program. This conclusion is based on a very strong empirical regularity observed in city-level homicide data: cities with the largest increases in homicide during the 1980's and early 1990's also experienced the largest declines during the late 1990's. Richmond happened to be among the handful of cities that experienced unusually large increases in homicide rates during the 1980s. Consequently, nearly all of the reduction in murder rates experienced by Richmond following Project Exile may be attributed to this large increase in gun homicides occurring before Exile's implementation. We also find nearly identical results for trends in other felony crimes.

? Prosecuting gun cases could still have modest effects. Funding prosecutors to handle gun cases is not necessarily a bad idea, since the incarceration of those arrested for firearm violations is likely to have some effect on crime. However the impact on crime is likely to be modest. Put differently, Project Exile may be a useful component of a larger crime-fighting portfolio, but does not appear to be a "silver bullet" for reducing gun violence.

? Increased funding for policing against illegal guns might yield larger reductions in gun crime compared to lengthening prison sentences for gun violators. The best available studies suggest that police patrols targeting illegal guns may be a more cost-effective way to reduce gun crime compared to funding additional prosecutors and longer prison sentences for firearms violations. If these findings are correct, then reallocating at least some resources within PSN's budget from prosecutors to targeted policing programs may increase the program's overall effect on gun crime.

More generally, any increase in resources for such targeted police patrols from whatever funding source may be a cost-effective way to reduce gun crime.

Supporting Text

1. The costs of gun violence to American society are enormous. The impact of gun violence on American society extends beyond victims and their families. The threat of firearm injury affects all Americans and changes the way we live our lives in a variety of ways. This threat thus reduces everyone's quality of life in the United States to at least some degree. The best available estimates suggest that the costs of gun violence to American society are on the order of \$100 billion per year, or about \$1 million per firearm injury. These costs are much more evenly distributed across the population than crime-victimization statistics would suggest. While the victims of gun crime are disproportionately young, low-income residents of urban areas, the large majority of Americans support additional government efforts to reduce gun crime, even if they required additional government revenues (Cook and Ludwig, 2000, Ludwig and Cook, 2001).

2. Stepped-up law enforcement could in principle be a cost-effective way to reduce crime. Additional law enforcement spending draws resources away from other pressing social problems. However, given the substantial costs of gun violence to American society, additional spending to combat gun violence could principle could yield social benefits that exceed the costs of such programs. Whether a given law enforcement program to combat gun crime yields benefits in excess of costs in practice will depend on the specific design and implementation of the program.

3. Project Safe Neighborhoods (PSN) seeks in part to expand on the perceived success of Richmond's Project Exile. As the Department of Justice explains PSN: "Project Safe Neighborhoods expands on existing programs such as Project Exile (Richmond, VA) and Operation Ceasefire (Boston). Project Exile in Richmond focused gun prosecutions in federal court under federal law. Under Project Safe Neighborhoods, criminals who use guns will be prosecuted under federal, state or local laws -- depending on where those laws are the toughest" (PSN, 2003). The assumption behind this approach is that stiffer prison sentences will reduce gun crime by deterring those who might carry guns illegally, and incapacitating those people and guns that have been involved in illegal gun carrying. This strategy appears to be an important component of PSN, as evidenced by the substantial share of PSN resources devoted to hiring additional prosecutors devoted to gun cases.

The heart of Project Exile consists of the coordinated efforts of Richmond law enforcement and the regional U.S. Attorney's office to prosecute in federal courts all felon-in-possession of a firearm ("FIP") cases, drugs/gun cases, and domestic violence/gun cases, regardless of the number. Exile also includes training for local law enforcement on federal statutes and search and seizure issues, a public relations campaign to increase community involvement in crime fighting, and a massive advertising campaign. The advertising campaign is intended to send the clear message of zero tolerance for gun offenses and to inform potential offenders of the swift and certain federal sentence.

Project Exile in Richmond was effectively a sentence enhancement program since the federal penalties for these firearm offenses were more severe than those in effect in Virginia at the time Exile was announced in 1997. The disparity between the federal and state systems may be particularly dramatic for FIP convictions, for which the federal penalty is five years with no chance of early release, and in fact most of the additional federal convictions secured under Exile in Richmond appear to be FIP cases. In addition to the differences in prison terms, gun offenders diverted into the federal system are denied bail at a higher rate than those handled in state courts, and serve time in a federal penitentiary that is likely to be located out of state. Both aspects of the program are thought to impose additional costs on offenders. In sum, the primary criminal-justice change introduced by Project Exile appears to be an increase in the prison penalties for carrying guns by those with prior felony convictions.

4. Project Exile in Richmond has not been as successful as is widely believed. Project Exile has been declared a dramatic success by observers from across the political spectrum including the National Rifle Association, Handgun Control, and Virginians Against Gun Violence, as well as news outlets such as the New York Times and the Washington Post and even President Bush. These claims for Project Exile's success stem from the 40 percent reduction in gun homicides that were observed in Richmond from 1997 to 1998.

Despite this widespread acclaim, some skeptics have questioned the effectiveness of Project Exile due to the fact that homicides increased in Richmond in the last 10 months of 1997 following the program's announcement in February of that year. In fact, the Richmond homicide rate increased by 40 percent between 1996 and 1997.

In my own research on Project Exile with Professor Steven Raphael of the University of California at Berkeley (Raphael and Ludwig, 2003), we argue that critiques of Exile focusing on the increase in homicide rates during the last 10 months of 1997 may be misplaced, given that the number of federal gun convictions in Richmond did not show any appreciable change between 1996 and 1997. At the same time, claims that Exile was successful based on the reduction between 1997 and 1998 in Richmond are also misguided, since Richmond had an unusually high murder rate in 1997 and, more generally, crime declined throughout the U.S. over this period.

Our study argues that the reduction in Richmond's gun homicide rates surrounding the implementation of Project Exile was not unusual, and that almost all of the observed decrease is likely to have occurred even in the absence of the program. This conclusion is based on a very strong empirical regularity observed in city-level homicide rates: cities with the largest increases in homicide rates during the 1980's and early 1990's also experienced the largest decreases during the late 1990's. Richmond happened to be among the handful of cities that experienced unusually large increases in homicide rates during the '80s. Consequently, nearly all of the reduction in murder rates experienced by Richmond following Project Exile may be attributed to this large increase in gun homicides occurring prior to Exile's implementation. We also find nearly identical results for trends in other felony crimes.

Why might we expect an inverse relationship between changes in homicide rates during the late 90s and comparable changes occurring during the late 80's and early 90's? One possibility might be that the underlying factors causing the large increases in homicide rates during the 1980s such as the violence associated with the introduction of crack cocaine ran their course, and hence murder rates were bound to decline (Blumstein, 1995). Another possibility might be that the incapacitation effects associated with the massive increase in incarceration rates that the U.S. has experienced may have disproportionately affected areas (or cities) with high crime rates (Levitt, 1996). A third source lies in the possibility that many homicide victims may themselves be among the population of potential perpetrators. To the extent that this is the case, a rash of homicides would be followed by a reduction in homicide rates, as the pool of likely offenders is reduced. Regardless of the underlying causes, the implication of this empirical regularity for evaluating the impact of Project Exile is clear: almost all of the city's decline in crime around the time of Exile would have been expected on the basis of the city's prior increase in homicide rates, even if the program had never been implemented.

In principle comparisons of crime trends across cities may yield misleading inferences about Exile's effects if unmeasured factors specific to Richmond would have driven the city's rates up even further in the late 1990's in the absence of the program. We address this potential omitted-variables problem in part by examining how the gap between adult and juvenile homicide arrest rates change in Richmond over time compared to other cities. Typically only adults are eligible for the "felon in possession" prosecutions that appear to form the heart of the Exile intervention in Richmond. Juveniles typically do not have prior felony records and should be largely unaffected by the program, thereby serving as a within-city control group against which one would compare adult homicide arrest rates. Since both adults and juveniles should be exposed to many of the same city-specific factors that affect local crime rates, the extent to which the decline in adult arrest rates exceeds the decline in juvenile arrest rates provides an alternative estimate of the impact of project Exile.

In fact, we find that adult homicide arrest rates increase relative to juvenile arrest rates in Richmond during the period surrounding the program's implementation. In contrast, adult arrest rates decline on average in relation to juvenile rates in other cities. These findings taken together call into question the empirical evidence commonly offered as evidence of Exile's impact.

Our study also presents a more general analysis of the relationship between federal prosecutions of gun cases and gun homicide. This approach has the advantage of allowing data from the federal courts to identify the exact Exile "dose" experienced by Richmond and other cities that adopted Exile-like programs in each year. For the years 1994 through 1999, we matched information on the annual number of felon-in-possession and felony-gun-use cases prosecuted by each U.S. Attorney's office to the cities corresponding to each U.S. Attorney district. We then use standard panel data techniques that allow us to control for unmeasured city fixed effects, and test for contemporaneous and lagged effects of the number of felons prosecuted in the federal system on city-level gun

homicide rates. Consistent with our findings for Richmond's Project Exile, this analysis yields little evidence of a reduced-form relationship between the number of federal firearm prosecutions and city-level murder rates.

5. Our study does not suggest that prosecuting gun violators is necessarily unproductive or counter-productive. Previous research suggests that increases in imprisonment have some effect on crime (Levitt, 1996), although the average effect may decline with expansions in the prison population if the rate of criminality declines for the marginal inmate (Donohue and Siegelman, 1998). On the basis of these prior studies we may expect an increase in prosecutions for firearms violations to have some effect in reducing crime. However the expected magnitude of this crime reduction is far smaller than what has been claimed for Project Exile, and would be too small to be detected in Richmond using available data.

6. Reallocating PSN resources from prosecutors to policing may increase the program's impact on gun crime. Based on existing data we cannot rule out the possibility that Project Exile's sentence-enhancement strategy for firearm violations led to a reduction in crime that is too small to be detected by available data and methods. On the other hand a growing body of research yields at least suggestive evidence that police patrols targeted against illegal gun carrying may be a more cost-effective way to reduce gun crime compared to enhanced prison sentences. Redirecting PSN resources from prosecutors to targeted policing, for example by expanding the element of PSN devoted to other "promising strategies for reducing gun violence," may enhance the program's ultimate impact on gun crime.

The suggestion that targeted policing may be a more cost-effective way to reduce crime than enhanced prosecutorial resources and prison sentences is motivated by policing studies in Kansas City, Indianapolis, and particularly Pittsburgh, the site that offers the strongest evidence in support of this strategy. Pittsburgh implemented a program that targeted high-crime parts of the city for stepped-up anti-gun patrols during the high-crime periods of Wednesday through Saturday evenings. The main finding is that during the targeted nights of the week, the target neighborhoods experienced much larger declines in gunshot injuries and citizen reports of shots fired compared with the experience in control areas (Cohen and Ludwig, 2003).

The innovation of the Pittsburgh evaluation compared to earlier research is to provide evidence that at least for gunshot injuries, the control neighborhoods of the city provide a reasonable estimate for what would have happened in the targeted neighborhoods had the program not been enacted -- the necessary condition for determining the intervention's effect. Following the launch of the program, there was little difference in injury or shots-fired trends between target and control neighborhoods on days in which the new anti-gun patrols were not scheduled (Sunday through Tuesday). Second, the target and control neighborhoods have similar trends in gunshot injuries before the policing program was implemented. However the target and control neighborhoods did have significantly different experiences with reports of shots fired even before the program was in effect, so confidence is higher in the results for gunshot injuries than for shots fired.

Given the substantial costs of gun violence to society and the relatively modest cost of Pittsburgh's policing program, such interventions may easily generate benefits to society in excess of their operational costs. Of course stepped-up police patrols against guns may generate other costs, impinging on civil liberties and straining police-community relations. In Pittsburgh, at least, the police appear to have been mindful of these concerns, and quite restrained.

If this body of research is correct, then for a given level of funding, PSN's overall impact on gun crime may be enhanced by redirecting some program resources from prosecution and longer prison sentences to targeted policing. PSN currently allocates resources for strategic planning efforts such as crime mapping, which is an important element in targeting patrols at the highest-risk places and times. The program also includes resources to support "promising strategies for reducing gun violence." There may be value in expanding these components of the program to support enhanced police patrol activity against illegal guns.

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