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Reducing Economic Disparities for Female Offenders: The Oxford House Model

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Abstract

Background—In the past 30 years the rate of increase in incarceration for females who abuse substances has outpaced that of men. Women have increased health and economic disparities, and face barriers to economic mobility, increasing their risk of returning to the criminal justice system. Past research suggests that there is a positive relationship between living in Oxford House and employment wages, yet the impact of having a criminal history on this relationship was unknown.

Method—This study used a nationwide sample of 136 women living in Oxford Houses in a regression analysis with length of stay in Oxford House predicting employment wages, and moderated by criminal history.

Results—There was a positive relationship between length of stay and wages. Criminal history modified the association between length of stay and wages, and length of stay had a significantly greater impact on wages for women with criminal convictions.

Implications—The findings provide a contribution to alcohol and drug abuse and economic literature by identifying a setting that decreases economic disparities for formerly incarcerated women. Results can inform future policy, research, and the development of gender sensitive aftercare programs that address the needs of women, assisting transitioning women in reentering mainstream society, and increasing their chances of obtaining and retaining employment.

Keywords

Women; Criminal Justice; Wages; Economic Mobility; Substance Abuse

Background

The rate of incarceration in the United States has increased over 430% since 1978, leaving millions of citizens returning to communities with the burden of a criminal record (Bureau of Justice Statistics 2013). The unprecedented increase in our jail and prison populations can largely be attributed to the war on drugs (Pettit & Western 2004), and over 70% of state and federal inmates have been convicted of non-violent and/or drug related offenses (Blumstein 2015; Lynch & Pridemore, 2011). Further, though the number of incarcerated women is significantly lower than that of men, females who abuse substances are the fastest growing

population in the criminal justice system (West, 2010). National justice statistics show that from 1990 to 2012, female incarceration increased by 130%, while the male incarceration rate increased by 93% (Glaze & Herberman, 2013).

Incarceration is a powerful enforcer of labor market stratification, as ex-offenders have a decreased likelihood of employment and suffer significant wage penalties from employers (Pettit & Lyons, 2009). Studies show that formerly incarcerated women earn considerably lower wages, and have higher unemployment rates than their male counterparts (Prendergast, Messina, Hall & Warda, 2011). Women are particularly disadvantaged in labor markets given supply side barriers like high rates of psychiatric and substance abuse disorders, and demand side barriers like stigma and negative attitudes towards ex-offenders (Raphael Western & Stoll 2013; Uggen, Manza & Thompson, 2006), which compromise their readiness and ability to work (McClellan, Farabee & Crouch, 1997). Most jobs they do obtain pay very low wages without opportunity for upward mobility. In these circumstances, many women may simply choose to forego these employment options in favor of illegal opportunities, and multiple studies have found a negative relationship between employment wages, crime, and recidivism (Duwe & Clark, 2014; Nally, Lockwood, Snutsen, & Ho 2014; Richmond 2013).

Criminological studies have found that higher wages and quality of employment are more strongly associated with positive post incarceration outcomes than the mere presence or absence of a job (Duwe 2014; Uggen 1999). For example, Ospal (2012) found in a longitudinal study of formerly incarcerated women that participants used employment as a way to reestablish a positive identity, but women who did not obtain steady, well paying employment were more likely to return to deviant behavior. Johnson (2014) explored economic barriers to employment for women exiting the justice system. The study found that low, stagnant wages were a significant barrier to reentry for women, affecting their ability to obtain suitable housing, regain custody of dependents, and meet the requirements of their parole. To this end, well paying jobs with opportunity for increases in wage are necessary to reduce recidivism and provide women with the resources that they need to support themselves and achieve upward social and economic mobility.

Studies also show that most women who have been incarcerated return to their original community upon release, and these communities are usually low income and high crime, with a lack of employment opportunities (Scott, Grella, Dennis & Funk 2014); and to social networks that provide little segue to employment in the private sector (Richardson, Wood, & Kerr 2013). Thus, both geospatial effects on employment and weak networks and contacts facilitate employment difficulties for returning women. These findings underscore the importance of promoting innovative settings that remove the above labor market barriers and help to increase employment wages for women who have been incarcerated.

Oxford House is one such setting that has consistently shown to have positive employment and recovery outcomes (Jason, Olson, Foli 2014). These settings are grassroots, democratically run sober living environments for individuals returning to the community. It is the largest single network of recovery houses in the United States, with more than 10,000 individuals living in approximately 1700 houses (Oxford House Inc. 2013). The houses are

usually located in middle-class neighborhoods with access to jobs and transportation, allowing residents to live in healthy communities conducive to recovery. The houses are single-sex and house 6 to 12 people, and are affordable at an average rent of \$100 per week.

Past studies have found that living in an Oxford House for at least 6 months increases psychosocial outcomes, and the likelihood of abstinence and employment (Gomez, Jason, Contreras, DiGangi, & Ferrari 2014; Lo Sasso, Byro, Jason, Ferrari, & Olson 2012). For instance, one study found significant increases after 6 months in abstinence self-efficacy, and percentage of sober members in the individual's social networks (Jason, Light, Stevens, Beers 2013). A randomized controlled trial that placed participants in either Oxford House or a traditional staffed therapeutic environment found that those assigned to the Oxford House condition received more money from employment, worked more days, and achieved higher continuous sobriety rates than participants in therapeutic communities. (Jason, Olson, & Harvey 2015). Thus, it appears that the concurrent increases in psychosocial outcomes, positive social network changes, and employment are linked to the length of time that one resides in a mutual-help setting like OH.

Although the relationship of length of stay in Oxford House to wage increase and employment attainment have been demonstrated in previous studies, we have not explored these associations in women with criminal convictions. Given the importance of employment wages for reducing recidivism in women with a history of substance abuse, it is important to understand the effect of length of stay on employment wages post incarceration. The modeling of these variables to explain settings that promote economic mobility for criminal justice system involved women in recovery is important for addiction recovery, microeconomic, and criminological research. It is clear that criminal history is often a steadfast barrier to employment and economic mobility. Also, it is understood that length of stay in Oxford House positively correlates with employment wages. However, the extent to which criminal history moderates the relationship between length of stay and employment wages is unclear. Accordingly, this study tested the hypothesis that the relationship between length of stay in Oxford House and employment wages is moderated by criminal history.

Method

Participants

Participants were 151 female Oxford House residents from various Oxford Houses throughout the United States that were attending a recovery conference in Washington, D.C. Before participating in this study, participants had been living in Oxford House for an average of 1.8 years, and 79% of the sample reported having criminal convictions. For this analysis, we used data for 135 of the 151 participants that were sampled. We recruited participants during a women's only portion of the conference. The PI addressed a group of women, explained the study, and asked for volunteers to participate. We eliminated 16 of the 151 participants for the regression analysis who were missing responses to the dependent variable, or who were retired, or on social security or disability. Individuals who were on social security or disability were excluded because it was unknown how long they had been on this assistance, if it precluded them from any kind of employment, or any other information that may have skewed their income results. There were no participant refusals,

and we approximate that 85% of the women in attendance voluntarily completed the survey. Demographic information for the sample is provided in Table 1.

Procedures

Approval from the DePaul Institutional Review board was obtained before beginning this study. This project used cross-sectional data collected at the 2013 Oxford House World Convention in Washington, D.C. during a women's only portion of the conference. Participants were treated according to APA recommendations for the responsible conduct of research. Participants were entered into a raffle to win a mini iPad for participating. Participation was self-report, completely voluntary, with names omitted from surveys to ensure participant anonymity.

Measures

The questionnaire included demographics and scales to assess constructs for other hypotheses that are not related to this project (*see* Campagna, Wilson, Callahan, Jason 2015). Length of stay in Oxford House (LOS) was a stand-alone continuous variable that asked participants to detail the amount of time that they had been living in an Oxford House in years and months. Criminal history was a stand-alone question that was dichotomous and indicated if the participant had ever been convicted of a felony. Finally, 30-day employment wages is a continuous variable that indicates how much money the participant has earned from employment in the last 30 days.

Data Analysis

During data screening the distribution for the dependent variable 30-day employment wages was positively skewed. As such, the dependent variable was transformed using a natural log function (Manning 1998). After log-transformation, wage showed an approximately normal distribution. After data screening, the relationships of predictor variables including LOS and Criminal History with logged employment income were examined in bivariate analysis. Next, after centering the criminal history and LOS predictors and computing the criminal history by LOS interaction term (Aiken & West 1991), the predictors and their interaction were simultaneously entered into a regression model to investigate whether having a criminal history modified the association between LOS in Oxford House and income from employment after controlling for age, race, and education. Non-significant predictors were removed from the original model (age, race, education), and a final, reduced model was tested with LOS, convictions, and the LOS by convictions interaction term predicting log transformed 30-day employment wages.

Results

Participants

Selected demographics and mean scores on the independent variables for women with and without convictions, as well as the overall sample are included in Table 1. Descriptive analysis revealed that the sample was 80% European-American, 10% African-American, 5% Latino, and 5% participants from other ethnicities. Participants had a mean age of 38; an average of 8 convictions, an average LOS in Oxford house of 1.8 years, and 74% of the

sample was employed. Significant differences emerged between log of 30-day employment income for women with and without criminal convictions. No other significant differences emerged between groups.

Regression Model

The full regression model is shown in Table 2. Results indicated that having a criminal history was associated with lower income from employment, $b = -.91$, $t = -2.5$, $p = .01$. The interaction between having a criminal history and LOS in Oxford House was also significant, $b = .52$, $t = 1.94$, $p = .05$, suggesting that the effect of LOS in Oxford House on income from employment was modified by criminal history. Simple slopes for the association between lengths of stay in Oxford House on incomes from employment were tested for women with and without criminal histories. Both of the simple slopes revealed a positive association between time in Oxford House and employment income. However, LOS was significantly related to employment income for women with criminal convictions, such that every 1-unit increase in the average LOS resulted in a 67% increase in the average wage, $b = .67$, $t = 2.73$, $p < .01$. The simple slopes model is shown in Table 3, and Figure 1 plots the simple slopes for the interaction.

Discussion

Our findings support our hypothesis that the relationship between LOS in Oxford House and 30 day income from employment is moderated by criminal history. We found that women without criminal histories earned higher incomes from employment than women who had been convicted of a felony. However, LOS in Oxford House had a significant impact on wage for women with criminal convictions, over and above that of women without convictions.

In the literature, having a criminal history is consistently associated with stagnant earnings (Harding, 2003; Holzer, Raphael, & Stoll 2003; Travis, Solomon, & Waul 2001), which is a barrier to economic mobility. Given the excessive increase in incarcerated women in the United States, this presents a systemic economic issue that facilitates labor market stratification and marginalizes individuals and groups. For female offenders with a history of substance abuse, economic mobility is seldom attainable. Cloud and Granfield (2008) posit that both being female and having a criminal history can create negative recovery capital, or an attribute or circumstance that can impede an individual's attempts at recovery. Yet, for women in Oxford House, some barriers to obtaining employment and wage mobility seem to be able to be overcome.

Employers are often reluctant to hire individuals with criminal records, and those released from prison usually go back to poor neighborhoods with few employment options (Fletcher, 2001; Pettit & Lyons, 2009; Tschoop, et al. 2007). Further, individuals coming out of prison lack skills and work experience, and a depreciation of social capital, making potential employers more difficult to reach through social networks (Harding 2003). Yet, past research on the benefits of the Oxford House model allow us to make many inferences as to why formerly incarcerated women can overcome these barriers to employment. First, most Oxford Houses are located in middle-class neighborhoods with access to transportation and

employment (Harvey, Mortenson, Aase, Jason, & Ferrari, 2013), which provides an environment with more opportunity than the typical neighborhoods that women are released into. Further, some studies show that employers express more interest in hiring ex-offenders when they are aware of services being obtained from intermediary agencies, or if they have had drug treatment (Holzer et al., 2003; Welfare-to-Work Partnership, 2000). Though we do not know if the women in our study disclosed their residency status in Oxford House to their employers, it seems possible that their involvement helps to assuage potential employers concerns.

The social network and psychosocial benefits of living in an Oxford House may have helped these women to obtain significant wage increases. Though not directly measured in this study, past research shows that Oxford House residents social networks improve with at least 6 months stay, and that self-esteem, self-efficacy, and self-regulation increase with LOS as well (Majer, Glantsman, Palmer, & Jason 2014; Majer, Olson, Komer, & Jason 2015; Stone, Jason, Stevens, & Light 2014). These results show that residents with at least 6 months stay have healthier personal and social components, which have been found aid employment outcomes in both healthy and at-risk populations (Calvó-Armengol, & Zenou 2005; Reisig, Holtfreter, & Morash 2002).

This study is not without limitations. First, the racial breakdown of the sample is skewed Caucasian. In the literature, we know that African American and other minority groups are at increased disadvantage in labor markets (Pager, 2003), so the predominantly white sample could have experienced less barriers to employment and wage increase. However, we did control for race in our original model, and that result was non-significant. Additionally, there were no significant differences in racial distribution between the convicted and non-convicted groups. Also, as this is a cross-sectional study, causality cannot be inferred. Further, we were not able to verify the self-report of the surveys. Finally, this sample was collected from a national sample at a recovery conference that is often self-funded by current participants, houses, and alumni. As such, this is not just a convenience sample, but a sample inclusive of participants who can afford to and want to participate in this event. However, we do know that many houses will fund new residents to attend, and we see evidence of newer residents in the sample though the range of the LOS variable.

From this study we have learned that LOS in Oxford House has a significant impact on income for women with criminal convictions. Though there was an overall positive relationship between LOS and income for women with and without convictions, there was a significant difference in the slopes of the two groups. Thus, we infer that Oxford House has a larger economic impact for women who are at greater risk for experiencing socioeconomic disparities. We can see from our results that though there was a significant difference in the simple slopes for women in both groups (with and without convictions), the wage gap between the two groups was almost completely closed with the highest levels of LOS. In this setting, nationwide, women who experienced more barriers were able to overcome this adversity and greatly increase their wages. This is an important finding for criminological and economic research, and shows that entrée into supportive and cohesive settings like Oxford House can aid our most needy and vulnerable of citizens in overcoming barriers and

achieving upward economic mobility after incarceration, despite the harsh social and economic state of our country.

Future research should investigate the processes by which employment attainment and wage increase occurs in Oxford House. We understand there are many benefits of staying in Oxford House from past research, but it would be useful to delineate the functions by which employment attainment and wage increase occurs in these settings, so to provide empirical evidence that can be replicated in other service delivery and aftercare programs. Further inquiry should explore how OH may provide access to community resources like job information. Specifically, employment attainment through Oxford House related social networks, disclosure of Oxford House residency to employers, and the correlation between increases in psychosocial variables and employment wages in Oxford House residents should be examined.

The disconcerting increase in incarceration rates for women with a history of substance abuse translates to increased disadvantage and marginalization of women in the United States, and increased risk of intergenerational immobility for their dependents. Given the growing numbers of women with criminal histories, the increasing gap between the rich and the poor, and the steady eradication of the middle class over the last 30 years, there is a critical need for political and institutional initiatives aimed at increasing employment and wages for women so to counteract the negative effects of incarceration and reduce recidivism.

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Figure 1.
Simple slopes for the interaction. LOS = length of stay.

Table 1

Socio-demographic variables of participants (Demographic Questionnaire)

	Total (N=151)	Convictions (N=120)	No Convictions (N=31)
	M (SD)		
Age ^a	38.37 (11.24)	37.94 (10.45)	39.74 (13.86)
LOS in Oxford House (years) ^b	1.82 (1.98)	1.78 (1.99)	1.90 (2.02)
Log of employment income ^c	4.20 (4.34)	3.71 (4.49)	6.17 (3.05)*
	% (n)		
Education completed			
High School or GED	25.8 (39)	25.8 (31)	25.8 (8)
Some College or Vocational	54.3 (82)	55.0 (66)	51.6 (16)
College	19.9 (30)	19.2 (23)	22.6 (7)
Race			
Black/African American	9.3 (14)	7.5 (9)	16.1 (5)
White/Caucasian	83.4 (126)	84.2 (101)	80.6 (25)
Other	7.3 (11)	8.3 (10)	3.2 (1)
Currently Employed	72.8 (110)	68.3 (82)	90.3 (28)*
Women with children ^b	26.4 (39)	25.8 (31)	25.8 (8)

Note:^a 1 missing response^b 3 missing responses^c 12 missing responses;* $p < .05$

Table 2

Moderated regression analysis with logged employment income (N=135)

	B	S.E.	t	p
Constant	6.78	.66	10.12	.00 [*]
LOS in Oxford House	.15	.23	.67	.49
Convictions	-1.91	.75	-2.5	.01 [*]
Convictions × LOS in Oxford House	.52	.27	1.94	.05 ^{**}

Note:

*
p .01**
p .05

Table 3

Conditional effect of LOS on Log Income at values of the moderator

	B	S.E.	t	p
No Convictions	.15	.23	.67	.49
Convictions	.67	.13	2.73	.00*

Note:

*
 $p < .01$