
MEMORANDUM

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SUBJECT: SOCIAL CAPITAL IMPACTS OF THE PROPOSED FEDERAL CORRECTIONAL INSTITUTION IN BERLIN, NEW HAMPSHIRE

DATE: 05/05/06

We write regarding the anticipated *social capital* impacts of the proposed federal prison in Berlin, New Hampshire. For the last several years, the city of Berlin has worked in partnership with the Federal Bureau of Prisons (FBOP) to bring this project to fruition. As local community leaders, we look forward to continuing to work with the FBOP to ensure that the Androscoggin Valley region is able to maximize the opportunities created by hosting a federal prison, while mitigating the potential downsides. We appreciate this opportunity to comment on the draft environmental impact statement (EIS) and hope that our observations will be understood in the spirit of adding value to the project, both for the FBOP and the region. As is traditional in the EIS process, we have framed our comments about the lack of attention to social impacts in the strongest way possible to enable a productive exchange based on the facts. We look forward to hearing your thoughts in response.

In its current form, the draft EIS reflects the physical and financial consequences of the project, but does not adequately consider the project's social impacts. Congress passed NEPA and included the environmental impact statement requirement because it believed that federal agencies bear responsibility for the impacts of their projects on the human environment, which was defined to include social, as well as environmental, issues. We urge the FBOP to acknowledge the social capital impacts of the proposed federal prison in Berlin and to serve as a partner in sustaining our region's community vitality.

¹ Signatories' addresses listed in Appendix A.

The Androscoggin Valley has a strong sense of local identity, robust networks of local support, and a vibrant culture of volunteerism. Each of these characteristics is evidence of our strong social capital. A substantial body of research emerging over the past ten years in this country and around the world offers *unequivocal* evidence that social capital is a crucial ingredient in producing safe, happy, and productive communities. We hope that the information contained in this document will help the FBOP to understand the importance of social capital to our community, in particular.

When Berlin's mills first closed in 2001, local business and community leaders joined forces to secure the region's economic future, forming organizations such as the Androscoggin Valley Economic Recovery Corporation (AVER). The efforts of local leaders built on traditions of self-reliance and community involvement established by generations of the Swedish, Italian, French Canadian, and Russian Orthodox families that made the region their home. The community's response demonstrated strong social capital – our social networks enabled us to take action to address local problems.

Since 2001, we have developed multiple economic and educational initiatives that look beyond the mills, including hosting the federal prison. As the mill closes its doors, perhaps for good, in May 2006, the importance of our ability to work together to sustain our community becomes even more critical. We hope the FBOP will become partner in our overall local development strategy by acknowledging the importance of social capital and lending assistance to sustain it.

We anticipate that opening a federal prison in Berlin could impact the community's store of social capital in several ways, including affecting local trust, stressing the relationships of local prison employees, and introducing newcomers who may not develop local roots. We ask the FBOP to complete its responsibilities under NEPA by devoting attention to these important social capital impacts and providing reasonable funding for mitigation measures in Berlin and surrounding communities.

INTRODUCTION

We strongly believe that the letter and spirit of NEPA require attention to social capital impacts, including mitigation in cases where significant impacts are anticipated. In the memo that follows, we make a case for greater attention to social capital in the following sections:

- I. Introducing Social Capital
- II. Social Capital Impacts in the Environmental Impact Statement Process
- III. Social Capital Impacts of the Proposed Federal Prison in Berlin
- IV. Recommended Mitigation Measures to Maintain Social Capital

INTRODUCING SOCIAL CAPITAL

Social capital consists of networks and norms that facilitate collective action. The dimensions of social capital include horizontal kinship or professional ties, as well as vertical ties that enable interactions with authorities.² Where social capital is abundant, a common sense of trust allows community members to share resources and cooperate productively. Analogous to financial or human capital, the concept of social capital recognizes that interpersonal networks are a valuable resource that allows communities and individuals to prosper.

A wealth of evidence demonstrates that social capital enhances child development, public health, safety, economic prosperity, and happiness. Controlling for a broad range of demographic and social characteristics, social capital is associated with each of the positive community indicators below.³

- Child Development
 - States with high social capital have lower rates of infant mortality, juvenile delinquency, teenage pregnancy, and youth suicide.
 - In places with abundant social capital, children score higher on standardized tests.⁴
- Public Health
 - Individuals with social networks are less likely to suffer physical and psychological ailments, including colds, heart attacks, strokes, cancer, and depression.⁵

² Woolcock, Michael. "Social capital and economic development: toward a theoretical synthesis and policy framework," *Theory and Society*. 27(2): 151-208. 1998.

³ Social capital is typically measured through randomized surveys that ask respondents about their level of engagement in public affairs, community life, volunteerism, and informal sociability, as well as the extent to which they trust others. These survey results are analyzed using statistical techniques that allow analysts to control for contravening variables (socioeconomic status, race, length of residence in a community) to isolate the impact of social connections on the dependent variables like health, prosperity, and child development. (See for instance, Putnam, Robert. *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon & Schuster. 2000. p. 291. or <http://www.ksg.harvard.edu/saguaro/> (topics under "Measurement").)

⁴ Bronfenbrenner, Urie, Moen, Phyllis, and Garbarino, James. "Child, Family, and Community," in Ross D. Parke, Ed. *Review of Child Development Research*, vol. 7. Chicago: University of Chicago Press. 1984.

- Safety
 - Communities with strong social capital—where residents know neighbors’ names and cooperatively look out for local children—have lower crime rates.
 - States with high social capital are less violent, whether in terms of readiness for a fistfight or homicide rates.⁶

- Prosperity
 - Areas with high social capital are better able to maintain homeowner value.⁷

- Happiness
 - The best predictor of contentment is meaningful connections to other people.
 - Regular engagement with others, whether through religious service attendance, volunteering, or entertaining friends, is as likely to make you as happy as doubling your income.⁸

As these examples demonstrate, the social networks that enable individuals to cope and succeed are not only a private good, but also a public good that benefits society as a whole. In an age in which changes in technology, family structure, and the economy often undermine community vitality, the importance of social capital is becoming increasingly clear to scholars, policymakers, and citizens.

The term social capital was invented by several social theorists of the twentieth century and popularized by political scientist and Harvard professor Robert D. Putnam. Since the publication of Professor Putnam’s first article on social capital, scholarly attention to social capital has grown rapidly. The chart on the following page depicts the rapid increase in academic articles focusing on social capital.⁹

The importance of social capital has also captured the interest and initiative of a broad array of prominent public officials, including Presidents Clinton and Bush and the British government under Prime Minister Tony Blair. Under Clinton, social capital theory influenced two State of the Union addresses. After consulting with Professor Putnam, President Clinton asserted his commitment to the concept in his year 2000 State of the Union speech, saying, “It’s more important than ever that we strengthen the bonds that root us in our local communities and in our national community.”¹⁰ In 2002, then British Home Secretary David Blunkett delivered a speech entitled, “How Government

⁵ Kawachi, Ichiro, Kennedy, Bruce, and Lochner, Kimberly. “Long Live Community: Social Capital as Public Health,” *The American Prospect*. November-December 1997. 56-59.

⁶ Sampson, Robert J. “The Community,” in *Crime*, James Q. Wilson and Joan Petersilia, Eds. San Francisco: Institute for Contemporary Policy Studies Press. 1995. 193-216; and Jacobs, Jane. *The Death and Life of Great American Cities*. New York: Random House. 1961.

⁷ Temkin, Kenneth and Rohe, William. “Social Capital and Neighborhood Stability: An Empirical Investigation,” *Housing Policy Debate*. 9(1). 1998. 61-88.

⁸ Putnam, 2000. See also Argyle, Michael. *The Psychology of Happiness*. London: Methuen. 1987; and Deiner, Ed. “Subjective Well-being,” *Psychological Bulletin*. 95. 1984. 542-575.

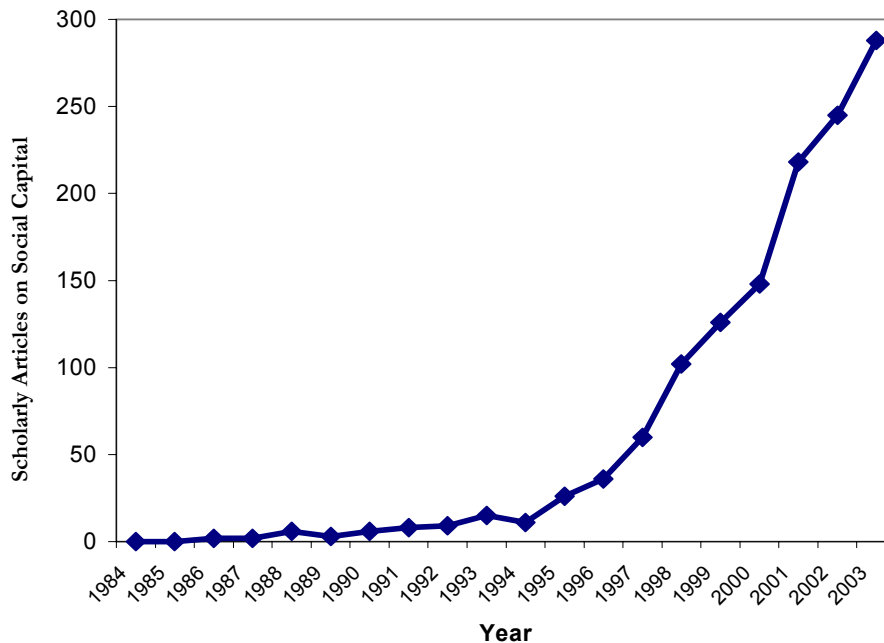
⁹ Chart courtesy of Tom Sander, Executive Director, the Saguaro Seminar: Civic Engagement in America. (1984-1993 based on a combined search of Econlit; Psychlit; Crimlit; and Medline; 1994-2003 based on Web of Science. Figure for the year 2003 projected from part-year total, assuming pro rata articles for remainder of year.)

¹⁰ Clinton, William Jefferson. State of the Union Address. 27 January, 2000.

<<http://usgovinfo.about.com/library/ref/blsoufull.htm>>.

Can Help Build Social Capital.”¹¹ President George W. Bush has seized on the closely related ideas of civic engagement and service, inviting Professor Putnam to serve on his President's Council on Service and Civic Participation.

Figure I. Increase in Scholarly Attention to Social Capital



The British government’s Office of National Statistics, the World Bank, and the Organization for Economic Cooperation and Development (OECD) all regularly collect social capital data (measures of trust, levels of participation, and degrees of network connectedness) as part of their policy formulation practices.¹² In the U.S., the Social Capital Community Benchmark Survey conducted in the year 2000 provides extensive data on social capital indicators, including a random sample of New Hampshire residents.¹³

On November 13, 2005, David Brooks, senior editor at *The Weekly Standard*, published a *New York Times* editorial that spoke of social capital and other forms of human capital as the crucial ingredients in future policies to ensure economic success and social stability.¹⁴ In summary, social capital is a relevant and credible public policy consideration nationally and internationally.

¹¹ Blunkett, David. “How Governments Can Help Build Social Capital,” <http://www.homeoffice.gov.uk/docs/piuspeech.html>.

¹² See the following websites for further information: U.K Government, Office of National Statistics - http://www.statistics.gov.uk/socialcapital/downloads/harmonisation_steve_5.pdf, the World Bank - <http://www.worldbank.org/poverty/scapital/>, OECD - http://www.oecd.org/document/33/0,2340,en_2649_34543_1850913_1_1_1_1,00.html.

¹³ The Social Capital Community Benchmark Survey (SCCBS) was sponsored in July-November 2000 by the Saguaro Seminar on Civic Engagement in America at Harvard’s John F. Kennedy School and a coalition of community foundations and other private donors, including the New Hampshire Charitable Foundation. The SCCBS represents the largest survey to date on American social capital, polling nearly 30,000 respondents in 40 geographic areas in telephone interviews that averaged 26 minutes each. To randomize, the survey selected respondents based on random digit dialing and interviewed the adult in the household with the most recent birthday.

¹⁴ Brooks, David. “Psst! Human Capital!” *The New York Times*. November 13, 2005. Section 4, p. 12.

SOCIAL CAPITAL IMPACTS AND THE ENVIRONMENTAL IMPACT STATEMENT PROCESS

The National Environmental Policy Act of 1969 aims to safeguard the “human environment,”¹⁵ which “shall be interpreted comprehensively to include the natural and physical environment and the relationship of people with that environment.”¹⁶ The Act attempts to accomplish this goal in part by requiring the preparation of an environmental impact statement (EIS) whenever federal agencies intend to implement policies that will “significantly affect” the human environment.¹⁷

Agencies preparing an EIS must analyze all the “adverse effects” of the project, including “ecological, aesthetic, historic, cultural, economic, social, or health” impacts.¹⁸ Thus, social impacts, “whether direct, indirect, or cumulative” are, without question, among the adverse effects that the National Environmental Policy Act intends to minimize.¹⁹ Moreover, NEPA requires federal agencies to employ state-of-the-art concepts in the social and natural sciences to ensure effective evaluation of these impacts. Council on Environmental Quality implementation regulations for NEPA repeatedly underline the importance of employing an “*interdisciplinary* approach, which will insure the integrated use of the natural and *social* sciences and the environmental design arts in planning and in decision-making” (emphasis added).²⁰ Clearly, the concept of social capital, which today receives attention from economic, sociological, and political analysts, deserves consideration in the interdisciplinary EIS process.

Further, the U.S. Government’s “Guidelines and Principles for Social Impact Assessment,” encourage examination of a broad range of indicators related to social capital, including, “community and institutional structures, trust in political and social institutions, density of acquaintanceship, and family and friendship networks.”²¹ A presidential executive order directs attention to social impacts by requiring attention to “environmental justice,” a term that refers to whether environmental impacts are disproportionately borne by low income and minority communities.²² Guidance on implementation of the executive order directs analysts to consider:

[T]he interrelated cultural, social, occupational, historical, or economic factors that may amplify the natural and physical environmental effects of the proposed agency action. These factors should include the physical sensitivity of the community or population to particular impacts; the effect of any disruption on the community structure associated with the proposed action; and the nature and degree of impact on the physical and social structure of the community.²³

The preceding references demonstrate that social capital is central to the U.S. government’s definition of the social impacts that require attention and mitigation under NEPA. Regulations

¹⁵ National Environmental Policy Act 42 USC § 4332. Sec. 102.

¹⁶ Council on Environmental Quality Regulation 40 C.F.R. § Sec. 1508.14 Human environment.

¹⁷ National Environmental Policy Act 42 USC § 4332. Sec. 102.

¹⁸ Council on Environmental Quality Regulation 40 C.F.R. § 1508.8 and 40 C.F.R. § 1500.2(e).

¹⁹ *Ibid.*

²⁰ National Environmental Policy Act 42 USC § 4332. Sec. 102.

²¹ “Guidelines and Principles For Social Impact Assessment.” Interorganizational Committee on Social Impact Assessment. May 1994. <http://www.nmfs.noaa.gov/sfa/social_impact_guide.htm#sectIII>.

²² Presidential Executive Order 12898. Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations. 59 FR 7629. February 11, 1994.

²³ Council on Environmental Quality, Executive Office of the President. “Environmental Justice: Guidance Under the National Environmental Policy Act.” December 10, 1997

related to the Federal Bureau of Prisons' implementation of NEPA do not exempt the agency from the aforementioned requirements to analyze social impacts in the EIS process.²⁴

Social Capital and the Berlin Federal Prison Draft Environmental Impact Statement

Despite this guidance, the draft EIS issued by the Federal Bureau of Prisons does not include analysis of social capital impacts. It includes information on population change, housing, and economic conditions, but fails to consider the project's other important social impacts, or to justify their exclusion from consideration.

The comments of residents who attended the May 11, 2004 public scoping meeting demonstrate that social capital is a high priority issue for this community. A clear theme that runs through the comments is support for the prison's economic benefits, but concern for possible social and cultural effects. Many of these comments were raised in the context of discussions of the Nansen Ski Club, the oldest Nordic skiing club in the nation, but others referred to the city's history of immigrants and its diverse culture. More than one commenter urged the FBOP to take local values and impact on the community seriously.²⁵

In our opinion, the EIS fails in this respect. It mentions the likely population growth during prison construction and operation, but says nothing of how newcomers will be integrated into the local population. It mentions that construction will bring a transient laborer population to Berlin for a year and a half, but does not consider the impact of these temporary residents on local social networks and trust. It discusses the characteristics and likely scale of local hiring at the federal prison, but says nothing about how corrections work affects families and communities. These omissions demonstrate that the FBOP has not fulfilled its obligations under NEPA to analyze all the "adverse effects" of the project, including "ecological, aesthetic, historic, cultural, economic, *social*, or health" impacts.²⁶

²⁴ Appendix A to Part 61--Bureau of Prisons Procedures Relating to the Implementation of the National Environmental Policy Act. 28 CFR 61.11.

²⁵ "Proposed Federal Correctional Institution: Berlin, New Hampshire," prepared for the U.S. Federal Bureau of Prisons by the Louis Berger Group, Inc. March 2006. Appendices, p. 2-64.

²⁶ Council on Environmental Quality Regulation 40 C.F.R. § 1508.8 and 40 C.F.R. § 1500.2(e).

SOCIAL CAPITAL IMPACTS OF THE PROPOSED FEDERAL PRISON IN BERLIN

The Berlin federal prison project will impact the social capital of Berlin and surrounding towns. From a social capital point of view, the proposed project could have some positive impacts, as well as negative impacts. **With proper planning, affected communities can maximize the benefits of the project and develop strategies to reduce negative impacts.**

New Hampshire currently possesses high levels of social capital, as indicated by a nationwide survey of nearly 30,000 people in 40 geographic areas conducted in the year 2000.²⁷ In addition to high levels of civic engagement and social connectivity, the study found that unlike other states, New Hampshire residents of all incomes and education levels are uniquely predisposed to participate in their communities.²⁸

Major local changes can impact a community's store of social capital. We believe that the construction of a federal prison in Berlin could affect local social capital in the following ways:

- Trust in leaders, neighbors, and others
- Relationships of local prison employees to family and community
- Newcomers who may not develop local roots

Below, we explain how a federal prison in Berlin could impact social capital in each of these ways. **In the concluding section, we demonstrate how these concerns could be addressed through mitigation measures supported by the Federal Bureau of Prisons.**

Trust in Leaders, Neighbors and Others

A federal prison in Berlin may impact local trust in two ways. First, fears associated with the construction of the prison may raise anxieties about security and affect trust in neighbors and strangers alike. Second, the way leaders manage the process of siting, constructing, and operating the prison can impact how the community feels about the trustworthiness and reliability of local and federal officials.

Reduced Trust Due to Concerns about the Prison

Residents of Berlin and surrounding towns feel some understandable anxiety about hosting a federal prison. The most common concerns in Berlin and other prison communities are:

- Inmate escapes
- Inmate families moving to the area
- Increased crime

²⁷ A coalition of community foundations, other funders, and the Saguaro Seminar of the Kennedy School of Government at Harvard University sponsored the Social Capital Community Benchmark Survey. The New Hampshire Charitable Foundation (NHCF) funded the N.H. portion of the survey. For additional information, see the survey website at <<http://www.cfsv.org/communitysurvey/>>.

²⁸ Lewin, Tamar. "One State Finds Secret to Strong Civic Bonds," *The New York Times*. August 26, 2001. 1.

- Reduced property values²⁹

National research demonstrates that hosting a federal prison in a rural town is not systematically likely to increase crime or reduce property values.³⁰ Likewise, inmate escapes are rare and seldom affect individuals living in proximity to the prison. Few inmate families relocate to federal prison towns because inmates come from across the nation and are transferred frequently among prisons.³¹ Nevertheless, concerns around these issues continue to exist for many who live in prison communities.

These concerns can be particularly intense and damaging for those who live in close proximity to a prison. Several studies conclude that residents living in a neighborhood surrounding a proposed prison site have higher concerns that the prison will increase crime. Proximity to a prison is often a better predictor of public safety concerns than age, education, number of children, employment status, gender, marital status, or income level.³² In Berlin, residents on Milan's Success Loop Road who abut the proposed prison site have expressed the most vociferous opposition to the prison. Many of their concerns are specifically related to social capital, as their letters to the FBOP demonstrate. With another prison in their backyard, they worry that they will neither be able to trust passers-by, nor feel comfortable being out and about in their own neighborhood.

It is worth noting that these concerns have not diminished even though these residents have had a state prison in their backyard for years. This evidence suggests that abutters to the proposed site are likely to experience lasting impacts to their social capital unless their concerns are actively addressed. A study by the National Institute of Corrections that polled residents of prison towns found that in places where prisons were operational, more than a quarter of residents still believed that their safety was "adversely affected by the presence of the correctional facility."³³

Studies also suggest that the strongest predictor of opposition to the prison, regardless of the respondent's location, is a belief that inmate families who visit or relocate will cause problems locally. The authors of one study hypothesizes that such fears are driven by (often misguided) perceptions that inmate families are more likely to engage in criminal behavior or to increase pressure on public services.³⁴ Even though these fears are not supported by evidence, they are the most likely factor to explain opposition to a prison.³⁵

Public opinion about local prisons cannot be influenced by presenting factual data alone. In order to feel comfortable with the presence of a prison, citizens must feel that they are involved in the process and that they have good information. It will be important for leaders to create a process that

²⁹ Carlson, Katherine A. "Prison Impacts: A Review of the Research." The National Institute of Justice. 1990, as quoted in Weber, Dina. What are the Social Impacts on a Rural Community of Hosting a Medium Security Federal Prison? 2004. See also "Berlin Prison Study." (Berlin NH: RKG Associates, Inc.) April 19, 2002.

³⁰ King, Ryan S.; Mauer, Marc; and Huling, Tracy. *Big Prisons, Small Towns: Prison Economics in Rural America*. (Washington, D.C.: The Sentencing Project). February 2003. 12.

³¹ "Berlin Prison Study." (Berlin NH: RKG Associates, Inc.) April 19, 2002. 2.

³² Scholars Randy Martin and David Myers surveyed residents of a Pennsylvania county and analyzed how their concerns about the prison related to their proximity to the proposed facility. They cite additional studies confirming their findings. (Martin, Randy and David L. Myers. "Public Response to Prison Siting: Perceptions of Impact on Crime and Safety," *Criminal Justice and Behavior*. 32(2): 143-171. 2005. p.155.)

³³ "Berlin Prison Study." (Berlin NH: RKG Associates, Inc.) April 19, 2002. 12. (Citing "Issues in Siting Correctional Facilities." (Washington, DC: U.S. Department of Justice, National Institute of Corrections.) June 1992.)

³⁴ *Ibid.* 160-162.

³⁵ *Ibid.* 145.

maintains and supports the level of trust and connectedness that currently exists in the Berlin community.

Reduced Trust in Leaders Due to the Process of Siting, Constructing, and Operating the Prison

Officials in the Androscoggin Valley region, in partnership with the FBOP, have worked to educate citizens and pave the way for Berlin to enjoy the full benefits of hosting the federal prison. Local leaders understand that a transparent process is essential for sustaining the trust that allows a region to thrive. More often than not, opposition to a prison stems from lack of open communication with officials that allows fears to fester.³⁶ **For these reasons, the Federal Bureau of Prisons and local officials must continue to publicize realistic expectations for employment and other economic benefits. As the prison becomes a reality, systematic efforts to involve citizens and ensure they have reasonable expectations will continue to be necessary.**

A common characteristic of prison communities across the country is their ambivalence about hosting a correctional facility. Residents welcome jobs, but are uncertain about the prison's presence in their midst. In general, the prison is tolerated because residents hope it will bring economic benefits.³⁷ Below, we discuss the projected scale of these economic benefits based on information in the draft EIS and recent scholarship.

The draft EIS projects that current residents of Coos, Grafton, and Carroll counties will fill about 18 percent of positions at the federal prison (59 positions). Many local residents will not qualify for work at the prison or in the construction phase because prison security requirements call for special abilities.³⁸ New hires must not exceed 37 years of age and many jobs require post-secondary education.³⁹ Of the remaining positions, 40 percent (130 positions) will go to existing FBOP employees transferred from elsewhere and the remaining 42 percent (136 positions) will go to new hires from outside the tri-county area.⁴⁰

Local leaders are aware of these figures and have tried to emphasize realistic expectations for new prison jobs to the community.⁴¹ In a study funded by Androscoggin Valley Economic Recovery, consultants spoke with representatives from eight prison towns in which local hiring of prison staff varied from twelve to 150 positions. Not surprisingly, the consultants concluded that a positive economic perception of a prison was correlated with the degree to which hiring was local.⁴² Tempering expectations about jobs is particularly important now in Berlin and the North Country in general because the recent closure of the Berlin pulp mill and Groveton Paper Board has left many out of work and looking for new employment.

³⁶ Young, Michael G. "Rethinking community resistance to prison siting: results from a community impact assessment," *Canadian Journal of Criminology*. July, 1998. 325-326.

³⁷ "Berlin Prison Study." (Berlin NH: RKG Associates, Inc.) April 19, 2002. 8, 12.; Huling, Tracy. *Yes in My Backyard*. Documentary film produced in association with WSKG Broadcasting, 1999.

³⁸ King, Ryan S., Marc Mauer and Tracy Huling. "An Analysis of the Economics of Prison Siting in Rural Communities," *Criminology and Public Policy*. 3(3): 453-480. 2004.; Fitchen, Janet. *Endangered Spaces, Enduring Places: Change, Identity and Survival in Rural America*. Boulder, Westview Press. 1991.

³⁹ *Ibid.*

⁴⁰ "Proposed Federal Correctional Institution: Berlin, New Hampshire," prepared for the U.S. Federal Bureau of Prisons by the Louis Berger Group, Inc. March 2006. p. IV-32.

⁴¹ In an article preceding the failed 2001 referendum, Mayor Danderson was quoted explaining that the prison would not absorb all of the laid-off mill workers, many of whom exceed the age cut-off of 37. (Colquhoun, Lorna. "Federal prison referendum awaits Berlin voters," *New Hampshire Sunday News*. November 04, 2001. B1.)

⁴² "Berlin Prison Study." (Berlin NH: RKG Associates, Inc.) April 19, 2002. 17.

In the past decade, officials in some rural communities have looked to prisons as an economic development strategy. Leaders from the Androscoggin Valley region are aware that research on the economic benefits of prisons in rural places has shown mixed results.⁴³ Community leaders have consistently cautioned residents that a new prison is only one aspect of a multi-pronged strategy to secure the region's economic future. Recent studies (profiled in Appendix B) offer sufficient evidence to qualify enthusiasm about economic benefits. **Because of the potential mismatch between hopes for economic benefits and reality, local officials and those from the FBOP should continue to strive to ensure that residents understand that the prison will not solve all of the city's problems.**

Although education efforts take time and money, expending resources at this early stage will support the prison's work and the community's health. Positive relations between prison officials and the community are associated with an improved quality of life for both prison staff and non-correctional community members. Good community/prison relations may also improve staff morale and reduce unfounded concerns about crime or mistrust of strangers.⁴⁴ For these reasons the FBOP and local officials should work to continue and expand an open and honest process. By doing so, they can also maintain and strengthen the trust between leaders and citizens that allows the community to function.

Relationships of Local Prison Employees to Family and Community

Working in any prison is challenging and stressful work. Day after day, corrections officers deal with people that the courts have concluded are too dangerous or devious to live outside of confinement. These pressures can impact the health and well-being of prison employees and spill over to affect their families and other relationships. In a community in which many residents are employed by a prison or have close relationships with prison employees, the stress of prison work has the potential to affect local social capital, in terms of trust and participation. **As local leaders, we hope to work with prison officials to maximize the wellbeing of the Berlin prison employees and their families.**

Over years of work, many long-term corrections officers will spend more time behind prison walls than a large proportion of inmates.⁴⁵ Exposure to the prison environment can take its toll. Corrections officers have higher rates of alcoholism, greater divorce rates, and a lower life expectancy than even other law enforcement officers.⁴⁶ In 2005, a National Commission on Safety and Abuse in America's Prisons began to examine these issues.

A report to the U.S. Department of Justice agrees that "stress among correctional officers is widespread and, in many cases, severe."⁴⁷ The report to the Department of Justice concludes that the stress of prison work can result in three major issues for officers; namely, health problems,

⁴³ See Appendix A for a synopsis of recent studies that call into question the economic benefits of hosting a prison for rural communities.

⁴⁴ Krause 1992, 27-29.

⁴⁵ Conover, Ted. *Newjack: Guarding Sing Sing*. New York: Random House. 2000.

⁴⁶ Commission on Safety and Abuse in America's Prisons. www.prisoncommission.org. Accessed November 20, 2005.

⁴⁷ Finn, Peter. *Addressing Correctional Officer Stress: Programs and Strategies*. Washington, DC: National Institute of Justice, U.S. Department of Justice. December 2000.

burnout, and impaired family relations. These issues, in turn, can lead to heavy use of sick days and disability benefits, as well as early retirement.⁴⁸ Beyond these tangible impacts, corrections officers report that they feel changed by the time they spend in prison. Many report that they feel more cynical and suspicious of others, as well as more prone to seeking retribution.⁴⁹

If left unaddressed, the impacts of stress have the potential to spill over and affect family and other relationships. Some corrections officers become withdrawn and/or take out their stress on their spouses and children.⁵⁰ Studies have shown that domestic violence is more common among corrections officers.⁵¹ Just as stress among prison employees disrupts family relations, it also has the potential to impact the life of a community in which many residents are associated with the prison.

As local leaders, we want FBOP employees to become successful, participating members of our community. We look forward to working with the FBOP to insure that prison employees and their families have access to the support systems both within the FBOP and the community that they will need to address the documented problems of health, burnout and impaired family relations. Effectively addressing these issues will contribute to maintaining positive social capital in our communities.

Newcomers Who May Not Develop Local Roots

The draft EIS projects that hosting a federal prison in Berlin will attract 240 new households of prison employees, amounting to 626 additional residents in the region.⁵² As local leaders, we see the addition of young, educated and diverse new residents as vitally important to the growth of the community. It is clear, however, that it will be extremely important to develop a systematic approach to integrating these new families into the community. Successfully integrating newcomers into the life of a community will take thoughtful preparation and concerted effort. We hope that the FBOP will join with us in ensuring that this process is a success.

FBOP transfers are likely to differ from the average Berlin resident in several ways. In the 2000 census, 67.5 percent of Berlin residents had no more than a high school degree/GED, compared to 48.2 percent of the population nationwide or 42.7 percent of New Hampshire. FBOP officials say that employees who transfer to Berlin will probably have at least some college education, with many holding four-year college degrees.⁵³ Prison jobs also provide stable employment at an average salary of \$37,000, substantially greater than Berlin's median household income of \$29,467. Therefore, prison jobs are likely to attract an educated and economically stable population to Berlin. On the whole, people who are more educated and wealthier are more likely to participate civically and charitably in their communities.⁵⁴

⁴⁸ Finn 2000.

⁴⁹ Crawly 2004, 36.

⁵⁰ *Ibid.*

⁵¹ "Facts about domestic violence," Seattle Post-Intelligencer. July 23, 2003.; "Prison guards and domestic violence," Honolulu Star Bulletin. July 1, 2000.

⁵² "Proposed Federal Correctional Institution: Berlin, New Hampshire," prepared for the U.S. Federal Bureau of Prisons by the Louis Berger Group, Inc. March 2006. p. IV-32.

⁵³ Gaston, Isaac. Conversation with Abby Williamson. April 22, 2005.

⁵⁴ People with college degrees are twice as likely to volunteer or to give blood as people without degrees beyond high school. (Independent Sector. Giving and Volunteering in the United States. Washington: Independent Sector. 1996.)

Some FBOP newcomers are also likely to be ethnic or racial minorities. Twenty-one percent of FBOP employees are African-American. Today, many companies and communities understand diversity as a local asset that can improve economic development prospects.⁵⁵ It can be challenging, however, for a community that has had a relatively homogeneous population and a traditionally based economy to assimilate families from different ethnic and cultural backgrounds. Research shows that ethnic demographic changes are often associated with local conflict and reduced trust.⁵⁶

Although, we do not anticipate any significant problems in Berlin, we feel that the EIS should address the fact that any time an influx of new and diverse individuals is introduced into a community there is potential for tension and misunderstanding. As members of this community, we believe that we must create a strategy to ensure that new residents feel welcome in the region and that current residents are prepared for the inevitable changes in the make up of the community. When the ecumenical groups in the Androscoggin Valley realized that a Federal Prison might come to the region, they organized a diversity training for all clergy to help prepare for the change in their congregations. The FBOP and the community could benefit from further efforts in this vein.

While FBOP newcomers will bring higher levels of education, income, and diversity to Berlin, they are also likely to remain in the community for a relatively short period of time. In order to advance to FBOP management ranks, employees must transfer to other facilities since they are not permitted to supervise their peers. As a result, the average FBOP transfer will only stay in the region for two to three years.⁵⁷ The draft EIS also mentions that a “transient” workforce will live in Berlin for a year and a half during the construction phase.⁵⁸ This time span allows little time for the employee to develop roots in the community. Moreover, it ensures that a constant flow of newcomers will arrive in Berlin.

Clearly, we hope that some prison employees and construction workers will learn to love our region and choose to stay. But because we know to expect some on-going inflow and outflow of employees associated with the prison, we feel it is important to consider the impacts of this pattern on the community. Compelling evidence links increased residential mobility with declining social capital. Residents who are not firmly rooted in a community are less likely to be involved in the life of the community. Those who anticipate moving away within five years are 20-25 percent less likely to volunteer, work on community projects, or attend church or club meetings. Residents of high-mobility communities also find that they are not as connected to their neighbors. In communities where mobility is high and neighborhood cohesion declines, the crime rate can increase. Since Berlin residents have a strong sense of neighborhood connection, we feel it is important to understand the potential effects of increased mobility. **For these reasons, we urge the FBOP to assist local officials in integrating newcomers and encouraging local residency.**

Those with four years of education beyond high school report 30 percent more interest in politics and 40 percent more attendance at organizational meetings. (Stehlik-Barry, Kenneth. Education and Democratic Citizenship in America. Chicago: University of Chicago Press. 1996.) For a good overview, see Rosenstone, Steven J. and John Mark Hansen. *Mobilization, Participation, and Democracy in America*. New York: Macmillan Publishing Company. 1993.

⁵⁵ Florida, Richard. *The Rise of the Creative Class: And How Its Transforming Work, Leisure Community and Everyday Life*. (New York: Basic Books). 2002.

⁵⁶ Williamson, Abigail. “Diversity and Community: Four Case Studies,” The Taubman Center Report. 2005.

⁵⁷ Gaston, Isaac. Conversation with Abby Williamson. April 22, 2005.

⁵⁸ “Proposed Federal Correctional Institution: Berlin, New Hampshire,” prepared for the U.S. Federal Bureau of Prisons by the Louis Berger Group, Inc. March 2006. p. IV-41.

Federal prisons provide the greatest support to the local economy when the prison and its employees purchase services and goods in the community.⁵⁹ We therefore hope that FBOP newcomers will live and spend in existing neighborhoods. Given that 11 percent of Berlin's housing stock was vacant in 2000, units are available. But these available units may not suit the preferences of FBOP employees, who tend to prefer single-family homes with some land. Some evidence suggests that prison employees often travel from far a field to work at a prison.⁶⁰ We know that people who live *and* work in the same community are more likely to participate in community activities.⁶¹ **For these reasons, we hope the FBOP will play an active role in establishing policies that encourage prison employees to live and become active participants in existing neighborhoods.**

RECOMMENDED MITIGATION MEASURES TO MAINTAIN SOCIAL CAPITAL IN BERLIN

The proposed federal prison in Berlin could impact social capital by influencing our perception of the trustworthiness of leaders and others, affecting relationships of prison employees to family and community, and attracting newcomers. Case studies of prison towns show that the approach taken by the FBOP and local officials can substantially impact the social capital effects of the construction and operation of a local prison. With careful study and planning, the region can maintain community vitality in the midst of these challenges. Below, we offer suggestions for how the region – given adequate funding from federal sources – could mitigate potential negative social capital impacts.

New Hampshire has a larger pool of social capital expertise than virtually any other state, centered at the University of New Hampshire Institute of Social and Political Science, the New Hampshire Center for Public Policy Research, and the New Hampshire Charitable Foundation. In recent years, a cadre of 36 New Hampshire leaders participated in a six- month, intensive Social Capital Learning Circle to address how this work might be done. Likewise, New Hampshire's Regional Planning Councils have participated in an on-going process to learn about social capital and its relevance to their work. For the past six months, Androscoggin Valley community leaders have been meeting to discuss how they might maintain Berlin's high levels of social capital throughout the prison siting and construction process, as well as during operation.

The suggestions compiled below come from both a literature review and talking with Berlin community leaders. Some of these mitigation measures would require limited increases in operating costs, but produce important benefits. Because social capital mobilizes communities in cooperative enterprises, public investments would be leveraged by the "sweat equity" of the local participants. To ensure that communities are prepared for changes related to the Berlin federal prison, we urge

⁵⁹ Douglas Clement, "Big House On The Prairie," Fedgazette, Federal Reserve Bank of Minneapolis, Vol. 14, No. 1, January, 2002.

⁶⁰ Huling, Tracy. Prisons as a Rural Growth Industry: An Exploratory Discussion of the Effects on Young, African-American Males in the Inner-Cities. In *The Crisis of the Young African American Male in the Inner Cities*, Vol. 1, U.S. Commission on Civil Rights, Washington, DC. 2000.

⁶¹ Putnam 2000, 213-214.

the Federal Bureau of Prisons to provide funding to all effected towns for measures to preserve and strengthen social capital.

We look forward to working with the FBOP to make the suggestions below into a concrete plan. Making a federal prison work in Berlin will require close partnership with prison leadership. In a community assessment of our region by national rural development expert Marcia Kingslow, the major recommendation to emerge was a focus on building regional coalitions and partnerships to respond to community changes.⁶² A community-prison liaison employed by the FBOP could play a crucial role in this process. More importantly, we hope prison leaders will lead by example, taking an active role in the community. The suggestions below offer a starting place for further discussion of how we can ensure that FBOP employees find a welcoming community in the Androscoggin Valley that will continue to thrive.

➤ *Maintaining Local Trust*

- FBOP and local leaders should collaborate with local newspapers, clergy and existing civic organizations to continue to dispel myths about inmate families and increased crime through outreach and education, even after the prison is built.
- FBOP and local leaders should continue to manage expectations about the number of jobs that locals will receive and the potential economic benefits of the prison through outreach and education.
- FBOP and local leaders should establish an on-going community advisory committee to sustain prison-community relations.⁶³This committee would connect with existing community organizations and act as a clearinghouse for questions and concerns regarding the prison.
- FBOP and local leaders should work together to create programs that connect local residents to the prison. The state prison inmates, for example, bake snacks for local after-school programs and work on municipal construction projects.

➤ *Supporting Prison Employees*

- FBOP should collaborate with local service providers (following the advice of reports to the Department of Justice) and institute a prison employee assistance program that utilizes best practices in the field to reduce pressures on prison employees and their families. Including families in anti-stress and post-trauma programs is key to success.
- FBOP should also provide monetary or in-kind support to agencies that support prison employee families and build healthy communities and relationships, such as after-school programs, domestic violence prevention, substance abuse prevention, and parenting programs.

➤ *Integrating Newcomers*

⁶² The assessment was arranged by the Family Resource Center in Gorham and sponsored by the Ford Foundation.

⁶³ Carlson 1992.

- FBOP and local leaders should establish community welcoming and orientation committees to engage new residents that relocate in association with the prison. Suggestions made during preliminary conversations include church and school-based welcoming efforts.
- FBOP should collaborate with local leaders to develop diversity training for schools and community groups, including positive examples from other communities.
- FBOP and local leaders should work together to promote local hiring and encourage prison employees to stay by continuing and expanding on-going criminal justice education opportunities.
- FBOP and local leaders should create incentives to encourage prison employees to reside in existing neighborhoods. Such incentives could include creative financing and/or renovation loans or grants. The FBOP should also investigate changes to the FBOP internal real-estate brokerage that could embed sales in the local market.
- FBOP and local leaders should establish and support venues for community collaboration and gatherings, such as enrichment programs at the Community Technical College, neighborhood improvement projects, community arts venues, and community playgrounds that allow residents leisure options and bring diverse groups together.

By implementing these mitigation measures and others developed in conversation with local residents, the FBOP could support positive social capital impacts and, in many cases, improve the functioning of the prison. The point of our testimony is that major infrastructure projects structurally impact social capital just as they structurally impact the environment. Social capital is not only a function of individual choices (whether to join a club, whether to chat with a neighbor), but also of structural factors. When a significant proportion of the population is not attending club meetings or spending time in the neighborhood, individuals have no one with whom to interact, and important social services and infrastructure are negatively impacted.

Federal and state governments – not only towns or individuals – bear responsibility for addressing social capital impacts, just as they are responsible for addressing other important impacts such as loss of wetlands or increased air pollution. We understand that FBOP officials, like municipalities and individuals, face scarce resources and must make difficult choices. However, without thoroughly evaluating the social capital impacts of the proposed project, the FBOP cannot conclude that the economic and safety benefits of the project outweigh the social costs.

Congress passed NEPA and included the environmental impact statement requirement precisely because it believed that federal agencies bear responsibility for the impacts of their projects on the human environment, defined to include social capital concerns. We urge the FBOP to acknowledge the crucial social capital impacts of proposed federal prison in Berlin, and to allocate funding for at least some of the measures proposed above.

In closing, we appreciate the FBOP's consideration of our comments. If we can be of service in helping the FBOP evaluate the social capital impacts of the project, and in aiding impacted municipalities as they plan for and deal with the social capital impacts, we would be pleased to assist in this capacity.

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APPENDIX B: RECENT STUDIES ON THE IMPACT OF PRISONS IN RURAL AMERICA

Recent scholarly studies have called the economic benefits of prisons into question.⁶⁴

Hooks, Gregory, Clayton Mosher, Thomas Rotolo, and Linda Lobao. "The Prison Industry: Carceral Expansion and Employment in U.S. Counties, 1969-1994," *Social Science Quarterly*. 85(1): 37-57. 2004.

- Gregory Hooks and his co-authors gathered data on all prisons in the United States and examined growth trends at the county level for the ten years following prison construction, comparing them to similar counties without prisons. For rural counties, Hooks found that, "Neither established nor newly built prisons made a significant contribution to employment growth." Worse yet, in economically depressed rural areas, Hooks found that prison counties did worse economically than non-prison counties. He concludes that prisons actually hamper local job growth by crowding out other economic alternatives. Communities supply prisons with public services, but do not reap the benefits in terms of increased tax revenue since the prisons are tax-exempt and they limit other economic growth.

King, Ryan S., Marc Mauer and Tracy Huling. "An Analysis of the Economics of Prison Siting in Rural Communities," *Criminology and Public Policy*. 3(3): 453-480. 2004.

- Ryan King and his co-authors studied fourteen rural counties in New York, including seven that opened a prison at some point in the last quarter century. Looking at per capita income and employment data over time, they found no apparent positive impact in the rural counties that hosted prisons. They attributed these disappointing results to several factors. Much of the prison workforce lived beyond the county and inmates, who are not counted among the unemployed, filled some low-skilled jobs. Few local businesses were able to qualify to become prison suppliers. Finally, unlike many factories, prisons failed to attract associated industries, limiting the economic multiplier effect.

Besser, Terry L. and Hanson, Margaret M. 2003. "The Development of Last Resort: The Impact of State Prisons on Small Town Economics." Paper presented at the Annual Meetings of the Rural Sociological Society, July 2003. Montreal, Canada. Under review with the *Journal of the Community Development Society*.

- Terry Besser and Margaret Hanson specifically examined small towns with 10,000 or fewer residents, including some with state prisons. They found that, controlling for economic and demographic factors, region, and prison age in 1990, new prison towns showed less growth in terms of housing values and household wages than their non-prison town counterparts. New prison towns also showed a systematic decrease in the number of youth living in the area by 2000. Moreover, they found that by 2000, towns with prisons had systematic increases in unemployment and poverty, controlling for 1990 levels.

⁶⁴ Several of the more favorable studies cited in the RKG study refer to earlier work that involved largely metropolitan areas and/or was not published in peer-reviewed journals.

Farrigan, Tracey L. and Amy K. Glasmeier. "The Economic Impacts of the Prison Development Boom on Persistently Poor Rural Places." 2003. Under review with the *International Journal of Regional Science*.

- Tracey Farrigan and Amy Glasmeier matched rural counties with state prisons constructed between 1985 and 1995 with similar counties without prisons and examined county earnings, population, poverty rates, and degree of economic health. Like Besser & Hanson, they found that that prisons did not improve economic health in general. Unlike Besser & Hanson and the other authors cited here, they did find some evidence that in prison counties that were already in good economic health, prisons were associated with somewhat higher levels of local government tax revenues. In addition, they found that persistently poor counties with prisons experienced a limited reduction in poverty rates.