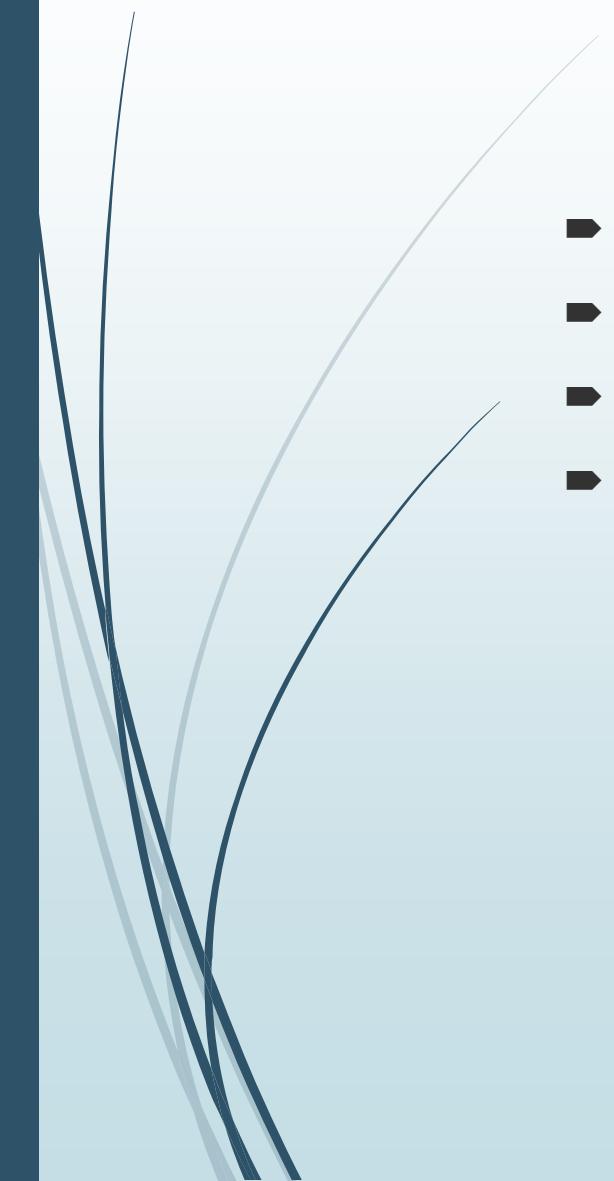




The Economy & Crime Trends

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Current State of Relevant Literature

- ▶ Research is, for the most part, cross sectional
- ▶ Results are mixed
- ▶ Utilitarian explanation
- ▶ Growing ethnographic literature focusing on social and economic disadvantage and crime & delinquency



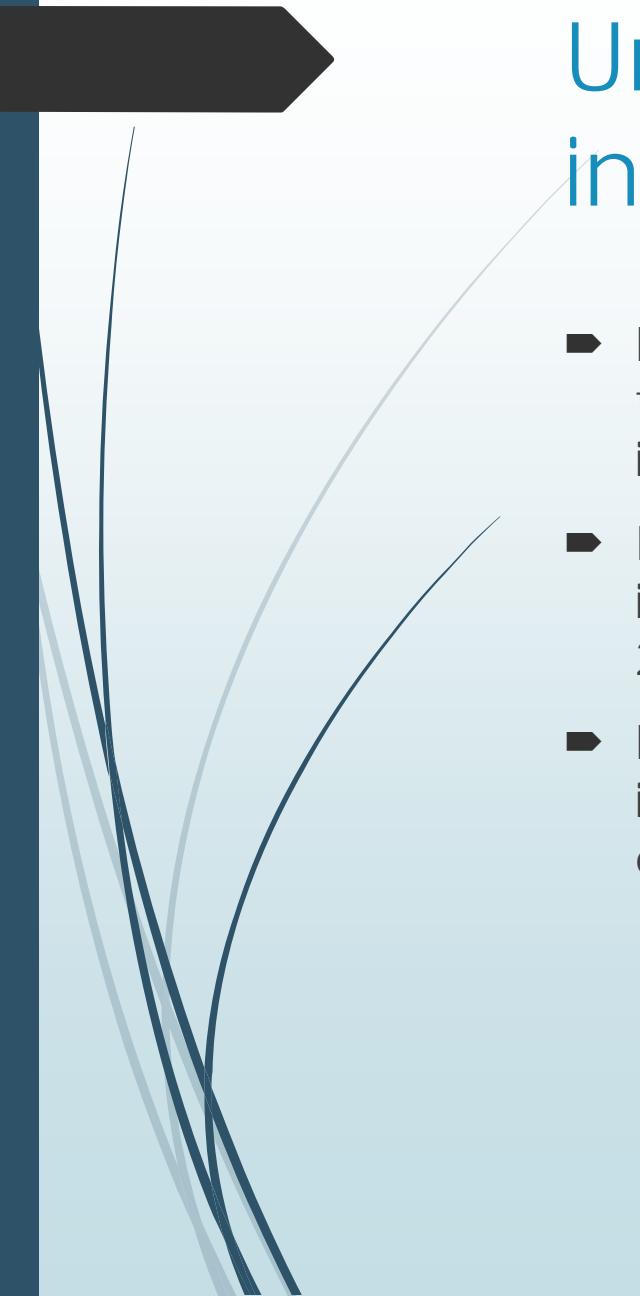
Economic Variables

- ▶ Work and Employment
 - ▶ Unemployment rates
 - ▶ Joblessness
 - ▶ Labor market "marginality"
- ▶ Disadvantage
 - ▶ Usually measured as hyper poverty
- ▶ Others
 - ▶ Business cycles
 - ▶ Consumer confidence



Unemployment and Crime

- ▶ General view is that the association is a weak positive relationship
 - ▶ When unemployment increases substantially crime goes up
- ▶ But...
 - ▶ Some have found no relationship
 - ▶ One notable study (Cantor & Land, 1985) found a negative association for some crimes
 - ▶ Other evidence suggest that we should be thinking about crime as causing unemployment, not necessarily the reverse (Thornberry & Christenson, 1984; Hagan, 1993; Pager, 2007)



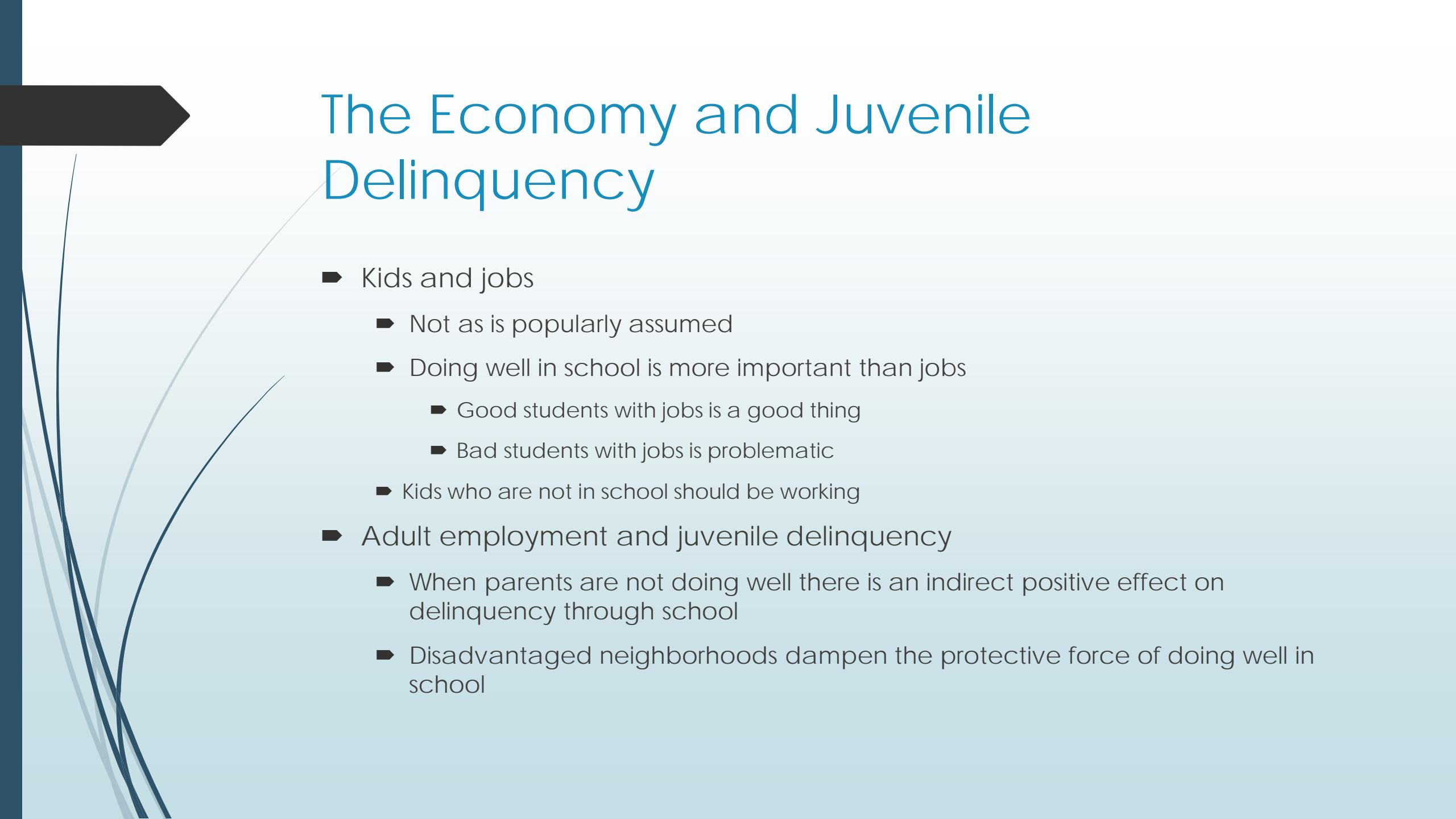
Unemployment & Crime—taking time into account

- ▶ Relationship between unemployment & crime disappears when trends are taken into account, but there is an association between unemployment & imprisonment (Parker & Horwitz (1986))
- ▶ No effect of economic factors on crime in 1990s. It was more police, more imprisonment, decline in crack markets, and legalization of abortion (Levitt, 2004)
- ▶ Effects of unemployment are invariant or slow moving. When this is taken into account there is a positive association between unemployment and crime (Worrall, 2008)



Beyond Unemployment Rates

- ▶ The “off the books” economy
 - ▶ Fagan and Freeman (1999)
 - ▶ View illegal work as on a continuum with legal work to really understand
- ▶ Labor stratification and crime
 - ▶ Focus should not be limited to unemployment—too narrow of a measure of labor market activity
 - ▶ Labor market marginality (LMM)—unemployment, joblessness, underemployment, secondary sector employment
 - ▶ Conditional positive effect of LMM on both violent and property crime
 - ▶ Important condition is the state of the local labor market where people live



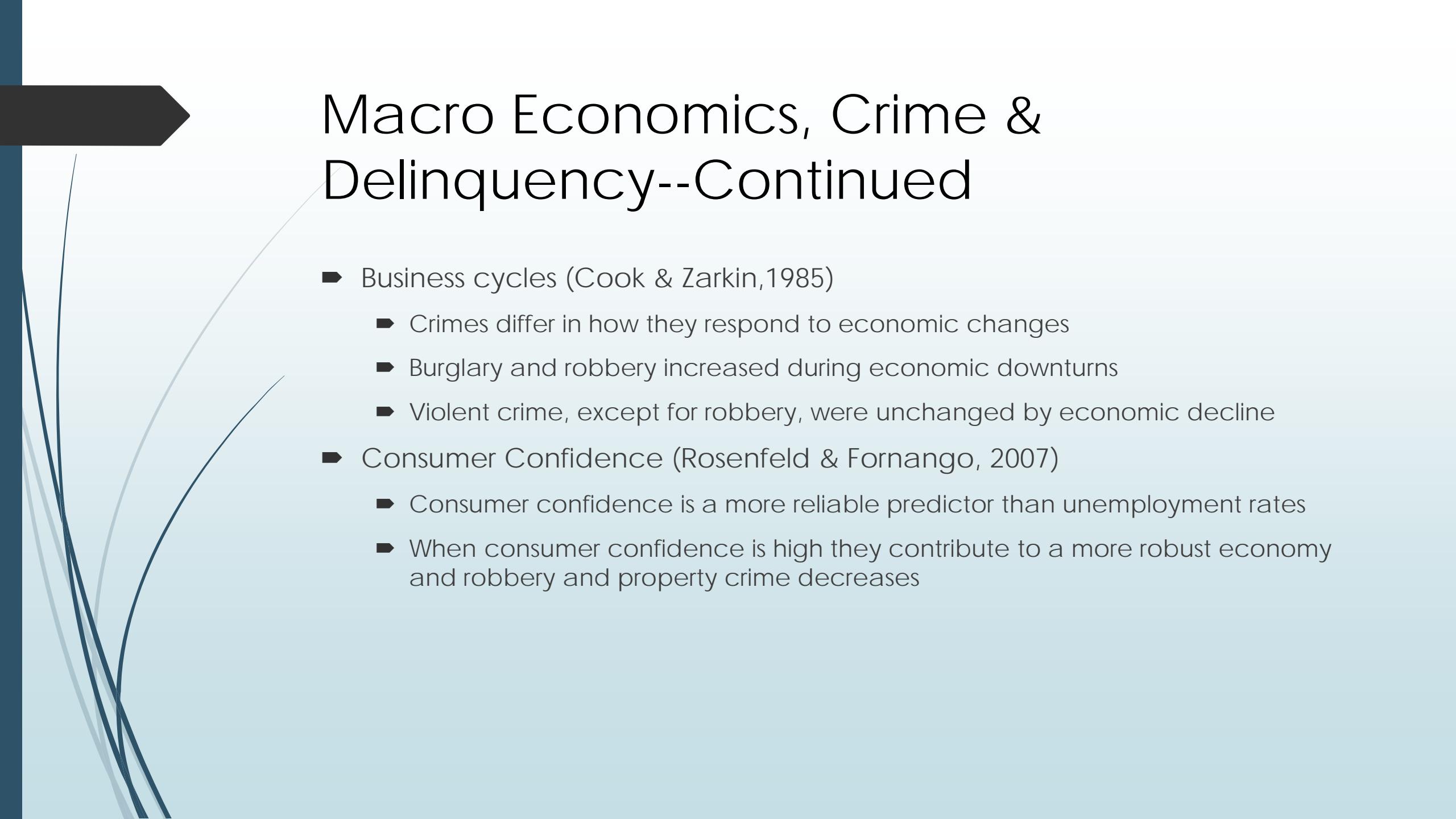
The Economy and Juvenile Delinquency

- ▶ Kids and jobs
 - ▶ Not as is popularly assumed
 - ▶ Doing well in school is more important than jobs
 - ▶ Good students with jobs is a good thing
 - ▶ Bad students with jobs is problematic
 - ▶ Kids who are not in school should be working
- ▶ Adult employment and juvenile delinquency
 - ▶ When parents are not doing well there is an indirect positive effect on delinquency through school
 - ▶ Disadvantaged neighborhoods dampen the protective force of doing well in school



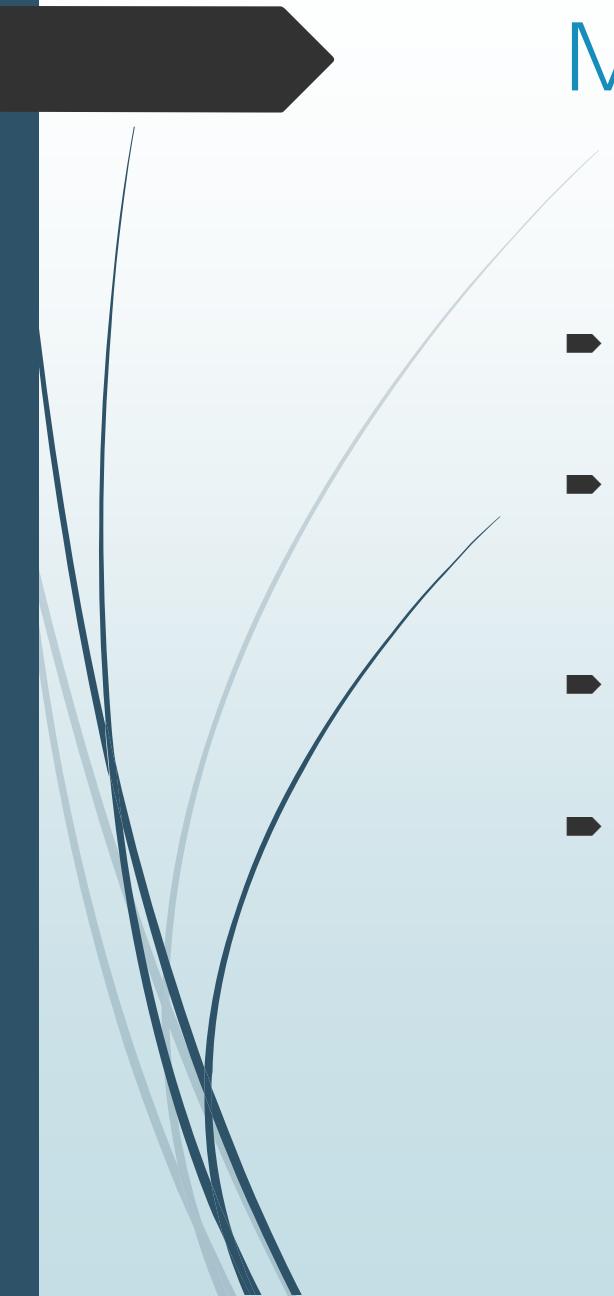
Macro Economics, Crime & Delinquency

- ▶ The myth
 - ▶ Crime did not increase during the Great Depression but...
 - ▶ crime did increase during the economically robust 1960s
- ▶ The reality
 - ▶ Some crimes did not increase in the Depression (homicide) but others did (burglary)
 - ▶ During the 60s, while there was overall economic growth, unemployment in some inner-city black communities exceeded 25%



Macro Economics, Crime & Delinquency--Continued

- ▶ Business cycles (Cook & Zarkin, 1985)
 - ▶ Crimes differ in how they respond to economic changes
 - ▶ Burglary and robbery increased during economic downturns
 - ▶ Violent crime, except for robbery, were unchanged by economic decline
- ▶ Consumer Confidence (Rosenfeld & Fornango, 2007)
 - ▶ Consumer confidence is a more reliable predictor than unemployment rates
 - ▶ When consumer confidence is high they contribute to a more robust economy and robbery and property crime decreases



My Thoughts Two Years Later

- ▶ As I wrote, I struggled with the continuing crime decline during the Great Recession
- ▶ Some ethnographic and anecdotal evidence that either the amount or nature of crime was changing problematically in disadvantaged, inner-city communities
- ▶ Thinking back to the point made by Worrall (2008), about the slow moving effects of unemployment change
- ▶ I am increasingly wondering if labor market forces primarily effect crime in disadvantaged places
 - ▶ Increasing disadvantage
 - ▶ The most marginalized workers



I Think We Should Be Thinking About

- ▶ It is not just overall effects of the economy on overall crime trends
- ▶ The economy effects specific types of crimes differently
- ▶ The influence of the economy on crime is influenced not just overall, but in specific places.
- ▶ My focus would be on disadvantaged places which grow in size and more desperate with prolonged economic decline