BATH CRIME-ECONOMICS CONFERENCE
LOCATION: UNIVERSITY OF BATH • CB 5.1
DATE & TIME: 4TH OF APRIL • 1.15-6PM

Organisers: Department of Economics, Institute for Policy Research (IPR), Centre for the Analysis of Social Policy (CASP)

Support received from: Royal Economic Society (RES) & University of Bath, Faculty of Humanities & Social Sciences

Programme

13:15-13:30h
Welcome by IPR/CASP

1) 13:30-14:30h
Giovanni Mastrobuoni (Essex)
“Police and Clearance Rates: Evidence from Recurrent Redeployments within a City”
Discussant: Mirko Draca (Warwick)

2) 14:30-15:30h
Randi Hjalmarsson (Queen Mary)
“Politics and Peer Effects in the Courtroom”
Discussant: Iain Long (Cardiff)

● REFRESHMENT BREAK ●

3) 16:00-17:00h
Stephen Machin (UCL)
“The Changing Returns to Crime: How Do Criminals Respond to Changes in Goods Prices?” (joint with Mirko Draca and Theodore Koutmeridis)
Discussant: Brian Bell (Oxford)

4) 17:00-18:00h
Olivier Marie (Maastricht)
“Is There Really an Impact of Arrest on Income?”
Discussant: Sunčica Vujić (Bath)

For further information, please contact Sunčica Vujić - S.Vujic@bath.ac.uk
Programme with abstracts and bios

13:30-14:30h

Giovanni Mastrobuoni (Essex)

“Police and Clearance Rates: Evidence from Recurrent Redeployments within a City”

Abstract

More policing reduces crime, but little is know about the mechanism. Does policing deter crime by reducing its attractiveness, or is the reduction driven by increased arrest rates that incapacitate recurrent criminals? This paper exploits micro-level data on single robberies together with redeployments of two police forces within a city, providing evidence of a direct link between policing and the likelihood of clearing cases; link that is necessary to mediate any incapacitation effect. During shift changes, reduced patrolling lowers the likelihood of identifying and arresting robbers, including would-be repeat offenders, from 13.5 to 8 percent. There is little evidence that criminals systematically target shift changes to reduce the risk of being apprehended.

About the speaker

Giovanni Mastrobuoni obtained a PhD in Economics from Princeton University in 2006. He is currently Reader at the University of Essex and research fellow at CeRP, IZA, and Netspar. His research focuses on labour economics and on the economics of crime. He has been a visiting fellow at Nuffield College, Oxford, Columbia University, New York, Universitat Autonoma de Barcellona, Princeton University, and EIEF.

14:30-15:30h

Randi Hjalmarsson (Queen Mary)

“Politics and Peer Effects in the Courtroom”

Abstract

This paper studies whether systematic biases exist in a jury system inherently different from the U.S. – namely, the Swedish system of professional laymen jurors (or nämndemän). Swedish criminal cases are decided by one professional judge and three nämndemän, who are politically affiliated and elected. The analysis is based on a unique data set of almost 1000 closed crimes against person cases for the Gothenburg District Court for 2009 through 2012 and takes advantage of the random assignment of nämndemän to cases to identify the causal effects of ‘jury characteristics’ on case outcomes. Given the role played by politics in the nämndemän system and the strong correlations between political party and views of the justice system, the analysis focuses on systematic biases stemming from the nämndemän’s political affiliations. Finally, because verdicts do not have to be unanimous and because we see the same nämndemän sitting with different peers, we can begin to study jury member peer effects and the dynamics of jury decision making. Preliminary results suggest that (i) systematic biases with respect to political party do exist in the lay judge system and (ii) the multi-dimensional nature of political platforms matter, rather than just the party’s stance on criminal justice issues. The peer
effects analysis provides evidence suggestive of two types of peer effects: (i) a sway effect, where one convinces a fellow juror of their standpoint, and (ii) a digging-in effect, where two individuals with severely opposing viewpoints can cause one party to ‘dig in’.

About the speaker

Randi Hjalmarsson received her PhD in economics from Yale University in 2005 and a BA in 1998 from Columbia University. She is currently a Professor in the Department of Economics at the University of Gothenburg and in the School of Economics and Finance at Queen Mary, University of London. She is a Research Affiliate at the Centre for Economic Policy Research and was previously an Assistant Professor at the University of Maryland, School of Public Policy. Her research focuses on empirical questions related to the economics of crime. Amongst other topics, she has previously studied peer effects in the criminal justice system, the intergenerational nature of crime, the effect of education on crime, and the effect of incarceration on education and subsequent criminal activity. She is currently studying biases in jury decisions, particularly with respect to race. She publishes regularly in leading economics journals, including The Quarterly Journal of Economics, The Review of Economics and Statistics, The Journal of Human Resources, and the Journal of Law and Economics.

16:00-17:00h

Stephen Machin (UCL)
“The Changing Returns to Crime: How Do Criminals Respond to Changes in Goods Prices?” joint with Mirko Draca and Theodore Koutmeridis

Abstract

Economic models of crime argue that changing economic incentives can alter participation of individuals in criminal activities. We study what happens when the prices of goods change, arguing that this can alter individuals’ expected returns from crime, as criminals may switch between stealing less and more expensive goods as relative prices change. We use detailed monthly data on burglaries, thefts and robberies in London from the Metropolitan Police Service between January 2002 and December 2012, where the key data feature we exploit is that we know what was stolen in the reported incidents. We link this to detailed product price data and estimate a significant positive crime elasticity with respect to prices from panel data models that relate changes in stolen goods to changes in their prices. We also develop empirical models that relate changes in stolen goods to changes in the price of that good and also to the prices of other goods and estimate significant cross-price elasticities which show that price shifts can cause potential criminals to substitute away from goods with a lower price (and associated lower return) to those with a higher price (and higher associated return).

About the speaker

Stephen Machin is a Professor of Economics at the University College London and a Research Director of the Centre for Economic Performance at the London School of Economics and Political Science.
Abstract

In this paper I investigate the impact of arrest on income. Individuals who are criminally active have on average lower incomes but the reverse is also true. The interest here is to identify and measure the causal effect of being arrested on earnings in the short to medium run. This relationship has only ever been estimated by Grogger (1995) using individual fixed effects (FE) regression analysis on a sample of California inmates. He concluded that the impact of income on earnings were negative but moderate in magnitude and rather short lived. I re-examine this relationship using a much richer dataset which matches the Dutch LFS (1999 to 2007) to earnings and arrest administrative records for every adult male in The Netherlands. It makes it possible to include for the first time a large control group of individuals who have never been arrested. Because of the endogenous nature of the income-crime relationship, I also consider the existence of an earnings effect on future arrest. Difference between the OLS and FE estimates obtained first show that it is essential to take into account unobserved individual heterogeneity. The results show that it takes four years for an individual to be back on his original income path after a 3.4 percentage point drop in income the year following an arrest. This is much steeper and longer than the estimated impact by Grogger (1995) but may be explained by important differences in the stigma associated with an arrest which may be lower in the US than in The Netherlands. More surprisingly there appears to be a relatively important decrease in earnings in the years prior to an arrest. This has never been documented before and suggests that criminal participation may be driven by negative individual income shocks and that post-arrest income profile actually reflect returns to the mean. This may have important implications for crime prevention policies which could potentially reduce offending by improving income shock protection.

About the speaker

Olivier Marie is Assistant Professor in the Department of Economics at Maastricht University. He is the recipient of a NWO-Veni grant (2012-2015) for his project on “Labour Market Opportunities and Criminal Participation”. He holds an MSc from LSE and obtained his PhD in Economics from Royal Holloway in 2010. Olivier is also a fellow at ROA and GSBE in Maastricht, a Research Associate at the CEP at LSE, and a Research Affiliate at CESifo. His main research interests are: economics of crime, labour economics, economics of education, micro-econometrics, policy evaluation.