

The Economics of Crime

MA Seminar

University of Marburg

Winter Term 2011/12

Christian Traxler

FOCUS. The aim of this course is to read, understand, and discuss recent (empirical) contributions in the economic analysis of crime.

ORGANIZATION. The course will take place in blocked format, on January 13–14, 2012. It is targeted to students in the Master's Programme in Economics and Institutions. The seminar can be credited as a specialization in the modules *Economic Policy*, *Institutional Economics* or *International Institutional Economics* (6 ECTS).

COURSE STRUCTURE AND REQUIREMENTS. Students are expected to be trained in microeconomics and have basic knowledge of empirical (microeconometric) methods. To prepare for the course, an essential background reading – which develops the theoretical fundament for most studies – is

Gary S. Becker (1968), Crime and Punishment: An Economic Approach. *Journal of Political Economy* 76(2), 169-217.

We will cover roughly 20 original research articles. The literature list is attached below (see next page). Each paper will be summarized by a student. A different student will provide a critical discussion of the paper. Students are required to (a) hand in an essay which summarizes a paper, (b) present this paper, and (c) discuss a second paper. Two weeks after the seminar, students hand in (d) a short research statement, which describes an independent research idea/question and sketches a research design to address the question. Grading will be based on (a)–(d) as well as (e) the active participation in the discussions during the seminar.

Further details will be discussed at a first meeting:

Date: October 14, 2011, 11.00 – 12.00

Location: Sitzungszimmer des Dekanats
Universitaetsstr. 25

If you want to participate in the seminar, you are expected to attend this meeting!

Literature

1 Crime Trends

- 1.1 Levitt, Steven (2004), 'Understanding Why Crime Fell in the 1990s: Four Factors That Explain the Decline and Six That Do Not', *Journal of Economic Perspectives*, 18(1), 163-190.
- 1.2 Buonanno, P., F. Drago, R. Galbiati, and G. Zanella (2011), 'Crime in Europe and US: Dissecting the Reversal of Misfortunes', *Economic Policy*, forthcoming.

2 Deterrence

- 2.1 Draca, Mirko, Steve Machin and Robert Witt (2011), 'Panic on the Streets of London: Police, Crime and the July 2005 Terror Attacks', *American Economic Review*, forthcoming.
- 2.2 Francesco Drago, Roberto Galbiati and Pietro Vertova (2009), 'The Deterrent Effects of Prison: Evidence from a Natural Experiment', *Journal of Political Economy*, 117(2), 257-280.

3 Death Penalty

- 3.1 Ehrlich, Isaac (1975), 'The Deterrent Effect of Capital Punishment: A Question of Life and Death', *American Economic Review*, 65(3), 397-417.

further reading:

Mocan, Naci and R Kaj Gittings, (2003), 'Getting Off Death Row: Commuted Sentences and the Deterrent Effect of Capital Punishment', *Journal of Law and Economics*, 46(2), 453-478.

- 3.2 Donohue, John and Justin Wolfers (2006), 'Uses and Abuses of Empirical Evidence in the Death Penalty Debate', NBER Working Papers 11982.

further reading:

Donohue, John and Justin Wolfers (2006), 'The Death Penalty: No Evidence for Deterrence', *The Economists' Voice*, Berkeley Electronic Press, vol. 3(5).

4 Guns

- 4.1 Ludwig, Jens and Philip Cook (2006), 'The Social Costs of Gun Ownership', *Journal of Public Economics* 379 (2006), 379-391.

further reading:

Ian Ayres and John Donohue (2009), 'More Guns, Less Crime Fails Again: The Latest Evidence from 1977-2006', *Econ Journal Watch*, 6(2), 218-238.

- 4.2 Duggan, Mark (2001), 'More Guns, More Crime', *Journal of Political Economy*, 109(5), 1086-1114.

5 Alcohol

- 5.1 Biderman, Ciro, Joao MP DeMello, and Alexandre Schneider (2010), 'Dry Laws and Homicides: Evidence from the Sao Paulo Metropolitan Area', *Economic Journal*, 120(543), 157-182.
- 5.2 Carpenter, Christopher, and Carlos Dobkin (2009), 'The Effect of Alcohol Access on Consumption and Mortality: Regression Discontinuity Evidence from the Minimum Drinking Age', *American Economic Journal – Applied Economics*, 1(1), 164-182.

further reading:

Carpenter, Christopher and Carlos Dobkin (2010), 'Alcohol Regulation and Crime', NBER Working Papers 15828 (also available as NBER Chapters, in: *Controlling Crime: Strategies and Tradeoffs*).

6 Social Interaction

- 6.1 Bayer, Patrick, Randi Hjalmarsson and David Pozen (2009), 'Building Criminal Capital Behind Bars: Peer Effects in Juvenile Corrections', *Quarterly Journal of Economics* 124(1), 105-147.
- 6.2 Kling, Jeffrey, Jens Ludwig and Lawrence Katz (2005), 'Neighborhood Effects on Crime for Female and Male Youth: Evidence from a Randomized Housing Voucher Experiment', *Quarterly Journal of Economics* 120(1), 87-130.

further reading:

Ludwig, Jens and Greg J. Duncan, and Paul Hirschfield (2001), 'Urban Poverty And Juvenile Crime: Evidence From A Randomized Housing-Mobility Experiment', *Quarterly Journal of Economics*, 116(2), 655-679.

7 Youth Crime

- 7.1 Grogger, Jeff (1998), 'Market Wages and Youth Crime', *Journal of Labor Economics*, 16(4), 756-791.
- 7.2 Fougere, Denis, Francis Kramarz, and Julien Pouget (2009), 'Youth Unemployment and Crime in France', *Journal of the European Economic Association*, 7(5), 909-938.

further reading:

Levitt, Steven and Lance Lochner (2001), 'The Determinants of Juvenile Crime', NBER Chapters, in: *Risky Behavior among Youths: An Economic Analysis*, pages 327-374.

8 Education

8.1 Jacob, Brian and Lars Lefgren (2003), 'Are Idle Hands the Devil's Workshop? Incapacitation, Concentration, and Juvenile Crime', *American Economic Review*, 93(5), 1560-1577.

8.2 Lochner, Lance and Enrico Moretti (2004), 'The Effect of Education on Crime: Evidence from Prison Inmates, Arrests, and Self-Reports', *American Economic Review*, 94(1), 155-189.

further reading:

Machin, Stephen, Olivier Marie, and Vujic Suncica (2011), 'The Crime Reducing Effect of Education', *Journal of the European Economic Association*, forthcoming.

9 Legalized Abortion, Movie Violence and (American) Football

9.1 Card, David and Gordon Dahl (2011), 'Family Violence and Football: The Effect of Unexpected Emotional Cues on Violent Behavior', *Quarterly Journal of Economics*, 126(1), 103-143.

9.2 Dahl, Gordon and Stefano DellaVigna (2009), 'Does Movie Violence Increase Violent Crime?' *Quarterly Journal of Economics*, 124(2), 677-734.

9.3 Donohue, John and Steven Levitt (2001), 'The Impact Of Legalized Abortion On Crime', *The Quarterly Journal of Economics*, 116(2), 379-420.

further reading to 9.3:

Foote, Christopher L. and Christopher F. Goetz (2008), 'The Impact of Legalized Abortion on Crime: Comment', *The Quarterly Journal of Economics*, 123(1), 407-423.

Donohue, John and Steven Levitt (2008), 'Measurement Error, Legalized Abortion, and the Decline in Crime: A Response to Foote and Goetz', *The Quarterly Journal of Economics*, 123(1), 425-440.

Joyce, Theodore J. (2009), 'Abortion and Crime: **A Review**', NBER Working Papers No.15098 (forthcoming in: *The Handbook of the Economics of Crime*).