

BW37 - Economic Seminar: The Economics of Crime

*I think crime pays.
The hours are good, you meet a lot
of interesting people, you travel a lot.*

Woody Allen

1 Motivation

This seminar is meant to introduce students to the economic analysis of crime. We provide an overview on theoretical foundations, persistent debates such as gun and abortion laws, and some recent microeconomic work that analyses various case studies. In particular, this is a topics course on research papers which empirically study crime, its drivers, and its consequences. Research questions cover a wide variety of topics. We discuss the economic foundations of a rational crime theory as well as many different empirical investigations of criminal behaviour. For example, we look at domestic violence after sports matches, the effect of tighter gun control on homicides, and how a criminal environment for children affect their later lives. All of these topics are highly relevant from an economic, psychological, and sociological perspective. This seminar shall demonstrate students how ‘hands on’ modern economic research can be.

Hence, this seminar should serve two main issues: First, students should engage in studying academic research papers in an interesting research field with scenarios popular in everyday media debates. Second, the research at hand is often of empirical nature, so that students shall improve their knowledge on how econometric research is conducted and which challenges are typically faced by researchers.

2 Structure

Module Structure: This seminar is part of the module BW37. The module is fully accomplished after the completion of two seminars. Whether students take seminars in the same semester or stretch participation over two different semesters is up to them. More information are available in the module description which can be found on the department website.¹

Seminar Structure. This seminar consists of three parts:

- First, we give an introductory session on **April 20, 2022** from 12:30 – 2 pm in room S5 (24.31/Oeconomicum). Students should attend this session to get a first

¹https://www.wiwi.hhu.de/fileadmin/redaktion/Fakultaeten/Wirtschaftswissenschaftliche_Fakultaet/Dekanat/Pruefungsausschuss/Modulbeschreibungen/Modulbeschreibungen_BA/BW37-VWL-Seminar.pdf

introduction into the topic and to hear a motivation for the relevance of the research discussed in this seminar.

- The main examination ("Prüfungsleistung") then consists of the two remaining parts of the seminar. Students choose a topic from the list of questions supplied at the end of this syllabus and prepare a presentation and a term paper.
- The presentation will be held on **June 16, 2022** from 12:30 pm on (length depends on the number of participants, the room will be announced at the first event) and should give every student the chance to present her or his main research paper to all other students participating. It should get clear what the main findings of the paper are and what the context is in which the paper tries to study a certain topic. The presentation should be approximately 20-25 minutes.²

The seminar paper then discusses the main research paper at hand for each topic and tries to elaborate on the research done: For example, students should think about how the presented research papers could apply to Germany and which policy recommendation could be drawn from that. Furthermore, students should be able to discuss the validity of the theoretical and empirical models applied. The seminar paper's length is expected to lie between 10-15 pages. It is due at **September 15, 2022**. The presentation accounts for 30% of the grade while the seminar paper contributes 70% to it. In preparation for the presentation and the seminar papers, students are invited to contact us to discuss challenges and issues.

Language: While this seminar is preferably held in English, students are free to prepare their talk and seminar paper in German as well. English participation is encouraged and acknowledged though.

Prerequisites: This course discusses empirical research. Hence, understanding the research at hand may be easier with basic knowledge in econometrics, though it is definitely not an exclusion criterion.

3 Topics

All topics have one or two main research papers. Students should discuss only one paper in the research talk though might address both related papers in their seminar paper jointly. Most of the papers named are available via the WiFi on campus or else via VPN from anywhere.³ However, some papers are locked behind a paywall even on campus. To access these papers, please look at first for a working paper version that should be freely available. If you want to go into the details, please contact Kai or Benedikt. We will provide you with a copy of the journal article.

- The theoretical foundations: Becker (1968) and Ehrlich (1996)
- Violence against women: Card and Dahl (2011), Amaral et al. (2021), and Ivandić et al. (2021)

²This time guideline might be changed depending on the number of participants.

³More information on the VPN use: <https://www.zim.hhu.de/servicekatalog/netze/vpn>.

- Crime and the social environment: Jacob et al. (2015), Brown and Velásquez (2017), and Aslim et al. (2022)
- Crime and the natural environment: Reyes (2015)
- Crime and law enforcement: Zambiasi (2020)
- Crime and gun control: Anderson et al. (2021) and Luca et al. (2020)
- Crime and protection against it: Ours and Vollaard (2015)

4 Organizers

Prof. Dr. Justus Haucap

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All questions should be sent to Benedikt and Kai.

References

- Amaral, S., S. Bhalotra, and N. Prakash (2021). “Gender, crime and punishment: Evidence from women police stations in india”. In: *CESifo working paper* 9002.
- Anderson, D. M., J. J. Sabia, and E. Tekin (2021). “Child access prevention laws and juvenile firearm-related homicides”. In: *Journal of Urban Economics* 126, p. 103387.
- Aslim, E. G., M. C. Mungan, C. I. Navarro, and H. Yu (2022). “The Effect of Public Health Insurance on Criminal Recidivism”. In: *Journal of Policy Analysis and Management* 41.1, pp. 45–91.
- Becker, G. (1968). “Crime and Punishment: An Economic Approach”. In: *Journal of Political Economy* 169, pp. 176–177.
- Brown, R. and A. Velásquez (2017). “The effect of violent crime on the human capital accumulation of young adults”. In: *Journal of Development Economics* 127, pp. 1–12.
- Card, D. and G. B. Dahl (2011). “Family violence and football: The effect of unexpected emotional cues on violent behavior”. In: *The quarterly journal of economics* 126.1, pp. 103–143.
- Ehrlich, I. (1996). “Crime, punishment, and the market for offenses”. In: *Journal of Economic Perspectives* 10.1, pp. 43–67.
- Ivandić, R., T. Kirchmaier, and N. Torres-Blas (2021). *Football, alcohol and domestic abuse*. Tech. rep. LSE Centre for Economic Performance, Discussion Paper #1781.
- Jacob, B. A., M. Kapustin, and J. Ludwig (2015). “The impact of housing assistance on child outcomes: Evidence from a randomized housing lottery”. In: *The Quarterly Journal of Economics* 130.1, pp. 465–506.
- Luca, M., D. Malhotra, and C. Poliquin (2020). “The impact of mass shootings on gun policy”. In: *Journal of Public Economics* 181, p. 104083.
- Ours, J. C. van and B. Vollaard (2015). “The Engine Immobiliser: A Non-starter for Car Thieves”. In: *The Economic Journal* 126.593, pp. 1264–1291.
- Reyes, J. W. (2015). “Lead exposure and behavior: Effects on antisocial and risky behavior among children and adolescents”. In: *Economic Inquiry* 53.3, pp. 1580–1605.

Zambiasi, D. (2020). *Drugs on the web, crime in the streets: The impact of Dark Web marketplaces on street crime*. Tech. rep. UCD Centre for Economic Research Working Paper Series.