

ETHNIC IMMIGRATION AND CRIMES

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BACKGROUND AND AIM

The right political part of Italian parliament produced in the 2002 a law for restricting immigration claiming that immigrants brought social disorders to Italy. On the other hand, comparative studies concluded that there is not sufficient evidence that immigration leads to higher crime rates (Hazelhurst and Kerley 1989, Mukherjee 1999, Martinez and Lee, 2000, and Shloenhardt 2001). From an economic point of view, one of the main claims of the opponents of immigration is that immigrants take jobs away from the local population. The perception is that, in medium term, interest and supportive of social cohesion of immigration are likely slow down a little so the capacity of the communities to absorb are greater.

However, this potential aspect does not exclude an heterogeneous impact of specific ethnic groups of immigrants on criminal activities. Ethnical differences of immigrants are expected to yield different results on the statistics of the crime, as well as the effect of (youth) unemployment is supposed associated with a higher probability of committing crimes (Mukherjee 1999; Entorf and Spengler; 2000; Fougère et al., 2007), as well.

From the theoretical point of view, crime yield dynamic adjustments. The past experience in criminal activity may affect in several ways the decision to commit a crime, since convicted criminals have fewer opportunities of legal employment (Sah, 1991; Grogger, 1995; Glaeser et al., 1996; Fajnzylber et al., 2002). A coherent model specified in the paper includes the possibility of hysteresis or inertia in the criminal activities.

Although the costs and benefits of immigration have been extensively studied in many other countries, in Italy the relationship between unemployment, immigration and crime remains a largely unexplored phenomenon. Thus, the objective of this work is to revisit the issue of whether total and youth unemployment rate linked with the magnitude of

migration and ethnical affiliation have a causal effect on various categories of economic and anti-social crime.

MODELS and DATA

For this purpose, we regress crime rates on unemployment rates and immigration rates along with some control variables (as interaction variables) that account for heterogeneity of the country of origin, geographical differences and the urban density of immigration. Furthermore, we extend the model considering inertial effects of crime (i.e. persistence over time) and control for endogeneity by employing an instrumental variable approach.

The panel data includes annual observations for the 103 Italian provinces over the period 2001 to 2006. Data are taken from National Institute of Statistics (ISTAT). We take three different indicators of crime rates: property crime, theft and total crime. With respect to the current literature, the focus is concentrated on the “economic crimes”, while only indirectly, by the size of total crimes, we consider violent crimes. As covariates we use two different measures of unemployment, youth and total unemployment rates, respectively: percentage people unemployed between 15-24 years and total percentage of people unemployed between 15-64 years. Moreover, we use two kind of variables to describe the immigration phenomenon: a quantitative variable, the rate of residence of immigrants on total resident population and dummy variables that describe the country of origin of migrants related to each province. Finally, interactions variable are obtained and control variables included in the extended crime models.

RESULTS

The results show that the immigration rate exerts a negative effect on theft and total crime rate though some specific group of immigrates seem to increase the probability to commit crimes. Specifically for Italy, the greater propensity to commit crimes result the north-African migrants. Furthermore, youth unemployment rate is positively correlated

to each component (and total) of the crime rate, while a significant persistence arises from the model when total unemployment rate is included.

These findings can aid in the evaluation of immigration and its complementary effects with labour market policies to attract the people (specifically the youngest) away from crime. The knowledge of the economic effect of immigration is crucial for developing a more judicious immigration policy in opposition to the perception that migrants bring social disorders with costs greater than benefits.

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