

Foreclosure crisis and metropolitan crime rates

August 17 2012

The housing foreclosure crisis has been blamed for widespread economic and social problems in the United States, including reduced property values, depressed consumer spending and a decline in government services. Some observers speculate that it has also led to more crime in hard-hit cities.

Not so, according to research by doctoral student Roderick Jones and professor William Alex Pridemore of the Department of Criminal Justice at Indiana University Bloomington. In an examination of 142 U.S. metropolitan areas, they found no association between housing-mortgage stress and [crime](#) rates.

The study compares data from the Housing-Mortgage [Stress Index](#), an indicator of [financial stress](#) in the housing market, with rates for six [serious crimes](#): homicide, robbery, aggravated assault, burglary, larceny and motor vehicle theft.

"Despite anecdotal evidence of and growing fear that the foreclosure crisis was accompanied by increasing crime rates in cities hardest hit by the foreclosure crisis, we found no evidence that metropolitan areas with higher levels of housing-mortgage stress had higher rates of violent or property crime," Jones and Pridemore write.

Jones and Pridemore will present the findings Friday, Aug. 17, at the [American Sociological Association](#) annual meeting. The paper also was published this month in a special issue of the journal *Social Science*

Quarterly dealing with foreclosure and crime.

While some studies have found an association between foreclosure and crime at the neighborhood level -- and others have not -- the paper by Jones and Pridemore is one of few to take a macro-level approach, focusing on the housing crisis and its relationship to crime rates at the metropolitan level.

They write that the Housing-Mortgage Stress Index, consisting of measures of [negative equity](#), loan-to-value ratio and monthly mortgage cost-to-income ratio, is a better indicator of housing stress than foreclosure rates. Laws and procedures governing foreclosures vary by state, they note, and in some jurisdictions, foreclosures lag far behind the financial stresses that cause them.

Controlling for other city-level characteristics often found to be associated with crime, such as poverty and the proportion of female-headed households, the researchers tested for an association between housing-mortgage stress and crime. The results, they write, "indicated that the housing crisis is not associated with metropolitan rates of serious violent and property crime. This is true despite the widespread anecdotal understanding that increasing numbers of foreclosures are posing significant threats to cities, including higher crime rates."

They add that more research will be needed to determine whether housing [stress](#) influences crime rates under certain conditions, such as high unemployment and high rates of vacant houses.

More information: Study online: [onlinelibrary.wiley.com/doi/10 ...
.93.issue-3/issuetoc](http://onlinelibrary.wiley.com/doi/10.1111/j.1744-7983.2012.01933.issue-3/issuetoc)

Provided by Indiana University

Citation: Foreclosure crisis and metropolitan crime rates (2012, August 17) retrieved 19 April 2024 from <https://phys.org/news/2012-08-foreclosure-crisis-metropolitan-crime.html>

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