American Murder Mystery Revisited: Do Housing Voucher Households Cause Crime?

Summary: A new study by the Furman Center for Real Estate and Urban Policy finds no evidence to support the theory that an increased presence of voucher holders in a neighborhood leads to increases in crime. The report, which looks at crime data in ten large US cities, instead finds a reverse association: voucher holders are more likely to move into neighborhoods when crime rates are increasing. 


Key Findings:
- Neighborhoods with higher crime rates house more voucher holders on average, but the presence of voucher holders does not lead to increases in crime.
- The positive association between voucher use and crime disappears after researchers control for pre-existing trends in crime and neighborhood conditions.
- There is some evidence of a reverse causal relationship between rising crime rates and the presence of voucher holders: rising crime rates seem to invite an increase in voucher holders in a neighborhood, perhaps because of reduced demand in communities with increasing crime rates.
- These findings challenge the notion that voucher recipients cause rising crime, suggesting instead that voucher holders are more likely to settle in areas with higher pre-existing crime rates.

Methods:
- The researchers use census tracts to proxy for neighborhoods and merge census tract-level data on voucher holders with tract-level crime data over the 1996-2008 period.
- The first longitudinal study to examine the link between vouchers and neighborhood crime rates, the authors analyzed data from 10 U.S. cities: Austin, Chicago, Cleveland, Denver, Indianapolis, New York, Philadelphia, Portland, Seattle and Washington, DC.
- Researchers controlled for fixed characteristics of the tract as well as pre-existing trends in neighborhood conditions.

Implications
- These findings should inform policymakers around the country, some of whom have discouraged the use of Housing Choice Vouchers due to misperceptions about the relationship between crime and voucher holders.
- The growth in tenant-based subsidies in recent decades enhances the relevance of these findings. In 2008, the voucher program was nearly twice the size of the public housing program. This compares to almost inverse statistics in 1980, when the traditional public housing program was nearly twice the size of the voucher program. Given the size of the Housing Choice Voucher program, understanding its effects on neighborhoods is critical, especially as local housing authorities encourage voucher holders to consider a broader set of neighborhoods in choosing their homes.
- Furman Center researchers continue to study how the Housing Choice Voucher program impacts recipients of assistance, compared to other types of housing assistance.