

Eco 499 Homework #2
due Monday, February 18, in class

Problem 1 Read “When crime pays: prison can teach some to be better criminals,” by Shankar Vedantam, at the link provided on my website. As you will see, the article suggests that prison is a “finishing school” for criminals, training them to be better criminals, as illegal earnings increase after time in prison.

a. Explain in plain language the hypothesis that prison increases criminality. Make sure to list different pathways through which criminals could become *more* likely to commit crime while in prison (listening to the audio associated with the story might help).

b. One reason for the empirical fact that illegal earnings increase after prison is that prison increases criminality. List at least two alternative explanations. That is, give two, separate guesses about reasons why criminality increases after prison that don’t depend on criminals “learning” in prison.

Problem 2 Read “American murder misery,” by Hannah Rosin, at the link provided on my website.

a. Using the Uniform Crime Reports, investigate Rosin’s claim that the crime rate in Memphis has been rising in recent years. Draw a graph plotting the violent crime rate in Memphis for each of the last 10 years.

b. Summarize the evidence presented in the article on the efficacy of section 8 housing programs.

c. What does the article imply about the drastic decreases in big city crime in the last 20 years? Can you find any outside evidence that speaks to this implication?