Brian Bell, Anna Bindler and Stephen Machin (2018), "Crimes Scars: Recessions and the making of criminals", *Review of Economics & Statistics*, pp. 392-404.

産業研究所准教授　アンナ・シュラーデ

Recessions have a long-lasting effect not only on the economy, but also on society. Studies have highlighted recessions' impacts on topics as diverse as fertility, divorce rates, domestic violence incidents, health, happiness and workers' long-term wages and career paths.
The most common tenor of such studies is that due to economic instability and lower salaries, people postpone both child-birth and divorce (as both events have negative financial impacts), have worse mental and physical health (both self-reported and measured), and commit more violent acts within the family. The majority of research analyses the economic effects of recessions in individual workers, pointing out that economic downturns have detrimental effects on income and career progressions – in many cases, not only during the recession itself, but over decades.

Most scholars, such as Bianchi (2013) who analysed the effects of the Great Depression (2007-2009) on the new labour force in the US, thereby predominantly focus on the job prospects and economic well-being of university graduates. The impact of recessions on people with lower educational achievements – students leaving school during or after high school – is a subject that has received scant attention. The recent study by Brian Bell, Anna Bindler and Stephen Machin is an exception, as it focuses exclusively on young students who leave (high) school during recession. They argue that recessions lead to the "making of career criminals", as the title of their 2018 paper suggest. Highlighting that such people are "significantly more likely to lead a life of crime" than their peers with equal qualifications entering the labour market during economic growth periods, they reveal that even short-lived recessions can have far-reaching effects on young people. This making of "career criminals" who find it hard to return to legal economic activities even when recessions are over, is a serious problem and contradicts assumptions that recessions only have a short- or medium-term impact on crime rates.

The study by Bell et al. is highly interesting as it counters studies (e.g. Oreopoulos et al., 2012) that argue that the negative impact of recessions on career prospects and earnings fade after several years of work. As most career criminals have an "early entry" into illegal activities during their youth, it is important to reduce young school leavers' propensity to engage in illegal behaviour at times when jobs are scarce and wages low, such as during recessions. Such counteraction to the making of young long-term criminals would not only have positive effects on society (such as less crime and higher public safety), but also on the economy (e.g. through lower costs related to incarceration and higher labour-force participation rates).

The empirical study by Bell et al. is convincing as it does not exclusively focus on the Great Recession in the US, but poses a longitudinal study of recessions between 1980 and 2010. Comparing the UK and the US, the authors are able to reveal similar patterns of criminal activity in both countries, which suggest that recessions could pose a widespread catalyst for young career criminals. However, focusing on just the UK and the US – two countries with liberal economic policies and relatively low social welfare – does not allow for such a generalisation. For such an undertaking, it would be necessary to analyse the effects of economic downturns on criminal tendencies among high school leavers in countries with tighter social security nets and high levels of welfare, such as Scandinavian countries.

A further shortcoming of the study is that it focuses exclusively on men – without actually explicitly pointing out this gender selection. Whilst it is certainly the case that criminal activity among women is significantly lower than among men, it would be interesting to understand if young women display similar tendencies of becoming engaged in long-term illegal activities during recessions.

All in all, the paper is highly interesting regarding its content, convincingly argued and well-presented, and the authors employ a sound methodology. Highlighting the long-term economic and social cost of recessions in regard to the rise of illegal activities among youngsters, this paper reveals a need for political elites to come up with strategies to counteract the rise of “career criminals” among high school leavers entering the labour market during recessions.

Oreopoulos, P., von Wachter, T. and A. Heisz (2012), “Career Effects of Graduating in a Recession”, *American Economic Journal: Applied Economics* 4:1, pp. 1-29.

Bianchi, E.C. (2013), “The Bright Side of Bad Times: The Affective Advantages of Entering the Workforce in a Recession”, *Administrative Science Quarterly.*