Economics of Crime: Problems

1. False. Although it is possible that an event from the mid-1990s could be causal, it is also possible that an earlier event could be responsible. The lead hypothesis is one example. Lead exposure is particularly hazardous for young children, whose criminal potential is many years ahead. We would thus expect a long lag between reduced lead exposure and falling crime rates.

2. This is obviously subjective. Were it asked on an exam, I would be looking for a solid explanation of why the chosen theory might explain lower crime rates.

3. True.