Revised December 8, 2025

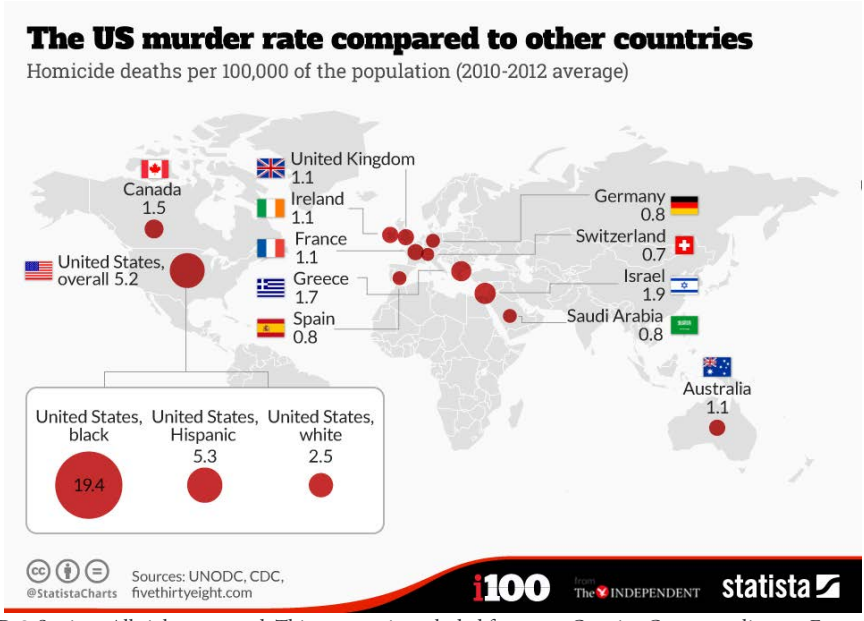
14.03/003 Microeconomic Theory & Public Policy Fall 2025

Lecture Slides 22. Crime, policy, and prejudice

David Autor (Prof), MIT Economics and NBER

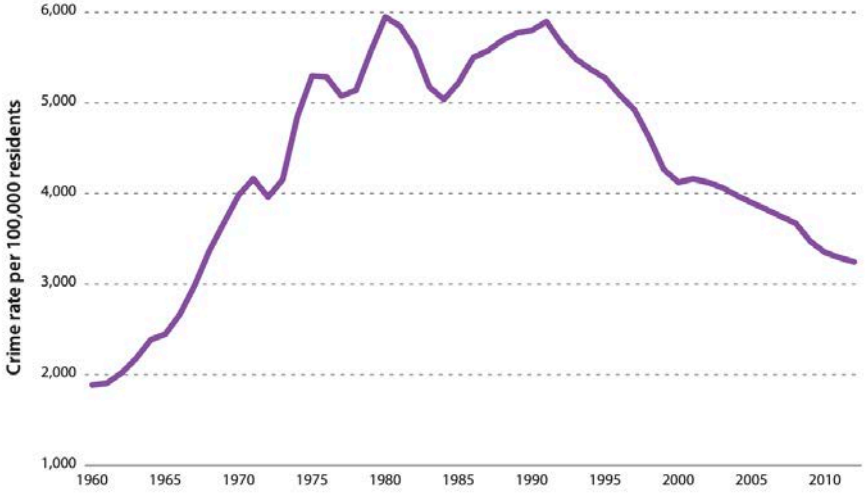
The United States has extraordinarily high rates of violent crime & homicide —

Though trending downward since early 1990s



Crime Rate in the United States, 1960–2012

After being particularly elevated during the 1970s and 1980s, the crime rate fell nearly 45 percent between 1990 and 2012.



Sources: DOJ 2010b; authors' calculations.
Note: The crime rate includes all violent crimes (i.e., aggravated assault, forcible rape, murder, and robbery) and property crimes (i.e., burglary, larceny-theft, and motor vehicle theft).

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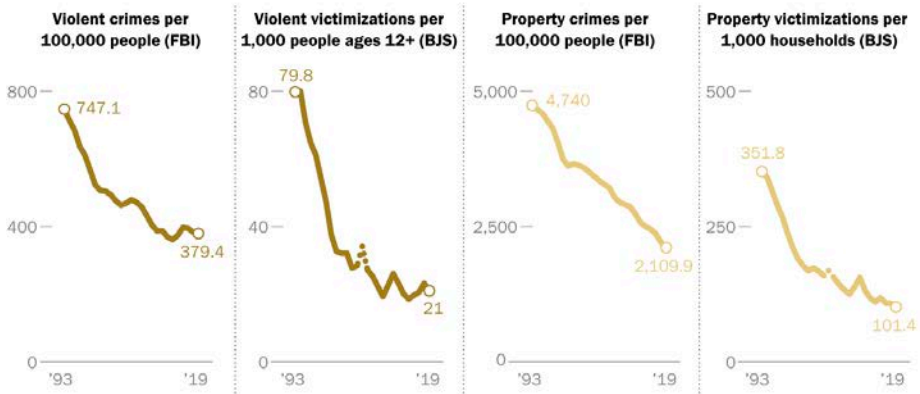
U.S. violent and property crime rates have plunged since 1990s, regardless of data source

Trends in U.S. violent and property crime, 1993-2019



Note: FBI figures include reported crimes only. Bureau of Justice Statistics (BJS) figures include unreported and reported crimes. 2006 BJS estimates are not comparable to those in other years due to methodological changes.
Source: U.S. Bureau of Justice Statistics (BJS), Federal Bureau of Investigation (FBI).

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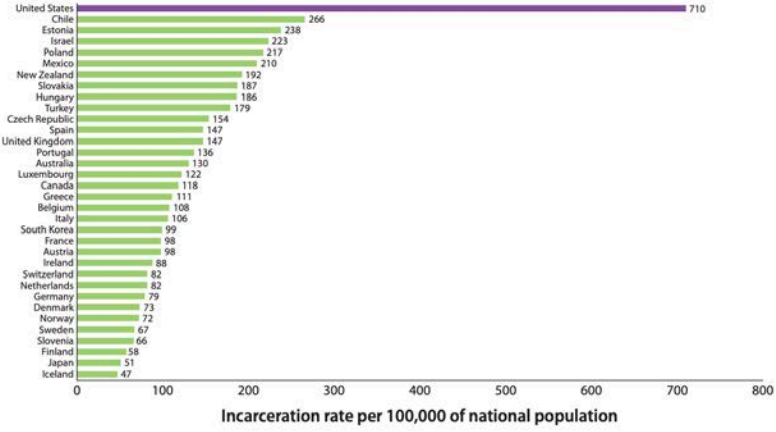
Incarceration

FIGURE 6.

Incarceration Rates in OECD Countries: Data from 2011, 2012, and 2013

With an incarceration rate of 710 inmates per 100,000 residents, the United States stands in stark contrast to the typical incarceration rate of 115 among OECD nations.



Sources: Glaze and Herberman 2013; Walmsley 2013; authors' calculations.
Note: All incarceration rates are from 2013, with the exception of the rates for Canada, Greece, Israel, the Netherlands, Sweden, Switzerland, and the United States; of these countries, all rates are from 2012, with the exception of Canada, whose rate is from 2011–12. The incarceration rate for the United Kingdom is a weighted average of England and Wales, Northern Ireland, and Scotland. For more details, see the technical appendix.

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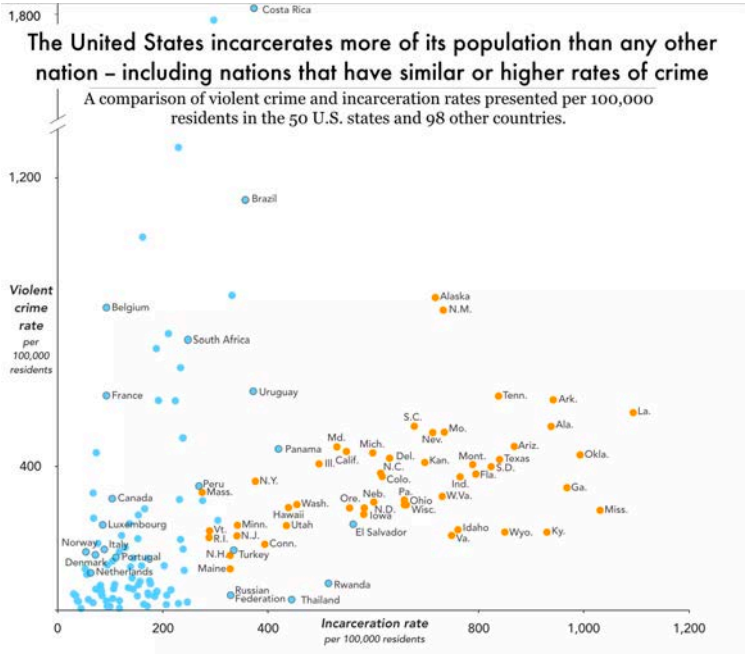
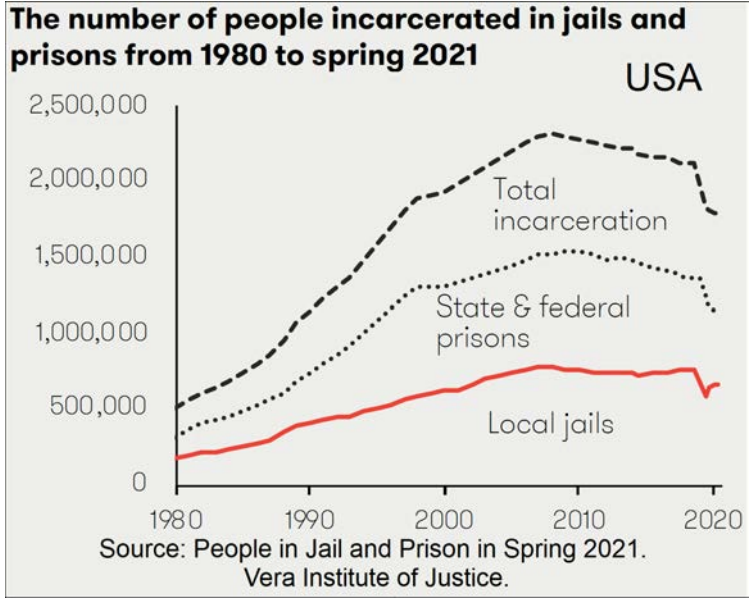

The United States incarcerates more of its population than any other nation – including nations that have similar or higher rates of crime
A comparison of violent crime and incarceration rates presented per 100,000 residents in the 50 U.S. states and 98 other countries.
Violent crime rate per 100,000 residents
1,800
1,200
400
0
200
400
800
1,000
1,200
Incarceration rate per 100,000 residents
Costa Rica
Brazil
Belgium
South Africa
France
Uruguay
Alaska
N.M.
Tenn.
Ark.
La.
S.C.
Mo.
Ala.
Nev.
Md.
Mich.
Ariz.
Panama
Ill.
Calif.
Del.
Kan.
Mont.
Texas
Okla.
N.C.
S.D.
Fla.
Colo.
Ind.
Ga.
Peru
N.Y.
Mass.
Canada
Ore.
Neb.
Pa.
W.Va.
Wash.
Ohio
Miss.
Hawaii
N.D.
Wisc.
Iowa
Luxembourg
Minn.
Utah
El Salvador
Idaho
Wyo.
Ky.
Vt.
R.I.
N.J.
Va.
Norway
Italy
Conn.
Portugal
N.H.
Turkey
Denmark
Netherlands
Maine
Rwanda
Russian Federation
Thailand

Decades of prosecution & incarceration $\rightarrow$

Large fraction of US adults have felony records

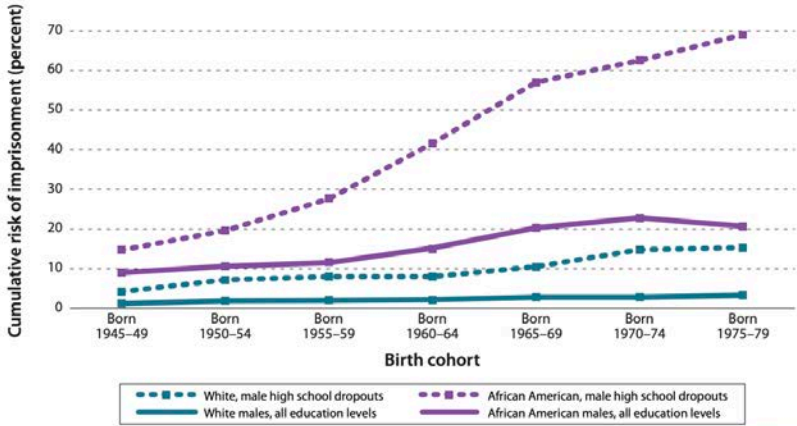


Jacob Kang-Brown, Chase Montagnet, and Jasmine Heiss, 2021

FIGURE 7.

Cumulative Risk of Imprisonment by Age 30–34 for Men Born Between 1945–49 and 1975–79, by Race and Education

Among men born between 1975 and 1979, an African American high school dropout has nearly a 70 percent chance of being imprisoned by his mid-thirties.



Source: Western and Wilderman 2009.
Note: Cumulative risk of imprisonment is the projected lifetime likelihood of imprisonment for a person born in a specific range of years. For more details, see the technical appendix.

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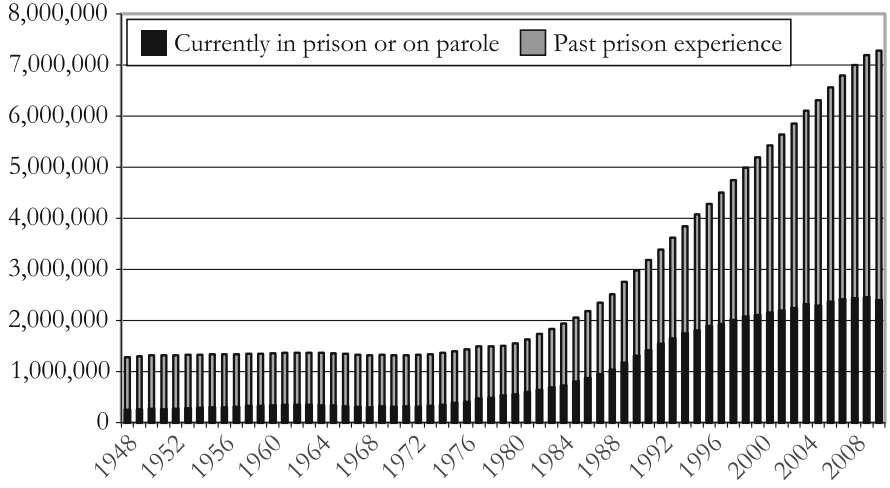
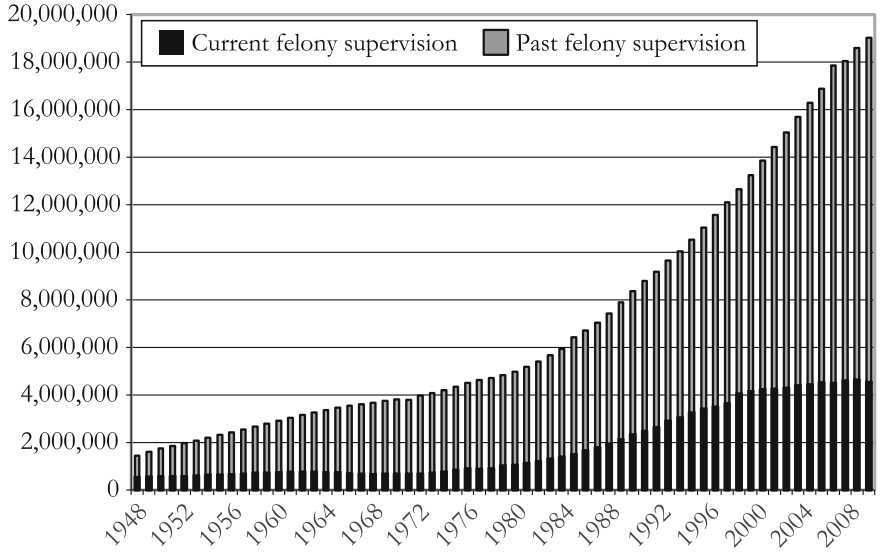
Prisoners and former prisoners in the U.S., 1948-2010



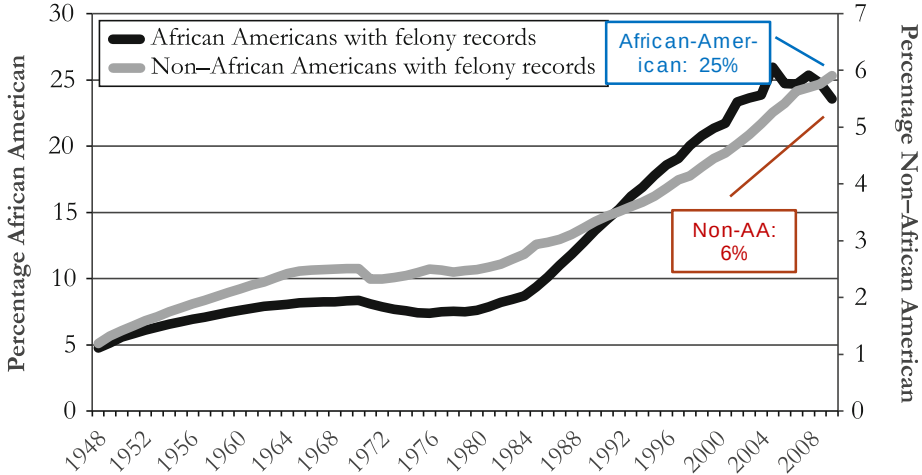
Shannon, Uggen, Thompson, Schnittker, Wakefield, and Massoglia, 2017

Felons and ex-felons in the U.S, 1948 - 2010



Shannon, Uggen, Thompson, Schnittker, Wakefield, and Massoglia, 2017

Racial disparity: Percent of U.S. adults with felony records, 1948-2010



Shannon, Uggen, Thompson, Schnittker, Wakefield, and Massoglia, 2017

How should employers screen job applicants with criminal histories?

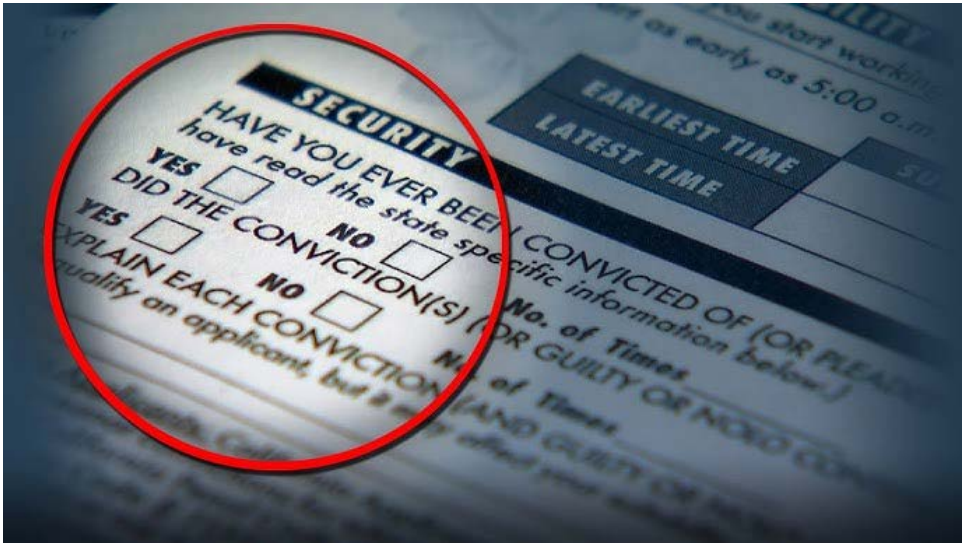
Basic regulations on screening/hiring workers with criminal histories

- Employers can consider criminal histories
- Employers cannot categorically refuse to consider workers with criminal histories — except when hiring for certain types of jobs (banking, security clearance, childcare)
- In most states, employers can ask about criminal history ("the box") on job applications
- In all states, employers must obtain permission from applicant to perform criminal background check. Can also decline to hire workers who refuse
- Criminal background checks are not free to employers. Employers usually run background check last, when they are otherwise ready to hire
- Employers must notify workers if they are not hired because of findings of criminal background check

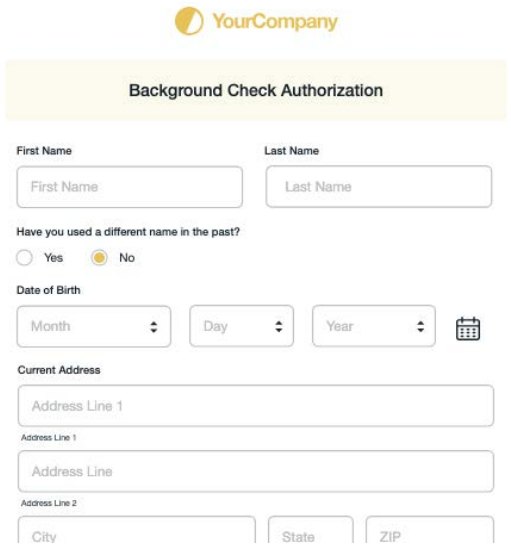
Ban the box, criminal records and statistical discrimination: A field experiment

Amanda Agan and Sonja Starr, *QJE* 2017

Criminal record checkbox on job app prior to contact with employer



Assenting to a criminal background check after employer callback



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BAN THE BOX: U.S. CITIES, COUNTIES, AND STATES ADOPT FAIR HIRING POLICIES

by Beth Avery
READ PROFILE ➔

by Han Lu
Areas of expertise: Criminal Records and Employment, Workplace Equity

Nationwide, 37 states and over 150 cities and counties have adopted what is widely known as "ban the box" so that employers consider a job candidate's qualifications first—without the stigma of a conviction or arrest record. Borne out of the work of All of Us or None, these policies provide applicants a fair chance at employment by removing conviction and arrest history questions from job applications and delaying background checks until later in the hiring process.

Why many municipalities have 'banned the box'

- Strategy for reducing unemployment among minority men (unemployment rates approximately double the national average)
- The idea
  - Minority men disproportionately likely to have criminal convictions
  - A criminal record is a substantial employment barrier to employment
  - A policy that increases employment of people with criminal records should disproportionately help minority men
- Ban the box laws – how they work
  - Do not prohibit firms from checking criminal backgrounds
  - But force firms to defer criminal background check until after they've considered the applicant using other criteria

Agan and Starr: Research question

Do ban the box policies affect job opportunities among:

1. Job applicants with criminal records

2. Job applicants from demographic groups that disproportionately have criminal records

Agan and Starr: Research design

- **New Jersey: BTB took effect on March 1, 2015**
  - Pre-BTB period: January 31 and February 28, 2015
  - Post-BTB period: May 4 and June 12, 2015
- **New York City: BTB took effect on October 27, 2015**
  - Pre-BTB period: June 10 and August 30, 2015
  - Post-BTB period: November 30, 2015 and March 31, 2016
- **RCT: 'Audit Study'**
  - Sent 15,000 fictitious online job applications to employers in New Jersey, New York City
  - Sent in waves before and after each jurisdiction's adoption of BTB policies

Research design continued

- **Sources of job listings**
  - Large online job boards: snagajob.com, indeed.com
  - Websites of chain businesses
- **Types of jobs**
  - Suitable for candidates with limited work experience, no post-secondary education, and no specialized skills
  - Mostly non-supervisory: Team-member jobs at fast food and other restaurants, grocery and convenience stores, other retail establishments

Research design continued

- **Types of applicants**
  - Fictitious applicants: Males approximately age 21 to 22
  - Used ‘Resume Randomizer’ software to generate applicants
- **Randomization**
  - Profiles created in pairs, each consisting of one black and one white applicant
  - Pairs were assigned to the same store in the same time period
  - Applicants similar on all but the randomly assigned treatment dimensions

Research design continued

Treatment dimensions

1. **Race**
2. **Has felony criminal conviction or not**
   - Conditional on conviction: Property crime or drug crime
3. **Has 1-year employment gap versus a 0- to 2-month gap**
4. **Has a GED *vs* High School Diploma**

Conveying race with 'distinctively' white and Black names

Table A2.1: White and Black Names Used for Applicants

White Names				Black Names			
First	%White	Last	%White	First	%Black	Last	%Black
SCOTT	88.87	WEBER	94.37	TYREE	97.94	PIERRE	97.78
THOMAS	86.92	ESPOSITO	93.30	TERRELL	96.23	WASHINGTON	90.28
CODY	86.71	SCHMIDT	92.63	DAQUAN	96.04	ALSTON	88.96
RYAN	85.37	BRENNAN	92.45	JAQUAN	95.03	BYRD	85.50
NICHOLAS	84.99	MEYER	92.27	DARNELL	93.43	INGRAM	78.63
DYLAN	84.70	KANE	91.75	JAMAL	91.36	JACKSON	76.32
MATTHEW	83.97	HOFFMAN	91.38	MARQUIS	91.36	BANKS	75.68
JACOB	83.37	RYAN	89.98	JERMAINE	89.45	FIELDS	74.83
KYLE	82.93	WAGNER	89.96	DENZEL	89.27	BRYANT	74.49
TYLER	82.82	HANSEN	89.60	DWAYNE	88.89	WILLIAMS	74.22
SEAN	82.41	SNYDER	88.84	REGINALD	88.41	SIMMONS	72.45
DOUGLAS	81.93	ROMANO	88.84	TYRONE	86.75	CHARLES	72.33
SHANE	81.11	O'NEILL	88.72	MALCOLM	86.06	HAWKINS	70.81
JOHN	80.36	RUSSO	88.67	DARRYL	84.78	ROBINSON	70.70
STEPHEN	80.12	FOX	86.43	TERRANCE	84.12	JENKINS	70.50
		SWEENEY	86.03	MAURICE	82.47	FRANKLIN	70.45
		SULLIVAN	85.08	ISAIAH	74.06	JOSEPH	70.42
				ELIJAH	72.35		

Notes: The %race columns indicate the percentage of babies born in NJ between 1989 and 1996 with that first or last name that were of that race (i.e. 88.87% of babies with the first name Scott are White).

Hiring, background screening, and statistical discrimination —

A conceptual model of ban the box

Statistical discrimination

- **Statistical discrimination**
  - When **rational** decision-makers use aggregate group characteristics, such as group averages, to evaluate individual personal characteristics
  - Note: **No animus**; purely making predictions based on available information
  - **Assumption of statistical discrimination:** Employers are solving this problem *correctly*
- **Broadly important point**
  - Prediction is a critically important component of economic behavior
  - This will become *more important* in the Artificial Intelligence era

A simple model of ban the box

Model illustrates subtle economics of Ban the Box

- **Setup**
  - Firms may be generally reluctant to hire felons
  - If a 'box' is available, they may use it to screen out felons
  - 'Ban the box' disallows this option
  - But firms can still pay for more expensive background check
- **What could happen?**
  1. **No change but higher cost:** Firms screen as before, but at greater cost
  2. **Success:** Firms forego background checks, simply hire all applicants
  3. **Fail:** Firms choose to *not* hire groups with high criminal background rates

A simple model of ban the box

- Consider a firm looking to hire its next worker
  - The firm pays a fixed wage for a given position
  - Two groups of applicants: Group 1 (minority), Group 0 (non-minority)
  - Firm can directly observe whether an applicant is from Group 1 or Group 0
- Firm prefers to hire Group 1 workers but is averse to hiring felons
  - A fraction λ of Group 1 workers are felons (F)
  - Assume (for simplicity only) that no Group 2 workers are felons
- Denote firm's payoff as π_i

$$\pi_1^N > \pi_0 > \pi_1^F$$

Solution sequence

1. Hiring with costless screening (everything observable)
2. No background checking: Hiring where $G \in 0, 1$ is visible but not F
3. Adding low-cost 'box' option
   - May lead firms to screen out felons that they would have otherwise hired
   - May allow firms to hire Group 1 applicants whom they otherwise would not have hired
4. Banning the box but allowing background checks
   - May raise costs with no change in outcomes
   - May cause firms to stop screening, just hire everyone
   - May cause firms to stop screening *and* stop hiring from Group 1

Baseline: Hiring with costless screening

- **Equilibrium with full information**
  - Firms will hire a non-felon if a non-felon from Group 1 is unavailable
  - Otherwise, will hire someone from Group 0

Hiring when firms cannot distinguish felons from non-felons

- **What if firms cannot distinguish felons vs non-felons?**
  - No screening is available: firms don't know F until after they've hired
  - Employers hire from Group 1 iff the following holds (otherwise only Group 0)

$$(1-\lambda)\pi_1^N + \lambda\pi_1^F > \pi_0,$$

- **Felons hired more often when**
  - Non-felons from Group 1 are very profitable (π_1^N large)
  - Felons from Group 1 are not very *un*profitable (π_1^F reasonably close to π_0)
  - Felons are a modest proportion of Group 1 (λ small).
- **Employers will *not* hire from Group 1 when**

$$(1-\lambda)\pi_1^N + \lambda\pi_1^F < \pi_0$$

  - Here, employers statistically discriminate against Group 1 members
  - Not out of animus; concern that too many have low productivity

Adding a low-cost (not free) screening technology, AKA 'the box'

- **A low cost screening technology becomes available**
  - A checkbox where applicants must report a felony conviction
- **For each applicant screened with box, the firm pays a cost c**
  - If applicant turns out to be a felon, firm screens a new applicant
  - Expected number of applicants per non-felon hire is $1/(1-\lambda)$
  - Why? If 50% of applicants are felons, firms expect to screen two applicants to get one non-felon

Adding a low-cost screening technology, AKA 'the box'

- **Firms will use this screening technology iff**

$$\pi_1^N - \frac{c}{(1-\lambda)} > (1-\lambda)\pi_1^N + \lambda\pi_1^F$$

$$\pi_1^N - \frac{c}{\lambda\,(1-\lambda)} > \pi_1^F$$

- **Firms screen if $\Delta\pi$ for non-felons v. felons is large enough to justify c**
  - If $\lambda = 0$, then it's never worth it to screen since there are no felons
  - If $\lambda = 1$, then it's never worth it to screen because all applicants are felons
  - If $\lambda \in (0, 1)$, it may be worthwhile to screen

Adding a low-cost screening technology, AKA 'the box'

Two additional subtleties

1. **Firms that were hiring all Group 1 might stop hiring felons**
   - If $\pi_1^N > \pi_1^F + \frac{c}{\lambda(1-\lambda)}$, firms will prefer use 'the box'
   - Even if they would be willing to hire from Group 1 without the box, i.e., if $(1-\lambda)\pi_1^N + \lambda\pi_1^F > \pi_0$

2. **Firms that didn't hire from $G1$ might start hiring $G1$, screening out felons**
   - If $(1-\lambda)\pi_1^N + \lambda\pi_1^F < \pi_0$: Group 1 is too risky to hire without a screen
   - Here, firms may hire Group 1 using 'the box' but would not hire Group 1 otherwise

$$\pi_1^N - \frac{c}{(1-\lambda)} > \pi_0 > (1-\lambda)\pi_1^N + \lambda\pi_1^F,$$

A ‘ban the box’ policy: Three scenarios

- **Box banned – illegal to ask applicants if they have a felony conviction**
  - Firms can still do criminal background checks **after** interviewing
  - Cost of a criminal background check is $c' > c$
- **What could happen?**

A ‘ban the box’ policy: Three scenarios

- **Scenario 1: Higher cost, but no change in hiring**
  - **The cost is not *too high* so firms pay c' instead of c**

$$\pi_1^N - \frac{c'}{(1-\lambda)} > \pi_0 > (1-\lambda)\pi_1^N + \lambda\pi_1^F.$$

Firms no longer use box, use c' instead, hire same workers at greater cost

A 'ban the box' policy: Three scenarios

- **Scenario 2: Policy success**
  - **Firms stop all criminal background checks, hire from both groups**

$$\pi_1^N - \frac{c'}{\lambda\,(1-\lambda)} < \pi_1^F \text{ and } (1-\lambda)\pi_1^N + \lambda\pi_1^F > \pi_0$$

  - Box made screening felons not worth it
  - But $G2$ still worth hiring without any screen
  - Profits are lower, but policy succeeds

A 'ban the box' policy: Three scenarios (cont.)

- **Scenario 3: Policy backfire**
  - The cost of criminal background checks for all applicants is too high but non-screened applicants are perceived as too risky

$$\pi_1^N - \frac{c'}{\lambda\,(1-\lambda)} < \pi_1^F \text{ and } (1-\lambda)\pi_1^N + \lambda\pi_1^F < \pi_0.$$

Firms exclusively hire group 0 applicants, not group 1 applicants

- Workers harmed are Group 1 workers who are not felons
- Felons were not going to be hired regardless (since $(1-\lambda)\pi_1^N + \lambda\pi_1^F < \pi_0$)
- Banning the box prevents non-felons from group 1 from being considered

Theory of 'ban the box' policy: Summary

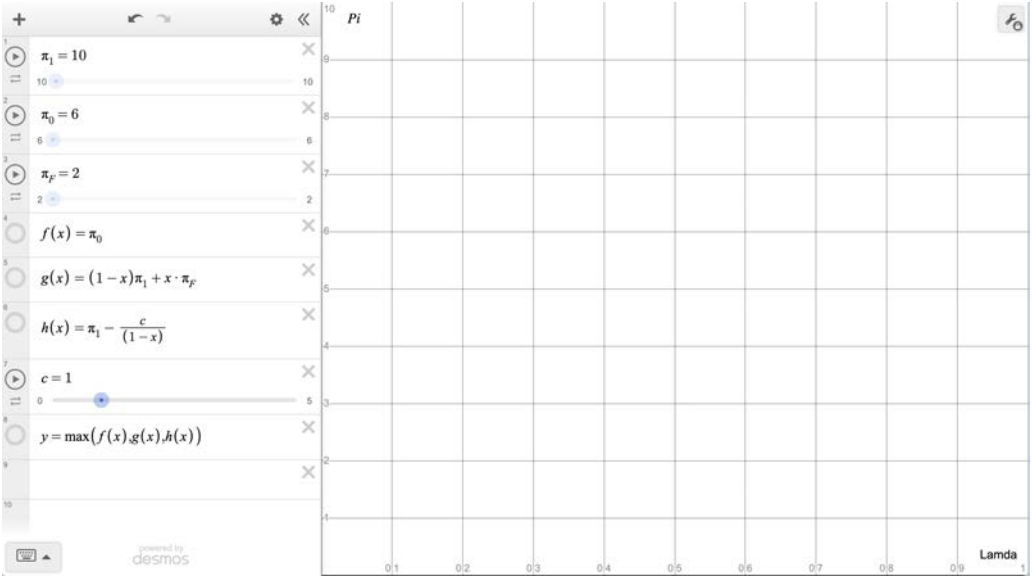
1. **Policy helps Group 1 workers if it induces a pooling equilibrium**
   - Employers choose to hire both felons and non-felons from Group 1 when it becomes too expensive to use a screen to distinguish them
2. **Policy harms Group 1 workers if it induces a separating equilibrium**
   - Employers hire only Group 0 workers because it's too expensive to screen Group 1 workers – but too risky to hire them without screening

– **If BtB causes separating eq'm, harms Group 1 workers who are not felons**
   - This is the opposite of what ban the box advocates would intend
   - It is nevertheless a realistic — though by no means certain — possibility

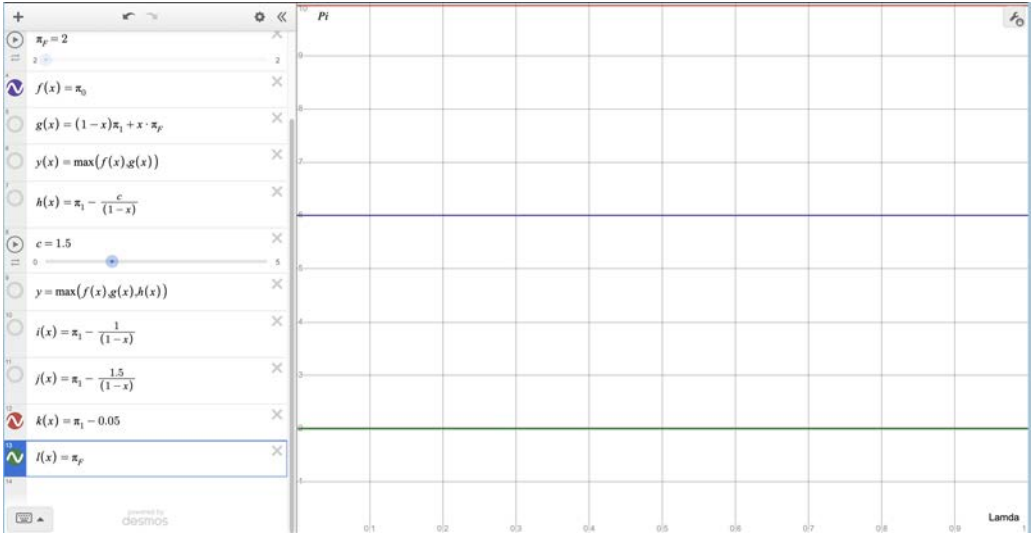
Desmos example

- **https://www.desmos.com/calculator/kyvhuk4hz9**
- $\pi_1^N = 10$
- $\pi_1^F = 2$
- $\pi_0 = 6$
- $\lambda \in [0, 1]$
- $c \in (0, 5)$

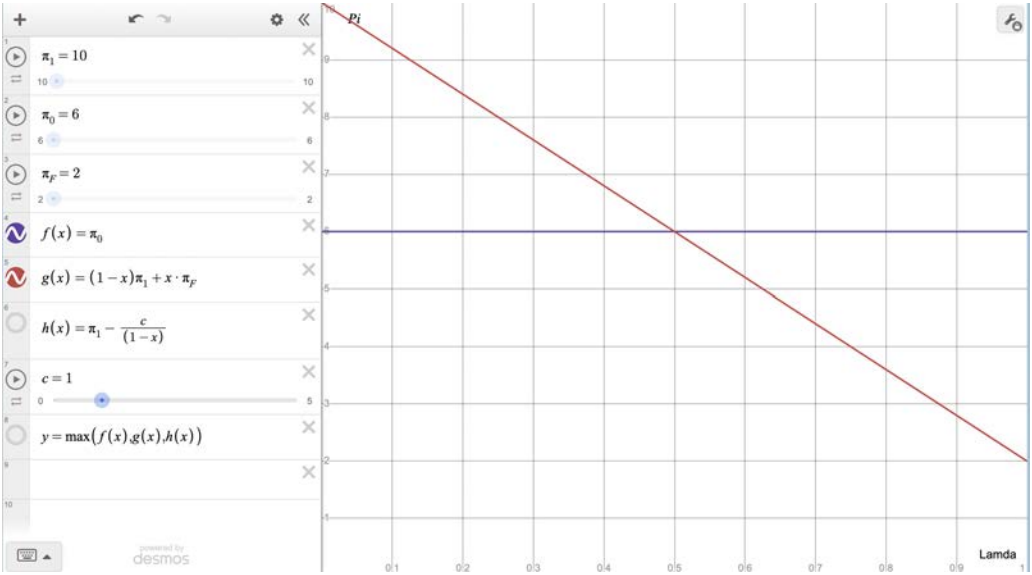
Desmos example: Parameter values



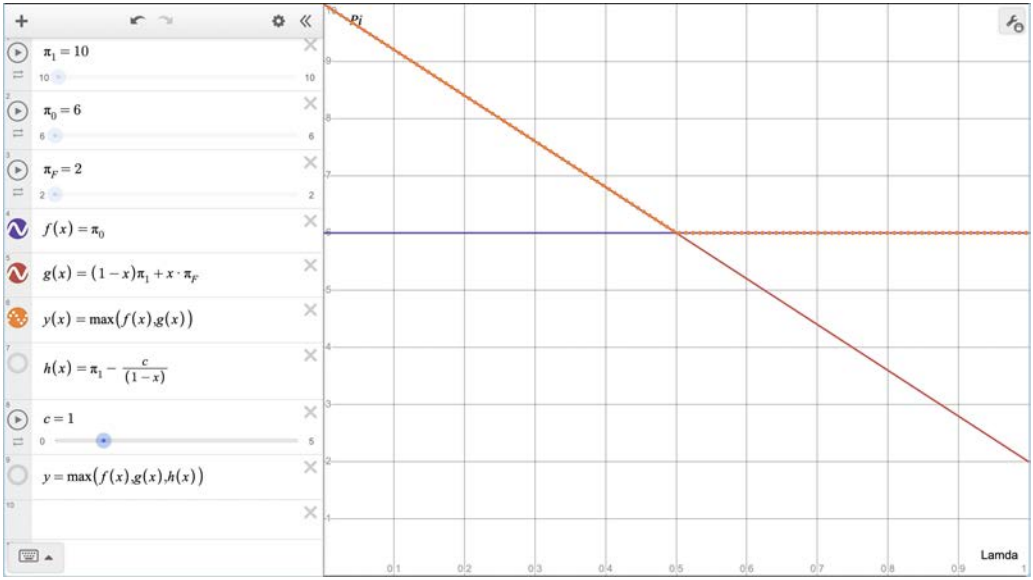
Full information: π_0, π_1, π_F visible



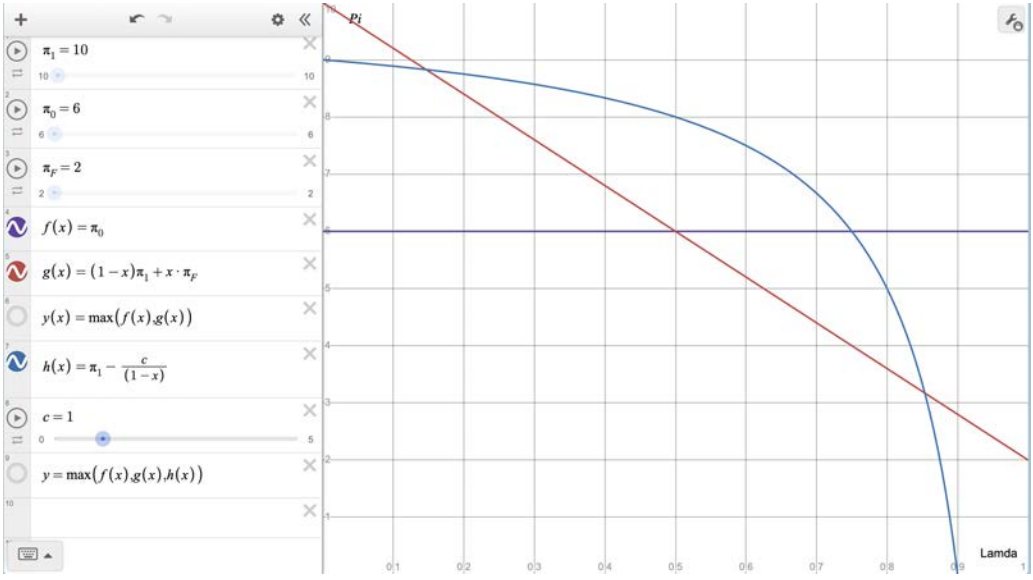
No screening option: π_0 *vs.* $\lambda \times \pi_F + (1 - \lambda) \times \pi_0$



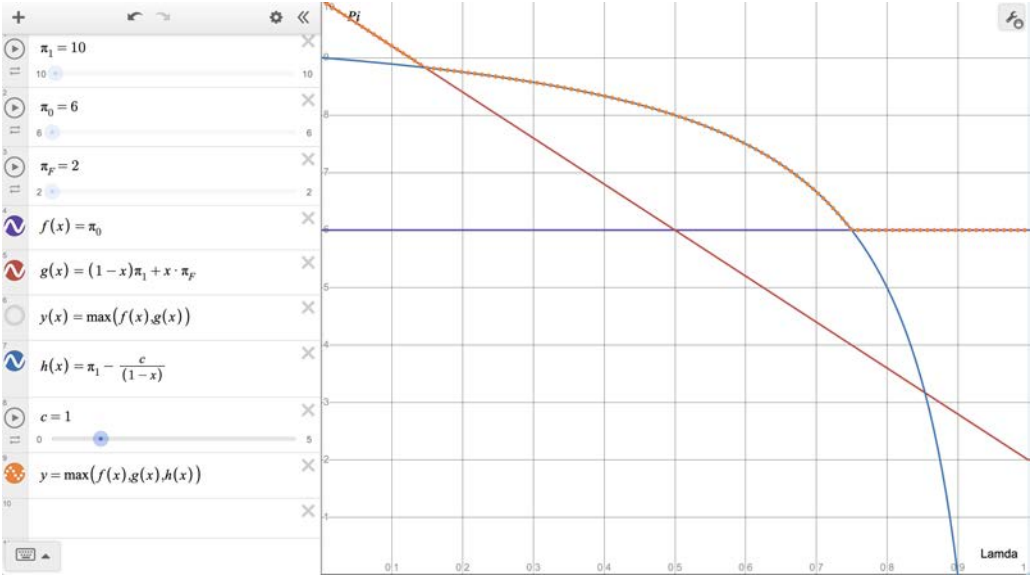
No screening option, upper envelope: $\pi_0 \ \ vs. \ \ \lambda \times \pi_F + (1-\lambda) \times \pi_0$



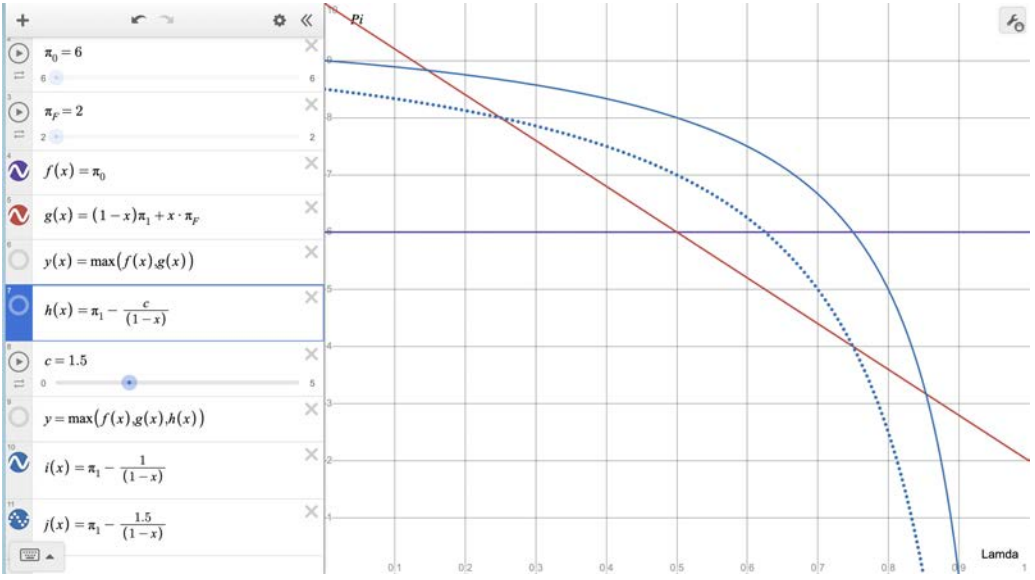
Adding screening option: $c = 1$



Adding screening option, upper envelope: $c = 1$



Comparing: Box available, $c = 1$; to Box banned, $c = 1.5$



Evidence from Agan and Starr

Conveying race with 'distinctively' white and Black names

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CODY	86.71	SCHMIDT	92.63	DAQUAN	96.04	ALSTON	88.96
RYAN	85.37	BRENNAN	92.45	JAQUAN	95.03	BYRD	85.50
NICHOLAS	84.99	MEYER	92.27	DARNELL	93.43	INGRAM	78.63
DYLAN	84.70	KANE	91.75	JAMAL	91.36	JACKSON	76.32
MATTHEW	83.97	HOFFMAN	91.38	MARQUIS	91.36	BANKS	75.68
JACOB	83.37	RYAN	89.98	JERMAINE	89.45	FIELDS	74.83
KYLE	82.93	WAGNER	89.96	DENZEL	89.27	BRYANT	74.49
TYLER	82.82	HANSEN	89.60	DWAYNE	88.89	WILLIAMS	74.22
SEAN	82.41	SNYDER	88.84	REGINALD	88.41	SIMMONS	72.45
DOUGLAS	81.93	ROMANO	88.84	TYRONE	86.75	CHARLES	72.33
SHANE	81.11	O'NEILL	88.72	MALCOLM	86.06	HAWKINS	70.81
JOHN	80.36	RUSSO	88.67	DARRYL	84.78	ROBINSON	70.70
STEPHEN	80.12	FOX	86.43	TERRANCE	84.12	JENKINS	70.50
		SWEENEY	86.03	MAURICE	82.47	FRANKLIN	70.45
		SULLIVAN	85.08	ISAIAH	74.06	JOSEPH	70.42
				ELIJAH	72.35		

Notes: The %race columns indicate the percentage of babies born in NJ between 1989 and 1996 with that first or last name that were of that race (i.e. 88.87% of babies with the first name Scott are White).

Summary statistics: Main research data

MEANS OF APPLICANT AND APPLICATION CHARACTERISTICS AND CALLBACK RATES BY PERIOD

	Pre-BTB	Post-BTB	Combined
Characteristics			
White	0.502	0.497	0.500
Conviction	0.497	0.513	0.505
GED	0.498	0.502	0.500
Employment gap	0.492	0.504	0.498
Application has box	0.366	0.036	0.199
Results			
Callback rate	0.109	0.125	0.117
Interview req.	0.060	0.067	0.063
Callback rate by characteristics			
Black	0.099	0.111	0.105
White	0.120	0.139	0.129
GED	0.106	0.127	0.117
HSD	0.113	0.122	0.118
Emp. gap	0.110	0.126	0.118
No emp. gap	0.109	0.124	0.116
N	7,245	7,392	14,637

Interview callback rates before Ban the Box by race and criminal status

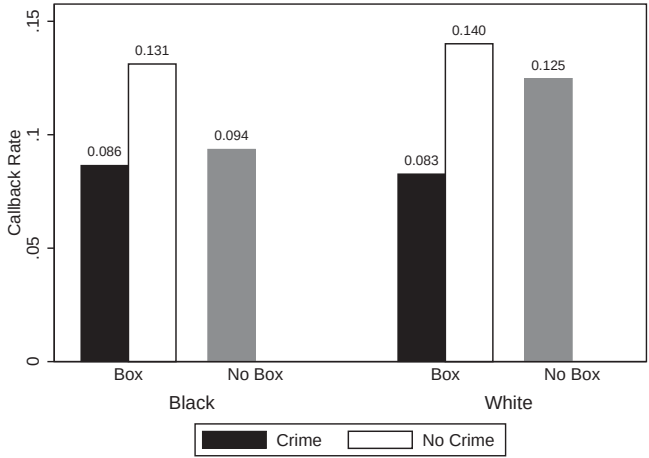

FIGURE I

Callback Rates by Race, Crime, and Box: Preperiod Applications Only

Interview callback rates pre-ban: Companies using a 'box' prior to the ban

CALLBACK RATES BY CRIME STATUS FOR STORES WITH THE BOX IN THE PRE-BTB PERIOD

	No crime	Crime	Property	Drug	Combined
Callback rate	0.136	0.085	0.084	0.085	0.110
Callback black	0.131	0.086	0.091	0.081	0.109
Callback white	0.140	0.083	0.077	0.089	0.111
N	1,319	1,336	703	633	2,655

Notes. Sample restricted to pre-BTB period applications where the application asked about criminal records. Callback implies application received a personalized positive response from the employer.

Key finding: Callback rates pre v. post BTB for companies using a 'box'

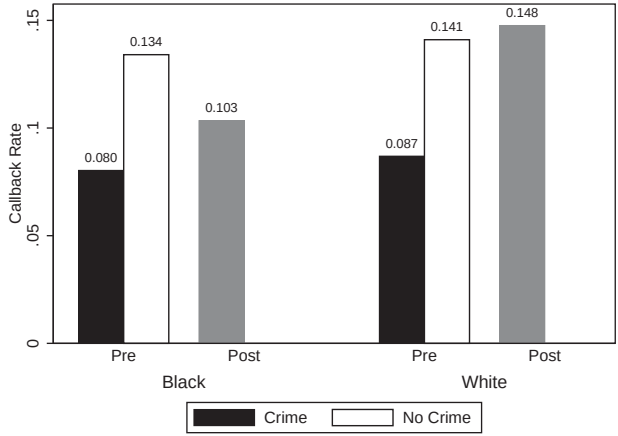

FIGURE II

Callback Rates by Race, Criminal Record, and Period: Balanced Box Removers Only

Callback rates pre v. post BTB: Companies using a 'box' pre-ban

Table 5: Average Black-White Response Rate Differences by Race and Treated, Before and After BTB Goes into Effect in NJ

	Treated	Not Treated	Diff
Black - White Callback Rate, Pre	-0.008	-0.027	0.019
Black - White Callback Rate, Post	-0.040	-0.022	-0.018
Diff	0.032	-0.005	0.037
Diff, Perfect Quad Sample	0.038	-0.004	0.042

Notes: Each cell is a black-white response rate differential, measured in percentage points. The last line restricts analysis to only those stores in the "perfect quad" sample, that is, stores for which we sent two applications in the pre- and two in the post. The two outlined cells represent the raw difference-in-differences in-differences in the full sample and the perfect quad sample.

Triple-diff estimates: Box/No-box × Pre/Post × White/Non-White

Effects of Ban the Box on Racial Discrimination: Triple Differences

	(1)	(2)	(3)
Box Remover × post × white	0.039*	0.040**	0.035*
	(0.020)	(0.018)	(0.018)
Post × white	−0.002	−0.006	−0.006
	(0.014)	(0.012)	(0.013)
Box Remover × post	−0.019	−0.011	
	(0.023)	(0.019)	
Box Remover × white	−0.017	−0.021	
	(0.015)	(0.014)	
Box Remover	0.016	0.009	
	(0.028)	(0.024)	
White	0.024**	0.028**	0.098
	(0.012)	(0.011)	(0.129)
Post	0.016	0.012	0.339**
	(0.017)	(0.015)	(0.139)
N	11,188	14,637	14,637
Controls	Yes	Yes	Yes
Center FE	No	Yes	Yes
Chain FE	No	No	Yes
Post × chain FE	No	No	Yes
White × chain FE	No	No	Yes
Sample	Balanced	Full	Full

Summary of results

	Pre-B2B	Post-B2B
Applicants with a Criminal Record		
Black applicants	8.0%	10.3%
White applicants	8.7%	14.8%
Applicants without a Criminal Record		
Black applicants	13.4%	10.3%
White applicants	14.1%	14.8%

Statistical Discrimination Versus Stereotyping

- **Statistical discrimination**
  - When rational decision-makers use aggregate group characteristics, such as group averages, to evaluate individual personal characteristics
- **Stereotyping**
  - When decision-makers with erroneous beliefs (i.e., not rational) use aggregate group characteristics, such as group averages, to evaluate individual personal characteristics

Testing for statistical discrimination based on GED credential

Effects of BTB on Callbacks of GED Holders versus HS Grads: Triple Differences

	(1)	(2)
Box Remover × post × GED	−0.012	−0.010
	(0.025)	(0.019)
Post × GED	0.021*	0.009
	(0.013)	(0.010)
Box Remover × post	0.006	0.014
	(0.030)	(0.024)
Box Remover × GED	0.021	0.021
	(0.022)	(0.015)
Box Remover	−0.003	−0.012
	(0.029)	(0.026)
GED	−0.019*	−0.012
	(0.011)	(0.008)
Post	0.004	0.005
	(0.016)	(0.015)
N	11,188	14,637
Controls	Yes	Yes
Center FE	No	Yes
Chain FE	No	No
Post × chain FE	No	No
White × chain FE	No	No
Sample	Balanced	Full

Response from the National Employment Law Project (NELP)

Research Supports Fair-Chance Policies

Papers released in 2016 suggested that race disparities in job callback or employment rates increased after the adoption of ban-the-box policies.[47] As NELP has argued, this was the wrong conclusion.[48] A careful review of the papers reveals that there was an increase in hiring for a majority of blacks after ban-the-box policies were enacted. Ban-the-box has demonstrated success and should be one component of a comprehensive fair-chance hiring proposal.[49] Unlawful racial discrimination by employers, such as the stereotyping of black men as "criminals," is responsible for discrepancies in employment rates between racial groups and should not be tolerated.[50] ■

The news is not all bad — Discouraging research findings generate fresh ideas

Increasing the Demand for Workers with a Criminal Record

Get access >

Zoë Cullen, Will Dobbie, Mitchell Hoffman

The Quarterly Journal of Economics, qjac029,
https://doi.org/10.1093/qje/qjac029

Abstract

We experimentally test several approaches to increasing the demand for workers with a criminal record on a nationwide staffing platform by addressing potential downside risk and productivity concerns. The staffing platform asked hiring managers to make a series of hypothetical hiring decisions that affected whether workers with a criminal record could accept their jobs in the future. We find that 39% of businesses in our sample are willing to work with individuals with a criminal record at baseline, which rises to over 50% when businesses are offered crime and safety insurance, a single performance review, or a limited background check covering just the past year. Wage subsidies can achieve similar increases but at a substantially higher cost. Based on our findings, the staffing platform relaxed the criminal background check requirement and offered crime and safety insurance to interested businesses.

Misdemeanor Prosecution

Amanda Agan, Jennifer L Doleac, Anna Harvey

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Abstract

Communities across the United States are reconsidering the public safety benefits of prosecuting nonviolent misdemeanor offenses, yet there is little empirical evidence to inform policy in this area. We report the first estimates of the causal effects of misdemeanor prosecution on defendants' subsequent criminal justice involvement. We leverage the as-if random assignment of nonviolent misdemeanor cases to assistant district attorneys (ADAs) who decide whether a case should be prosecuted in the Suffolk County District Attorney's Office in Massachusetts. These ADAs vary in the average leniency of their prosecution decisions. We find that for the marginal defendant, nonprosecution of a nonviolent misdemeanor offense leads to a 53% reduction in the likelihood of a new criminal complaint and a 60% reduction in the number of new criminal complaints over the next two years. These local average treatment effects are largest for defendants without prior criminal records, suggesting that averting criminal record acquisition is an important mechanism driving our findings. We also present evidence that a recent policy change in Suffolk County imposing a presumption of nonprosecution for nonviolent misdemeanor offenses had similar beneficial effects, decreasing the likelihood of subsequent criminal justice involvement.

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