

1. Substance Abuse Treatment Centers and Local Crime
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4. This paper estimates the effect substance abuse treatment (SAT) facilities have on both violent and property crimes within the communities they serve. The results indicate that SAT facilities reduce both violent and financially motivated crimes in an area with effects being particularly pronounced for relatively serious crimes. The effects on homicides are document across three sources of homicide data

The connection between drug abuse and crime has been well outlined in Goldstein's (1985) tripartite conceptual framework for the drug-violence nexus. In this outline drugs may affect violence through psychopharmacological effects, economically compulsive effects, and systemic effects. In these terms, SAT could be expected to reduce violence by: (i) reducing the consumption of drugs that stimulate aggressive behavior, (ii) by reducing conflicts associated with financially motivated crimes by addicts seeking funds to buy drugs, and (iii) by reducing violence systemic within the drug trade itself.

Previous research has shown that individuals that go through substance abuse treatment are less likely to commit crime. However, these studies have limitations in that there is the potential for false/under reporting of more heinous crimes, they consist of small samples with limited external validity, and these studies measure individuals which do not necessarily reflect a direct benefit to the community. Our study is not limited in these factors in that our outcome measures for crime are from third party data and are not self-reported, covers a majority of the US population, and measures the effect SAT facilities have on the patients they serve as well as spillover effects on the community. We are limited in that we cannot separate the effects of SAT on the patients served by these facilities, but this methodology does allow us to estimate a more comprehensive cost-benefit analysis of an additional facility relative to the potential reduction in crime.

5. Our empirical strategy uses a fixed effects model that leverages year-to-year variation driven by substance abuse treatment facility openings and closings measured at the county level.
6. Data for substance abuse treatment facilities comes from the County Business Patterns (CBP) provided by the U.S. Census Bureau. Homicide data comes from three sources: the National Center for Health Statistics (NCHS) Multiple Cause of Death Data, the FBI's Uniform Crime Reports (UCR) Supplementary Homicide Reports (SHR), and the FBI's UCR

Offenses Known and Cleared by Arrests. Violent and property crimes come from the UCR Offenses Known data. We divide our outcomes by the relevant population to get crime rates using data from the National Cancer Institute's Surveillance Epidemiology and End Results (Cancer-SEER).

7. We find that an additional SAT facility within a county significantly decreases drug-abuse related mortalities, homicides, aggravated assaults, robberies, and motor vehicle thefts. The reduction in social costs attributable to these crimes is around \$700,000 per facility.
8. Our results provide support for the idea that there are broad-based benefits of SAT facilities in terms of public safety and societal costs.