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## Comment Lucas Ronconi

Crime is an important concern for Latin Americans. In Argentina, a recent opinion poll suggests that it is the most important problem (Latino-barometro 2008). However, relatively little research is available. This chapter is an important contribution toward reducing that gap.

The chapter uses a retrospective survey and shows the four following points. First, there was a large increase in victimization (both street and home robbery) from 1990 to 2001 in the Buenos Aires Metropolitan area. Second, the growth in street robbery was similar for both poor and rich households, while home robbery increased mainly among the poor. Third,

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there was a larger expansion in the use of security devices at home (i.e., alarms and private security) among the rich compared to the poor; but both groups present similar changes in behavior aimed at avoiding street robbery. Fourth, households that consume security devices at home are less likely to be victims of home robbery.

Based on this evidence the authors conclude that the larger increase in home robbery experienced by the poor is the result of a negative externality on the poor arising from the home protection of the rich. In other words, the use of security devices at home produces crime displacement across income groups. This is an interesting interpretation. But, is it correct? Does it explain most of the relative variation in victimization across socioeconomic groups? The answer to these questions depends on whether the criminals involved in the crime wave are similar to those who committed crimes in the early 1990s. If they are similar, such as employing the same strategy to select their victims, then the explanation proposed by the authors is more likely to be correct. Those who committed crimes in the 2000s thought about stealing from rich people's houses as in the early 1990s, but decided to steal from poor people because it was too risky to steal from the rich due to the relative change in the use of security devices across socioeconomic groups. But, if the new criminals differ from the previous ones, this interpretation is less likely to be correct. The magnitude of the 2001 crisis and the emergence of a new drug consumed in the Buenos Aires shantytowns, locally known as *paco* (a cheap and highly addictive smokable cocaine residue), suggests this is a possibility that should be considered. Perhaps the new criminals are less sophisticated and simply steal from their neighbors—who are predominantly lower income—and this difference could be driving the relative increase in home robbery among the poor. Testing the relative merits of these arguments requires information about criminals' characteristics, which is regrettably unavailable in the collected data.

A related point is that, even assuming crime displacement effectively occurs, whether it occurs across or within income groups. The share of rich households with alarms in 2001 was only one-fourth (and a similar percentage hires private security). Why would a criminal who decided not to steal from a rich house due to the security device steal from a poor house when there are so many rich houses unprotected? The chapter does not explore crime displacement within income groups (something that can be easily added), in part because the model assumes that wealth is not observable. But this is an unrealistic assumption when analyzing home robbery.

There are a number of concerns related to the data, although I suspect they are relatively less important. First, only four types of protection strategies are considered, two to avoid home robbery and two to avoid street crime. The chapter does not take into account other strategies such as changes in transportation, in interactions among people, or their extent of activity in public areas. Furthermore, the analyzed strategies are mainly to avoid crime

committed by strangers. Different strategies are used to avoid nonstranger crime. Whether the distribution and evolution across income groups of the excluded protection strategies resembles the analyzed ones remains unanswered.

Second, as pointed out by the authors, using a retrospective survey to measure the evolution of victimization and crime-avoiding strategies between the rich and the poor will not affect the results if the recall bias affects both groups similarly. There are some reasons to suspect this assumption does not hold. But more important is the fact that households are characterized as either poor or rich during the whole 1990 to 2001 period based on their education, occupation, and wealth in 2002. Some rich households, such as those with socioeconomic status (SES) slightly above the median in 2002, could actually have been poor in early years, and vice versa. Perhaps the authors should exclude from the analysis those households with SES close to the threshold. Additionally, a more disaggregated measure of income could be used, such as income quintiles, instead of categorizing households as either poor or rich. This will allow testing whether crime shifts occurred from the upper-middle class to the lower-middle class or from the richest class to the poorest, and so forth.

Both measures of victimization use the household as a unit of analysis, ignoring family size. However, the probability that at least a member of the household suffers a street robbery is a positive function of household size. Moreover, the size of the household could evolve differently across SES. If the size of poor households increases faster, then the observed similar growth in street crime between rich and poor households would indicate a relatively larger increase in street crime among rich people. Finally, it would be interesting to have more details about the sample design and to know whether there are differences in response rates across income groups.

There is no question that a panel survey would have been better for exploring this issue, but I commend the authors for using the available data to attempt to inform this important issue.