MISSISPPI

The High Cost of Violent Crime in Mississippi

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SHAD WHITE State Auditor

Michael Piazza, Logan Reeves Special Projects



Executive Summary

Mississippi has a violent crime problem. Since 2018, Mississippi has had a higher homicide rate than any other state in the country.¹ Jackson, the state capital, had more homicides per capita than any other major metropolitan area in the country last year.² Hinds County, home of the state's capital city, has led the state in reported homicides for all years with available data.³

Crime—especially violent crime—leads to real consequences for Mississippians. Aside from the tragedy of loss, these crimes also represent direct and indirect costs to taxpayers. For example, taxpayers must fund law enforcement from scene response to prosecution each time a murder is committed. These costs come in addition to any medical costs or victim's compensation paid directly by taxpayers. Crime also results in decreased economic activity, which hurts the state's long-term prospects.

To highlight these costs and put forward ideas to ease the burden taxpayers face as crime rates surge, the Mississippi Office of the State Auditor has compiled research to show how addressing Mississippi's crime problem could help taxpayers.

Law enforcement officers help prevent crime.

Research shows the average direct cost of a homicide to taxpayers across the southeastern United States ranges from \$900,000 to \$1.2 million. ⁴ These costs include crime scene response and cleanup, medical treatment and compensation for the victim, case investigation and prosecution by law enforcement agencies, incarceration for the defendant, and lost tax revenue. For perspective, this research would suggest taxpayers spent between \$136.8 and \$182.4 million due to homicides reported in Jackson in 2021 alone.⁵

A number of strong studies suggest that more police reduces the amount of crime.⁶ For instance, one national study demonstrated each additional police officer employed by a police department prevented .06 to .1 annual homicides.⁷ This means taxpayers can expect to see a direct return on any investment into law enforcement officers.

¹ See Center for Disease Control (CDC) <u>report</u> on Homicide Mortality by State.

² See <u>report</u>.

³ <u>See data</u> from the CDC's Wide-ranging Online Data for Epidemiologic Research.

⁴ See "<u>The True Cost of Gun Violence</u>" reports.

⁵ See <u>report</u>.

⁶ See <u>remarks</u> prepared for US Senate Subcommittee on Criminal Justice and Counterterrorism.

⁷ See National Bureau of Economic Research <u>report</u>.

In April 2022, Jackson Police Department Assistant Chief Joseph Wade publicly noted the department was budgeted for approximately 100 more officers than were employed at that time.⁸ See Figure 1 for projections of the return on investment into 100 additional law enforcement officers in Jackson based on the direct taxpayer cost of a homicide.

(**Figure 1**) If Jackson were able to hire 100 more officers, decreased crime and reinvestment of the correlating taxpayer savings could impact the city's homicide rate.

 $100 \ Additional \ Officers \ \times \ \frac{.06 \ to \ .1 \ Lives \ Saved}{1 \ Additional \ Officer} \ \approx \ 6 \ to \ 10 \ Fewer \ Homicides$ $6 \ to \ 10 \ Fewer \ Homicides \ \times \ \$900,000 \ to \ \$1.2 \ Million \ Saved \ \approx \ \$5.4 \ to \ \$12 \ Million \ Saved$

Figure 2 shows the additional reductions in crime if the savings from an initial investment into 100 new officers is put back into hiring more police.

(Figure 2) If the \$5.4 to \$12 million from Figure 1 was reinvested into hiring more police officers, Jackson could save more lives and more taxpayer money.

100 Additional Officers \rightarrow \$5.4 to \$12 Million Saved \approx 40 to 90 Additional Officers

 $\begin{array}{l} 40 \ to \ 90 \ Additional \ Officers \ \times \ \frac{.06 \ to \ .1 \ Lives \ Saved}{1 \ Additional \ Officer} \ \approx \ 3 \ to \ 9 \ Fewer \ Homicides \\ 3 \ to \ 9 \ Fewer \ Homicides \ \times \ \$900,000 \ to \ \$1.2 \ Million \ Saved \ \approx \ \$2.7 \ to \ \$10.8 \ Million \ Saved \ \approx \ 20 \ to \ \$0 \ Additional \ Officers \end{array}$

 $20 \text{ to } 80 \text{ Additional Officers} \times \frac{.06 \text{ to } .1 \text{ Lives Saved}}{1 \text{ Additional Officer}} \approx 1 \text{ to } 8 \text{ Fewer Homicides}$ $1 \text{ to } 8 \text{ Fewer Homicides} \times \$900,000 \text{ to } \$1.2 \text{ Million Saved} \approx \$900,000 \text{ to } \$10 \text{ Million Saved}$ $\$900,000 \text{ to } \$10 \text{ Million Saved} \approx 7 \text{ to } 70 \text{ Additional Officers} \rightarrow \approx up \text{ to } 7 \text{ Fewer Homicides}$

⁸ See <u>report</u>.

In addition to the prospect of saving lives and taxpayer dollars, research also shows increasing the certainty of a criminal being caught and punished is a powerful weapon for deterring crime.⁹ A criminal's increased "perception of detection" has been shown as an effective deterrent for crimes ranging from homicide to embezzlement.¹⁰ Importantly, this research emphasizes the role of effective policing which leads to "swift and certain" punishment as a crime deterrent.

Indirect costs of violence affect taxpayers.

In addition to costs borne directly by taxpayers, research also shows indirect costs of crime. For example, increased homicide rates have been linked to decreased business activity and reduced home values.¹¹ Studies show:

- up to 7.5% more businesses close as the number of nearby reported gunshots and homicides increases. As businesses falter, fewer jobs are available for local residents. ^{12, 13}
- home values and homeownership rates suffer as more gunshots and homicides are reported in specific census tracts.¹²
- a decreased level of violent crime in an area leads to increased local property tax revenue.¹⁴

When local violent crime rates increase, taxpayers face a decreased quality of life due to lack of convenient access to goods or services, fewer local employment opportunities, and the prospect of a lower level of public services provided as tax revenue decreases.¹⁴ In some cases, some residents could face a larger tax burden as a result of increased crime and a shrinking tax base. Regardless, all taxpayers are hurt when violent crime occurs.

Conclusion

Mississippi must address its violent crime problem. Jackson's particularly high homicide rate must be brought under control. Research has shown the economic outlooks in other states has improved when their capital cities have flourished.¹⁵ The Mississippi Office of the State Auditor will continue to identify ways Mississippi and the City of Jackson can reduce crime and save taxpayer money.

⁹ See US Department of Justice <u>report</u>.

¹⁰ See 2012 Association of Certified Fraud Examiners <u>report</u>.

¹¹ See Crime Science Journal <u>report</u>.

¹² See <u>report</u> from Urban Institute.

¹³ See Crime Science Journal <u>report</u>.

¹⁴ See Philadelphia City Controller <u>report</u>.

¹⁵ See McKinsey & Company <u>report</u>.