Crime-fighting and urban renewal

ELI LEHRER

For most of the past 35 years, conventional wisdom has held that poverty causes crime. "Warring on poverty, inadequate housing, and unemployment is warring on crime," wrote the members of the 1967 Presidential Commission on Law Enforcement and the Administration of Criminal Justice. In college sociology courses, such thinking still dominates discourse: Steven R. Donziger's *The Real War on Crime*, an influential book published in 1996, concludes that "a program to reduce poverty levels ... will reduce levels of crime and violence and make the country safer." In 1999, a widely publicized report from the Milton S. Eisenhower Foundation came to much the same conclusion, arguing that well-run social programs for everyone, from at-risk youth to recently released prisoners, would mitigate the effects of poverty and, thus, reduce crime.

Yet a substantial body of criminological research over the past 20 years suggests that the relationship between poverty and crime runs counter to conventional wisdom. Social scien-
tists such as John J. DiIulio, Jr., James Q. Wilson, Wesley Skogan, Leo Schuerman, and Solomon Korbin have shown that, in fact, poverty and neighborhood degradation often result from crime—not the other way around. Skogan, a Northwestern University criminologist who has studied what happens to places where crime and disorder increase, describes a scene of utter desolation: "These areas are no longer recognizable as neighborhoods."

I spent several months traveling to low-income areas around the country to investigate whether reductions in crime led to neighborhood renewal. My firsthand experience only reaffirmed the new thinking on poverty and crime: In short, when crime drops drastically, low-income neighborhoods come back to life. Commercial strips blossom with new businesses, housing improves, streets become safe at night, mediating institutions become stronger, and disorder vanishes from public spaces. Thus warring on crime is the best way to remedy a wide variety of social ills, and America's success in reducing crime ranks with welfare reform as the greatest social policy triumph of the 1990s.

Cutting the crime tax

Today, for the first time in a generation, police and low-income communities are winning the war on crime. When final statistics come out later this year, the FBI will announce that crimes such as murder, rape, robbery, aggravated assault, burglary, larceny, motor vehicle theft, and arson fell over one-third between 1990 and 1999, due largely to improvements in a few large cities like New York. Nevertheless, the late 1990s saw declines in every type of city and in every major category of crime. Between 1994 and 1998, only 29 of the 205 American cities with 1999 populations over 100,000 for which comparable data are available saw their crime rates rise. The preliminary data for 1999 paint an even more positive picture. In 1999, there would have been nearly 8,000 additional murders, about 20,000 additional rapes, and over 200,000 additional armed attacks had crime not fallen. Criminals would have committed more than 3 million additional crimes during 1999 alone and over 18 million more during the decade.

Many economists think of crime as a tax on urban life. In
this regard, it proves particularly cruel; the “crime tax” actually charges the poor a higher rate than the wealthy. The Bureau of Justice Statistics' National Crime Victimization Survey shows just how much crime hurts the poorest Americans. For the 30 million or so Americans living in households earning less than $15,000 a year, crime represents a horrific fact of daily life. Compared to the middle class, the poor fall victim to nearly six times as many rapes, more than twice as many robberies, almost double the number of aggravated assaults, and half again more acts of theft. Crime is, in short, an inversely progressive tax.

Nine neighborhoods

To study the effects of crime reduction on civil society, I visited nine different neighborhoods in the cities of New York, Los Angeles, Boston, Garden Grove, California, and Providence, Rhode Island. I included New York and Los Angeles because they are the country's two largest cities and have reduced crime significantly. (Between 1994 and 1999, New York reduced crime nearly 45 percent; Los Angeles about 41 percent.) I selected the other three cities because they have reduced crime more than the average for cities similar in size and character. (Providence's reductions actually fall below the national average but are larger than those in most other small-center cities in the Northeast.) In the selected areas, which represented a range of low-income neighborhoods, overall reductions in neighborhood-level crime ranged from about a third to over 70 percent. Because precise neighborhood-level population counts aren't available, crime rates are all approximations. In most cases, crime fell as quickly or almost as quickly in neighborhoods adjoining those that I visited. For the most part, that is, police did not simply move crime from one neighborhood to another.

I made three stops in Boston. The Four Corners, Dorchester neighborhood is synonymous with the name of Reverend Eugene Rivers, who decided to work there in the early 1980s because it was so troubled. Between 1990 and 1999, serious crime rates have dropped nearly 70 percent for the mostly African-American neighborhood of about 28,000. Boston's Hyde Square, Jamaica Plain neighborhood once qualified as a war
zone, but its 12,000 residents saw crime fall about 50 percent between 1990 and 1999. Boston's Upham's Corner, Dorchester neighborhood of 24,000 residents has also seen crime fall over 50 percent since 1990.

I made three stops in California, two in Garden Grove and one in Los Angeles. Garden Grove's Stewart Drive neighborhood was out of control by the early 1990s. Crime rates in this ethnically mixed neighborhood dropped by half for the area's 2,100 or so residents between 1995 and 1998. In 1983, the Los Angeles Times called Garden Grove's Buena-Clinton neighborhood "Orange County's Worst Slum." Yet crime has fallen around 50 percent. In the late 1980s, the residents of Yucca Corridor in Los Angeles often slept on the floor to avoid gunshots from rival gangs. Today, the neighborhood of about 8,500, just steps away from the tawdry glitz of Hollywood Boulevard, has a new park, scores of new community activities, and much improved housing. Crime rates fell over 40 percent between 1994 and 1999.

In Providence, Rhode Island, serious crime in the Armory District has fallen nearly 60 percent since 1989. Investment by the Armory Revival Company, a private, profitable concern with revenues that averaged about $7 million a year in the late 1990s, has transformed the neighborhood from a collection of burned-out hulks into a vibrant area of about 4,500.

New York's Alphabet City, a Lower-East Side Manhattan neighborhood, hit bottom when Ed Koch's administration sent in SWAT-team-like anti-drug forces under the mostly ineffective Operation Pressure Point in the late 1980s. Since then, the crime-fighting efforts of Rudy Giuliani and a series of new investments have slowly transformed Alphabet City from an open-air heroin market and campground for the homeless to a gentrifying area full of nightspots and boutiques. Crime has decreased about 65 percent since 1990 for the neighborhood's 70,000 residents.

By the early 1980s, The Bronx's Hunt's Point was one of New York's most desolate neighborhoods. The infamous Fort Apache police station sat on a plot of land where rampant arson had reduced several acres to prairie. Today, the once barren area around the Fort Apache contains prosperous looking single-family homes, and vacancies have nearly vanished
along the Southern Boulevard commercial strip. Official crime rates fell a bit over 30 percent between 1990 and 1998 for the area's 50,000 residents. But neighborhood leaders point out that Hunt's Point experienced significant population growth in the 1990s, so safety has probably increased more than statistics indicate. After a population crash in the late 1970s, the area grew faster than any other in New York during the late 1980s, and fast growth continued in the 1990s.

Reducing crime pays

All of these neighborhoods consist overwhelmingly of people with low-to-moderate incomes: Poverty rates range between 20 and 55 percent, and a majority of students at local schools qualify for free or reduced-price lunches. Alphabet City, Hyde Square, and the Armory District—all well-located neighborhoods endowed with good housing stock and parks—have begun to see a sizable influx of young professionals and families, but remain mostly low-income by local standards.

For people living at the bottom of the economic ladder, commercial opportunities are quite limited. For such individuals, the improvements in the consumer economy stimulated by reductions in crime tend to make an enormous difference. When crime drops, the prospects of stores large enough to attract customers who don’t live within walking distance improve. But since many neighborhood stores sell liquor and thrive when people fear leaving the few blocks they know best, such businesses see fewer positive effects. Shopping strips, however, benefit from a longer shopping day, reductions in merchants’ fears, increased competition, and an influx of new types of business.

Through the 1970s and 1980s, crime degraded inner-city shopping strips throughout the nation. A 1999 Initiative for a Competitive Inner City/Inc. Magazine study found that nearly half of inner-city entrepreneurs believed perceptions of crime kept business out of the inner city, while around a quarter cited crime itself as a major consideration. (These results are understated: Most of those surveyed provide business-to-business services or manufacture low-value industrial components and, thus, don’t handle products susceptible to theft.) Academic, government, and business researchers have found that
inner-city residents leave their neighborhoods for more than half of all purchases—a conclusion that affirmed reams of previous research. If crime falls, in other words, profit-seeking businesses will fill the void that exists in inner cities.

Consider what has happened in neighborhoods with fast-falling crime rates: Upham’s Corner Main Street Inc. says the commercial vacancy rate has fallen from nearly 40 percent to 16 percent since 1995. (Main Street programs, which exist in nearly every Boston neighborhood, perform the same promotion and retention functions as business-improvement districts but get most of their revenue from the city government rather than a local tax assessment.) Just as important, short-term vacancies tend to fill more quickly.

Hunt’s Point’s Southern Boulevard-area shopping strip had a high vacancy rate (and several nearby vacant lots) during the early 1980s. Walking along the street, longtime resident and business owner Ray Colon stops frequently to point out a store that sat vacant for years as the neighborhood declined. Today, only a few storefronts lack tenants, and business leaders say they tend to rent quickly.

In the Hyde/Jackson Square commercial area—which covers a slightly larger area than Hyde Square proper—almost no vacancies exist, and a new supermarket and strip mall have greatly increased total commercial space. In Alphabet City, once desolate streetscapes have blossomed with boutiques and bistros, and the city has sold most of its (almost always abandoned) properties along Avenues A, B, C, and D to private developers. In Yucca Corridor, a strip mall that provided a hangout for homeless people and gang members has shut down to make way for a new community center. A new motel and a high-end boutique have opened up in recent years, and a large new drugstore opened in the spring of 2000.

Commercial streets have become safer and more pleasant in every neighborhood studied, and the business environment improves when falling crime rates extend the useful shopping day. As Mark Culliton, the director of the Upham’s Corner Main Street, points out: “Certain kinds of businesses believed that they couldn’t thrive along this strip where people would only shop in the daytime.” Since 1994, the percentage of area residents who felt afraid to shop in the Upham’s Corner area
has declined by more than half. "If it had remained an open-air drug market, we simply couldn't have expanded," says Linda Heidinger, owner of a gift shop in Alphabet City. "In December when it's dark all the time, people aren't going to do Christmas shopping here when they can do it somewhere where they feel safer," she says.

Falling crime rates also mitigate entrepreneurs' fears. Nearly every merchant interviewed who operated through a period of high crime tells a story of being held up at gunpoint and feeling helpless against shoplifting. "[Getting held up] at gunpoint was a constant fear," says Hyde Square children's clothing store owner Tony Barros. "It was a fact of being a small businessman in this neighborhood." As James K. Stewart noted in Policy Review, the high cost of insurance and security systems can prevent businesses from ever opening in crime-ridden areas.

At the same time, retail strips become more attractive to new categories of business when crime falls. "We had one drugstore but it wasn't enough; now that the area looks more attractive, we're bringing in a second one," says Culliton of Upham's Corner Main Street. New drugstores also opened in Hunt's Point and Yucca. In Upham's Corner, several new eateries have emerged. In Hyde Square, a new Stop & Shop provides competition for the bodegas that were once the only place to buy food.

Another effect of crime reduction is that law-abiding residents regain control of commercial sidewalks and other public places. Certain kinds of businesses, particularly liquor stores and bars, are often driven out, along with the criminal types they serve. "One of the liquor stores we bought out [to build a community center] was, simply put, a detriment," says Roxana Tynan, a community organizer in Los Angeles. In Buena-Clinton, a strip mall anchored by a crime-ridden bar fell to make room for a new factory producing beverage dispensers for recreational vehicles. With the exception of Alphabet City, where nightlife has produced a commercial renaissance, community leaders and investors all say that reducing the number of liquor stores, bars, and similar businesses plays a key role in cutting crime. And when crime declines, merchants become more amenable to efforts to make streets pleasant. "I would
never have wanted it when we had all the crime," says Barros, motioning towards a small plaza with benches and a decorative sign.

With the improved atmosphere comes more competition—a boon for consumers, if not for individual businesses. For example, Barros, the Hyde Square clothier, says that his business remains below the $17,000-gross-sales-a-week level that he maintained when junkies taunted his customers. Of 23 retailers interviewed who worked through a period of high crime, not one said that falling crime rates played a key role in improving profits. On balance, however, falling crime rates serve to integrate inner-city shopping strips into the mainstream economy. Existing business owners do not always benefit, but the overall economy, residents, and shopping strips all thrive when crime goes down.

**Home improvement**

Large reductions in crime also improve housing. Throughout the 1970s and 1980s, many buildings in the neighborhoods studied were destroyed. But reducing crime enables landlords to get returns high enough to stimulate increased investment in housing. In New York's Alphabet City and Hunt's Point, there has been several hundred million dollars in new housing construction and remodeling since the early 1980s. Investment in Hunt's Point by the two largest nonprofits, Banana Kelly and SEBCO, created over $600 million in new or remodeled housing during the 1980s and 1990s, while Alphabet City saw the drug-addicted squatters immortalized in the musical *Rent* evicted from its buildings as profit-making developers entered in large numbers.

Boston's Four Corners currently has $22 million worth of new residential construction in progress, with another $30 million or so in advanced planning stages. Upham's Corner has benefited from over $120 million in total new investment during the 1990s, slightly more private sector than public sector. In Hyde Square, requests for rehab permits have more than doubled since 1990, and several sizeable new buildings have gone up. Armory Revival has poured nearly $10 million into Armory District construction and remodeling since it began operations. In Yucca, at least $5 million went toward refur-
bishment and redesign of dilapidated buildings. Units damaged during the 1994 Northridge earthquake were also quickly replaced. (Previous earthquake damage was repaired much more slowly.) Legal action by tenants' groups forced some landlords to perform basic repairs, while efforts to clean up other buildings continue. Requests for rehab permits also increased greatly.

In Garden Grove, California, Buena-Clinton has seen over $20 million in investment since the early 1980s—about half of it private (most of the money was spent in the early to mid 1980s, so the improvements would cost far more today). In 1983, all but three buildings in the area were substandard; today, almost none are. Stewart Drive, the smallest and newest neighborhood studied, benefited from $20 million in investment—almost all of it through tax-exempt bonds.

Developers point out that the relationship between housing improvement and crime reduction is quite complex. On one hand, working, law-abiding tenants won't move into neighborhoods where crime rates are horrific. On the other hand, the first stages of remodeling tend to bring in "pioneers" who brave high crime in return for freshly remodeled living spaces. Housing investment in the neighborhoods I visited began before the drop in crime, but without the improved environment the new investments could not have been sustained. Edward Kuo, through his company Golden Remco, remodeled apartments in Buena-Clinton before crime began to fall, but saw them trashed. "Banks found out that we knew how to handle money and they made us a sort of Community Reinvestment Act poster child," says Armory Revival general partner Le Baron Preston, "[but] if everything had gotten destroyed ... eventually, the money would have dried up." Capoccia says that he can do more projects when crime goes down. "I would still want to invest if crime weren't down, but many of these large investments just wouldn't happen," he says. Kuo says that he might have given up if the police had not been able to reduce crime.

Although bad landlords do not disappear when crime goes down, their numbers decrease significantly because falling crime rates create hope for the future. Studies by numerous social scientists have established a link between housing values, the physical state of a neighborhood, and crime. When a landlord's
property values drop significantly, burning a building to collect insurance often becomes one of the few ways to get a return on his investment. In addition, when crime drives rents low enough that a landlord’s mortgage payments become greater than what he can collect in rent, overcrowding tends to increase. Filling a building to twice its legal capacity can yield enough revenue to pay a mortgage while still keeping rents low enough so that those who can’t live elsewhere can afford them. Even landlords who are too ethical to violate the law will do only the legal minimum amount of upkeep if they feel that stable or even rising rents will not cover investment.

Civil society’s rebirth

In neighborhoods around the country, community organizations provide more services when crime falls. Safer neighborhoods enable residents to spend more time participating in community activities and allow community activists to focus on issues other than crime. In addition, people with middle-class values find their position strengthened when crime rates fall.

Less crime means safer evening hours and, as a result, more time for activities ranging from summer camps to sewing classes. Representatives of community organizations in neighborhoods with significant declines in crime all said that they now offer more activities in the evenings. In Hunt’s Point, the Casita Maria settlement house, which closed at 7:00 P.M. most nights before crime rates began to fall, now stays open until 1:00 A.M. on weeknights. “It used to be that we couldn’t fill a lot of programs in the winter because people were just too scared,” says Casita Maria director Martha Rivera. “Today, we have waiting lists for ESL classes, basketball leagues, sewing classes, whatever.” Rivera estimates that enrollment in the center’s programs has more than doubled since New York City’s crime rate began its steep decline in 1992.

In Garden Grove, the Boys and Girls Club and landlord Golden Remco have begun to offer classes in Buena-Clinton (virtually no community programs existed before), while the landlord-sponsored “Uth Force” tutoring program has increased high-school graduation rates along Stewart Drive. “As best as we know, not a single Hispanic kid in the neighborhood gradu-
ated from high school until five years ago,” says neighborhood leader and property owner Vincent Vander Burgh. The numbers tell the story of Uth Force’s success. In 1996, two area students finished high school; five did in 1997 and eight in 1998; 14 finished in 1999, and about the same number graduated in 2000. When the program first started, however, even getting students into the homework center proved a considerable challenge: Nobody wanted to come out at night. Now, Golden Remco’s homework help center in Buena-Clinton stays open late nearly every school night—something manager Betty Chu says would have been impossible 15 years ago. Likewise, Buena-Clinton has gained a roller-hockey rink on the site of an apartment building once ruled by drug lords.

In Yucca, an area that had almost no community organizations five years ago, citizens now offer an almost bewildering array of activities ranging from ESL classes to parenting seminars. “It was so much easier to organize when safety wasn’t always the number one concern,” explains Tyan the community organizer. A new park has appeared where drug houses once stood, and a temporary community center now provides a daily hub for activities ranging from youth soccer leagues in the area’s new park to language classes. A permanent facility will open in 2001.

Reducing crime also gives neighborhood activists more time to pay attention to their community’s social needs. In its days as the Four Corners Public Safety Action Project, the Greater Four Corners Action Coalition dealt only with crime. Now the Coalition does everything from providing summer programs for children to attracting developers. “If you’re worrying about crime all the time, then you can’t really do much else,” explains director Marvin Martin. Other community leaders echoed Martin’s sentiments. “Once you’ve gotten crime down a little, you can move organizing efforts on to other topics—like city services, voter registration, parks, housing,” says Jeanne DuBois, Executive Director of the Dorchester Bay Economic Development Corporation in Upham’s Corner. In Dorchester, voter registration has boomed, while Reverend Eugene Rivers’s organization has more than tripled the number of people it serves in Four Corners. Across town, the Hyde Square Task Force deals with about 150 youths a year through new sum-
mer camps and educational programs. When crime declines, government officials also have more time. "Five years ago, nearly all of our priorities would have had something to do with crime," says John Robert, the Community Board District Manager for the Hunt's Point area. "Now we can focus on parks."

Reducing crime also improves the credibility of the values of decency and hard work, and reduces the influence of what sociologist Elijah Anderson calls the "Code of the Street." As Anderson explains in his 1999 book by that name:

Simply living in [a crime-ridden, downtrodden neighborhood] places young people at special risk of falling victim to aggressive behavior ... street culture has evolved into a "code of the street" which amounts to informal rules governing interpersonal behavior, particularly violence.

As Anderson explains, even those who accept "decent" middle-class values need to know the Code of the Street in a neighborhood where violence represents a fact of daily life. In his book Disorder and Decline, Northwestern University's Wesley Skogan comes to much the same conclusion based on extensive research in Chicago and elsewhere: "Disorder," he writes, "fosters withdrawal, inhibits cooperation between neighbors and discourages people from making efforts to protect themselves and their community."

When crime declines, however, community leaders and, more importantly, ordinary residents, feel far more free to assert their values. "A lot of it was a matter of getting into a strong enough position," says Eugene Rivers, who spearheaded Boston's area-wide 10 Point Coalition of black churches. "It sometimes seemed like we were only making a little bit of progress but, eventually, the walls began to come down." Mark Van Noppen tells a similar story about Armory Revival's work. "At first, we would always have to put up with these street punks and almost had to go to war with them," he says. "After a while, things changed." Ordinary residents also feel better. "When you have lots of people trashing their homes and doing drugs, it's hard to think that you'll have any place to work from," says Providence's Anne Hill. "Once you reach a certain point, it's a lot easier to take good care of your neighborhood."
A conservative social policy

At least since the 1960s, a great many social scientists have thought that alleviating poverty will alleviate crime. In the early twenty-first century, this thesis stands on shaky ground. Some social programs, particularly those that work with children and inculcate moral values, probably do help reduce crime. But the latest wave of evidence shows that the best way to restore communities and lessen poverty is to reduce crime itself, not the supposed "root causes" of crime. The best-conceived and best-funded programs, public or private, will do little good in a dangerous environment. Alternatively, when falling crime rates bring commercial strips back to life, improve housing, help residents feel safe at night, and strengthen a community's stabilizing moral forces, it becomes possible to integrate even the most troubled areas into the American mainstream. So far the evidence looks good, and it is fair to say that crime-reduction ranks with welfare reform as the greatest social policy triumph of the past decade.