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Presentation title: Avoiding Crime at Work: Homicides and Labor Markets

This paper estimates crime avoidance costs in the aftermath of homicides that occur near employees' workplaces. I combine incident-level data on homicides with a matched employer-employee dataset for São Paulo City, Brazil, and estimate causal effects by exploiting timing and hyper-local variation in how close employees work to a homicide. Exposed employees experience a significant and persistent reduction in labor earnings due to a decrease in the hourly wage rather than a reduction in hours worked. In terms of incidence, I do not find evidence of firm labor market responses to homicides. On the contrary, I find that the effects are driven by employees switching to establishments that typically pay lower wages and are located in other municipalities. In addition, workers move to establishments located farther from the crime scene and in municipalities with lower murder rates, consistent with avoiding future crime. Overall, these findings demonstrate that, in addition to the costs imposed on victims, crime avoidance costs are consequential when designing and evaluating policies that cost-effectively prevent crime.