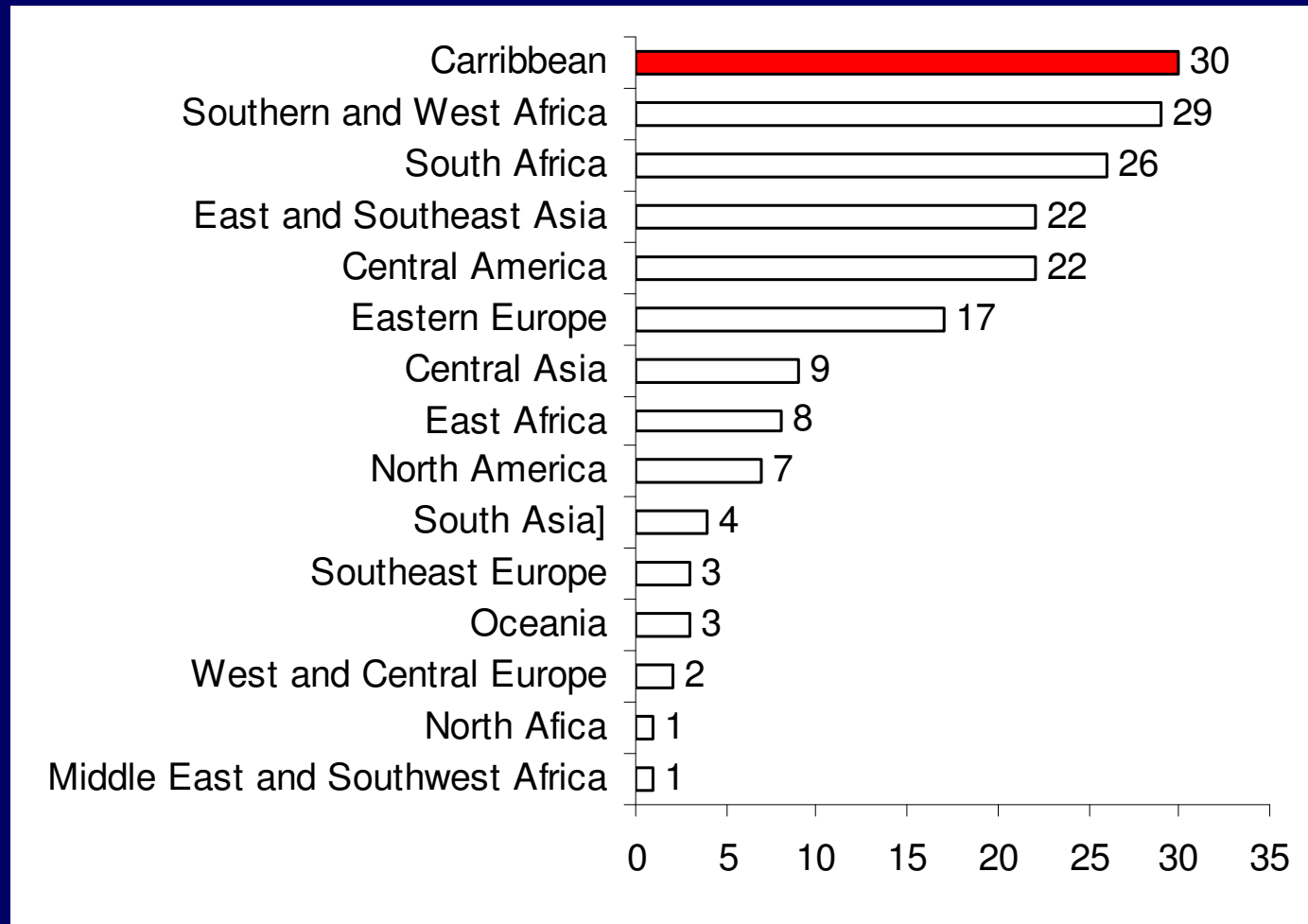


A joint report by the United Nations Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank

Why the World Should be more invested in violence prevention: the socio-economic costs of violence in the Caribbean

IOM, June 26, 2007

Homicide rates by world region, 2002



Homicide rates per 100,000 residents

Source: UN Crime Trends Survey and Interpol, 2002 or most recent year



Key trends in crime/violence

- n Homicide rates rising over 1990s/early 2000s in most countries
- n Recent declines in a few countries (e.g., Jamaica, Guyana)
- n Homicide rates quite volatile in small countries
- n Registry data on assaults, rape and property crime of uncertain quality; usefulness hinges on reporting rates
- n Share of U.S.-bound cocaine transiting the Caribbean has fallen from 30% (1998) to 12% (2005).
- n Kidnapping an emerging and serious problem in several countries



Vulnerabilities and socioeconomic costs

- n Drug trafficking promotes crime and violence in a number of ways.
- n Youth are disproportionately represented both among victims and perpetrators of violence.
- n The use of firearms in criminal acts has increased in several countries of the region.



Vulnerabilities and socioeconomic costs

- n Countries with higher growth rates have lower murder and robbery rates.
- n Countries with lower levels of inequality have lower murder and robbery rates.
- n Violent crime is more likely to affect poorer households; property crime is more likely to affect wealthier households.



Socio- economic costs of violence

- n Direct costs; non-monetary costs; economic multiplier effects; social multiplier effects
- n Number of different methodologies to assess the costs of crime and violence:
- n Assessing specific costs; adding up total costs 'accounting approach'; estimating total costs (willingness to pay) using econometric methodologies; calculating the DALYs lost due to violence; and estimating the effects on economic growth through cross-country regressions.
- n Distinguish between short-run costs and long-run effects on growth



Socio-economic costs of violence

- n Costs to Tourism
- n Non-monetary effects: area stigma; reduction in social capital; fear impacts activities
- n Costs of gender-based violence (Haiti)
- n Affects on business
- n Accounting approach: Jamaica 3.7% GDP (Francis et al, 2003).
- n Growth dividend: Cross-country panel data show that reducing the murder rate by 1/3 from its current level in the Caribbean could more than double the region's rate of per capita economic growth

Prevention activities are generally more cost-effective than control actions.

- n More cost effectiveness studies in developing countries needed.
- n WB Study in Brazil is neither comprehensive (it estimates the cost effectiveness of only nine interventions) nor definitive (impact parameters have been borrowed from substantially similar programs in other countries because of the lack of impact evaluation data in Brazil). However, it represents the first attempt to estimate the cost effectiveness of violence prevention initiatives in a developing country
- n The preliminary estimates for Brazil suggest that in terms of crimes averted per *real* spent, prevention—particularly secondary prevention—is more cost-effective than control or repression; this result is consistent with evidence from other countries. Nonetheless, the criminal justice approach, focusing on police, prosecutors and the judicial system for control and repression, continues to be the dominant approach to crime and violence prevention.