



## Illinois Wesleyan University Digital Commons @ IWU

---

John Wesley Powell Student Research  
Conference

2003, 14th Annual JWP Conference

---

Apr 12th, 9:00 AM - 10:00 AM

# The Relationship Between Unemployment Factors and Motor Vehicle Theft Rates

Matthew D. Melick

*Illinois Wesleyan University*

Robert Leekley, Faculty Advisor

*Illinois Wesleyan University*

Follow this and additional works at: <http://digitalcommons.iwu.edu/jwprc>

---

Matthew D. Melick and Robert Leekley, Faculty Advisor, "The Relationship Between Unemployment Factors and Motor Vehicle Theft Rates" (April 12, 2003). *John Wesley Powell Student Research Conference*. Paper 28.  
<http://digitalcommons.iwu.edu/jwprc/2003/posters/28>

This Event is brought to you for free and open access by The Ames Library, the Andrew W. Mellon Center for Curricular and Faculty Development, the Office of the Provost and the Office of the President. It has been accepted for inclusion in Digital Commons @ IWU by the faculty at Illinois Wesleyan University. For more information, please contact [digitalcommons@iwu.edu](mailto:digitalcommons@iwu.edu).

©Copyright is owned by the author of this document.

Poster Presentation P27

**THE RELATIONSHIP BETWEEN UNEMPLOYMENT FACTORS AND  
MOTOR VEHICLE THEFT RATES**

Matthew D. Melick and Robert Leekley\*  
Department of Economics, Illinois Wesleyan University

This study attempts to bring together two opposing theories used to explain the relationship between unemployment factors and motor vehicle theft rates. One theory is that higher unemployment rates create an increase in the supply of criminals, while the other theory suggests an increase in the unemployment rate reduces the supply of property crime victims. The study uses state level data, from 1978 until 2000, on unemployment rates, unemployment insurance (a.k.a. welfare), and motor vehicle theft rates to determine what effect unemployment rate changes and variations in the generosity of unemployment insurance have on the motor vehicle theft rate. Control variables are also implemented to help explain variations in motor vehicle theft rates across states. The author proposes that a negative relationship exists between stationary, current levels of unemployment and the motor vehicle theft rate while as unemployment rates increase from one period to the next so do motor vehicle theft rates. The author also proposes that more generous unemployment insurance programs lead to lower motor vehicle theft rates. While the study confirms the hypotheses regarding unemployment rates, there are mixed results relating unemployment insurance and the motor vehicle theft rate. These results show that both the supply of offenders and the supply of victims help determine the motor vehicle theft rate. The mixed results found for unemployment insurance show the data restrictions and the ambiguous nature of the subject.