

# Crime and Local Labor Market Opportunities for Low-skilled Workers: Evidence from Japanese Prefectural Panel Data

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## Abstract

This paper examines the link between crime and labor market opportunities in Japan. To examine the link, this paper estimates the crime supply function, introduced by ?, using Japanese Prefectural Panel data. The empirical results demonstrate that not whole labor market conditions like average wage but labor market condition for less skilled workers significantly affect crime in Japan. The estimation result implies the decade of recession which seems to harm less skilled boosts crime rate in Japan.

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