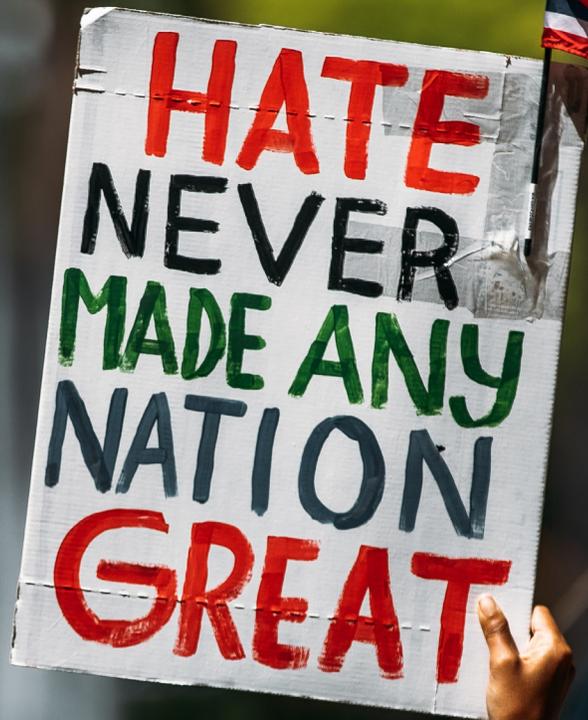


ECONOMIC COSTS OF HATE CRIMES



HATE
NEVER
MADE ANY
NATION
GREAT

MICHAEL E. MARTELL
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BARD COLLEGE

BARD CENTER FOR THE STUDY OF HATE



Bullet hole in Sikh temple door jamb, a reminder of the mass murder in the building

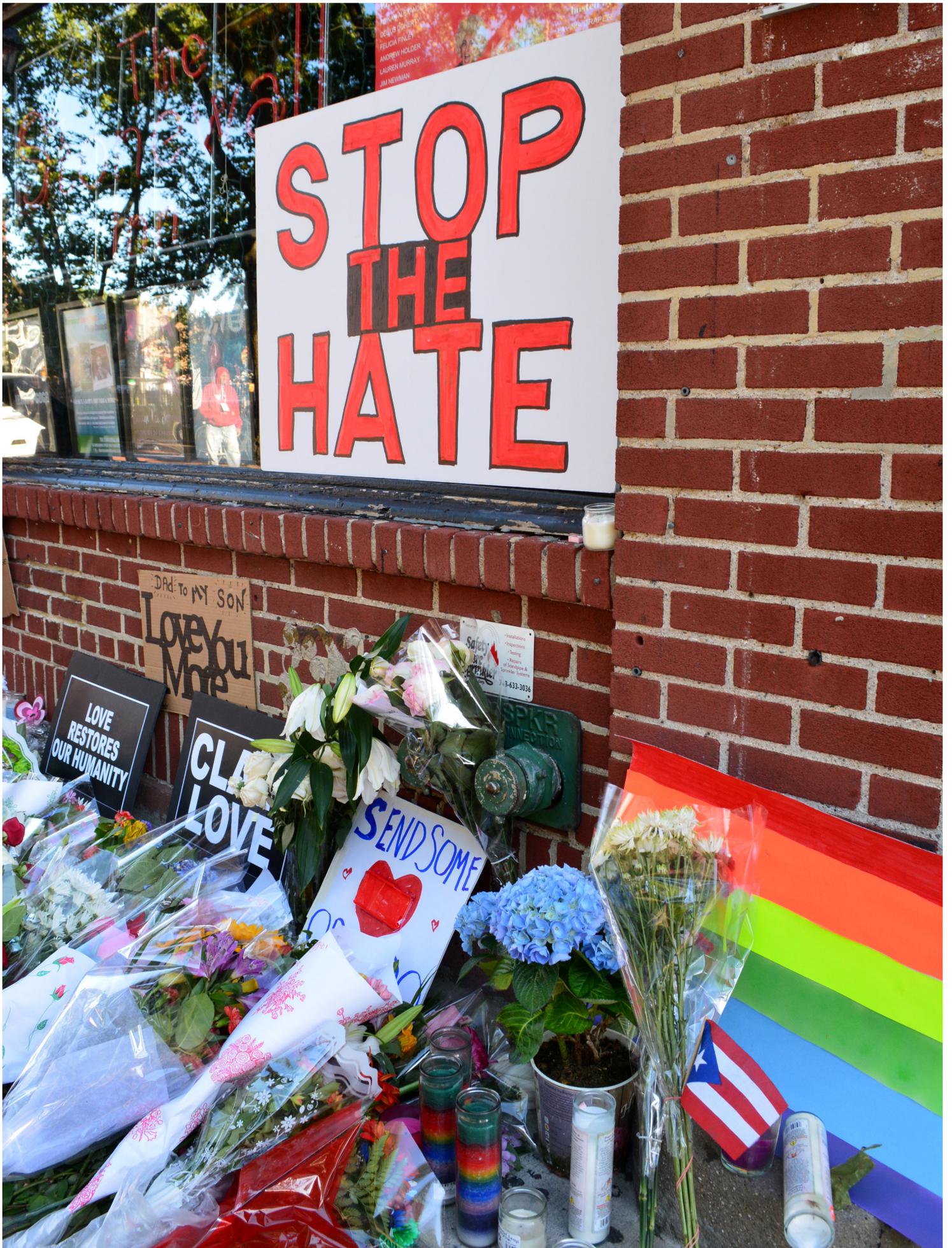
PREFACE

Kenneth S. Stern
Director, Bard Center for the Study of Hate

The Bard Center for the Study of Hate is pleased to publish Michael E. Martell's groundbreaking *Economic Costs of Hate Crimes*.

Like other Center publications—Robert Tyne's State of Hate Index and A Community Guide for Opposing Hate—Martell's analysis is designed to harness knowledge from the academy and employ it to help all of us think more clearly about hatred and what to do about it. As Martell underscores, what hate costs us—starting with the costs of hate crimes—is an important calculation. If we don't quantify the cost of a societal problem, it's less likely that we'll do something to address it.

We would like to thank GS Humane Corporation for understanding the importance of this project and underwriting it, and we are thankful for the team that advised us throughout the process of preparing this report. First, there was the international group of economists and other experts that helped define the project and its parameters. These included Cathy Buerger, William Dickens, Nata Duvvry, Ryan Herzog, Alec Hoover, Jack McDevitt, Floyd Norris, Srinivas Raghav, and Stephanie Savell. Then we reached out to members of the Sikh community and law-enforcement officials who graciously guided us through the details of the horrid mass murder in Wisconsin in 2012. We're particularly grateful to Pardeep Kaleka, Brian Murphy, Mark Reading-Smith, and James Santille for their guidance, patience, grace, and inspiration.¹ It can't be easy to revisit such an appalling event and its aftermath, but the information they provided underscored, in human detail, why this report is so important.



STOP THE HATE

DAD TO MY SON
Love you
MME

LOVE
RESTORES
OUR HUMANITY

CLA
LOVE

SEND SOME
♥

Safety
7-9-633-3036

SPKR
CONNECTION

ECONOMIC COSTS OF HATE CRIMES

Michael E. Martell

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We calculate the cost of just about everything: global warming, potholes not repaired, soda consumption, sleep deprivation, owning a dog, cost of living. Hate has a cost—likely a huge one. But what is the figure? How should it be computed?

This paper isn't the definitive answer, but rather is a first step toward that ultimate goal—creating an index of measurable data that allows us to identify and think about the economic costs of hate. Having some idea of what hate costs us every year (or at least some subset of the costs), we hope, will encourage more thought about what could reduce hate, and point to the economic benefits from such efforts.

This project is an economic analysis under the framework of hate studies, defined as “[i]nquiries into the human capacity to define, and then dehumanize or demonize, an ‘other,’ and the processes which inform and give expression to, or can curtail, control, or combat, that capacity.”² But when we look at the totality of hate from an economic perspective, the calculations become more complicated. Hate, for example, can lead to discrimination, and discrimination has societal costs. Yet some discrimination may not be motivated by demonization or dehumanization.

One can conceive of the cost of hate viewed through a wide lens because we see hate in so many dimensions: on social media, in the mainstream media, in politics, in government, in the number of hate groups, and in the messages of leaders and others encouraging dangerous “us/them” thinking.³ Then there are systemic aspects of hate, such as the long-term effects of slavery that reveal themselves in present-day socioeconomic disparities in Black communities.⁴

The goal of this paper isn't to answer all these questions, but rather to identify a methodology and to take a first step toward documenting one important cornerstone of hatred's cost—hate crimes. Hate crimes—attacks on people (shooting, assaults, bombings, etc.) or property (arson, graffiti, etc.) motivated by hate and/or where the actor intends to select a victim of a crime based on the victim's perceived membership in an ethnic, religious, racial, or other protected group—are a good window to begin this examination. They are the proverbial “tip of the iceberg.” Not all hate produces violence, and not all violence, of course, comes from hate. Yet, clearly, violence from hate has an economic cost, from property damage to medical costs to policing to psychological damage to the cost of fear rippling through a community. The costs of hate crimes will also tell us something about the structure of our economy, from direct costs to lost opportunities.

Thinking About the Costs of a Hate Crime

While each hate crime is different, we want to illustrate the possible costs on people and property from a real-world example. Unfortunately, there are too many to choose from, but one that deftly illustrates the economic costs happened on August 5, 2012. That day, a 40-year-old white supremacist walked into the Sikh temple in Oak Creek, Wisconsin. Armed with a 9-mm automatic pistol, he initially killed six people—five men and one woman—ranging in age from 39 to 84. After the shooter wounded a police officer, he himself was wounded, and he then committed suicide at the scene. A seventh victim succumbed in 2020.

While the methodology we use to estimate the costs of hate crimes is based on aggregate available data (and not on the cataloging of the costs of particular incidents), let's consider the types of costs that were incurred at the Oak Creek shooting.⁵

Property damage: The terrorist shot up wildly around the temple. Bullets not only killed and wounded people, but they also destroyed property and left holes in walls. A huge amount of human blood was spilled. It had to be cleaned from the floors and just about everywhere else. Walls had to be plastered and repainted. Bricks had to be repaired. Carpet had to be replaced. Furniture, including items in the kitchen, had to be replaced or restored. There was an added cost because this all had to be done quickly. The temple leadership needed to get back into the building as soon as it was no longer cordoned off as a crime scene. They needed to make sure that their members could pray together and otherwise meet their communal religious needs. And they wanted to make the statement that hatred was not going to win. They were back in the temple in about 10 days.

Security costs and victim services: Law enforcement advised the temple about upgrading its security, both to prevent a future incident and to make the congregants feel more secure walking into their building again. So, factor in the costs of the salaries of FBI agents and others who advised the temple, and then add in the costs to the temple, which included hardware and software, and the hiring of security guards (both to control who gets into the temple and to act as first responders in case of an incident). These costs remain ongoing, now more than a decade after the attack. And when a religious institution like the Sikh temple is attacked by a white supremacist, it isn't only that temple that feels a need for increased security; the Jewish and Hindu and Muslim and other religious communities in the region become worried about attacks, too. In the wake of the shooting at the Sikh temple, many of those other religious institutions upgraded their security by adding camera systems and buzzers; reinforcing door jambs; purchasing and installing bullet-resistant glass; redesigning how parking access worked; addressing different needs for downstairs areas, upstairs areas, places where worship takes place, and places where children may congregate; making sure there weren't too many ways to enter while also considering religious needs (Sikh temples need to have four doors, for example); and so much more.

Police and Fire Services: Local, state, and federal law enforcement worked on this hate crime. Without knowing how many people did this work and what their salaries were, we're not going to be able to put a dollar figure to this cost, but there were, of course, the responders on the day of the massacre and additional responders on the days and in the weeks afterwards. For the first 10 days, they also provided security to ensure people were not contaminating an active crime scene. And on the day of the shooting, officers—both on and off duty, from Wisconsin but also Northern Illinois—drove to Oak Creek to help in huge numbers. Even though the shooter killed himself, consider the costs of

the investigation. Law enforcement not only had to determine how and why the shooter did what he did, but also had to rule out that anyone else might have been involved. There were rumors running wild, including of a white van and that there were three or four shooters. All of that information had to be tracked down and ruled out. The shooter had a girlfriend who was still in the area, and she had to be investigated. The shooter had also been involved with a white supremacist group called the Hammerskins. Did he act alone, or were others involved in a conspiracy? When and how did he leave the Hammerskins? (Apparently, the Hammerskins found out the shooter once had a Native American girlfriend and kicked him out.) Was the shooter told or ordered to undertake the attack? What was the structure of the white supremacist organization and its leadership? These questions had to be addressed to see if there were, in fact, any ties. The FBI also had to send agents to investigate in other parts of the country because the shooter had family in Colorado, for instance. Agents had to find and interview those family members, write reports, and analyze the information. The shooter had been in the military. Who did he talk with then, and did he exhibit psychiatric problems or racist rantings? What about his use of drugs and alcohol? What about his work history? He had just been fired by his employer. How many agent hours were involved? And then, when the investigation wrapped up months later, law enforcement not only had to announce its findings publicly, but also had to meet and explain what they knew to the families of the victims to demonstrate that there was no one alive to prosecute. And consider, in this case, that there was no prosecution because the shooter was dead. In many other cases, there are additional costs of a trial, such as further investigation, lawyers for the government and defense counsel, court costs, expert witnesses, etc.

Quality of Life, or the Human Cost: First, there are those who died—six people right away, and one person years later. And then there were many injured—some physically, some emotionally, some both. So, first you have expenses related to the bodies: medical attention, then funeral services. But one victim suffered for years, meaning that his costs must have been astronomical. He suffered huge cognitive issues. He couldn't speak. He was able to communicate a bit, however, by blinking his eyes. And then consider the other injured people and their costs. Suffering itself has a subjective cost, but there are also the economic costs of continuing medical and psychological care. Some of those latter costs were reportedly huge—not only emergency medical and surgical costs, as well as long-term care costs, but also costs associated with serious health-related issues to this day. Then there's pharmaceutical care and the pain of suffering bullet wounds. Then there is psychiatric care. Add the mental anguish and mental care for the families, including children. The children in the temple, although none died, recall being ushered into the basement, and they know adults around them died. At least one child whose parent was killed (and likely more of the children who lost parents) continues to experience the difficulties of navigating life in the aftermath of such trauma.

The costs attributable to the mass murder at the Sikh temple must have been massive, many millions of dollars. Then think of the other cases where people were killed and wounded where the shooter may have been prosecuted: The Tree of Life in Pittsburgh, Pennsylvania; the Tops store in Buffalo, New York; Pulse nightclub in Orlando, Florida; Mother Emanuel Church in Charleston, South Carolina; the Chabad of Poway synagogue in Poway, California; the Walmart in El Paso, Texas; Club Q in Colorado Springs, Colorado; and so many more. Next, add to that list the attacks that also shatter communities, bring fear, and require law enforcement and other responses but don't grab our attention because less blood is spilled. There were over 8,000 reported hate crimes in 2020.⁶ Not all hate crimes are reported and classified as such. As we discuss below, this reported number represents a smaller subset of the much larger population of hate crimes perpetrated that year. Without having receipts from each crime, how do we approximate the aggregate cost to society?⁷

Methodology

To calculate a measure of the total cost of hate crimes, we follow the cost benefit analysis (CBA) methodology that is widely used in the literatures investigating crime, incarceration, and criminal-justice reforms.⁸ We update Miller, Cohen, and Wiersema’s (1996) widely cited per-victimization costs-of-crime estimates.⁹ We then apply those estimates to our approximate calculations of the annual number and type of hate crimes in the US, and then make adjustments based on our knowledge of the limitations of existing hate crime data.

Even after adjusting the data, there are nevertheless shortcomings of this analysis that should be kept in mind. First, many of the estimates in Miller, Cohen, and Wiersema (1996) are based on assumptions and imputations, particularly for missing data. For example, long-term productivity losses associated with crime are imputed, and imputations decrease precision. The decreased precision is also compounded by the small sample sizes in some of the data we utilize. Therefore, the confidence intervals for our estimates are large. Some of the victimization costs similarly come from small samples. For example, the calculation of pain and suffering costs (physical pain, but also things like lifelong anguish) come from a small sample of jury settlements (containing 1,061 assaults, 309 sexual assaults, and 606 burn victims). Mental-health costs are based on a small survey of therapists. Victim services (including but not limited to medical and mental-health support) are very conservative and based on federal grants, not provider costs.¹⁰ Most of these limitations would lead us to underestimate the costs of hate crimes.

Table 1 shows the two broad classes of costs we consider.

Tangible costs are those that are relatively easy to identify and measure. These include costs to victims such as lost earnings, medical bills, and the value of destroyed property. They also include micro and macro social costs. Micro costs imposed on society include the opportunity cost associated with a perpetrator’s actions (i.e., the productive activities perpetrators could have engaged in had they not committed hate crimes). Macro costs imposed on society include the monetary value of resources allocated to policing, hate-crime prevention, and incarceration.

Table 1: Taxonomy of the Costs of Crime

Tangible Costs	
Victim Costs	Direct economic losses suffered by victims: medical care, lost earnings, property loss/damage.
Society Costs, Macro	Local, state, and federal government funds spent on policing/prevention; legal and adjudication; correction programs; incarceration; investigations; and additional justice-system costs.
Society Costs, Micro	Opportunity costs associated with perpetrator’s actions, or lost productivity of individuals.
Intangible Costs	
Victim Costs	Indirect losses suffered by crime victims: pain and suffering, decreased quality of life, psychological distress.
Victim Adjacent	Indirect costs to victims by association (such as family members).

Intangible costs include those with less obvious mechanisms to assign monetary costs. These costs are generally conceptualized as indirect and subjective losses suffered by victims and those who are victim adjacent. These costs include pain and suffering, decreased quality of life, and psychological distress. These estimates are largely based on jury-determined monetary awards to victims.¹¹

Miller, Cohen, and Wiersema (1996) leverage the breadth of information contained in the National Crime Victimization Survey (NCVS) to estimate the tangible and intangible victim costs of different types of crimes. As Table 2 shows, the tangible costs are largely calculated directly from victim responses contained within the NCVS.¹² These tangible costs are broken down into six categories. We match these crime-specific per-victimization cost estimates to our estimates of the number of hate crimes in the US in order to develop an approximate calculation of the annual economic cost of hate crimes.

Table 2: Types of Costs and Data Used for Calculations

Tangible Cost	Definition	Data Source
Property Damage	Property damaged or taken and not recovered plus administrative costs (i.e., insurance claims) associated with victim compensation.	Victim information provided to NCVS.
Medical Care	Payments for inpatient and outpatient medical care, expenses related to premature death, administrative costs (i.e., insurance claims), legal expenses associated with victims recovering medical expenses.	Non-Hospitalizations: Victim information provided to NCVS multiplied by ratio of long-term to short-term cost ratio for injury plus administrative costs. Hospitalizations: Victim information provided to NCVS for short-term expenses plus estimates of costs associated with longer term care associated with each hospitalized hate-crime victim of assault or rape.
Mental-Health Care	Payments for mental-health care to psychiatrists, psychologists, social workers, and pastoral counselors plus administrative expenses.	Estimates derived from opinions solicited in a survey of mental-health-care professionals.
Police and Fire Services	Costs of initial police response, follow-up investigations, and fire-service costs (traffic incidents/arson).	Estimates derived from various sources and surveys. Costs typically small. See also: Cohen, Miller, and Rossman (1994).
Victim Services	Costs of victim-service agencies.	Derived from dollar value of grants to victim-service agencies. Excludes value of volunteer time and privately funded organizations.
Productivity	Cost of decreased paid- and unpaid-worker productivity.	Paid work: Victim information (time missed at work and wages) provided to NCVS for paid-labor productivity. Includes lost paid time for members of victims' families. Unpaid work: Interpolated value of lost unpaid labor (housework) based on averages for victim employment status and age. Lost school days: average educational expenditures per child, per day.
Intangible Cost	Definition	Data Source
Quality of Life	Pain, suffering, fear, and costs associated with reduced quality of life.	Fatal injuries: Value of statistical life applied to victims of fatal hate crimes as estimated in the National Incident-Based Reporting System (NIBRS). An obvious underestimate. Nonfatal injuries: Deducted via an analysis of jury awards to crime victims. The difference between total <i>compensatory</i> (not punitive) damages awarded to victims and the total estimated tangible costs (outlined in previous rows).

Data

An accurate and centralized database that records hate crimes and their characteristics does not exist. We utilize two data sources to estimate the frequency and characteristics of nonfatal and fatal hate crimes against individuals.

National Crime Victimization Survey

We utilize the NCVS to estimate the number and type of nonfatal hate crimes in the US. The NCVS is an annual survey implemented by the US Census Bureau for the Bureau of Justice Statistics. The survey consists of a nationally representative sample of approximately 240,000 incidents of criminal victimization. This sample includes approximately 160,000 individuals from 95,000 households. The NCVS serves as the primary source of information regarding criminal victimization in the US.¹³ We utilize the 2019 survey, the incident-file database in particular, and incident-level weights in all tabulations.

The NCVS collects data on nonfatal personal and household property crimes.¹⁴ These crimes are recorded in the NCVS whether or not they were reported to the police. However, not all crimes are included in the survey (such as intimate partner violence, for example). The survey collects characteristics of the crime, some of which are used to classify crimes according to their crime typology. The characteristics also include respondent reports of “suspect[ing that the] incident just discussed was a hate crime or crime of prejudice or bigotry.”¹⁵ As is standard (see McDevitt and Iwama 2016), we classify incidents as hate crimes if respondents report them as such with corroborating evidence that indicates that the offender used abusive language or hate symbols, or that the police confirmed the victim(s) were targeted for their actual or perceived characteristics or religious beliefs.¹⁶ We utilize incident-level weights to estimate the number of hate crimes in the US based on the NCVS sample. However, this estimate is based on a sample that excludes several categories of people, including young children (those under 12), the elderly, immigrants, and the institutionalized. It also excludes crimes whose targets were not individuals—crimes against organizations, institutions, schools, churches, and businesses—and fatal crimes. Thus, the sample design will lead to an underestimate of the true prevalence of hate crimes.

National Incident-Based Reporting System, FBI

We utilize the NIBRS of the Unified Crime Reporting Program (a subset of the Summary Reporting System) to estimate the number of fatal hate crimes. The primary purpose of the NIBRS is not to track hate crimes; its purpose is to improve overall quality of crime-related data collected by law enforcement. The program does this by collecting information on the context of crimes reported. This contextual information contains the classification of crimes as hate crimes. Hate crimes in the NIBRS are defined as those that were reported to the FBI as being motivated by biases based on race, ethnicity, ancestry, religion, sexual orientation, disability, gender, or gender identity. The NIBRS also, unlike the NCVS, captures crimes against property. Crimes against property are those where the primary target is not a person (but rather a building, for example).¹⁷

The NIBRS, like the NCVS, likely undercounts the number of fatal hate crimes in the US due to the underreporting of crimes as hate motivated as well as misclassification. Underreporting is likely to arise when people close to victims distrust the police or fear negative ramifications for reporting a hate crime. Such underreporting may be substantial. As recently as 2012, approximately 60 percent of hate crimes went unreported to police (McDevitt and Iwama 2016). Misclassification may compound underreporting. Misclassification may occur unintentionally due to poor police training, or intentionally as a result of an effort to promote positive public images of jurisdictions.

Baseline Cost Estimates

Because the data are from 2019, and the estimated crime-specific cost estimates are from 1996, we adjust for inflation and report costs in current dollars. On the one hand, since the cost-benefit methodologies used to determine the costs of nonfatal crimes are relatively unchanged (Miller, Cohen, and Hendrie 2017), we adjust for inflation by applying Consumer Price Index (CPI) adjustment factors to costs for nonfatal crimes (specifically, we apply the Consumer Price Index for All Urban Consumers, or CPI-U). On the other hand, varying approaches to estimating the Value of a Statistical Life (VSL) have flourished (see, for example, Kneiser and Viscusi 2019). All VSL estimates are based on what individuals are “willing to pay” to reduce their risk of dying.¹⁸ Extrapolating from the price of small risk reductions to large risk reductions (i.e., not dying) yields an estimate of the VSL. More recent VSL estimates are based on improved data on risk and earnings, as well as more sophisticated empirical techniques. As such, we utilize a VSL of \$10,000,000 to reflect the state of the art instead of simply adjusting the original VSL estimates implemented by Miller, Cohen, and Wiersema (1996). We note, however, that this measure is an average. It is not adjusted to take into account individual characteristics, such as race, ethnicity, gender, sex, sexual orientation, or age, for example. Further, it does not measure quality of life, pain and suffering, or the wide variety of costs that victims of hate crimes experience prior to their death. These broad costs include decreased public and social services, and barriers that often prevent members of marginalized groups from full economic and social inclusion. Perhaps most importantly, the statistic does not measure how much individuals value their lives. It is a measure of the cost of risk alone.

Table 3 presents baseline estimates of the number of fatal and nonfatal hate crimes against individuals, along with their costs. The per-victimization costs vary substantially across crime types. The variation is often driven by intangible costs. Excluding intangible costs would, for example, lead to rape and sexual assault (crimes with immense intangible costs) having approximately the same total cost as robberies with injuries (crimes with fewer intangible costs). Obviously, intangible costs are important.

In 2019, there were 236,163 nonfatal hate crimes.¹⁹ Not surprisingly, the costs of crime are substantial. The total cost of nonfatal hate crimes is \$2,878,194,288.²⁰ Even though the per-incident cost of fatal hate crimes is much higher than that of nonfatal crimes, the sum of the VSL for fatal hate crimes is lower because fatal crimes are less common. In 2019, there were 51 fatal hate-crime victims. The cost of fatal hate crimes is therefore \$510,000,000. Together, the annual cost of hate crimes against persons is \$3,388,194,288.

Table 4 presents the number and type of crimes against property. We approach these crime estimates similarly to crimes against persons. To calculate the costs, we apply the corresponding per-victim cost estimate from Miller, Cohen, and Wiersema (1996) for the corresponding crime when it is targeted at a person. Because we lack an estimate of the economic cost of property destruction/damage/vandalism, we apply the same cost, a likely undercount, for larceny. We also do not account for the 57 incidents of “other” crimes. The total cost of hate crimes against property is \$7,698,783.

A baseline estimate of the total cost of hate crimes is \$3,395,893,071. Even though this cost is high, there are several reasons why it underestimates the true costs of hate crimes. It is, at best, a lower bound.

Table 3: Costs of Crimes Against Persons

Type of Crime	Victimizations	Cost per Victimization	Annual Cost
Rape and Sexual Assault (including child abuse)	6,657	\$146,546.91	\$975,571,328
Robbery or Attempt with Injury	11,918	\$32,189.49	\$383,639,424
Robbery or Attempt No Injury	5,651	\$15,840.62	\$89,513,504
Other Assault or Attempt with Injury	20,868	\$40,829.83	\$852,057,088
Other Assault or Attempt No Injury	155,258	\$3,218.95	\$499,767,712
Larceny or Attempt	4,180	\$626.85	\$2,620,152
Burglary or Attempt	31,631	\$2,371.86	\$75,025,080
All Fatal Crimes	51	\$10,000,000.00	\$510,000,000
Total Costs			\$3,388,194,288

Table 4: Costs of Crimes Against Property

Type of Crime Against Property	Victimizations	Cost per Victimization	Annual Cost
Robbery	125	\$15,841	\$1,980,078
Burglary	114	\$2,372	\$270,392
Larceny-theft	284	\$627	\$178,025
Motor vehicle theft	19	\$6,253	\$118,807
Arson	60	\$63,375	\$3,802,500
Destruction/damage/vandalism	2,152	\$627	\$1,348,981
Other	57	N/A	N/A
Total Costs			\$7,698,783

Adjusted Estimates

The actual costs of hate crimes are likely higher than those estimated above due to limitations of the underlying data. The NCVS and NIBRS both fail to capture the prevalence of hate crimes in the US. This is due to the construction of the sample in the NCVS (for example, it excludes many migrants, the young, and the elderly, as discussed above). Moreover, following standard practice, we only classify crimes as hate crimes if the victim substantiates their claim with evidence. These victimizations comprise only 46.64 percent (236,163 of 506,310) of the total number of victimizations for which the victim believed they experienced a hate crime. If we counted all crimes that victims believed were hate crimes, the cost of nonfatal hate crimes would likely nearly double, thereby increasing the total cost of hate crimes to \$6,774,642,887.

In the NIBRS, not all individuals report hate crimes as such to the police, and police do not record all hate crimes as such in the NIBRS. It is therefore likely that hate crimes are actually 60 percent (McDevitt and Iwama 2016) higher than the numbers presented in Table 4. Adjusting our costs for this underestimate increases costs of fatal hate crimes and hate crimes against property to \$828,318,062, leading to an estimated total cost of hate crimes of \$3,714,211,133.

It may well be the case that hate crimes are costlier than typical crimes motivated by other factors. The small underlying sample of hate crimes in the NCVS makes a comparison based on costs alone difficult. While we observe no statistically significant differences, we cannot rule out that the costs of hate crimes are higher.

What is Missing?

We also note that the intended targets of hate crimes are populations, not individuals. The crime-costing methodology here does not incorporate the notion that, in the aftermath of a hate crime (such as the increased assaults on Muslims and Sikhs after the 9/11 attacks, or the more recent assaults on Asian Americans and Jews), the psychological and moral costs of this crime were felt by the targeted groups (and their allies) everywhere. These costs include people being nervous about enjoying the services associated with the venue that was attacked, or people being fearful of going to similar venues elsewhere. The intangible costs of hate crimes—the pain, fear, suffering, and decreased quality of life—should be determined for communities and not just individuals.

It is also important to note that these costs determine the economic costs at the margin—for example, the costs fire departments bear when they investigate one incidence of arson. However, the fixed cost of victim services (such as those related to infrastructure) should also be accounted for, as the existence of these services is predicated on the existence of hate. Hate crimes comprise 1.88 percent of all victimizations (the total of which is 12,548,607).

Moreover, these costs exclude the considerable resources expended to alleviate hate and to prevent its effects. These costs are represented by the budgets of charitable organizations, resources dedicated to educational programs, upgrades to security infrastructure, and security guards at high-profile events or even day-to-day worship services (such as those at Tree of Life Synagogue following the mass shooting there in 2019, and at the Sikh temple massacre of 2012, described above).

Finally, the costs of hate are not static. Hate crimes lead to changes in behavior. For example, countless LGBTQ+ individuals across the country were afraid to be in public in the aftermath of the Pulse nightclub shooting and the Club Q shooting in Colorado Springs. These individuals may not have gone to work or to school, met their friends at gay bars, or continued to express their authentic selves. We cannot measure the costs that reflect the ways that hate and hate crimes fundamentally change the structure of our economy and the capabilities of those who comprise it. We also continue to experience the ramifications of hate crimes of the past. Hate continues to constrain opportunities and to discourage the full development of our capacities as individuals and productive members of society. Hate seems so pervasive that it is difficult to measure the impact of this constraint; we have no counterfactual. Consider the related concept of homophobia, which has been estimated to exert a cost of 2 percent of the GDP in India (Badgett 2020). Extrapolating that percentage to the US yields a cost of \$42,800,000,000—an amount that is larger than existing estimates of the total cost of burglaries, larceny, and robberies combined (Chalfin 2015) and is approximately half the cost of the devastating forest fires that engulfed California in 2018 (Wang et al. 2018). We can easily imagine the cost of hate more specifically directed towards any community to be orders of magnitude higher.

Conclusion

By considering the direct and indirect costs of hate crimes in any particular year, we calculate a significant burden. Further, as noted, past hate crimes continue to have costs (not computed in this framework) going forward. But it is also clear that hate crimes are just one small but important cost linked to behaviors associated with the human tendency to identify, demonize, and/or dehumanize a “them.” The costs of war, of course, come to mind as an immediate complementary example.²¹

Hate is usually a destructive force, and those working for human rights and against bigotry justify their work, correctly, on moral grounds. What we have shown here is that there is also a clear economic case for reducing hate.

As noted, hate crimes are just a small part of this equation. We encourage others to pick up the study of the economic costs of hate so that, collectively, we can come as close as possible to an accurate and complete accounting.

NOTES

1. We also want to thank the Bard Publications Office for the design and production of this study, the Bard Department of Public Relations and Communications for helping bring notice to it, and to the GS Humane Corporation for underwriting it.
2. See <https://blogs.bard.edu/bcsh/files/2018/12/Need-for-Interdisciplinary-Field-of-Hate-Studies.pdf>, p. 11.
3. This type of “us/them” thinking can be understood to mean the binary of “us” versus “them,” and seeing people who might otherwise be considered part of “us” instead being seen as part of a dangerous “them.”
4. See, for example, Mullen and Darity (2020).
5. It is beyond the scope of this paper to quantify the exact cost of this hate crime, as we don’t have access to all the bills for repairs, salaries of law enforcement, costs of medical treatment for those wounded, etc.
6. See <https://www.fbi.gov/news/press-releases/fbi-releases-updated-2020-hate-crime-statistics>.
7. It would be useful if the Department of Justice included costs associated with hate crimes in its annual hate crime statistics reports. See suggestion of the Bard Center for the Study of Hate before the House Homeland Security Committee, October 3, 2022: Written Testimony of Kenneth Stern before US House Homeland Security Committee.
8. See Miller, Cohen, and Wiersema (1996) and Miller, Cohen, and Hendrie (2017).
9. These estimates were later published in peer-reviewed literature as Miller, Cohen, and Hendrie (2017).
10. The original estimate of the cost of victim services for a rape victimization is \$27, for example, which is an obvious undercount. Moreover, since the 1990s, reduced stigma surrounding mental health has likely led to a large increase in demand (and associated costs) for therapy following victimizations.
11. See Miller, Cohen, and Hendrie (2017).
12. For a full accounting, see Miller, Cohen, and Wiersema (1996).
13. United States Bureau of Justice Statistics, National Crime Victimization Survey (NCVS), ICPSR 37645, Version V1, 2019. Available at: <https://www.icpsr.umich.edu/web/NACJD/studies/37645>.
14. These data exclude crimes against institutions and entities, such as Pulse night club, churches, etc.
15. United States Bureau of Justice Statistics, National Crime Victimization Survey, 2019. The variable V4526AA is used by the NCVS to indicate whether a respondent identifies a discussed incident as a suspected hate crime.
16. As discussed below, 46.64 percent (236,163 of 506,310) of crimes that victims believed were hate crimes were accompanied by sufficient evidence to be classified as such.
17. The NIBRS also includes crimes against society. However, we do not consider those here as, according to the FBI, they “are typically victimless crimes.” See https://ucr.fbi.gov/nibrs/2018/resource-pages/crimes_against_persons_property_and_society-2018.pdf.

18. “Willing to pay” is assumed. Researchers observe, for example, the risk of fatality and earnings across different occupations. Researchers assume that individuals choose the characteristics of their jobs, sometimes choosing more dangerous occupations because they pay more.
19. This number is only a bit higher than reports in the previous years, and it is consistent with existing estimates and the unfortunate uptick in recent years. Hate crimes comprise 1.88 percent of all estimated crimes (12,548,607) in the NCVS.
20. The cost of nonfatal crimes is \$4,230,945,603 if we adjust for inflation using the CPI for medical expenses.
21. See the Cost of War project housed at Brown University. Available at: <https://watson.brown.edu/costsofwar/>.

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