ON PLACE SAFETY

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Abstract
For a long time, social factors have been identified as a set of crucial determinants of residential location choice and property value. Here, safety and security issues constitute a significant issue. Inhabitants are traditionally concerned about their neighborhoods and housing locations, and, considering current problems in big Western cities, this concern is by no means lessening. The study presents a social innovation for assisting the search for safe housing environments. A list of quantifiable key features regarding negative externalities and actual criminality provides the basis for constructing a checklist for the comparison of safe places within a city, or comparing cities with respect to their safety for housing occupants, investors, developers and other stakeholders. The controversial nature of the argumentation notwithstanding, this method is suggested to prove valuable in circumstances marred by increasing social hazards and turmoil.

Key words: location choice; property value; safety; security; social innovation.

JEL Classification: R23, R30, R33.

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1. Introduction
One would guess that most of us will, at some stage in our lives, consider relocating, even if only temporarily. On top of that, some of us also have professional interest in buying or renting a home. The fact that many of determinants of housing choice and property value are originated in the social side of the environment has already been recognized for several decades, if not centuries. This influence involves both “push” and “pull” factors, some of which are more tangible than others. In modern times, within the group of social factors collected for empirical research purposes, the relatively straightforward safety and security issues are often separated from the more nuanced understandings of “a sense of belonging to a place associated with the identity of the place” due to ostensibly different theoretical underpinnings (e.g. Del Giudice et al., 2019). However, the discussions surrounding this aspect tend to be contradictory, as viewpoints become quickly politicized, be it about a liberal narrative of “business as usual” or some radical leftist vision of utopia. In these conditions, how do we arrive at a valid analysis of what necessarily needs doing in a given residential location?

In light of recent social turmoil in cities around the developed world, residential property investors and occupants alike would be well-advised by guidance about safe places. Such analytics relate to security concerns, whenever negative externalities and their mitigation affect the attractiveness of housing areas, neighborhoods and cities. This effort would also generate a number of policy suggestions about how the urban safety of existing residents and businesses could be ensured amid a situation of potentially hazardous in-moving patterns. On the basis of a literature review, a checklist for eventual index building is proposed, with the aim of securing a “safe place” for any relevant stakeholder groups. This would comprise a “place safety” checklist, which later, if validated and calibrated, could also become an index for individual residents, investors, developers, planners, and so forth.

The remainder of this contribution is organized in three sections. The next (second) section comprises a literature review on relevant concepts and components of place safety. After that, the
third section proposes a social innovation in the form of components for the place safety index, based on the issues brought up. The fourth section concludes the study, with some guidelines for follow-up towards the eventual index.1

2. Literature review

This literature review section is organized in four subsections as follows. The next subsection (2.1) picks up the issue of fear of unfamiliar demographic changes that may impact the safety situation in one’s neighborhood. The second subsection (2.2) looks at negative social externalities in urban areas following standard economic and behavioral modes of analysis. The third subsection (2.3) devotes its attention to the significance of relevant crime circumstances in this context.

2.1. Fear of Safety

Even in comparatively safe circumstances, crime rates and a sense of security tend to be connected, as has been confirmed empirically (Hino et al., 2018). According to Putnam (2007), a more homogeneous environment increases trust among its residents (Dinesen et al., 2020; Kauko 2019, 2020a, b). The literature also suggests that a lesser racial or ethnic diversity indicates locational desirability, and that the improved crime and community conditions that follow from this will further lead to increased residential satisfaction (e.g. Chapman & Lombard, 2006).

In this vein, many predict that, in the foreseeable future of American social life and politics, race is going to be the main dividing issue (Abrajano & Hajnal, 2015; Jardina, 2019). When original residents move away of an area in fear of their safety (and property values), the phenomenon is known as white flight.2 Tipping points for white flight from an area are said to occur when 20% of an area becomes populated by ethnic groups – this is known as the Schelling hypothesis (e.g. Fossett & Waren, 2005). In the USA, this has been evident since the civil rights movement in the 1960s, when blacks begun to move into hitherto white neighborhoods, thereby causing an unfavorable change in image, if not actual decline of the area, thereby scaring off some of the original residents. In general, neighborhood factors influence the decision-making process of households in relation to the balance of “push” and “pull” factors; for example, housing choice voucher recipients (i.e. a federal low-income household mobility strategy in the USA) express concerns about the stress neighborhood violence places on them and how neighborhood factors constrain their housing choice (Graves, 2019). This phenomenon does not only cause a reduction of property value, but also brings about a corresponding decrease in residential satisfaction connected with living in such a place (Chapman & Lombard, 2006). In spatially oriented microeconomics, such issues can be put under the umbrella concept of “negative social externalities” contributed to poorly compatible adjacent or nearby land-uses.

2.2. Negative Social Externalities in Urban Areas

Urban economic theory has put a heavy significance on negative social externalities as a price impacting attribute, since this research tradition begun in the 1970s. In principle, property valuation does involve identification and – whenever possible – quantification of social nuisance factors (i.e. presence of nearby locations and aspects in the neighborhood that residents deem undesirable). The most usual approximations of negative social externalities in studies with economic and geographic foci cover social housing projects nearby (Laakso, 1997); other perceived nuisance is caused by antisocial behavior nearby (Kauko, 2010; Kauko & d’Amato, 2012) and the percentage share of ethnic and non-ethnic groups in the area (Smets & Kreuk, 2008; Permentier et al., 2008; Wessel et al., 2017). In practice, these concerns are often related; for example, a local government might opt for a theoretically justified and ostensibly well-meaning socio-spatial mixing of different forms of housing, but end up with the exodus of the original residents combined with the erosion of property values in adjacent sites.3 This effect is therefore broad and closely related to white flight.

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1 As it stands, this research is still much work in progress. Therefore, the usual sections on ‘data and methods’ as well as ‘empirical results’ are missing from this contribution. The aim is, to the extent possible with available resources, a later validation or calibration of the list of variables above, and eventually, index building.

2 Wessel and Nordvik (2019) use the concept of ‘native out-mobility’ as a broader category than ‘white flight’ which they consider associated with cities the USA.

3 As such, this is the development in the City of Helsinki, Finland, since 1990s. More recently, the effect is exacerbated due to the strong advocacy of refugees/immigrants of African and Asian origin, and their relatively
Unfortunately, the kind of data required for such analysis is still not sufficiently openly accessible, even in the most advanced circumstances (e.g. Rokem & Vaughan, 2019). With the exception of more technical issues, the nature of these influences is still controversial as many analysts argue that it is the general concentrated disadvantage that matters, rather than a particular neighborhood factor (Lens, 2013). Nevertheless, local experts tend to be familiar with the presence of such harms one way or another. A prior study by this author also showed that social factors at the neighborhood level, including negative externalities such as robbery and assault, were important for prospective residents in given market segments in the Netherlands and Finland (Kauko, 2006a, b).

It is clear that this effect has the tendency to reduce house prices in the entire surrounding area. Such a detrimental effect on property value is real and can be analyzed in the context of both economics and psychology (Kauko 2019, 2020a, b). Thus, this effect on property value is partly “purely” economic, and partly psychological; in other words, determined on one hand by the market, and on the other, by emotional and motivational factors (Laakso, 1998; Kauko & d’Amato, 2012; Grum & Kobal Grum, 2015; Forte et al., 2018).

Asylum centers indeed comprise a special case in this set of social nuisance factors. Recent experiences at the external borders of Europe testify to this complex NIMBY problem (see Pechlidou et al., 2020). What matters here is how renters and buyers perceive this rather than the factual situation (so it is to note that, whether or not the occupants of the asylum center are factually harmless, is irrelevant from the market point of view.) Demand falls as a result of unfavorable perceptions, and property prices are determined by demand in the short term. This reduction in nearby property values and rents is obvious, as this price change depends on preferences of potential buyers or renters for avoiding such locations (Theebe, 2002; Talouselämä, 2017). However, in empirical property value impact analysis in general, any hypothesized price effect may instead be contributed to some more general latent influence; for example, in circumstances when the influence of immigrants on the housing market is assessed, price reduction may be a consequence of the low spending power of the occupants, rather than a socially determined effect (Forte et al., 2018).

2.3. Crime

It is said that crime does not pay, but that does not stop it from happening, with immense negative consequences for society at large. Therefore, Buck and Hakim (1991) set out to investigate if crime reduces property prices. For their case-study they picked a region known for its casino gambling industry, as this activity was seen as something that, despite its positive effect on prices via the amenity side of increased entertainment opportunities, has a disamenity side, via the tendency to increase crime or perceptions thereof – the net effect on price hence being either positive or negative. Using statistics of property prices from 63 localities in the Atlantic City region, New Jersey, from a period of 15 years (five years prior to casinos and ten years post-casinos), Buck and Hakim (1991) found out that crime did indeed increase, except for larcenies. The suggested policy implication here was to intensify the use of resources to prevent crime, so that the local economy would be strengthened.

Moreover, various design and management solutions for the built environment have been tested to combat crime (e.g. Hollander & Whitfield, 2005; KAJALO & LINDBLOM, 2015; Cozens & Tarca, 2016). Notably, Chapman and Lombard (2006) suggest that neighborhood satisfaction ratings depend, among others, on the lack of knowledge of crime by the residents in the neighborhood. Chapman and Lombard (2006) also suggested that crime is a recurrent theme here, and that inhabitants do tend to consider added security measures. Part of this also concerns the amicability of neighbors. As for policy implications of this literature, the issue is as to how the police force keeps residents aware (but not fearful) of crimes in their area.

Youssef (2015) found that residents of single-access neighborhoods have a stronger “sense of seclusion” than their counterparts in open grid neighborhoods. His study was based on interviews and concluded that this further leads to a stronger “sense of neighborhood cohesion” among the residents. He concluded that establishing a “sense of identity” depends on having “a clear boundary for a neighborhood”, even though this ideal would contradict the officially promoted concept of local sustainability.
In general, a “sense of safety” is, as a rule, an important determinant of neighborhood satisfaction and housing choice for residents in the present Western context, and controlling access via the entry point to the neighborhood is a relevant issue here (Youssef, 2015). Other aspects exist too. While the existence of some aspects of negative social externality and problems of extreme diversity in urban populations is universal across larger cities in Western countries, this effect is, however, context dependent. High crimes are then seen as a result of a mix of development and neighborhood characteristics (Tillyer & Walter, 2019). However, design-based solutions are debatable in terms of whether or not changing the layout and adding fencing disfigures the urban environment (Beghdoud et al., 2018). Coaffee (2017), in turn, advocates an inclusive “security-driven urban resilience” policy approach at the local level, rather than relying on design solutions or state-based solutions alone.4

Much of recent safety problems are commonly perceived to be a consequence of a too lax immigration policy (e.g. van der Woude et al., 2017). We thus need policy to stem unsustainable immigration streams, as we otherwise find ourselves in the middle of serious problems – both social and economic. Unfortunately, the residents tend to leave crime-ridden areas, in accordance with white flight predictions, if they have the financial means to do so.

Speaking in generic terms, this research can also be positioned as a social innovation. The innovative element is seen from the bold direction taken in the research design. Namely, the approach is diametrically opposite to the nexus of tolerance and diversity indices of the neoliberal urban management paradigm. While this contribution represents an analytic account, drawing on well-established urban housing economic research traditions and factual evidence, the politicized climate in current academia is likely to polarize viewpoints and generate debates. So the safety angle is justifiable in both economic and social terms, but it is also controversial – and some colleagues could be offended. Such a heated debate might, however, be necessary to move the research frontier forwards.

3. Proposed social innovation

The review has pointed out some obvious shortcomings in the current academic mainstream conceptualizations of the identified urban pathologies. It also aspires to contribute to new urban theory, where safety aspects and crime prevention are at the core. Such an endeavor would incorporate both territorial competition and social sustainability discourses. It would also generate a number of policy suggestions about how the urban safety of existing residents and businesses could be ensured amid a situation of a potentially hazardous in-moving pattern and erosion of social capital. Unfortunately, the proverbial elephant is still in the room. The social hazard factor emerging from the threat of unruly, often non-white populations, towards traditional Western urban lifestyles and residential environments remains an undertheorized topic. Real estate values fall, even at an area level, because of these negative externalities. White flight and urban decay occur precisely because of this harm. Falling values and the fleeing of prosperous inhabitants of urban areas are bad developments, because of the erosion of tax revenue, at the very least. While the financial losses are more obvious at the local level, massive amounts of spending is also required at the state (or federal) level to fund policies of pre-empting terrorism and combating other violent threats. These conclusions should be logical and backed by data, except in the progressive liberal bubble of our contemporary elites.

Safety against physical violence and robbery can be approximated to whether one can easily avoid potential low-intensity danger, such as confrontations with street-gangs. The question is about the ability of the residents themselves, on one hand, and the public sector, on the other, to guard against these problems so that the area does not degenerate further into chaos and vulnerability. This checklist – and subsequent index – would be based on perceived threats to one’s safety and thereby provide a counterweight to the already established “tolerance” indices, and thus an alternative measure of place attractiveness for the investor and developer as well as other stakeholders involved. Components in this area-based index would include approximations for the actual violent crime rate as well as percentages of those immigrant groups who are overrepresented in violent crime.

4 Obviously, the state has responsibility in terms of border control against potentially dangerous immigrants – something which could now be studied empirically: in the USA with time-series, by comparing the current liberal Biden-regime with the stricter Trump-regime; or in Europe, cross-nationally, by comparing countries with extreme differences in this respect, such as Hungary and Finland.
The aim was to survey location-specific harmful influences on a safe and secure living environment. A preliminary list of such attributes was compiled based on the reviewed literature and own observations. The relevance of each item in the list is dependent on the circumstances and data availability, so the final list is likely to be only partial, in relation to the list below:

- Perceived nuisance caused by antisocial behavior or presence of anti-social groups.
- Share of social housing of all stock.
- Presence of asylum center.
- Share of ethnic groups that are overrepresented in (violent) crime of the total population.
- (Violent) crimes per capita.
- Surveyed perceptions regarding safety of local residents or visitors.
- Efficiency of law enforcement (incarceration rates, agility of police powers).
- Number of (radical) mosques.
- Frequency of riots.
- Design features that increase the risk of being targeted (lack of surveillance, dark alleys, isolated closed micro-locations).

It is worth to note that special care needs to be exercised for selecting the appropriate spatial scale, goals and issues for any follow up in this vein. On the other hand, when Park and Rogers (2015) surveyed different levels of neighborhood (face-block, residential neighborhood, institutional neighborhood and community) used in planning projects, approximations for crime and negative social capital were relatively scarce compared to other neighborhood factors. Apparently, this balance is less about selection bias and more about the surprisingly rare incidence of planning studies on security or safety, given their importance in society. As for the scale used by Park and Rogers, the distinction between the concepts of community (either the older cultural community or the newer circumstantial community) and neighborhood (communities with more tangible boundaries) was emphasized. Here one could add that such spatial concepts often correlate with property price levels, which of course is a condition to consider when designing local valuation models.

4. Discussions and conclusion

The social innovativeness of this project is primarily related to the increased attractiveness of safer sites/areas. Additionally, substantial savings can be made by local and state government from improved safety. Ideally, neighbors share community values, and it is in everyone’s interest to reproduce a safe inclusive space. However, in the current situation of social and political chaos, this might require a strong institutional security apparatus (i.e. instead of any defunding of police).

This contribution was meant as a rhetorical justification and initiation of a broader, innovative undertaking. Unless we leave the review as a set of partial criteria, rather than one totalizing discourse, the next step would be to select a valid method of aggregating the suggested components of the safety index. How to calibrate the index then becomes technical problem. Regardless of how this is solved, the task is pragmatic. Follow up is obviously necessary to validate this index, ideally from cities with good data accessibility in terms of the suggested components of the safety indicator. As for naysayers, reasonable advice would be to self-critically analyze their own selections, in terms of home-quarters, the kinds of neighbors they associate with, the schools they put their children in, and the places they avoid visiting after dark, before resorting to accusations of bias (or worse).

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