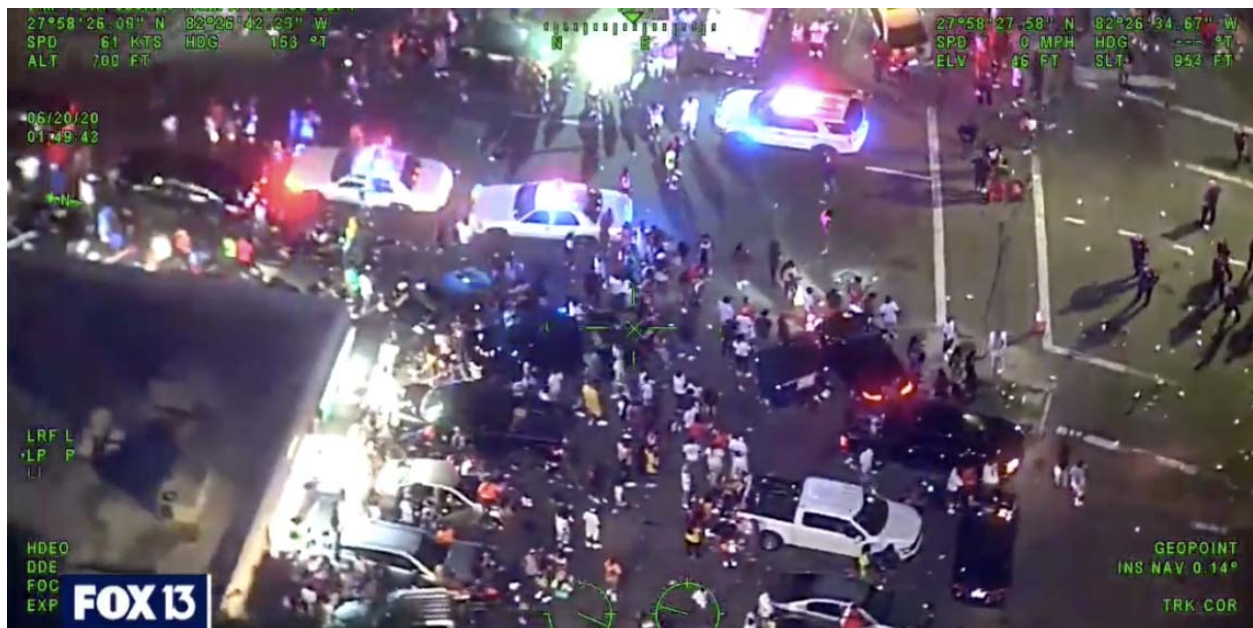


People And Businesses Leaving Cities Because Of Protests And Crime

by Leonard Sipes - August 31, 2020



People are leaving cities because of riots, crime and COVID.

“The coronavirus is not the only reason those major cities are seeing an exodus...All cities mentioned have out of control crime, social unrest and lawlessness.”

When the Wall Street Journal and the New York Times both cite crime and disorder as a reason people are moving, there’s something to it.

A newly arrived news manager for a Baltimore television station wanted to experience living in the city. He and his family bought a townhome in Charles Village, a pretty tree-lined community convenient to everything. He had a detached garage. The family’s bikes were stolen. This

happened not once but several times. The thefts scared his family. He subsequently moved twenty miles outside of the city.

But most fear of crime studies measure any sign of disorder, it doesn't necessarily depend on violence or theft. Graffiti, litter, disorderly conduct or any actions that indicate a community's lack of control can cause fear. "Perhaps the biggest influence on fear of crime is public concern about neighborhood disorder, social cohesion and collective efficacy," Wikipedia.

Anytime cities go through signs of disarray, people adjust or move. In the minds of many, looting, violence, unprovoked attacks on innocent people, arson, and collective violence is a strong signal that it's time to get out.

It's almost impossible to view social media without seeing multiple examples of the above daily. The righteousness of the cause is irrelevant; people do not want to live or work or shop or invest in any area deemed risky. Businesses withdrawal and start looking elsewhere.

Sinclair Broadcast Group (quotes rearranged for brevity)

It's not as dramatic as John Carpenter's "Escape from New York" or "Escape from L.A.," but several major cities are seeing an exodus of residents amid the COVID-19 pandemic and recent spikes in violent crime.

After years of steady migration into the country's biggest cities, the trend seems to be reversing with the coronavirus. Seven of the top ten priciest rental markets saw apartment prices drop an average of 5% over the same time last year. Businesses have had to shut their doors leaving empty shop fronts and offices for sale in once-bustling downtown areas.

A recent study by Azurite Consulting, a data research firm, found that 54% of companies in major downtown areas, like New York, Chicago, Los Angeles and San Francisco were considering or planning to move out of the city.

A June survey by FinanceBuzz found one-quarter of Americans who said they considered moving permanently because of COVID-19. In April, a different poll found close to 30% of people said they would move out of densely populated areas after the pandemic was over.

Even before the pandemic, there was a steady migration away from cities. The country's three largest metro areas—New York, Los Angeles and Chicago—saw a net outflow of people in recent years.

The coronavirus is not the only reason those major cities are seeing an exodus, explained John Boyd, founder of the Boyd Co., which counsels corporations and developers on where to locate. "All cities mentioned have out of control crime, social unrest and lawlessness," he said. All of the cities also faced fiscal crises before the pandemic, and with billions in lost revenue and increased

demand for services the conditions have only worsened. “Major cities today are facing a wake-up call,” Boyd asserted.

Beyond COVID-19, people also appear to be leaving the city over growing incidents of crime. Fifth Avenue has been boarded up for weeks following mass demonstrations, including some that devolved into riots. Armed guards watch over storefronts and razor wire protecting upscale stores.

As of July, homicides in New York City are up 29% compared to the same time last year. Burglaries have increased by 43% and shooting victims have increased 85%, according to the New York City Police Department.

It’s difficult to say how much crime is impacting the decision to move. There have been several reports of New York mothers citing rising crime and recent riots as the final straw in their decision to move their families out of the city, CBS Austin.

Violent Crime And Fear Increases

Violent crime is up 28 percent since 2015 per the Department of Justice. Per Gallup, violent crime has tripled.

Seventy-seven percent say they are concerned that crime is rising in the nation’s cities per a recent Harvard CAPS/Harris poll.

Post lockdown homicides were up 37 percent, aggravated assaults rose 35 percent, and robberies increased by 27 percent, per a survey by the University of Missouri.

Cities have been especially hard hit by protests, riots, COVID-19, and challenges to law enforcement. Tax revenues have fallen considerably thus cities are not in a fiscal position to deal with increased crime.

Numerous media reports state that people are leaving cities because of COVID and crime, Increasing Crime And Fear.

Additional Media Reports (quotes rearranged for brevity)

It’s highly likely that people will start moving out of the big cities. Watching the footage of the aftermath of the carnage created in Minneapolis is both heartbreaking and frightening. Companies will consider relocating their office buildings into the suburbs. It will be seen as too dangerous to remain, Forbes.

“People Can’t Flee These US Cities Fast Enough” is the title of a recent article from Moneywise that mostly focuses on crime, not COVID.

Crimes committed over the past several days would’ve been unheard of a year ago in the quiet neighborhood that’s home to Lincoln Center and restaurants. A 40-year-old woman was randomly stabbed in the 72nd Street subway station at noon Thursday; a 56-year-old man was sucker-punched while dining outdoors with his wife Wednesday night; photos were posted online of a man masturbating on the steps of the New York Historical Society; and onlookers witnessed an apparent overdose in the aisle of a Duane Reade across the street from the Lucerne Hotel, NY Post.

There is data as to moving companies in NYC being booked solid, Daily Mail.

There is a question from the New York Times whether NYC is worth it partially based on crime, New York Times.

The Minneapolis Star Tribune writes about “exhausted” cities and crime, Star Tribune.

Another great migration is underway—Black Americans are leaving big cities for the suburbs, Globe and Mail.

Three major shocks now threaten to upend that urban renaissance: The coronavirus is preying on densely packed places; anger over policing is producing social unrest reminiscent of earlier eras; and strained city and state budgets could prolong their economic pain, Wall Street Journal.

Businesses are leaving cities because of police defunding, crime and riots: NewsBreak, Fox Business, Chicago Business, Yahoo Money

There are reports of Amazon partially moving out of Seattle partially because of protests and crime, New York Post.

Conclusions

At the time of this writing, all we know is that people are moving out of cities. Definitive data as to the precise reasons why don’t exist.

But it’s interesting that I live in a community in the Appalachians where house sales have been stagnant since the recession and nice homes sit on the market for years and then, boom, houses here are selling like hotcakes. A friend’s house wasn’t up for sale but because she talked to an agent, she instantly had three offers and a bidding war. Buyer reports suggest people are leaving cities principally because of crime, riots and COVID.

Yes, there is a lack of data, but when the Wall Street Journal and the New York Times both cite crime as a reason people are moving, there's something to it.

The protests, riots, lootings, and defunding of the police are scaring the hades out of people. They see a world that is no longer in their control. Firearms sales are setting records. Security products are exploding. People are moving to ensure the safety of their families.