

# Crime, Search and Rehabilitation

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## Abstract

This paper investigates how the social attitude toward ex-offenders affects crime from the search theoretic viewpoint. We show that the strictest society is the first best for reducing crime. However, as the second best solution, it is also important to promote rehabilitation for ex-offenders in a certain case. In such a case, matching in the labor market may be inefficient because of crime. Moreover, under the Hosios condition, the equilibrium labor market tightness is smaller than the efficient outcome. Our results raise a new aspect of crime rate difference between regions.

**Keywords:** Crime, job search, employment discrimination, rehabilitation for criminals

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