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Hate Source: White Supremacist Hate Groups and Hate Crime

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Abstract

The relationship between hate group activity and hate crime is theoretically ambiguous. Hate groups may incite criminal behavior in support of their beliefs. On the other hand, hate groups may reduce hate crime by serving as a forum for members to verbally vent their frustrations or as protection from future biased violence. I find that the presence of an active white supremacist hate group chapter is associated with an 18.7 percent higher hate crime rate. White supremacist groups are not associated with the level of anti-white hate crimes committed by non-whites, nor do they form in expectation of future hate crimes by non-whites.

JEL Codes: K14, J15, D71

1 Introduction

The relationship between hate group activity and hate crime is theoretically ambiguous.¹ Hate group activities may serve to incite criminal or violent behavior in support of their beliefs. On the other hand, if hate groups serve as support groups for like-minded individuals, members may use meetings and protests as a way to verbally vent their frustrations. Thus hate group members may be less likely to carry out these frustrations through criminal or violent acts. Hate groups may also serve as a means of protection for individuals who believe they will be victims of biased violence in the future.

From 1997 to 2007, the Southern Poverty Law Center (SPLC), an authority on hate group activity, declared that the number of active white supremacist hate group chapters in the United States increased by 63 percent, from 474 in 1997 to 888 in 2007.² Yet, over the same period, the number of hate crimes

¹For a discussion of the historical literature and a fresh look at old analyses of hate crimes, see Green, Glaser, and Rich [1998].

²The number of groups and the number of affiliations have changed over time. The analysis below includes only white supremacist hate groups: the Ku Klux Klan, neo-Nazis, Racist Skinheads, and Christian Identity Churches from 1997 to 2007. Therefore the terms hate groups and white supremacist groups will be used interchangeably throughout the manuscript.

recorded in the United States fell by 6.1 percent, from 8443 to 7945.³ Figure 1 depicts the slow and steady increase in the total number of active white supremacist chapters and the number of hate crimes reported across in the United States.

<<Figure 1 here>>

Previous studies have focused on economic conditions, demographics, and historical links between government provided services and the choice to form or join a hate group [Jefferson and Pryor, 1999 and Mulholland, 2010]. However, few have looked at the determinants of hate crimes and all but one fail to include a measure of hate group activity. McDevitt and Levin [1993] use Boston data and observe that many hate crimes involved violence directed at dissimilar others moving into a previously segregated area. Medoff [1999] performs a cross-sectional state estimation and finds that market wages, mean age, and law enforcement activity predict hateful activity, but urbanization, occupational status, and social mobility do not. Gale, Heath, and Ressler [2002] use a panel of 37 states from 1992 through 1995 and find that hate crime rates are positively correlated with unemployment rates, abuse rates, and the parity of income between blacks and whites. They also find hate crime is negatively correlated with law enforcement expenditures. Ryan and Leeson [2010] use state level panel data from 2002 through 2008 to find that unemployment and poverty are strongly associated with more hate crime, where as demographics and, most notably, the number of hate groups are not.

Using U.S. county-level panel data from 1997 through 2007 and controlling for unobserved county-level time-invariant heterogeneity, I find that hate crimes are 18.7 percent more likely to occur in counties with active white supremacist hate group chapters. Excluding hate crimes listed as anti-white, the presence of a white supremacist chapter is associated with a 19.7 to 24 percent higher rate of hate crimes and between a 22 to 25 percent higher rate of hate crimes committed by white perpetrators. Anti-white hate crimes committed by non-white perpetrators are not associated with the presence of a white supremacist chapter. Rejecting the protection hypothesis, I fail to find white supremacist chapter formation in expectation of future hate crimes by non-whites. Nor do I find chapter formation in response to increases in anti-white hate crimes perpetrated by non-whites.

Section 2 presents a brief historical look at the evolution of hate crime legislation in the United States. Section 3 discusses hate groups and their origins. Section 4 lays out the estimation methodology. Sections 5 and 6 discuss the data and the estimated relationship between white supremacist chapters and hate crimes. Section 7 investigates further hypotheses on the relationship between hate groups and hate crimes. Section 8 offers concluding remarks.

³Multiple hate crimes are sometimes reported for a single hate crime incident. Hate crime incidents fell by 5.4 percent from 8,049 to 7,624 over the same period.

2 Hate Crime

Biased violence directed toward select social characteristics or status, motivated by racism, xenophobia, anti-Semitism, and other biases has been documented throughout history: from the Old Testament description of the genocides of Amalekites and Midianites to more recent ethnic and religious-based violence in Bosnia and Sudan. The history of the United States includes bias-motivated violence against Native Americans, African Americans, and others. The movement for categorizing certain violent activity directed at individuals based on their ethnic or social characteristics as "hate crimes" in the United States, however, is a recent phenomena. According to Jenness and Ryken, in their book *Making Hate a Crime: From Social Movement to Law Enforcement*, an "anti-hate crime movement" was "energized by several previous social movements" and "emerged in the late 1970s to bring public attention to violence directed at certain minorities" [Jenness and Ryken, 2001. p.17]. Jenness and Ryken suggest that the movement to make biased violence a unique type of crime was born out of the combination of the modern civil rights movement and the crime victim movement.

The civil rights movement initially concentrated on contesting legal prohibitions based on race. First focusing on voting and then expanding to separate but equal standards, the civil rights movement sought to obtain similar rights for those of all races. As groups such as the National Association for the Advancement of Colored People (NAACP) slowly reduced legal racism, they then turned to reducing violence directed at those due to ethnic, racial, or religious status. With these successes, women's and gay rights groups became more active in highlighting violence directed at women and gays [Katz, 1976].

In the late seventies, a separate and distinct victim rights movement developed as a response to the Warren court's expansion of defendant's rights [Weed, 1995 and Maroney, 1998]. The victim rights movement, along with the women's rights groups brought attention to the long run trauma of survivors of violence. These organizations focused their efforts on both the direct trauma resulting from the violence and the abuse that often times took place through the court system. Lead by Wisconsin in 1981, states began passing victims' rights legislation. By 1989, forty-two states had passed victims' rights bills [Weed, 1995].

Growth of the civil rights movement, women's movement, gay and lesbian movement, and the victim rights movements set the foundation for discussing bias-motivated violence toward minorities. Groups that had been a part of the civil rights movement began focusing their efforts on gathering information about victims of bias-motivated violence. Notable examples include: the Anti-Defamation League of B'nai B'rith (ADL) which began tracking anti-Semitic violence in 1979, the Center for Democratic Renewal which began a bimonthly newsletter in 1979 tracking biased violence, and, the Southern Poverty Law Center (SPLC) which began tracking Ku Klux Klan activity in 1980 and now tracks other biased motivated groups.

As these organizations continued to track bias-motivated violence, they slowly began creating "a societal perception that hate crime was a specific evil requiring a specific response" Maroney [1998, 579]. The specific response often requested was legal redress. Beginning with Washington and Oregon in 1981, states began enacting hate crime legislation that criminalized violence directed at groups due to their racial, ethnic, religious, and various other characteristics.

The activity of organizations interested in victims and civil rights culminated in the 1990 passage of the Federal Hate Crime Statistics Act (P.L.101-275). The act defines hate crimes as criminal incidents that are at least partially directed against the victims' race, religion, sexual orientation, or ethnicity/nationality.⁴ The act also instructed the FBI to aggregate hate crime data from agencies actively documenting and willing to voluntarily report hate crime statistics. In 1992, the FBI began publishing *Hate Crime Statistics*, a compilation of hate crime reported by various law enforcement agencies across the US.⁵

Differences in how agencies define and report hate crimes are problematic in any empirical study on crimes in general and hate crimes in particular. As pointed out by Gale, Heath, and Ressler [2002], while hate crime statistics documentation have improved, there are still serious problems associated with crime statistics. DiIulio [1996] identifies two potentially severe measurement errors of crime data: under-reporting by victims and by law enforcement agencies. Besci [1999] shows that wide variation exists between crime data sources by comparing the *Uniform Crime Report* to other sources of crime data. Furthermore, Grove, Hughes, and Geerken [1985] find that the reported crime rates are closer to the real crime rates for crimes that are less ambiguous between victims and law enforcement, such as homicide, than for more ambiguous crimes, such as aggravated assault. Grove et al. suggest that this ambiguity will likely overstate the reported crime rate.

The core concept of a hate crime is ambiguous and therefore can make classification difficult in almost every case [Jacobs and Potter 1998]. However, Martin [1995, 1996] in two quantitative studies on the Baltimore County and New York City police departments and Boyd, Berk, and Hamner [1996] in a study looking at two policing divisions within a large urban police department, find that the process is less problematic than suggested by Jacob and Potter. "[F]ar from finding it problematic to interpret and classify specific incidents, police detectives engage in certain routine practices in order to determine the hate-related status of an incident" [Boyd, Berk, and Hammer 1996, 821]. Thus

⁴For more information on the Hate Crime Statistics Act, see CRS Report RL33403, Hate Crime Legislation, by William J. Krouse.

⁵Especially early on, the concept of a hate crime was nebulous and had yet to be tested constitutionally. Law enforcement officers may have been reluctant to invest in how or whether to report a crime as a hate crime. Between 1984 and 1999, the US appellate court considered the constitutionality of hate crime statutes thirty-eight times, suggesting to Phillips and Grattet (2000) that the questions of constitutionality and rules had become settled by the late 1990s.

within a division the reporting mechanism for these police departments may be well defined and easier to follow than suggested by Jacobs and Potter [1998]. However, Boyd, Berk, and Hammer show that reporting methods differ *across* divisions causing comparisons across divisions to be suspect. Therefore, this manuscript will only look at changes in hate crimes *within* each county. Even looking within each county does not eliminate ambiguity and subjectivity that may occur across each division within each agency. Thus any empirical results must be interpreted through a critical lens.

3 Hate Groups

The Southern Poverty Law Center defines a hate group as an organization having "beliefs or practices that attack or malign an entire class of people, typically for their immutable characteristics" [SPLC 2010]. Iannaccone [1992] and Berman [2000; 2003] demonstrate why rational, utility-maximizing individuals voluntarily sacrifice to join religious organizations, fraternities and sororities, communes, and hate groups. Hate group membership often requires certain prohibitions and costly signals, such as tattoos, piercings, and acts of violence. Participation in such prohibitions reveals to other members that the individual is committed to the organization, and as such, grants an active member certain privileges and benefits. Joining reveals that the benefits of membership are greater than the costs associated with signaling commitment to the group.

White supremacist hate groups are by no means identical. Each organization, as shown in Table 1, has different levels of prohibitions and goals and thus solves the problem of collective action in a variety of ways. Racist Skinhead and neo-Nazi members, unlike Ku Klux Klan and Christian Identity members, often display tattoos or wear distinctive clothing to signal membership. Furthermore, each type and chapter express their biased views in a variety of manners. Some are physically violent while others are not.

<<Table 1 here>>

Often cited reasons for hate group formation include peer validation, frustration, scapegoating, and boredom. Groups form when a small number of like-minded individuals believe they have been wronged in a similar manner and are searching for ways to right perceived wrongs. One hypothesis put forth by McDevitt and J. Levin [1993] is that the impetus for organizing is often based on turf issues. Individuals commonly cite the thrill associated with the victimization [Levin 1993]. By forming a group, these individuals validate themselves by "committing an act that enhances one's image internally, with a peer group, and with society at large" [Levin 1993]. If Levin is correct, then we should witness more hate crime in counties where hate groups are present.

In a sense, then, many hate groups are much like gangs. In his work on gangs, Klein [1995] summarizes the psychological factors in his statement that "the gang is seen as an aggregate of individuals held together more by their

own shared incapacities than by mutual goals. Primarily, group identification is important as it serves individual needs; it leads to delinquent group activity only secondarily and only in the absence of pro-social alternatives.” Thus, if Klein is correct, it may be the case that hate groups do not affect the overall rate of hate crimes if they serve more of a pro-social role.

Furthermore, recent empirical work by Osoba and Sobell [2009] on youth gangs suggests that gangs form in response to government’s failure to protect youth against violence.⁶ Without gangs, the level of violence may actually be higher. If hate groups form to protect its members from future violence, hate groups may actually be associated with less crime and even less hate crime.

4 Estimation Method

The goal is to determine whether the hate crime rate in county i in year t is associated with white supremacist activity in county i for year t . While anecdotal evidence suggests that the number of chapters is positively correlated with the number of members, the SPLC does not report the number of members per chapter.⁷ Therefore, changes in the number of chapters may be a poor measure of the level of activity. The formation of additional active hate group chapters from one year to the next may simply be a result of the splintering of one large group; the reduction in the number of chapters may be the result of a merger. Following Jefferson and Pryor [1999] and Mulholland [2010], this analysis will focus on whether hate crime rates are associated with counties home to any active white supremacist chapters and *not* the total number of chapters.⁸

To address these issues, I first construct a dichotomous variable, $active_{it}$:

$$active_{it} = \begin{cases} 1 & \text{if number of active white supremacist chapters is } > 0 \\ 0 & \text{if no active white supremacist chapters present} \end{cases} \quad (1)$$

where $active_{it}$ equals one if there are active white supremacist hate group

⁶Theoretical models of government formation out of anarchy are developed by Nozick [1974] and Buchanan [1975].

⁷For two discussions on the correlation between number of active chapters and membership see: *Intelligence Report* [2000] and The Stephen Roth Institute [2004].

⁸A county may be home to a hate group even though it is not reported as present for that calendar year. It is possible that the hate group chapters simply did not draw attention to themselves for that calendar year. In order to determine the effects of this possibility, I construct alternative measures that assumed a county was hate group free only if that county witnessed no hate group activity over multiple years. If an active hate group is present during any one of these years, I assume that the hate group was simply silent during the others and continued to be present over the entire time period.

Using this methodology, I construct three alternative measures of white supremacist activity: one that assumes a hate group must be silent for two years before I consider it disbanded; one for three years; and one for four years. Repeating the estimation in Table 3 using these three alternative measures reveals qualitatively and quantitatively similar results. Results are available from the author upon request.

chapters in county i at time t and zero if no active white supremacist chapter is reported.

I then estimate the effects of the presence of one or more active white supremacist chapters on the overall rate of a hate crime:

$$hate\ crime_{it} = \alpha + \beta \cdot active_{it} + \mathbf{x}_{it}\boldsymbol{\delta} + \rho_i + \eta_t + \varepsilon_{it} \quad (2)$$

where $hate\ crime_{it}$ is the hate crime rate in county i in year t , $active_{it}$ indicates presence of an active white supremacist chapter, \mathbf{x}_{it} is the vector of explanatory variables for county i in time period t , and $\boldsymbol{\delta}$ is the vector of county parameters to be estimated. The control variables in \mathbf{x}_{it} include real median household income, the unemployment rate, the real unemployment benefits per unemployed citizen, the poverty rate, the percentages of the population that are black, Hispanic, and white, the population density, the percentage of males age fifteen through forty-four, and the overall crime rate.⁹ The Hausman test rejects the null hypothesis that the coefficients estimated by the efficient random effects estimator are the same as the ones estimated by the consistent fixed effects estimator.¹⁰ Therefore I include time-invariant, county-specific effects represented by ρ_i to control for omitted variables that differ between counties but are constant over time. This fixed effects estimation methodology relies on within county variation. The year dummies, η_t , control for omitted changes over time that affect all counties similarly. The error term, ε_{it} , is clustered by county in order to account for non-random errors within each panel [Rogers, 1993; Williams, 2000; and Wooldridge, 2002].¹¹

There are flaws associated with the collection of hate crime data that may bias the estimates. First, many states and local governments do not have formal guidelines for law enforcement officials on how to complete a formal hate crime report.¹² Thus only a fraction all possible hate crimes are reported. If counties with active hate groups are more likely to report crimes as hate crimes, then the estimates will be upward biased. If counties with active hate

⁹I do not include real expenditures on police protection because it is only available for 1997 and 2002 at the county level from the Census Bureau's *Census of Governments*. When including real police expenditures, the presence of an active white supremacist chapter is associated with a greater increase in all types of hate crimes than the estimates presented in Table 3.

¹⁰The Hausman test value of 73.26 with 20 degrees of freedom result in a p-value of .00, thus rejecting the null that the more efficient random effects estimator returns the same estimates as the fixed effects estimator.

¹¹Assuming that hate groups did not alter their voting behavior over this time period, using fixed effects partially addresses any worry that that hate groups "may vote for policies that reduce the local government provision of services [Glaeser 2005]."

¹²Hate crime data reported by the FBI are "from all law enforcement agencies that submitted either of the following: 1) at least one National Incident-Based Reporting System Group A Incident Report, a Group B Arrest Report, or a Zero Report for at least 1 month of the calendar year; or 2) at least one Hate Crime Incident Report and/or a Quarterly Hate Crime Report" [http://www2.fbi.gov/ucr/hc2008/data/table_12_dd.html, Viewed 7/11/10].

groups are less likely to report crimes as hate crimes, then the estimates will be downward biased.

Second, in counties where hate crime reporting is conducted by a fraction of state and local agencies, only a portion of a county's population may be covered. If localities within a county where active white supremacist chapters are present are less likely to be covered by hate crime reporting, this will downward bias the estimates. Finally, participation of agencies can vary from year to year. If this is random, it will not bias the estimates. However, if agencies are less likely to file a report when chapters are present, the estimates will be downward biased. If agencies fail to submit hate crime information when white supremacist chapters are not present, the estimates will be upward biased.

5 Hate Crime and Hate Group Data

Hate crime data comes from the FBI's annual report, *Hate Crime Statistics*. First published in 1992, *Hate Crime Statistics* compiles hate crimes reported by various law enforcement agencies. In 1992, *Hate Crime Statistics* covered only 51 percent of the United States population from 42 states. By 1997, 83 percent of the population from 48 states and DC were covered. This is similar to the coverage in 2007: 85.7 percent from 49 states and DC. Due to the relative stable percentage of population covered from 1997 to 2007, ranging from a high of 86.6 percent in 2004 and a low of 80.0 percent in 1998, this manuscript uses data on hate crimes from 1997 through 2007.

Figure 2 maps the highest hate crime rate for each county over the 1997 to 2007 time period.¹³ In 1997 approximately 21 percent of counties reported at least one hate crime incident with 52 percent of incidents resulting in one or two hate crimes committed. By 2007, 27 percent of counties reported at least one hate crime incident with just under 50 percent of incidents resulting in one or two criminal charges. While the overall number of hate crimes fell between 1997 to 2007, the number of counties reporting at least one hate crime rose by twenty-four percent. The portion of counties reporting at least one hate crime between 1997 and 2007 is 60.6 percent. The highest hate crime rate over this period, 37.4 out of 10,000, was reported for Scott County, Arkansas in 2003. Even though states such as Georgia, Alabama, and Mississippi have no state data collection statutes, some agencies voluntarily submit hate crime reports to the FBI. The portion of former Confederate States of America (CSA) counties reporting at least one hate crime is 55.8 percent.

<<Figure 2 here>>

¹³Hate crimes are reported at the agency level not the county level. Agencies whose jurisdictions cover multiple counties do not report which county the reported hate crime took place. Only 5.5 percent of hate crime incidents are reported by agencies covering multiple counties. For agencies that cover more than one county jurisdiction, I assign the crimes to the county Federal Information Processing Standards (FIPS) code listed for that agency in the Law Enforcement Agency Identifiers Crosswalk [United States], 1996.

The Southern Poverty Law Center tracks hate groups by "using hate group publications and websites, citizen and law enforcement reports, field sources and news reports" [Southern Poverty Law Center]. Initiated in 1981, 1997 marks the first year the SPLC attempted to gather data for all known active hate group chapters by city.¹⁴ Although the SPLC now tracks many types of organizations only the Ku Klux Klan, neo-Nazi, Racist Skinhead, and Christian Identity groups are available for every year from 1997 to 2007.¹⁵ Between 1997 and 2007, 793 US counties, or approximately 25 percent, were home to at least one active hate group.¹⁶ Figure 3 shows the maximum number of Ku Klux Klan, neo-Nazi, Racist Skinheads, and Christian Identity chapters by county reported during any calendar year from 1997 to 2007. Harris County, Texas, in 2006, and Cook County, Illinois, in 1997, 2005, and 2006, were home to the largest number of active hate group chapters during a single calendar year. Counties located in states that were part of the CSA are well represented and make up 43.4 percent of those reporting an active hate group throughout the period. However, over half of the counties reporting an active hate group were located outside the former CSA. In fact, of the twelve counties that report five or more active hate group chapters during a calendar year, only three: Harris, Texas in 2006 and 2007; Tarrant, Texas in 1998, and Spartanburg, South Carolina in 2005 and 2006 are located in states that were part of the CSA.

<<Figure 3 here>>

Figure 4 depicts the change in the overall presence of active Ku Klux Klan, neo-Nazi, Racist Skinheads, and Christian Identity chapters between 1997 through 2007. The thirty-two counties in red were always home to at least one active white supremacist chapter. Seven hundred and sixty one counties, shown in blue, representing 49 states witnessed at least one year with one or more active white supremacist chapters and one year without an active chapter. Of these 761 counties, 215 report an active chapter for only one year.

¹⁴Although the SPLC reports hate group location by city or town, the analysis is performed at the county level for theoretical and empirical reasons. First, many hate groups chapters hold rallies and recruitment meetings outside their home towns in locations nearby and thus have members from the surrounding towns and townships. Second, because many of these towns are not in Metropolitan Statistical Areas, county level data represents the least aggregated measures of crime, unemployment, poverty, and the like that are available.

¹⁵In 2000 the Southern Poverty Law Center began monitoring Neo-Confederate organizations. This study does not include those organizations because of their initial omission by the Southern Poverty Law Center, nor does it include Black Separatists or the "Other" category.

¹⁶Not all active hate groups can be assigned to a single county. For instance the SPLC reports an active chapter of the Knights of the White Kamellia (KKK) present in NC, but does not list a city. When no city is reported, the hate group is not included in the analysis. The portion of active groups not included ranges from 1.2 percent in 1998 to 12.8 percent in 2007. Undercounting active white supremacist chapters likely biases the estimates downward.

All remaining counties, shown in white were never home to an active white supremacist chapter.

<<Figure 4 here>>

Looking at the individual hate group types, 3.8 percent of the county-year observations report the presence of at least one active Ku Klux Klan chapter. Counties reporting an active KKK chapter for at least one year, were home to an active KKK chapter about 26 percent of the time. Neo-Nazi chapters look similar to KKK chapters with 4.1 percent of county-year observations reporting the presence of a neo-Nazi chapter. Only about 2 percent of counties were home to a neo-Nazi organization over the ten year period. Racist Skinheads are much more transient than most other type of hate groups; counties that were home to a Racist Skinhead chapter reported an active Racist Skinhead chapter only 15 percent of the time. Christian Identity Churches were present in 3.5 percent of the counties. Christian Identity Churches were the least likely to disband. Counties that were home to a Christian Identity Church for at least one year, were home to an active church 34 percent of time.

Table 2 displays the county-level summary statistics for hate crime rates, by various types of victims and perpetrators, and white supremacist activity.

<<Table 2 here>>

6 The Relationship Between Hate Groups and Hate Crime

The results of the fixed effects estimation in equation 2 are reported in column one of Table 3.

<<Table 3 here>>

Using the overall sample, the presence of an active white supremacist chapter is associated with 286 more hate crimes per 10,000 residents. Given that the average number of hate crimes per 10,000 residents is 1494, the presence of an active white supremacist chapter is associated with an 18.7 percent higher hate crime rate.¹⁷ Column 3 displays the same estimation using only those counties that report one or more hate crimes over the 1997-2007 time frame. The restricted sample reveals that the presence of a chapter is associated with 335 more hate crime per 10,000 residents or an increase of 14.0 percent.¹⁸

¹⁷Agencies covering multiple counties do not report the county in which a hate crime took place. Therefore, I also estimate Equation 2 excluding the 5.5 percent of hate crimes reported by agencies covering multiple counties. The estimated coefficient on active white supremacist chapters is .029 and significant at the five percent level. This corresponds to a 20.2 percent higher hate crime rate.

¹⁸The annual average number of hate crimes for counties that submit at least one report from 1997 through 2007 is 2393 per 10,000 residents.

These results suggest the validity of Levin’s (1993) hypothesis that committing an act of violence may enhance members’ image within the group.

Given the annual nature of these data, I perform three tests for autocorrelation: the Wooldridge Test, the modified Bhargava et al. Durbin-Watson, and the Baltagi-Wu LBI test. The Woodrigde Test barely fails to reject the null of no autocorrelation.¹⁹ The modified Bhargava et al. Durbin-Watson statistic of 1.78 and the Baltagi-Wu LBI statistic of 1.93 both suggest the presence of first-order autocorrelation.²⁰ Because the dependent variable exhibits first-order autocorrelation in two of the three tests, that is, it is dependent on its own past realizations, I use the Arellano-Bover (1995) and Blundell-Bond (1998) System General Method of Moments (GMM) dynamic panel estimator and include a lagged dependent variable as an explanatory variable.

$$hate\ crime_{it} = \alpha + \lambda \cdot hate\ crime_{i,t-1} + \beta \cdot active_{it} + x_{it} \delta + \rho_i + \eta_t + \varepsilon_{it} \quad (3)$$

In this model specification, the lagged hate crime rate is an endogenous variable and the overall crime rate is treated as a predetermined variable. All others variables are treated as exogenous. I address the endogeneity of the one year lag of hate crimes by using internal instruments, namely lagged levels and lagged difference of the hate crime rate and the overall crime rate. This eliminates potential endogeneity and reverse causation. Given the number of instruments, I conduct a Hansen’s J-statistic overidentification test based on the weighted matrix.²¹ With resulting Hansen J values of 13.628 and 14.698, and the resulting p-values of 0.626 and 0.547, for the full and restricted sample respectively, I fail to reject the null that these instruments are valid.

Column 2 and 4 in Table 3 reports the estimated results using the two stage System-GMM estimation method.²² For the overall sample, the System-GMM estimator returns a similar significant relationship between white supremacist hate group presence and a higher hate crime rate: an increase of 18.6 percent. For the restricted sample, the relationship between hate crimes and white supremacist hate groups is imprecisely estimated

7 Further Investigation of Alternative Hypotheses

The results above support the theory that white supremacist chapters increase the hate crime rate. However, the results are also consistent with two compet-

¹⁹The Wooldridge test for first-level autocorrelation returns an $F(1, 3101) = 4.017$ with a $\text{Prob} > F = 0.05$, just barely failing to reject the null of no autocorrelation.

²⁰For the both the modified Bhargava et al. Durbin-Watson and the Baltagi-Wu LBI with a large number of cross sections, a test statistic of less than 2 indicates positive serial correlation.

²¹One difficulty with Hansen’s J-statistic test is that its size is distorted as the number of instruments grows. Therefore, instead of generating an additional instrument for each panel, lag, and time, I only use the instruments for each panel and lag. Another overidentification test, the Sargan test is more reliable, but not appropriate if errors are heteroskedastic.

²²The Arellano and Bond two stage procedure generates estimates of the standard deviation which can be biased. For this reason the estimated standard errors are reported using the Windmeijer (2005) correction.

ing hypotheses: (1) that the presence of one or more white supremacist groups is a symptom of the overall level of distrust and violent antagonism amongst various citizens in a county and (2) that an increase in expected future hate crime leads to hate group formation for self-defensive purposes. Luckily, *Hate Crime Statistics* reports both the type of biased-motivated crime, for example anti-black or anti-homosexual, and the race of the perpetrator for each hate crime. To investigate the first competing hypothesis I look at whether activity by white supremacist chapters is associated with a higher rate of hate crimes listed as anti-white or hate crimes committed by non-whites. If the relationship is positive, white supremacist activity may proxy for the overall biased-motivated antagonism in a county and not be directly related to white supremacist group activity. Alternatively if white supremacist activity is associated with more hate crimes excluding those listed as anti-white or more hate crimes committed by white perpetrators, the initial hypothesis that hate crimes are caused by white supremacist groups is more plausible.

7.1 Non-anti-white hate crimes and white perpetrators

To disentangle these hypotheses, I first repeat the estimations in equations 2 and 3 but replace the dependent variable with the hate crimes, excluding those listed as anti-white.²³ As reported in column 1 and 2 of Table 4, I find that the presence of a white supremacist chapter is associated with between 245 to 300 more non-anti-white hate crimes per 10,000 residents or an increase of between 19.7 to 24.1 percent. This is a slightly larger result than those found in Table 3 when looking at all types of hate crime.

However, a portion of these hate crimes are committed by people who are unlikely to be members of white supremacist groups, namely non-whites. To account for this, I estimate the relationship between white supremacist groups and hate crimes committed by whites with non-white victims.²⁴ The estimates are reported in columns 3 and 4 of Table 4. The presence of a white supremacist chapter is associated with between 136 and 155 more white on non-white hate crimes. Recognizing the smaller number of white-on-non-white hate crimes, this is an increase of between 22.0 and 25.1 percent. In both cases I find that the presence of an active white supremacist group is associated with a greater likelihood of non-anti-white hate crimes and hate crimes with non-white victims committed by whites. The percentage increase for these types of hate crimes is greater than the increase estimated for all types of hate crimes shown in Table 3. This suggests that white supremacist chapters play a direct role in hate crime rates.

<<Table 4 here>>

²³*hate crime (excluding anti-white)*_{*i,t*} is constructed using the entire county population in the denominator.

²⁴The variable *hate crime (white-on-other)*_{*i,t*} uses the total population as its denominator because biased motivation can include racial as well as non-racial characteristics such as gender, religion, and sexual identity.

7.2 Anti-white hate crimes and non-white perpetrators

White supremacist group members or those sympathetic to white supremacist organizations are not likely to perpetrate hate crimes classified as anti-white. They are also unlikely to be non-white. By looking at hate crimes by non-whites and those by non-white listed as anti-white, I am able to differentiate whether or not white supremacist groups are symptomatic of the overall level of antagonism. A positive relationship between these types of hate crimes and white supremacist groups would reject the hypothesis that white supremacist groups cause hate crimes. A negative or non-relationship would further support the hypothesis that active white supremacist groups directly increase hate crime rates. I first estimate the relationship between white supremacist chapters and hate crimes committed by non-whites by replacing the dependent variable in equation 2 with the rate of hate crimes by non-whites.

The results are reported in columns 1 and 2 in Table 5. The fixed effect estimation shows no statistical relationship between white supremacist groups and hate crimes with non-white perpetrators. However, the System-GMM reports a positive relationship, suggesting that presence of a hate group may be symptomatic of overall antagonism. This results may come about if white supremacist groups inflame anti-gay or anti-black, or other biases.

Hate crimes listed as anti-white, however, are unlikely to be perpetrated by white supremacists. Therefore, I replace the dependent variable with hate crimes listed as anti-white committed by non-whites. The estimated relationship is reported in columns 3 and 4 in Table 5. Both the fixed effects and the System-GMM reject the hypothesis that white supremacist groups are simply a proxy for violent antagonism.

<<Table 5 here>>

7.3 Protection from future hate crimes

The results in Tables 4 and 5, save for column 2 in Table 5, reject the hypothesis that white supremacist groups are symptomatic of overall antagonism in a county. Instead the results suggest that white supremacists are the source of greater hate crime rates. White supremacist chapters may, however, be a response to expected future increases in hate crime activity. Thus the above results may not reveal a causal effect of white supremacist chapters on hate crimes. Rather the estimates may reveal the formation of chapters in anticipation of future increases in hate crime by non-whites or hate crimes with an anti-white bias.²⁵

To determine whether current changes in hate crimes perpetrated by non-whites is related to past changes in white supremacist activity or lagged changes in hate crimes by non-whites, I estimate Equation 4. Equation 4

²⁵Heckman [2000] mentions that future y_t often determines current x_t in a dynamic economic model.

estimates whether a change hate crimes committed by non-whites is associated with past changes in the presence of active white supremacist chapters. The regression controls for the lagged changes in hate crimes by non-whites as well.

$$\begin{aligned} \Delta \text{hate crime (by non-white)}_{it} = & \alpha + \sum_{r=1}^2 \gamma_r \cdot \Delta \text{hate crime (by non-white)}_{i,t-r} \\ & + \sum_{r=1}^2 \beta_r \cdot \Delta \text{active}_{i,t-r} \\ & + x_{it} \delta + \eta_t + \varepsilon_{it} \end{aligned} \quad (4)$$

The results in column 1 of Table 6 show that the coefficient estimates of lagged chapter activity are not significant. This reinforces the notion that non-whites do not commit more hate crime when a county witnesses a change in the activity of white supremacist chapters. To test whether chapters form in anticipation of future changes in hate crimes by non-whites, I first construct the trichotomous variable $\Delta \text{active}_{it}$ where:

$$\Delta \text{active}_{it} = \left\{ \begin{array}{l} -1 \text{ if a county is no longer home to an active white supremacist chapter} \\ 0 \text{ if a county realizes no change in the presence or lack of presence of a chapter} \\ 1 \text{ if a county is no longer free of white supremacist activity} \end{array} \right\} \quad (5)$$

I then replace the dependent variable in Equation 4 with, $\Delta \text{active}_{it}$, the change in the probability an active white supremacist chapter is present, and estimate the ordered logistic using Equation 6.

$$\begin{aligned} \Delta \text{active}_{it} = & \alpha + \sum_{r=1}^2 \gamma_r \cdot \Delta \text{hate crime (by non-white)}_{i,t-r} \\ & + \sum_{r=1}^2 \beta_r \cdot \Delta \text{active}_{i,t-r} + x_{it} \delta + \eta_t + \varepsilon_{it} \end{aligned} \quad (6)$$

Column 2 in Table 6 shows the results. The coefficient on hate crimes by non-whites is again not significant, suggesting that current white supremacist activity is not related to past hate crimes committed by non-whites. White supremacist groups do not appear to form for protection from hate crimes committed by non-whites.

Looking more deeply, however, potential white supremacy members may be less concerned with hate crimes committed by non-whites and more concerned with hate crimes by non-whites that are listed as anti-white. Table 7 repeats the exercise in Table 6 but replaces the dependent variable with anti-white hate crimes committed by non-whites and estimates each of the following two equations:

$$\begin{aligned} \Delta \text{hate crime (other-on-white)}_{i,t} = & \alpha + \sum_{r=1}^2 \gamma_r \cdot \Delta \text{hate crime (other-on-white)}_{i,t-r} \\ & + \sum_{r=1}^2 \beta_r \cdot \Delta \text{active}_{i,t-r} \\ & + x_{it} \delta + \rho_i + \varepsilon_{it} \end{aligned} \quad (7)$$

$$\begin{aligned} \Delta \text{active}_{i,t} = & \alpha + \sum_{r=1}^2 \gamma_r \cdot \Delta \text{hate crime (other-on-white)}_{i,t-r} \\ & + \sum_{r=1}^2 \beta_r \cdot \Delta \text{active}_{i,t-r} + x_{it} \delta + \rho_i + \varepsilon_{it} \end{aligned} \quad (8)$$

I again find no relationship. The change in anti-white hate crimes committed by non-whites does not appear related to past changes in white supremacist activity. Neither do white supremacist chapters appear to form to protect their members from anti-white hate crimes.

8 Conclusion

Counties with active white supremacist chapters experience greater rates of hate crime. In particular, hate crimes not listed as anti-white and hate crimes committed by white perpetrators increase by a greater percentage than all types of hate crimes. White supremacist groups do not appear to increase the rate of anti-white hate crime perpetrated by non-whites. These results reject the possibility that white supremacist groups are symptomatic of changes in the overall level of bias-motivated antagonism. I also reject the protection hypothesis. White supremacist groups do not appear to form to protect against expected future increases in hate crimes by non-whites. Nor do they form to protect against future anti-white crimes perpetrated by non-whites.

Previous research by Ryan and Leeson [2010] finds no relationship between hate groups and hate crimes. There are several possible reasons why these results differ. First, Ryan and Leeson perform their estimation at the state level whereas this analysis is at the county level. If hate groups are a local phenomena, then white supremacist groups are much more likely to direct their frustration at local residents. If a hate group member commits a hate crime, it is likely that they will do so against those whom they feel have directly wronged them such as others in the community. Due to local differences, aggregation may result in lost variation and reduce the estimated effect. Moreover, because the SPLC does not report chapter size, the number of chapters may be a noisy measure of the number of white supremacists.

Second, even if a hate group is not actively seeking to commit crimes, its presence may signal to local community members that a particular bias is acceptable. Non-members may act out against those viewed as inferior by the white supremacists because such views are present in the community. This may partially explain why I find a positive relationship between current white supremacist activity and hate crimes by non-white perpetrators, though I do not find a relationship when looking at the lagged changes. Spill over effects, if they exist at all, are much more likely to be local in nature and thus lost when aggregating to the state level.

Third, these results include only the KKK, neo-Nazi, Racist Skinhead Chapters, and Christian Identity Churches that are listed with a city or county location. Ryan and Leeson include all types of hate groups or all types sans Patriot Groups listed in a state. Their estimates include three additional hate groups: neo-Confederates, Black Separatists, and Other. This "Other" category includes organizations that may be biased in their views of those covered or protected by hate crime legislation, but do *not* advocate violent acts against those whom they are biased. This category in-

cludes scientific research institutes, recording studios, religious organizations, rights organizations, and retail outlets . Included in the "Other" category is the Charles Darwin Research Institute (CDRI), "a scientific and educational foundation established to honor and extend the scientific revolution inaugurated by one of the greatest figures in the history of human thought" [<http://www.charlesdarwinresearch.org>, Viewed 11/10/10] and the Family Research Institute whose goal is "to generate empirical research on issues that threaten the traditional family, particularly homosexuality, AIDS, sexual social policy, and drug abuse" [<http://www.familyresearchinst.org>, Viewed 11/10/10] Although both organizations may hold biased views that may "malign an entire class of people," they do not advocate violence. This "Other" category may produce a spill over effect, and increase hate crime, but it is unlikely to occur through direct action of the organization's members.

White supremacist chapters do not appear to form in response to hate crimes perpetrated by non-whites or hate crimes listed as anti-white. In this respect white supremacists groups are unlike gangs, where "violent crime causes an increase in gang membership" [Osoba and Sobel, 2010]. This difference may be a function of how law enforcement agencies address hate crimes and gang crimes. When it comes to hate crimes, agencies may more closely follow Osoba and Sobel's suggestion that "governments should try harder to protect the rights of individuals who are the victims of violence." This may in part be due to how hate crime legislation attempts to protect the rights of individuals who are victims of bias-based violence.

Further research is needed to determine the source of these conflicting results. In addition, further queries are required to determine if black separatist organizations, such as the new Black Panthers, and Patriot organizations are positively related to hate crimes in the United States.

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A Data Appendix

crime data comes from the U.S. Dept. of Justice, Federal Bureau of Investigation. Uniform Crime Reporting Program Data: County-Level Detailed Arrest And Offense Data, 1997 -2007. Ann Arbor, MI: Inter-university Consortium for Political and Social Research (Retrieved 5/20/2006 & 10/20/10).

1997-2007. (Retrieved June 20, 2006), from the University of Virginia, Geospatial and Statistical Data Center: <http://fisher.lib.virginia.edu/collections/stats/crime/>.

income is the median household income in thousands (\$1000s) of 2006 dollars by county as reported by the U.S. Census Bureau, "State and County Income and Poverty Estimates (SAIPE) from 1997 through 2007. <http://www.census.gov/hhes/www/saipe/county.html>. Viewed (10/20/10).

unemployment rate is the annual average percent of county residents who are unemployed and looking for a job as reported by the United States Department of Labor: Bureau of Labor Statistics. Labor Force Data by County, Annual Averages (Viewed (07/10/10):

<ftp://ftp.bls.gov/pub/special.requests/la/laucnty97.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty98.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty99.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty00.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty01.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty02.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty03.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty04.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty05.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty06.txt>
<ftp://ftp.bls.gov/pub/special.requests/la/laucnty07.txt>

poverty is the portion of a county's residents that are below a household income threshold as reported by the U.S. Census Bureau, "State and County Income and Poverty Estimates (SAIPE) from 1997 through 2007. <http://www.census.gov/hhes/www/saipe/county.html>. Viewed (07/10/08).

adult male is the percentage of the county population that is male and between the ages of 15 and 44. U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin. <http://www.census.gov/popest/datasets.html> (Viewed 7/15/08) U.S. Census Bureau, Population Division:

adult female is the percentage of the county population that is female and between the ages of 15 and 44. U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin. <http://www.census.gov/popest/datasets.html> (Viewed 7/15/08)

male youth is the percentage of the county population that is male and between the ages of 5 to 14 (1997 - 1999) or 5 to 13 (2000 - 2005) U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin. <http://www.census.gov/popest/datasets.html> (Viewed 7/15/08)

female youth is the percentage of the county population that is female and between the ages of 5 to 14 (1997 - 1999) or 5 to 13 (2000 - 2005). U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin. <http://www.census.gov/popest/datasets.html> (Viewed 7/15/08)

black is the percentage of county population that is black. U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin. <http://www.census.gov/popest/datasets.html> (Viewed 7/15/08)

hispanic is the percentage of the county population that is Hispanic. U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin. <http://www.census.gov/popest/datasets.html> (Viewed 7/15/08)

msa is the Metropolitan Statistical Area reported by the Population Division, U.S. Census Bureau in 1999 and updated in 2003: <http://www.census.gov/population/estimates/city/99mfips.txt> (Viewed 1/29/2007).

population density is calculated from the county population in U.S. Census Bureau, Population Division: County estimates by demographic characteristics - age, sex, race, and Hispanic Origin, (Viewed 7/15/08) divided by the land area in square miles from the U.S. Census Bureau (Viewed 1/29/2007).

hate group total is the total number of hate group chapters active in a county. This variable is the sum of all Ku Klux Klan, Neo-Nazi, Racist Skinheads, and Christian Identity Chapters active at the county level. These data are reported annually at the city level by the Southern Poverty Law Center in their quarterly publication the Intelligence Report. Each annual report reports activity for the previous year.

- 1998. "474 Hate Groups Blanket America." The Southern Poverty Law

Center. Issue 89.

- 1999. "Hate Groups Top 500." The Southern Poverty Law Center. Issue 93.

- 2000. "The Decade in Review." The Southern Poverty Law Center. Issue 97.

- 2001. "Blood on the Border." The Southern Poverty Law Center. Issue 101

- 2002. "The Year in Hate." The Southern Poverty Law Center. Issue 105.

- 2003. "Hate Takes a Hit." The Southern Poverty Law Center. Issue 109.

- 2004. "Age of Rage." The Southern Poverty Law Center. Issue 114.

- 2005. "Holy War". The Southern Poverty Law Center. Issue 117

- 2006. "The Year in Hate". The Southern Poverty Law Center. Issue 121.

- 2007. "The Year in Hate". The Southern Poverty Law Center. Issue 125.

- 2008. "The Year in Hate". The Southern Poverty Law Center. Issue 129.

kkk is the total number of Ku Klux Klan Chapters active in a county. These data are reported annually at the city level by the Southern Poverty Law Center in their quarterly publication the Intelligence Report, Issues 85, 89, 93, 97, 101, 105, 109, 114, 117, 121, 125, 129.

nazi is the number of Neo-Nazi chapters active in county. These data are reported annually at the city level by the Southern Poverty Law Center in their quarterly publication the Intelligence Report, Issues 85, 89, 93, 97, 101, 105, 109, 114, 117, 121, 125, 129.

skinheads is the number of racists skinhead chapters active in a county. These data are reported annually at the city level by the Southern Poverty Law Center in their quarterly publication the Intelligence Report, Issues 85, 89, 93, 97, 101, 105, 109, 114, 117, 121, 125, 129.

identity is the number of Christian Identity Churches active in a county. These data are reported annually at the city level by the Southern Poverty Law Center in their quarterly publication the Intelligence Report, Issues 85, 89, 93, 97, 101, 105, 109, 114, 117, 121, 125, 129.

consumer price index is from the United States Department of Labor: Bureau of Labor Statistics: Consumer Price Index. Washington, D.C. <ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.ai.txt> (viewed 7/10/08)

hate crime data come from the United States Department of Justice. Federal Bureau of Investigation. Uniform Crime Reporting Program Data [United States]: Hate Crime Data, 1997- 2007. Ann Arbor, MI: Inter-university Consortium for Political and Social Research.

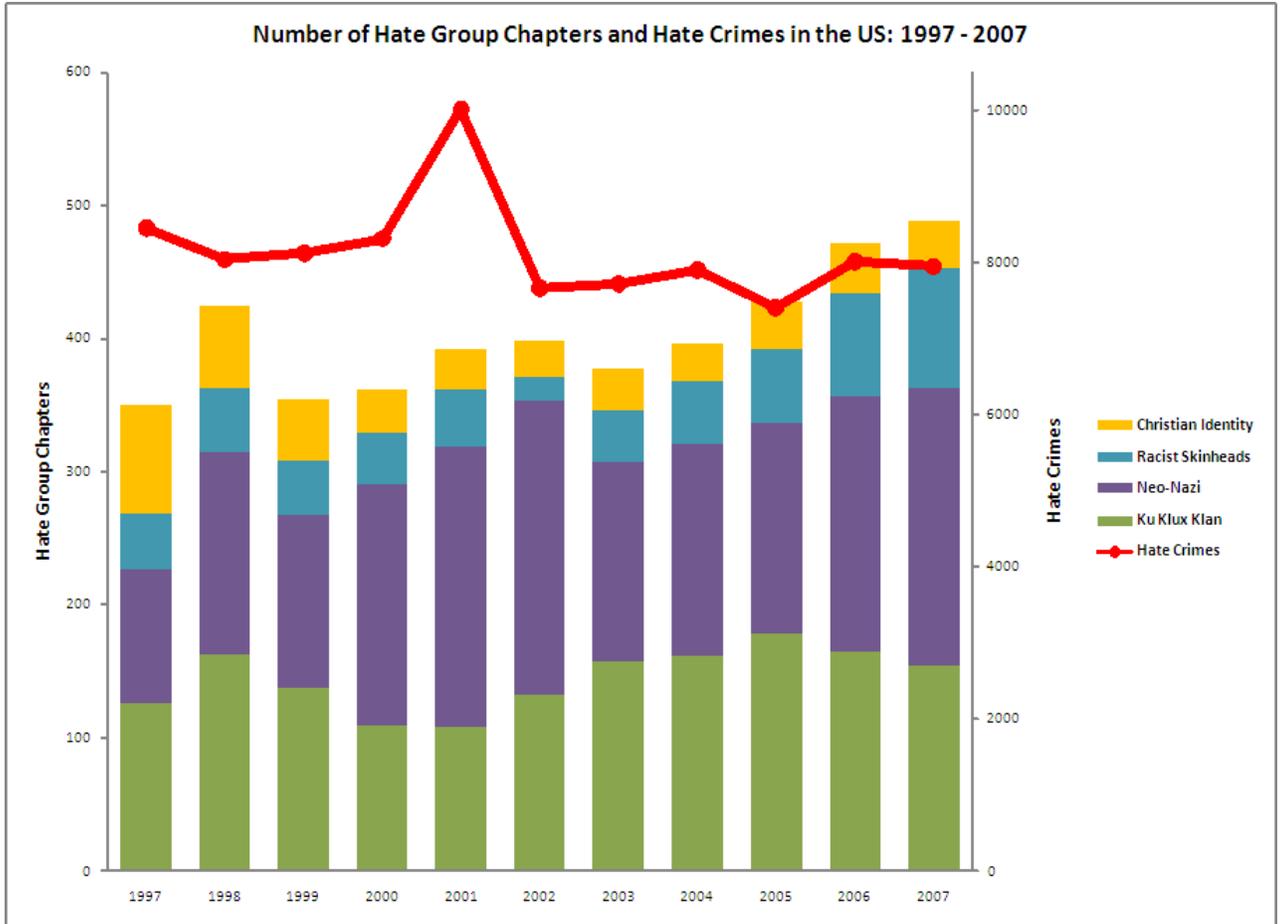


Figure 1: Figure 1: Number of Hate Crimes and Number of Ku Klux Klan, Neo-Nazi, Skinhead, and Christian Identity Chapters in the US: 1997 - 2007

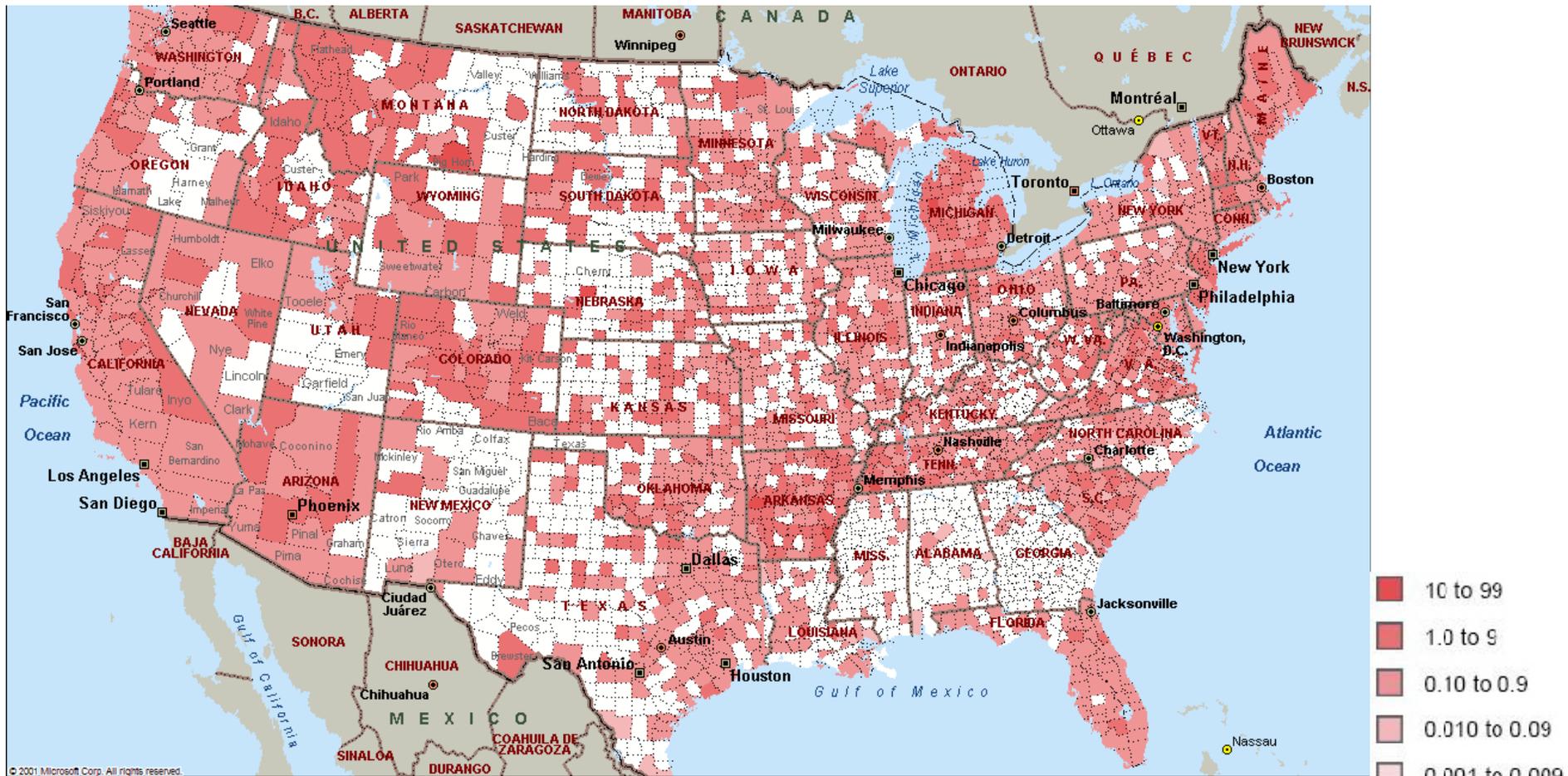


Figure 2: Maximum Hate Crime Rate in a Given Year: 1997 - 2007



Figure 3: Maximum Annual Number of Active Hate Group Chapters Present In Between 1997 and 2007

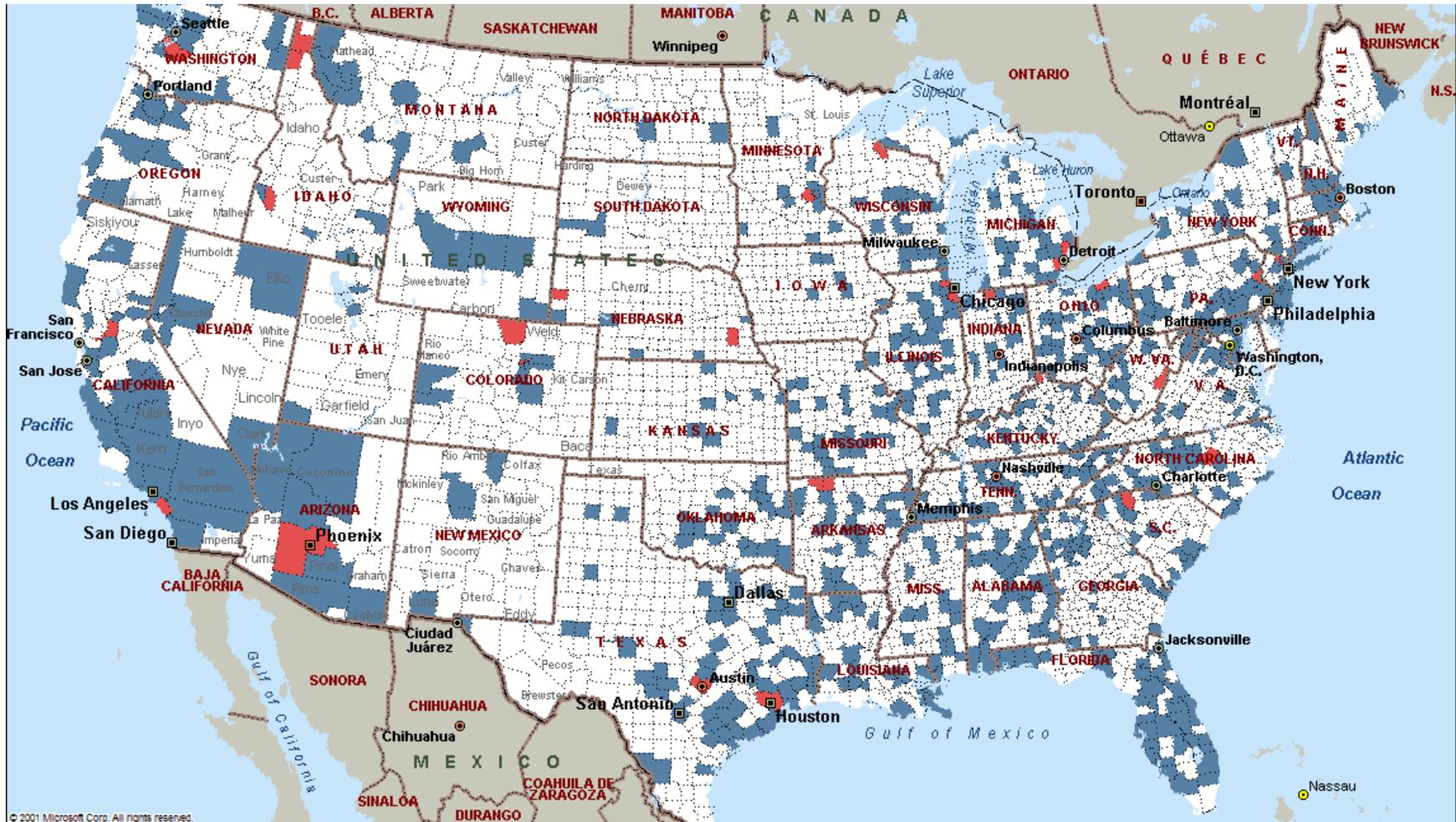


Figure 4: Change in Hate Group Presence From 1997 Through 2007

- Chapter Always Present
- Chapter Never Present
- Chapter Formation or Closure

Table 1: Hate Group Characteristics

Movement		Ku Klux Klan	neo-Nazi	Racist Skinheads	Christian Identity
Year Established		1866	1913	1970s	1940s
Estimated Membership		6,000		6,000	20,000-50,000
Prohibitions/Sacrifice	Clothing	No	Yes	Yes	No
	Scar	No	Yes	Yes	No
	Race	Yes	Yes	Yes	Yes
	Ethnic	Yes	Yes	Yes	Yes
	Religious	Yes	Yes	Yes	Yes
	Sexual	Yes	Yes	Yes	Yes
Membership Benefits		Mutual Insurance	Mutual Insurance Educational Services Safety	Mutual Insurance Safety	Mutual Insurance Educational Services Safety

Sources: Anti-Defamation League, Southern Poverty Law Center, Kleg (1993)

Table 2: Summary Statistics

	Mean	Standard Deviation	Maximum	Minimum
Number of Hate Crimes	2.877	18.261	925	0
Hate Crime Rate (10000)	0.16	0.58	37.443	0
Hate Crime Rate Excluding Anti-White (10000)	0.132	0.434	19.231	0
Hate Crime Rate Comitted by Whites Excluding Anti-White (10000)	0.066	0.241	8.251	0
Hate Crime Rate Comitted by Non-Whites (10000)	0.085	0.39	19.231	0
Anti-White Hate Crime Rate by Non-Whites	0.018	0.173	11.872	0
Hate Group Present (Yes=1)	0.091	0.288	1	0
Real Median Household Income (\$2006)	41379.68	10442.02	106782.4	17808.63
Unemployment Rate	5.226	2.145	33.2	0.7
Benefits per Unemployed	4.36	2.174	32.402	0
Percent in Poverty	14.188	5.752	55.9	1.7
Percent Black	9.438	14.711	86.127	0
Percent Hispanic	6.869	12.611	104.657	0
Percent White	86.445	15.908	157.395	4.786
Population Density	268.643	1792.164	70786.2	0.043
Percentage Male Age 15-44	20.765	3.359	55.507	10.66
Crime Rate (10000)	272.326	171.97	3888.889	0.405
N	30621			

Table 3: Hate Crime Rate 1997 - 2007: All Counties and Only Those Reporting At Least One Hate Crime

	All Counties		Counties Reporting At Least One Hate Crime	
	Fixed Effects	Dynamic Panel System GMM	Fixed Effects	Dynamic Panel System GMM
Hate Group Present($Y_{es=1}$)	0.029** [0.013]	0.028* [0.014]	0.034** [0.016]	0.008 [0.016]
Hate Crime Rate t_{-1}		0.435*** [0.124]		0.418*** [0.113]
Income (\$1000)	0.000 [0.000]	0.000*** [0.000]	0.000 [0.000]	0.000 [0.000]
Unemployment Rate	0.001 [0.003]	-0.002 [0.002]	0.001 [0.005]	-0.008** [0.004]
Benefits per Unemployed	-0.001 [0.004]	0.004 [0.003]	-0.002 [0.007]	0.005 [0.004]
Percent in Poverty	-0.002 [0.002]	0.001 [0.002]	-0.004 [0.005]	0.003 [0.003]
Percent Black	0.001 [0.004]	-0.000 [0.001]	0.003 [0.007]	-0.002* [0.001]
Percent Hispanic	0.005** [0.002]	-0.000 [0.001]	0.007* [0.003]	-0.001 [0.001]
Population Density	-0.000 [0.000]	0.000*** [0.000]	-0.000 [0.000]	0.000*** [0.000]
Crime Rate	0.00*** [0.000]	-0.000 [0.000]	0.001*** [0.000]	0.000 [0.00]
Adj. R-squared	0.003		0.006	
R-squared Within	0.004		0.007	
Correlation between u_i and Xb	-0.776		-0.824	
Rho	0.458		0.471	
Hansen J statistic		13.552		14.302
Hansen p-value		0.632		0.576
AR(2) test statistic		1.628		1.617
AR(2) p-value		0.104		0.106
Difference-in-Hansen GMM		0.741		0.826
No. of Instruments		38		38
No. of groups	3116	3115	1931	1931
No. of Observations	33948	30872	21200	19271

Standard errors in brackets. All Estimations Include Year Dummies.

Columns 1 and 3 are fixed effects regressions with standard errors clustered by county.

Columns 2 and 4 are two-step system GMM with Windmeijer (2005) corrected standard errors.

The collapsed instruments used in differenced equations of the GMM estimation are: Hate Crime Rate t_{-r} , Crime Rate t_{-r} for $r=3,4, \dots, 8$

The collapsed instruments used in level equations of the GMM estimation are: Δ Hate Crime Rate t_{-2} , Δ Crime Rate t_{-2}

Significant at *10%, **5%, ***1%

Table 4: Hate Crime Rate Excluding Anti-White and Hate Crime Rate with White Perpetrator with Non-White Victim

	Hate Crime Excluding Anti-White		White Perpetrator with Non-White Victim	
	Fixed Effects	Dynamic Panel System GMM	Fixed Effects	Dynamic Panel System GMM
Hate Group Present (Yes=1)	0.025** [0.011]	0.030*** [0.010]	0.016* [0.009]	0.014* [0.008]
Excluding Anti-White Rate _{t-1}		0.196 [0.140]		
White Perpetrator with Non-White Victim Rate _{t-1}				-0.182 [0.234]
Income (\$2006)	0.000* [0.000]	0.000*** [0.000]	0.000 [0.000]	0.000*** [0.000]
Unemployment Rate	0.001 [0.0020]	-0.001 [0.002]	-0.000 [0.001]	-0.000 [0.001]
Benefits per Unemployed (\$2006)	-0.001 [0.003]	0.005** [0.002]	-0.001 [0.002]	0.004*** [0.002]
Percent in Poverty	-0.002 [0.002]	0.003* [0.002]	-0.001 [0.001]	0.001 [0.001]
Percent Black	0.002 [0.002]	-0.001 [0.000]	0.001 [0.001]	-0.001*** [0.00]
Percent Hispanic	0.004** [0.002]	-0.001* [0.000]	0.001 [0.001]	-0.000 [0.000]
Population Density	-0.000 [0.000]	0.000*** [0.000]	-0.000* [0.000]	0.000* [0.000]
Crime Rate (10000)	0.000*** [0.000]	0.000 [0.000]	0.000*** [0.000]	0.000 [0.000]
Adj. R-squared	0.005		0.003	
R-squared Within	0.005		0.003	
Correlation between ui and Xb	-0.839		-0.710	
Rho	0.557		0.359	
Hansen J statistic		16.499		20.251
Hansen p-value		0.419		0.209
AR(2) test statistic		0.964		-0.552
AR(2) p-value		0.335		0.581
Difference-in-Hansen GMM		0.787		0.509
No. of Instruments		38		38
No. of groups	3116	3115	3116	3115
No. of Observations	33948	30872	33948	30872

Standard errors in brackets. All Estimations Include Year Dummies.

Columns 1 and 3 are fixed effects regressions with standard errors clustered by county.

Columns 2 and 4 are two-step system GMM with Windmeijer (2005) corrected standard errors.

The collapsed instruments used in differenced equations of the GMM estimation are: Hate Crime Rate Type_{t-4},

Hate Crime Rate Type_{t-5}, ...Hate Crime Rate Type₁₉₉₇, Crime Rate_{t-1}, Crime Rate_{t-2}, ...Crime Rate₁₉₉₇.

The collapsed instruments used in level equations of the GMM estimation are: Δ Hate Crime Rate Type_t, Δ Crime Rate_{t-4}

Significant at *10%, **5%, ***1%

Table 5: Hate Crimes Committed by Non-Whites and Hate Crimes Committed by Non-Whites Listed as Anti-White

	Hate Crimes with Non-White Perpetrators		Anti-White Hate Crimes with Non-White Perpetrators	
	Fixed Effects	Dynamic Panel System GMM	Fixed Effects	Dynamic Panel System GMM
Hate Group Present (Yes=1)	0.011 [0.007]	0.017* [0.009]	0.002 [0.004]	0.000 [0.004]
Hate Crime Rate with Non-White Perpetrator _{t-1}		0.184 [0.217]		
Anti-White Hate Crime Rate with Non-White Perpetrator _{t-1}				0.237 [0.333]
Income (\$2006)	0.000 [0.000]	0.000*** [0.000]	-0.000 [0.000]	0.000* [0.000]
Unemployment Rate	0.001 [0.002]	-0.002 [0.001]	-0.001 [0.001]	-0.001 [0.000]
Benefits per Unemployed (\$2006)	0.000 [0.003]	0.004* [0.0020]	-0.000 [0.001]	0.001 [0.000]
Percent in Poverty	-0.000 [0.002]	0.003** [0.001]	0.001 [0.001]	0.000 [0.000]
Percent Black	0.002 [0.003]	0.000 [0.000]	0.000 [0.001]	-0.000 [0.000]
Percent Hispanic	0.003** [0.001]	-0.000* [0.000]	0.000 [0.001]	-0.000*** [0.000]
Percent White	-0.001 [0.002]	-0.000 [0.000]	-0.000 [0.001]	-0.000 [0.000]
Population Density	-0.000 [0.000]	0.000*** [0.000]	0.000 [0.000]	0.000 [0.000]
Percent Male Age 15-44	0.005 [0.004]	0.002** [0.001]	0.002 [0.002]	0.000 [0.000]
Crime Rate (10000)	0.000*** [0.000]	0.000 [0.000]	0.000* [0.000]	0.000 [0.000]
Adj. R-squared	0.002		0.000	
R-squared Within	0.003		0.001	
Correlation between ui and Xb	-0.769		-0.207	
Rho	0.444		0.195	
Hansen J statistic		20.190		18.170
Hansen p-value		0.265		0.378
AR(2) test statistic		0.044		0.082
AR(2) p-value		0.965		0.935
Difference-in-Hansen GMM		0.157		0.776
No. of Instruments		39		39
No. of groups	3116	3115	3116	3115
No. of Observations	33948	30872	33948	30872

Standard errors in brackets. All Estimations Include Year Dummies.

Columns 1 and 3 are fixed effects regressions with standard errors clustered by county.

Columns 2 and 4 are two-step system GMM with Windmeijer (2005) corrected standard errors.

The collapsed instruments used in differenced equations of the GMM estimation are: Hate Crime Rate Type_{t-3},

Hate Crime Rate Type_{t-4}, ...Hate Crime Rate Type₁₉₉₇, Crime Rate_{t-1}, Crime Rate_{t-2}, ...Crime Rate₁₉₉₇.

The collapsed instruments used in level equations of the GMM estimation are: Δ Hate Crime Rate Type_t, Δ Crime Rate_{t-4}

Significant at *10%, **5%, ***1%

Table 6: Expected Future Hate Crimes Committed by Non-Whites and Hate Group Activity

	Δ Hate Crime Rate by Non-White Perpetrator $_t$	Δ Hate Group Presence $_t$
Δ Hate Crime Rate by Non-White Perpetrator $_{t-1}$	-0.576*** [0.071]	0.003 [0.052]
Δ Hate Crime Rate by Non-White Perpetrator $_{t-2}$	-0.317*** [0.067]	0.037 [0.050]
Δ Hate Group Presence $_{t-1}$	0.018 [0.014]	-3.456*** [0.075]
Δ Hate Group Presence $_{t-2}$	-0.003 [0.010]	-2.455*** [0.109]
Adj. R-squared	0.284	
Pseudo-Rsquared		0.156
No. of Observations	24662	24662

All Estimations include, Δ income $_t$, Δ unemployment rate $_t$, Δ unemployment rate benefits $_t$, Δ poverty rate $_t$, Δ percentage black $_t$, Δ percentage Hispanic $_t$, Δ percentage white $_t$, Δ population density $_t$, Δ percentage male 15-44 $_t$, Δ crime rate $_t$, and year dummies.

Column 1 is ordinary least squares. Column 2 is an ordered logit.

Robust standard errors in brackets.

Significant at *10%, **5%, ***1%.

Table 7: Expected Future Hate Crimes Committed by Non-Whites Listed as Anti-White and Hate Group Activity

	Δ Anti-White Hate Crime Rate by Non-White Perpetrator $_t$	Δ Hate Group Presence $_t$
Δ Anti-White Hate Crime Rate by Non-White Perpetrator $_{t-1}$	-0.594*** [0.118]	0.083 [0.126]
Δ Anti-White Hate Crime Rate by Non-White Perpetrator $_{t-2}$	-0.331*** [0.101]	-0.030 [0.096]
Δ Hate Group Presence $_{t-1}$	0.010 [0.009]	-3.455*** [0.075]
Δ Hate Group Presence $_{t-2}$	-0.001 [0.006]	-2.456*** [0.109]
Adj. R-squared	0.296	
Pseudo-Rsquared		0.156
No. of Observations	24662	24662

All Estimations include, Δ income $_t$, Δ unemployment rate $_t$, Δ unemployment rate benefits $_t$, Δ poverty rate $_t$, Δ percentage black $_t$, Δ percentage Hispanic $_t$, Δ percentage white $_t$, Δ population density $_t$, Δ percentage male 15-44 $_t$, Δ crime rate $_t$, and year dummies.

Column 1 is ordinary least squares. Column 2 is an ordered logit.

Robust standard errors in brackets.

Significant at *10%, **5%, ***1%.