The reduction of poverty is one of the central aims of welfare benefit provisions. However, rising social expenditures are increasingly met with cutbacks in welfare schemes, weakening income protection for the most vulnerable. While the effects of such reforms on economic outcomes are generally evaluated, this is rarely true for spillover effects on crime. Yet, in light of the considerable societal costs involved with crime, it is essential to take crime into account in a comprehensive assessment of the costs and benefits of welfare policies.

This thesis contains four studies that aim to address the paucity in causal evidence on the relationships between welfare benefits, employment, and crime. The main findings firstly suggest that welfare receipt substantially reduces crime by providing a guaranteed minimum income. Further analysis shows that welfare-related active labor market policies can increase crime by limiting welfare accessibility. Conversely, crime can be reduced if leisure time is limited by participation in a mandatory activation program. Among welfare recipients, financially-motivated crime increases over the welfare payment cycle, while other offenses spike directly after benefits disbursement. Continuity in criminal behavior does not appear to arise from adverse labor market consequences of prior criminal behavior.