

Californians Deserve Solutions to Retail Theft, Not Misinformation and Ineffective Policies

For the past year, the issue of retail theft has dominated California's media and public discourse—so much so that California is devoting precious resources to it in this year's legislative session. It is clear that while many people are operating on misinformation, no one is happy with the status quo. As elected officials jump to action though, Californians deserve evidence-based solutions grounded in credible information.

The perception of soaring retail theft is often driven by exaggerated claims, unreliable data, and individual incidents.

Despite widespread perception of a retail theft epidemic, shoplifting in California is down 8 percent from pre-pandemic levels. While shoplifting arrests are up in some cities, like Los Angeles, they are down in others, like San Francisco. Yet, the public debate has been fueled by misinformation and viral “smash and grab” videos that miss important nuance. To pursue effective solutions, it is critical to separate fact from fiction.

- The National Retail Federation blamed “organized retail crime” for nearly half of all inventory losses in 2021, but later retracted the high-profile assertion, admitting to using incorrect data.
- Corporations like Walgreens and Target have claimed to be closing stores because of retail theft, only for it to be revealed that they kept nearby stores with higher incidents of crime open; struggled financially for other reasons including competition from online retailers and high commercial rents; and per the Walgreens finance chief, maybe “cried too much” about merchandise loss.
- Despite claims about the toll of retail theft on businesses, the California Retailers Association has acknowledged there is no comprehensive, reliable data on theft. One shopping center executive recently told lawmakers he asked 15 retailers for data on retail theft, and none could provide it.

Research shows that rolling back Proposition 47 is not the answer.

- A 2018 study found that Prop 47 was not responsible for any increases in crime.
- Another 2018 report found that rearrest rates for Prop 47 offenses decreased after its passage and that violent crime did not increase as a result of the measure.
- By diverting California away from mass incarceration, Prop 47 saves taxpayers vast sums—\$100 million to \$200 million per year by one report—which has been reinvested in community-based safety solutions. For example, Los Angeles County's Prop 47-funded reentry program reduced recidivism by 17 percent.

Research shows that enacting harsher penalties will not work.

- Despite public perceptions about the effects of increasing possible time in jail, study after study shows neither lengthening sentences nor increasing charges and punishments based on a second or third offense meaningfully deters crime.
- Instead, these policies would just increase mass incarceration by sending more Black and Latinx people to prison, worsening racial disparities and costing taxpayers heavily.
- Jailing people for petty thefts is also likely to be counterproductive, as even one day in pretrial detention makes someone more likely to be rearrested, whereas Prop 47 reduced rearrest rates.

To deter and address retail theft, we need solutions that address why people shoplift, promote accountability for organized operations, and improve in-person shopping experiences by investing in workers.

- When people are arrested for crimes of desperation, we need to make sure they don't need to do it again. Instead of reducing public safety through unnecessary and often counterproductive incarceration, we can effectively intervene by meeting their needs and connecting them to stable housing, jobs, and other treatment and services.
 - Cities around the country have effectively employed this model, including New York City's Community Navigator program, Philadelphia's Police Assisted Diversion program, and Columbus, Ohio's "Buckeye Deflection" program.
 - Existing programs funded by Prop 47 have already shown immense success in improving public safety and can be improved with further investment.
 - Connections to substance use treatment may be particularly effective, as we know the fentanyl crisis is driving property crime.
- When people shoplift as part of an organized retail theft operation, law enforcement should investigate and hold accountable the people who profit most from these sophisticated operations.
 - However, we know from the War on Drugs that threatening low-level offenders with harsh punishment to find those driving sophisticated organized retail theft will not be particularly successful.
 - Regardless of whether they are working for an organized operation or plan to resell stolen goods, prosecuting and punishing people stealing out of need is a waste of resources that could go towards regulating online marketplaces or investigating the people driving sophisticated operations.
- The best investment in a safe and enjoyable shopping experience is to hire and train more workers. "The greatest deterrent for any type of theft activity is effective customer service," says Lowe's CEO Marvin Ellison, who attributes the low impact of retail theft on his chain's profits to well-trained and well-compensated staff, a position echoed by CostCo.
 - In contrast, self-checkout seems to increase the likelihood of retail theft.
 - California can support retail workers by ensuring living wages, workplace protections, and sufficient workplace safety training.
- Lawmakers can also attack retail theft by regulating online marketplaces to make it harder to sell stolen goods.

We all want our local businesses to succeed. We want to buy toothpaste without opening a lockbox and we don't want our neighbors to be so desperate that they resort to theft. Instead of falling back on harsh punishments that will be at best ineffective and may even exacerbate the problem, California can address this situation by investing in smart, evidence-backed solutions based on reliable data, not misinformation.