

# Comparative Research at International Level on the Relationship between Economic Conditions and Crimes against Property (Crisis Vs Growth)

## Abstract

Comparative studies at the international level show us that the effect of economic conditions in crime depends on the state of economic development and the forms of crimes. In this article we represent reported conclusions of previous studies on this issue and summarize their results. Actually, most recent studies show that violent crimes against property such as robbery and not property crimes in general have affected by economic crisis, while economically motivated crimes such as theft, which do not require use of violence, are affected mainly in times of economic growth. Therefore, it is likely of committing crimes against property, in times of recession, outweigh, the influence of criminal motivation, whereas in times of prosperity, the influence of criminal opportunity.

**Keywords:** Economic conditions; Property crimes; Comparative research; Criminal motivation; Criminal opportunity

## Review Article

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## Introduction

In the capitalistic production way the economy is characterized by repeated fluctuations, known as 'economic or business circles'. Part of these constitutes the economic crises but also the abrupt economic rises, which can lead to criminal behavior phenomena. This happens because in both cases are created changes in the society, where the members cannot be adapted easily [1].

Economic crises interrupt the 'normal' operation of society; create economic recession, poverty and unemployment [2]. The rise of criminality in periods of economic recession's period was considered - for many years an inevitable consequence. However, the results of the researches are contradictory. For example, in the 19 century, up to the big economic crisis of 1929, a positive cross-correlation of economic conditions towards the criminality existed but thereafter the situation changed and crime was, also, increased in periods of economic prosperity.

On the other hand, economic growth leads to unstable social relations, locomotion of population from the rural regions to the cities, influence of goods and services, thus the traditional mechanisms of social control is break down and caused conflict between the generations and alienation of individuals. These elements affect dramatically the activities of individuals and influence their behavior. According to Harvey Brenner, the economic growth look like creating pathological situations, because of increasing of social or relative inequality and arise problems which are created by urbanization [3].

The above realignments during periods of economic blossoming are reasonable to changes at the sector of crime. So, prosperity can constitute the causes of crime: for example, increasing the goals of criminal behavior (mainly because of

increase material goods and possessions, and thus it increases the opportunities to commit crimes against property). According to Felson, "the modern society causes high rates of criminality, offering multiple illegal occasions" [4]. Consequently, it considers that the growth of economy leads to an incensement of the criminality. However, prosperity may anticipates the crime because the individuals have legal jobs and money and they do not turn to criminal actions (e.g. thefts). Thus, because the double effect of economic prosperity in crime any relative study leads to vague and ambiguous conclusions [5].

## Previous Studies

Some previous studies show no connection between economy and crime. For instance, the pioneering research of Council of Europe [6] on the relation between the economic crisis and criminality showed that did not exist constant correlation between them. The research aimed at the study and comparison of economic and criminological indicators of three European countries: England, Federal Republic of Germany and France, from 1963 since 1983. Even if, the difficulties in the comparison were taken into consideration-because of the differences that exist in each country-the research did not accomplish its shapes model of explanation of criminal tendencies and rates. Nevertheless, it elected considerably the difficulties of the study's analysis, between the economic conditions and criminality rates, that the need for further research of this query, as well as, the examination of other important factors that can influence this relationship, such as social inequality and the changes in legal level.

Conversely, other researchers have led to more explicit conclusions, especially when scholars started to separate the effects of economic motivation from criminal opportunities [7]. Concretely, Field's research [8] in England and Wales, that

concerned the period afterwards the second World War realized a strong positive relation between business circle and the most of the property crimes. Thus, in periods of economic recession, they realized that crimes against property are increased and reversely remain stable or decreased while in 'good economic years' the consumption is increased. Nevertheless, Field's comparative research for other European countries, using data from the Interpol, did not verify the relation of business circle and crime, while the relation was verified for the USA.

Very interesting are the conclusions of Van Dijk [9] study, in 38 countries, from 1988 to 1991. He has concluded that increase of prosperity, decreases the crime. More analytically, this research showed that in England and Wales, in countries of New World, in Holland and Germany, eminently wealthy countries, the greater part of crimes is guided by the opportunity factors. On the contrary, certain developing and former eastern bloc countries showed high levels of deprivation at the same time of high propensity to the violent crimes. Previous comparative study by La Free & Kick, in international level (47 countries) had led to similar conclusions [10].

In Western Europe, criminality was not increased at the same time with the growth, the industrialization and the urbanization. The level of crime has remained stable or even decreased in periods of abrupt economic growth [11]. Generally, in the western societies, the percentage of recorded crimes was increased oversize from 1960's and thereafter, while western societies had marked parallel high levels of prosperity. This, shows a positive relation between prosperity and general levels of crime but Field's research, as we saw above, it showed that the reduction of consumption involves increase in property crimes in England the Wales and the USA. So, this is an opposite conclusion, as here the economic recession leads to more crime. This contradiction was confirmed by the international comparative research of Van Dijk, where high rates of criminality were also found in developed and in the developing countries. Eisner, studying the criminality of six European countries (England and Wales, France, Germany, Italy, Sweden and Holland) from 1950 since 1992, observed despite the certain differentiations of the nations-surprising resemblances in the long run: First of all, his research showed a huge increase of total criminality, even if it's likely this increase depend on the better organize of official social control agencies. It was observed, also, that in all experimental countries the rate of vehicles' theft, robberies and criminal damages, were increased more rapidly from the total criminality rate. On the contrary, the sexual crimes and minor thefts were increased, but with lower rate than the total criminality rate [11].

Deductively, it was supported that the high percentage of crimes against property in developing and in the former communistic countries, is allocated in the higher demand for profits by criminal activities, while in the affluent Western societies in the higher offer of criminal opportunities [9].

Latest research has showed that the economic fluctuations influence particularly the violent crimes against property, rather than property crimes in general. According Fajnzylber et al. [12] research, in which they have examined the period 1970-1994, about homicide by intention in 45 countries and the robbery in 34 countries, based on data of United Nations

World Crime Surveys, showed that economic growth and income inequality are connected with the increase of violent crimes and in particular - in an impressive degree-with robberies. These results support the opinion that the economic conditions influence the criminality: when the legal job opportunities and the wages are improved, then the percentage of homicides is decreased and vice versa. Finding like this, maybe means that the most of homicides is emanation of economically instigated crimes. Similarly, the economists Mehlum et al. [13] have studying macroeconomic data and criminological statistics of 39 developed and developing countries for period 1986-1994, and they have concluded that exists strong relation between GNP (Gross national product) and robberies rate.

On the contrary, other countries, as Japan and others of Middle East, avoided to increase criminality, despite their high level of industrialization after the second World War, because the maintenance of their traditional values and structures [14]. Thus, despite their high level of industrialization the criminality was decreased. Nevertheless, in 1990's Japan represented positive cross-correlation between the economic growth, homicide and theft [15].

### Contemporary Studies

In recent research of United Nations [16] were examined the repercussions of economic crisis 2008/2009 in 15 countries, were found that 11 of them were effect by the recent global economic crisis. The economic indicators which are examined showed important changes in criminality rates. With regard to the violent crimes, mainly robber was appeared that it is doubled the period of economic crisis. In the same time were observed increase in homicides, thefts and motor vehicle thefts. This research showed that nowadays the economic indicators can interpret fluctuations of the crimes above, as shown in the following Table 1 [16]. Furthermore, these results support the explanation of criminological motivation, which maintains that the economic pressures can increase the motivation of individuals in order to be involved in illegal activities. Additionally, it was found that in no one of the cases that were examined was not marked reduction of crimes. Consequently, it is not supported the opportunity hypothesis, according to which decreased levels of production and consumption, it is possible to decrease certain types of crimes-as property crimes-since, under these circumstances 'suitable targets' are decreased [16,17].

Most recent research use alternative economic indicators for the assessment of economic situation, as the perceptions of public for the economy. For example, the comparative research of Rosenfeld R & St Messner [18], in addition to unemployment rate and GNP, examined, as independent economic variable, the indicator of Consumer Confidence, concerning the burglaries rate in the USA and nine European states (North Europe: Denmark, North-western Europe: France, Germany, Ireland and Holland, Southern and East Europe: Greece, Portugal, Hungary, and Italy), between 1993-2006, a period of reduction of criminality in the two continents. Researchers, also, used deterrent variables (proportion of prison population and police officers) and demographic ones (proportion of men, children without marriage and urbanization), without any statistically importance finding, concerning these variables, except prison

population. The bivariate cross-correlations showed positive correlation between unemployment rate and burglaries (the increase of unemployment rate is connected with increases in the burglaries rate) but negative cross-correlation with: consuming confidence, GNP and proportion of prisoners in the population. While multivariable regression analysis showed

that the consuming confidence is related negatively with the burglaries. Above all, an increase of consuming confidence and prison rate, can lead to reduction of burglaries. Of course, it was supported by the writers that the effects of consumer confidence in the changes of burglaries rates needs further examination.

**Table 1:** Economic Indicators can Interpret Fluctuations of the Crimes Changes.

Country	Geographic Unit Buenos Aires	Economic Crisis (on Visualization)	Crime Type Affected by Economic Crisis (on Visualization)	Economic Indicator Identified as Predictor of Crime Charge (by Statistical Model)
Argentina		(in2002)	-	Share Price Index
Brazil	National	√	n/a	Share Price Index, Unemployment Rate
	Rio de Janeiro	√	Robbery, Motor Vehicle Theft	Treasury Bill Rate
Canada	Sao Paulo	√	Homicide, Robbery	Male Unemployment Rate, Currency Per SDR
	National		n/a	Treasury Bill Rate, Unemployment Rate, Share Price Index
Costa Rica	National	√	Robbery	-
El Salvador	National	√	Homicide	-
Italy	National	√	Robbery, Motor Vehicle Theft	Real Income
Jamaica	National	√	Homicide, Robbery	-
Latvia	National	√	-	Youth Unemployment Rate
Mauritius	National	√	-	Real Income, Currency Per SDR
Mexico	National	√	Robbery, Motor Vehicle Theft	Male Unemployment
Philippines	National	-	-	Deposit Rate, Share Price
Poland	National	-	-	Treasury Bill Rate
Thailand	National	√	Motor Vehicle Theft	Unemployment Rate, Real Income
Trinidad and Tobago	National	√	-	Real Income, Lending Rate
Uruguay	Montevideo	-	-	GDP

## Conclusion

The above literature review of comparative studies at the international level shows us that the effect of economic conditions in crime depends both on the deterioration or improvement of these and by the crime category, in question. Thus, studies show that violent crimes against property such as robbery not property crimes in general, are sharply affected in periods of economic depression, while other economically motivated crimes, which not using personal violence, including theft and burglaries are most affected in periods of economic prosperity. It is, therefore; likely in times of economic hardship prevail over the influence of criminal motivation; while in times of economic growth the influence of criminal opportunity.

In conclusion, both in times of growth and in times of recession, crime are being affecting quantitatively and structurally as

Becker et al. [19] put it in the economic theory of crime: potential criminals spend their time both illegal and legitimate activities, which depended on taking risks and rewards associated with each other. The legal rewards will depend on the levels of wages and illegal, in an extent, on the availability of goods for theft. Both the levels of wages and availability of goods will depend on the state of the economy.

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