THE EFFECT OF UNEMPLOYMENT ON INCREASED CRIME RATES

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Abstract: One of the economic problems that different societies have always faced is unemployment. It is obvious that identification of the root of crime is very important for crime control and unemployment can be one of these factors. In general, there are many economic and social factors and parameters affecting the crime rate. Sociologist and economists have announced economic factors as a major source of social deviations. Economic variables, such as the distribution of income, unemployment, inflation, economic situation of households and etc. are among the factors which may affect crime. When the phenomenon of unemployment is considered from the perspective of criminology, the discussion on the effect of unemployment on the rate and type of crimes will be considered. Whether, basically, unemployment and other negative economic factors affect the rate of crime is a question that has been raised in the present research; i.e. how the impact of economic factors on the occurrence of crime is theoretically justified is one of the most important uncertainties regarding the effect of unemployment. In this regard, it is assumed that the leftist criminological theories such as Marxist criminology theory have emphasized the role of economic factors such as unemployment more than other criminological theories. However, it became clear that the economic factor, such as unemployment, as raised in Marxist theories, cannot be regarded as the unique reason for the occurrence of crime is to be introduced. Accordingly, in analyzing the crime. While taking into account unemployment in the analysis of crime, other factors such as the effect of social environment, the impact of families, education, etc. should also be considered in the occurrence of crime.

Keywords: Theoretical criminology, an increase in crime, the factors of increase in crime, unemployment.

I. THEORETICAL FOUNDATIONS ABOUT THE EFFECT OF ECONOMIC FACTORS ON CRIME

In relation to the impact of economic factors on crime, several theories have been proposed so far. According to one of Iranian authors, crime is a multidimensional phenomenon always interested by sociologists, psychologists, lawyers and economists. Without a doubt, one of the aspects of crime is the economic factors, such as inflation, poverty, income distribution and so on. But theoretically there is no consensus about the impact of economic factors among the schools of criminology. In general, some schools such as the School of Positivist Criminology, rejected the impact of external economic factors on crime, while the Leftist Criminology Schools such as Marxist

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² Ebrahimi, Mehrzad, Chakrazahi, Abdolvahab, "The Relationship Between Crime Rate with Inflation and Unemployment in Iran," Tehran, Strategic Researches on Security and Social Order, Fall 2013, No. 10, p. 115.
Criminology have introduced economy and unemployment as the unique cause of crime.

a) Economic factors of crime

The economists’ approach to crime is through a cost-benefit window; that’s why one commits a crime when its cost is less than the benefits. In addition, several other factors, such as poverty, unemployment, inequality in income distribution, industrialization of cities and urbanization affect the occurrence of crime and its impacts have been also measured. Even economists have degree measured the effect of other social factors, such as education, preventive punishments and etc. on crime.\(^3\)

The Marxist criminologists have based their theoretical view on the principle or, in other words, the paradigm of class struggle. They believe that class struggle will affect the occurrence of crime in three ways: first, as we said, they have argued that "the law itself is a tool of the ruling class" and the definitions of crime in the law are a reflection of the interests of the ruling class and they also use capital which is the foundation of capitalism to perpetuate these concepts.\(^4\) The second major feature of the Marxist criminologists is their widespread reliance on the concept of class struggle. According to their views, the emphasis on the accumulation of wealth and property lead to the conflict between and within classes, so trying to overtake economically would lead to crimes such as theft, fraud, embezzlement and etc. In addition, violent crimes are considered as the product of violent situations the lower classes are living in.\(^5\)

b) Function and accuracy of the economic theory of crime

Authors of the book “Fundamentals of Criminology” in relation to the function of Marxist criminology theory believe that although the initial studies ascertained the positive correlation between the unemployment rate and the rate of prisoners, the impact of unemployment was gradually denied when other factors affecting the crime rate like political conservatism and family disorganization were considered.\(^6\) So it must be acknowledged that the basis of this theory, namely, the direct link between economic issues such as unemployment and crime was disagreed, and even some scientists such as Richard Peterson essentially have denied the relationship between unemployment and crime rate.\(^7\)

It seems that there is a positive correlation between unemployment and an increase in crimes, but there is no causal link between unemployment and crime.

II. UNEMPLOYMENT AND CRIME RATES

Concerning the impact of unemployment, the fundamental question that can be asked is whether there is basically a positive correlation between unemployment as a socio-economic problem and crime? One of the most important factors and causes of crime is unemployment; because unemployment causes poverty, income inequality, immigration, family disputes and .... It is clear that people search for their identity in

\(^3\) Ibid, p. 119
\(^5\) OP.Cit, P5
their working situation and the stigma of crime would be reduced when there is a job for all the people searching for an occupation.8

a) Unemployment and increased rate of crime

In America, Alexandra Hoskin et al. in a study entitled “the impact of unemployment on crime rate” proved the positive correlation between unemployment and increased rate of crime.9 In other words, it was proved that unemployment is not the unique cause of an increase in crime and subsequently other factors such as attendance and activities of criminal organizations and etc. have also played a role in crime. Levitt in 2001 in a study proved the positive correlation between unemployment and rising crime in the United Kingdom.10

In South American countries, people like Fletcher and Ehrlich proved the positive correlation between unemployment and rising crime rates.11

b) Unemployment and increased rate of crime in Iran

Several studies have been done on the relationship between unemployment and the increased rate of crime in Iran. In a study by Ibrahimi and Chakerzehy, it was revealed that unemployment rate has a positive effect on the rate of crime in Iran. This study found that the effect of unemployment on the rate of crime will be greater with the entry of inflation rate as a third variable, in such a way that a unit increase in unemployment rate increases the rate of crime rate up to 4.5 times.12

Additionally, the study of Sadeghi et al. represents a positive relationship unemployment and theft at 99% confidence level and the relationship between unemployment and murder is at x%.13

Another study examined the relationship between unemployment and theft in Iran and found a positive relationship between these two variables.14 The results of this study entitled “income inequality and crime in Iran” show that an increase in unemployment rate will increase the rate of theft while it decreased with an increase in the income level of households.15

In addition, a research entitled “an empirical study of the relationship between unemployment and theft” found the significant relationship between these two variables.16

Therefore, it should be noted that there is a positive correlation between unemployment and crime. However, the positive correlation does not justify the causal

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8 Saeidi, Davood, Salarzai, Amir Hamzah, Kaykha, Mohammad Reza. Legal analysis of economic factors of crime, Zahedan, Quarterly Journal of Subcontinent Studies, Sistan and Baluchestan University, Seventh Number Twenty-Eighth, Autumn 95, p. 84.
9 Analyzing the relationship between unemployment and crime rate, we hypothesized that there would be a positive correlation which our results support. For both the simple and multiple regression models, there were positive effects of the variables on crime rate, Haskins, Alexandra, Ajimotokin, Sandra, Wade, Zach, The Effects of Unemployment on Crime Rates in the U.S., 2015, p 15. Available from Url https://smartech.gatech.edu/bitstream/handle/1853/53294/theeffectsofunemploymentoncimerates.pdf?sequence=3.
12 Ibrahimi, Mehrzad; Chakrazahi, Abdul Wahhab, ibid., P. 121.
relationship, while there is an ambiguity on its reliability in all societies, i.e. non-industrial societies. Regarding the above correlation, it should be noted that unemployment should be separated from its causes; better saying, a cause of unemployment in a country might directly affect the crime rate, explaining that in addition to economic issues such as economic sanctions, inflation and recession, high interest rates of banks, trafficking of commodities and currencies, economic and financial corruptions, rents, some variables like population, wrong policies of some governments, old fashion management systems and lack of using available human resources, legal gaps and redundancies also affect unemployment. These factors can increase the rates of crime, therefore unemployment should be distinguished from its economic causes to analyze the impact of unemployment on crime rates. An economic cause of unemployment such as economic corruption could be a factor affecting the rate of crimes. So, to analyze the correlation between unemployment and crime rates, it must be acknowledged that unemployment as an economic factor should be studied along with other factors increasing the unemployment and its effect (increase in crime) has to be analyzed with respect to other correlational and causal factors.

III. THE EFFECT OF UNEMPLOYMENT ON CHANGING THE TYPE OF CRIME

One of the questions about unemployment is whether the type of crimes changes with the increase in unemployment rates at the community level? For example, unemployment leads to an increase in economic or property crimes and decreases other crimes such as professional and white collar crimes. In response, it has to be acknowledged that many previous investigations have proven the positive relationship between unemployment and theft. Beheshti et al. in an article on this relationship suggested that the results obtained from this estimation indicate that the relationship between theft and misery index in both regimes is positive and significant. Thus, the relationship between unemployment and increased rate of crime, which is a crime against property, is specified. The ambiguity that whether, for example, unemployment undermines the structure and rate of overall proportion of crimes still exists. Whether unemployment can reduce or increase the rate of crimes relative to one another is among the questions answering to which can prove the impact of unemployment on the type of crime.

a) Crimes against property

It seems that unemployment can increase the rate of committing some crimes, such as crimes against property and economic crimes than other crimes. So, unemployment will increase the rate of committing particular crimes, but it can reduce committing some crimes, such as professional and white-collar crimes. So it can be

17 Sadeghi, Hossein, Shaghashi Shahr, Vahid, Asgharpour, Hossein, ibid., P. 86.
19 "Although no research has been done on the negative correlation between increased unemployment and reduced white-collar crime, economic crime does not necessarily mean the delicacy of the upper classes with regard to the definition of white collar crimes and the fact that white-collar crime has been faded because of economic globalization, diversification of business types, electronic and virtualization of trade and economic activity, quantitative and qualitative development of legal persons as national and international actors of the economic system and also democratization of the distribution of wealth and economic power among the classes of society and the north and south countries. For this reason, criminologists nowadays use terminology such as organizational crime, economic crime, business crime, abuse of trust crime that is the basis of business, abuse of economic power
accepted that unemployment increases a particular type of crime, i.e. economic crimes and crimes against property, and also decreases some other crimes such as white collar crimes. In the aforementioned study, it was found that unemployment increases the crimes committed with the aim of acquiring property compared with other crimes. In other words, unemployment is the cause of an increase in crimes with the same subject (property), including the components and conditions necessary for the realization of a crime. Unless there is a subject on which a criminal behavior occurs, no crime will be found in the outside world. The subject of crime differs according to the type of crime. For instance, in the crimes against property and ownership, property and financial rights of the individuals is the subject. The property has a relative concept with many qualities and conditions. Inclusion of penal provisions is not the same for all property; for example, immovable property is not a matter of theft, and movable property is not a matter of arbitrary seizure or denial of right.  

b) Particular crime of theft

Among various crimes committed against property, unemployment most likely leads to theft. Most of the previous studies examined the impact of unemployment have considered its impact on the theft and thus proved the positive correlation between these two crimes. Theft is one of the most important crimes against property and ownership of individuals. The crime of theft has become more and more prevalent in various human societies, and over time and technological advance, thieves have used more complete and technical tools and instruments. The police by identifying types and classes of thieves on the one hand, and the legislators and judges with the development of proper laws and monitoring the enforcement of laws on the other hand have to prevent committing such crimes which are increasing every day.  

Theft is the pivotal material element in the law of Iran, and the legislator has provided no definition of this concept. However, there is a general consensus among lawyers that the purpose theft is to prove the seizure on a person's property and transfer it to somewhere else. However, Iranian law only recognizes a theft without the consent of the owner, albeit the apparent consent of the owner doesn’t lead to lack of material element.  

In addition to theft, committing other crimes against property, such as breach of trust and fraud, also increases with unemployment. However, there is no exact relationship between unemployment and crimes such as counterfeiting, white collar crimes, corruption, bribery and embezzlement. Accordingly, the argument that unemployment causes a change in the type of crimes can be raised and defended.

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20 Mansoor Abadi, Abbas, "The subject of crime in the crimes against property", Qom, Private Law, affiliated with the campus of Qom, University of Tehran, Autumn 2003, No. 4, p. 103.
23 Aghaei Nia, Hossein, Chelpay, Azadeh, "The Status of Theft in the Concept of Ownership, Comparative Study of the Theft Concept in Four Legal Systems in England, America, Canada and Iran", Tehran, Tehran, Iran. Faculty of Law and Political Science, University of Tehran, 2009, No. 2, P. 59.
CONCLUSION

From the point of view of theoretical criminology, it is possible to introduce several factors as a cause of increase in crimes. Examination of the theories in this regard, such as the Marxist theory, suggests that this theory introduces the economic component or factor such as unemployment as the unique factor in the occurrence of crime. Further investigation has shown that economic factors and unemployment cannot be the cause of crime and there is utmost a positive correlation between unemployment and crime. The first ambiguity with regard to unemployment is its impact on the rate of crime. The fact that unemployment is the cause of increase in crime has been ascertained both in developed countries like the United States and in Iran, but studies show that there was no fixed rate for explaining the effect of unemployment on crime. In some cases, factors that were themselves the cause of unemployment, such as economic weakness or economic corruption and lack of efficient management, and etc. have been the reasons for the increase in crime. For example, legal weakness or the lack of a legally-enforceable system not only leads to unemployment in a society, but also can be the reason of increasing crime. However, in a society where the law is not ruling, a crime is committed with greater ease. On the other hand, along with unemployment, there are other economic factors that can affect the state of people and increase crime in the society, such as inflation or economic recession. Field studies and case studies in Iran have proven that increased inflation together with unemployment have increased crime rates. Finally, there is disagreement on the effect of unemployment on the type of crimes. It has been proven in previous researches that unemployment is of the reasons for the decline in living standards. Thus, from a reasonable perspective, unemployment causes an increase in the crimes against property. In previous studies, it was found that unemployment has increased a number of crimes such as theft, but the results of these research are not universal and reliable. It appears that, due to the structure of society and in some cases in the more developed societies, unemployment is a cause of being attracted to the criminal groups and thus crimes against public safety such as traffic increases. In contrast, unemployment in the more traditional societies increases the individual crimes such as theft.

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