



No.40

Economic Adversity and Crime*

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The relationship between criminality and economic conditions has concerned criminologists and public officials for the past century, if not longer. This timely Trends and Issues by the Director of the New South Wales Bureau of Crime Statistics and Research, suggests that the relationship between economic adversity and crime is more complex than some casual commentators might suspect. In the current climate of economic contraction, his thoughtful observations about the importance of managing social and economic development deserve wide consideration.

Duncan Chappell
Director

The current recession has focussed renewed public attention on the possibility of a link between economic adversity and crime. The existence of such a link seems to many media commentators to be so obvious a fact as to be unworthy of scientific investigation. After all, it might be argued, if unemployment does anything, it reduces the capacity of an individual to earn income from legitimate activity. It would hardly be surprising if some people responded to unemployment, then, by turning to illegitimate activity. If this were not enough, high rates of unemployment must surely weaken the social bonds between young people and the wider society. This, by itself, would increase the risk that the young will drift into deviant subcultures where involvement in crime of one form or another becomes a way of life.

Although these speculative arguments in favour of a link between economic adversity and crime are too obvious to some to be worthy of scholarly attention, they are bitterly rejected by others. Critics point to the fact that the vast majority of unemployed persons do not and will not become offenders or to the fact that crime rates did not rise during the Great Depression of the 1930s. So, they say, even if poverty or unemployment do tempt some people to commit offences, in the larger scheme of things they cannot rank highly as causes of crime. At best they are just excuses. The causes of crime lie within rather than outside the mind of a wayward citizen. They are to be found in the constellation of attitudes toward people and property which pervades the thinking of some individuals. The cure for crime is therefore not a rearrangement of the economic fabric of society. It is a rearrangement of the thinking of offenders.

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At this level the arguments are mere polemic. To assert that economic factors such as unemployment might increase the rate of offending is not to say that everyone on a dole queue is involved in crime. Nor is it to deny the paramount importance of individual attitudes and values to an understanding of crime. Indeed, to assert that economic adversity might influence crime rates without altering *something* about offenders is plainly absurd. At the end of the day, the motives, desires, beliefs and attitudes of an individual are the proximate cause of everything he or she does. The fact that large numbers of unemployed or impoverished people never turn to crime is merely a reminder, if one is needed, that the putative effects of unemployment and poverty on crime must be mediated by other important individual-level variables. Meanwhile the dispute about the distal influences of economic conditions on crime rates goes on.

Polemical as public debate about economic adversity and crime is, it highlights the political stakes involved in debate about the causes of crime. Those who believe that there is a link between economic adversity and high crime rates tend to oppose the traditional dependence on policing and penal policy as the instruments of crime control. To them imprisonment and arrest only have the effect of shutting the door after the horse has bolted. Once an individual has embarked on a criminal career, tougher penalties and increased risk of an arrest are unlikely to bring it to an end. Only the aging process will do this. The solution to crime problems, they say, is an economic and social policy which works to reduce the gap between rich and poor, thereby limiting the breakdown in social

bonds which underpins high levels of delinquency.

The question of whether economic adversity exerts any influence on crime is obviously a matter of considerable potential significance to crime prevention policy. In this paper it is argued that there is a relationship between economic conditions and crime but that it is much more complicated than is ordinarily assumed. The effects of economic adversity vary according to whether focus of attention is on the factors which determine participation in criminal activity or those which determine the frequency of offending by particular individuals. Prolonged periods of relative deprivation in an area, through a variety of mechanisms, appear to increase criminal participation rates and therefore the size of the offending population. Temporal trends in most categories of crime, however, are determined as much by factors which affect individual rates of offending as by factors which affect the size of the population of offenders. Moreover, depending on the offence examined, economic adversity can amplify or suppress rates of offending.

The discussion proceeds in five sections. The first two sections of the paper summarise the results of some recent research examining the relationship between economic factors and crime. It reveals an underlying current of support for the proposition that relative economic deprivation tends to produce higher crime rates. However, it also shows that a number of studies have been conducted which find no relationship between economic conditions and crime or which find that increased economic adversity can reduce crime rates. The third section introduces the distinction between participation in crime and frequency of offending and highlights its potential importance to an understanding of crime trends. The fourth section suggests some differential effects economic factors may have on participation in crime as opposed to frequency of offending. The last section of the paper assesses the likely effects of the current

recession in terms of the preceding considerations.

Recent Australian Research on Economic Adversity and Crime

It is tempting to adopt a cynical view of any reluctance at a political level to accept a link between economic conditions and crime. Political reluctance to accept the relevance of economic conditions to an understanding of crime, however, is not always just a churlish refusal to acknowledge unpleasant facts. Even a superficial trawling of the research evidence on economic factors and crime throws up a host of seemingly inconsistent and confused findings. In Australia, where research studies on the relationship between economic conditions and crime are few and far between, it is easy to illustrate the problems. Consider, for example, the study recently conducted at the NSW Bureau of Crime Statistics and Research by Devery (1991) on disadvantage and crime.

Using Local Court appearance data routinely collected by the Bureau, he identified the home address of some 186,304 proven offenders in 1987 and 1988 (for details of the method *see* Devery 1991, p. 13). These addresses were coded into Local Government Areas (LGAs) taking care to preserve information on the principal offence for which the offender was convicted. The proven offender rate per head of population for each LGA was then calculated using census data on the resident population for each LGA. This allowed Devery to map the distribution of proven offenders separately for each general category of offence. Interestingly, for example, the distribution of people in the Sydney metropolitan area convicted of assault occasioning actual bodily harm was the same for cases in which the offender was convicted of break, enter and steal.

In both instances the western and south-western suburbs of Sydney and

Gosford/Wyong stood out as having high proportions of assault and break, enter and steal offenders. It turns out, in fact, that these areas have high proportions of proven offenders for all types of offending. What is it that distinguishes suburbs such as Parramatta, Liverpool and Campbelltown from other areas of metropolitan Sydney? Intuitively one would expect these areas to contain higher than usual numbers of unemployed persons and lower than usual levels of income. In other words, the areas with high proportions of proven offenders would appear to be those which are lower on the socioeconomic scale. If we look at the distribution of LGAs on the basis of their socioeconomic status as at the 1986 census, then it is confirmed that this is indeed the case.

The concordance is quite remarkable. In fact an exhaustive analysis of the possible impact of a very large range of offender factors (including ethnicity, family type, family size, age and social mobility) reveals socioeconomic variables account for nearly all of the regional variation in proportions of proven offenders.

Of course the results have to be treated with caution. Not all offences are reported to police. Not all offenders are equally likely to be caught or convicted. But as Devery points out in his report, a close examination of the data gives little ground for thinking that these factors materially distort the relationship between socio-economic status and offending. For a start, the pattern is much the same whether one examines offences which are nearly always reported or offences which very often go unreported. Secondly, there is little variation between LGAs in the metropolitan area in the clear up rates for a given category of offence. Thirdly there is also very little variation between LGAs in the metropolitan area in the proportion of defendants who plead guilty. Finally, there is very little variation between courts in different LGAs in the likelihood that someone pleading not

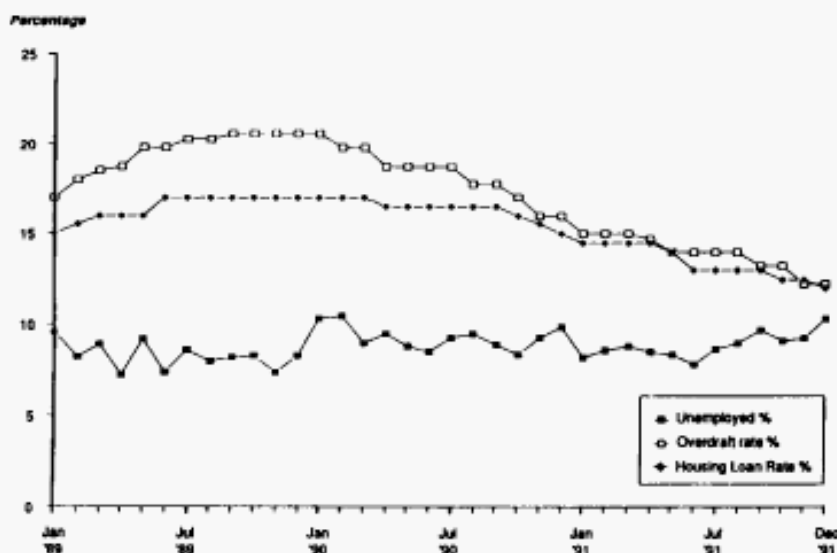
guilty will end up acquitted of the offence.

We have, then, what looks like a clear demonstration of the fact that those who are economically disadvantaged are more likely to turn to crime. If we turn our attention away from the economic correlates of spatial variations in proven offender rates to temporal trends in the incidence of crime, however, the picture immediately becomes more complicated.

Figure 1 shows the trend in business and housing interest rates over the period January 1989 to

December 1991 along with the trend in the percentage of persons unemployed. It is something of an understatement to say that if you owned a home or a business during this period you were experiencing significant pressure on your income. By the end of 1991, unemployment rates were also significantly above their 1989 levels. It is generally acknowledged that this is the worst case of economic adversity experienced in Australia since the Great Depression. If there were a simple positive relationship between economic adversity and crime, one

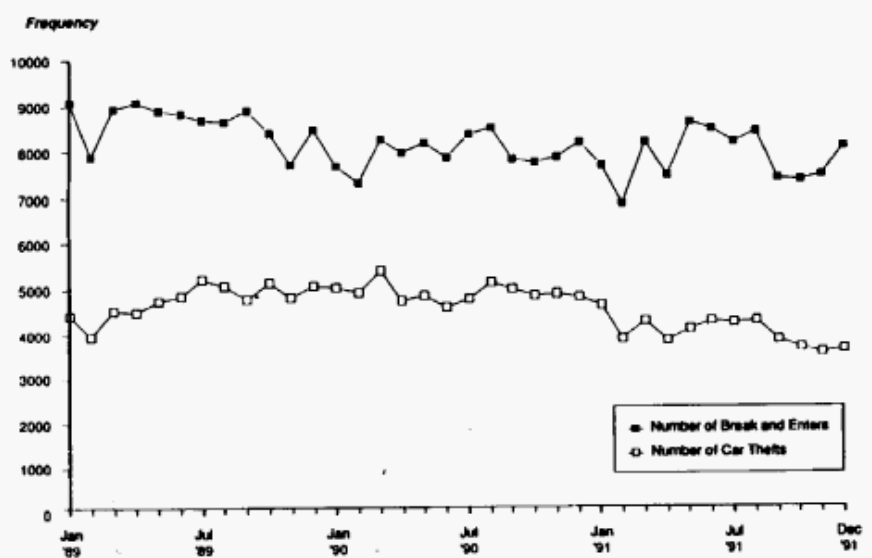
Figure 1: Unemployment,¹ Housing and Business Interest Rate² Trends



¹% unemployed in NSW (Source: Australian Bureau of Statistics)

²Business interest rate = overdraft rate for \$100,000 or more. (Source: Reserve Bank of Australia)

Figure 2: Monthly Trends for Break, Enter and Steal, and Car Theft



might have expected crime rates to increase dramatically.

What actually happened is much more complicated than this (*see* NSW Bureau of Crime Statistics and Research 1990). Figure 2 shows trends over the same period in the reported number of break, enter and steal and car theft offences (it appears as Figure 15 in NSW Bureau of Crime Statistics and Research 1990). Between 1989 and 1991, the number of car theft offences fell by 7.8 per cent while the number of break, enter and steal offences fell by 9.3 per cent (NSW Bureau of Crime Statistics and Research 1991). Figure 3 shows the trends over the same period in the incidence of robbery and arson offences. Reported robberies rose by 29 per cent between 1989 and 1991, while the number of arson offences rose by 92 per cent over the same period (NSW Bureau of Crime Statistics and Research 1991). A plausible, though undeniably speculative, account of these results might run as follows. Rapidly rising interest rates suppressed demand for consumer goods such as cars, car parts and household goods such as video recorders. As the market for stolen property shrank, the incentives for involvement in it diminished, thereby reducing rates of car theft and house-breaking. At the same time the incentives for involvement in cash-generating crimes such as robbery and arson increased.

Whether one accepts this explanation or not, it serves to illustrate the potential complexity of the relationship between economic adversity and crime. It might be thought that the time series trends depicted in Figures 2 and 3 are too brief to allow a thorough analysis of the relationship between economic factors and crime. After all, the effects of economic adversity on crime may take some time to show up. We will have to wait until the recession passes to be able to assess its long-term effects on Australian crime rates. It is worth noting, nonetheless, that overseas analyses of the relationship between economic adversity and

crime also present a somewhat confused picture of the relationship between the two. Early reviews have, in fact, been described as creating a consensus of doubt on the issue. More recent reviews provide general support for the view that relative economic deprivation brings with it higher crime rates but different researchers employing different methods or looking at different offences at different times continue to obtain somewhat inconsistent results.

Overseas Research on Economic Adversity and Crime

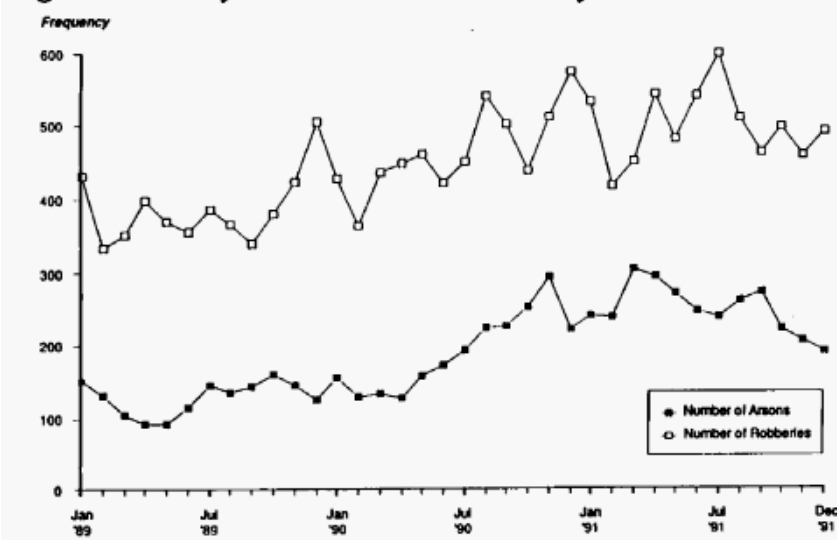
Unemployment and Crime

Box (1987) reviewed thirty-two cross-sectional studies and found nineteen of them supported the existence of a significant positive association between unemployment and crime rates. He contends that if studies employing what he calls 'flawed' measures of offending (Box 1987, p. 79) (that is those relying on arrest or conviction rates) are excluded from his review, the ratio of studies favouring a positive association is 15 to 10. He makes the point that those studies employing the best measure of offending rates (*viz.* victimisation surveys) all found evidence supporting a positive relationship. On the other hand, he suggests, those studies which did not support the existence of a

positive relationship between unemployment and crime rates, had chosen either a theoretically incorrect measure of unemployment (for example, the overall unemployment rate rather than the male youth unemployment rate) or looked at the 'wrong' kind of crime (that is violent rather than property crime) (Box 1987, pp. 85-6).

The cross-sectional results on unemployment and crime reviewed by Box are generally encouraging but cross-sectional studies are always susceptible to the complaint that the relationships they uncover are statistical artefacts. A demonstration that increased unemployment always tended to be followed by increased crime rates would provide more compelling evidence of a causal relationship. Box reviewed eighteen time series studies of the relationship between unemployment/labour force participation and crime (1987, pp. 69-78). Of these, thirteen reported a positive relationship. Box argued, however, that because most of the studies relied on official crime report data the findings might simply reflect the behaviour of the police toward the unemployed (Box 1987, p. 71). Clearly this concern is misplaced for offences such as car theft or homicide, since the recorded rates of these offences are hardly affected by police discretion. Still it is true that changes to levels of unemployment have effects on the operation of the justice system independent of those which

Figure 3: Monthly Trends in Arson and Robbery



they might have on crime rates (*see* Crow et al. 1989, esp. Ch. 2).

Some of the better conducted time series studies actually reveal a more complicated relationship between unemployment and crime than many criminologists have been prepared to countenance. Driven by the suspicion that unemployment might increase a person's motivation to offend but decrease the opportunities for offending, Cantor and Land (1985, pp. 317-32) set out to look for both a positive and a negative relationship between unemployment and crime. They expected unemployment to increase crime rates but these increases were expected to lag behind increases in unemployment because of the temporary social net provided by welfare payments. Decreases in offending rates, however, were expected to occur contemporaneously with increases in unemployment because the latter generally occur as part and parcel of a general slow-down in overall demand for consumer goods (whether legally or illegally obtained). Their results provided evidence consistent with the thesis that changes in unemployment rates at different times exert both increasing and decreasing effects on crime rates.

Undoubtedly the most satisfactory way of determining the effect of factors like unemployment on the criminal activity of individuals is through the use of longitudinal studies. Instead of correlating statistical trends between unemployment rates and crime rates these studies examine the response of particular individuals to unemployment. Box (1987, p. 93) draws attention to one longitudinal study conducted by Thornberry and Christenson 1984, who examined a 10 per cent sample of the 10,000 members of the Philadelphia cohort study of boys born in 1945. Crime rates were measured using arrest rates but the authors defended this tactic on the grounds that they found a high correspondence between arrest rate and self-reported criminal activity. They claimed their results revealed that unemployment had an instantaneous effect on criminal involvement but that the effect was

much more pronounced among socially disadvantaged groups.

Somewhat similar results were obtained from a longitudinal study by Farrington et al. (1986, pp. 335-56). They examined officially recorded crime rates among a sample of 411 males between their fourteenth birthday and an interview at a median age of 18 years and 7 months. Crime rates were found to be higher during periods of unemployment than during periods of employment. This was particularly true for 'offences involving material gain, at the younger ages (15-16), for the most delinquent prone youths and for youths with lower status jobs.' Farrington et al. argue that unemployment does not cause essentially law-abiding male youths to begin offending but it does accelerate the offending rates of youths with some pre-existing tendency to delinquent behaviour. They also make the interesting point that the strength of the relationship between unemployment and crime may depend on other supervening factors, such as rates of divorce and the number of single parent families (*see* Naffine & Gale 1989; Alder 1989).

Once again, though, these encouragingly clear results are matched by others which suggest a more uncertain interaction between unemployment and crime. A problem with some reviews of research on the link between unemployment and crime is their insensitivity to the variations between studies in the criminal behaviour chosen for examination or to variations in the time period during which a study being reviewed was undertaken. Apart from making an implied distinction between 'crimes of the powerful' and 'crimes of the powerless'. Box, for example, seems to have approached the issue assuming that there is no theoretical reason to expect economic factors to exert different effects on different forms of crime. What makes the review carried out by Chiricos (1987) especially interesting, therefore, is the fact that he separates studies on the basis of the type of crime examined (property

versus violent crime) and the time period during which the study was conducted (pre versus post- 1970s).

Like Box, Chiricos concludes that unemployment rates are positively linked to crime rates. Indeed, he intimates that there is now enough evidence to remove the 'consensus of doubt' said to have been generated by earlier reviews. This may be true but his review does highlight the large number of studies in which no significant relationship between unemployment and crime has been found. Only 40 per cent of the tests involving property crime and 22 per cent of the tests involving violent crime examined by Chiricos turned up a significant result. Even for property offences, the variation between offences in the number of significant tests was quite marked, ranging from 52 per cent for burglary down to 21 per cent for auto theft. To make matters more complicated Chiricos also found that tests conducted on crime data collected after 1970 were much more likely to show a positive relationship between unemployment and crime than those conducted before 1970.

Income and Crime

The link between unemployment and crime has been the focus because it has received the lion's share of research attention. Yet unemployment is obviously only one dimension of economic adversity. Another component is income. There have been few time series studies of the relationship between income and crime but the cross-sectional relationship between them has been examined both in terms of absolute income and income disparity. Belknap (1989) in her review draws attention to a number of studies providing evidence of a relationship between the median income level of an area and its crime rates. Several studies reviewed by Belknap, however, failed to find any relationship or only found a weak relationship between absolute income levels and crime.

If the evidence linking absolute poverty and crime is less than overwhelming, it seems much clearer in relation to studies of income inequality and crime. Of the sixteen studies reviewed by Box (1987, pp. 86-90), for example, eleven reported that higher levels of income inequality were associated with higher crime rates while five did not. All five studies which failed to find a relationship were concerned with just one offence, namely, homicide. The studies which supported a positive relationship covered a variety of offences including burglary, larceny and robbery, aggravated assault and rape. Box concludes that the cross-sectional evidence favouring a relationship between income inequality and crime is much stronger than that concerning the relationship between unemployment and crime. Belknap and before her, Braithwaite (1978), arrived at much the same conclusion.

Participation in Crime and Frequency of Offending

What are we to make of this ambiguous pattern of findings? We could settle for the general conclusion that, while the studies examining unemployment and crime are sometimes equivocal, the evidence overall supports the view that the higher the level of inequality or unemployment the higher the crime rate. This is an unsatisfactory conclusion for two reasons. Firstly, the fact that the majority of studies find evidence supportive of a link between disadvantage and crime, gives us no warrant for simply ignoring or dismissing those studies which failed to find such evidence. At the very least we should attempt to explain why they failed. Secondly, the bald conclusion that increased unemployment or economic inequality usually leads to increased crime rates, even if true, offers a pretty meagre basis on which to fashion crime prevention policy. If such policy is to amount to more than just a forlorn injunction to governments to do

whatever they can to reduce economic disadvantage then we need to know a good deal more about how, when, where and why economic adversity increases crime.

There are several fairly obvious but unexciting reasons for the failure of some studies to obtain evidence supportive of a relationship between economic factors and crime. These have been mentioned in the reviews just discussed and include poor study design, inappropriate methodology and crude measures of the incidence of offending. Another reason which has been suggested for the failure is the possibility that economic adversity may produce antagonistic effects on the range of opportunities for and the motivation to commit property crime (*see*, for example, Long & Witte 1981). Yet a third reason is the possibility that unemployment exerts different effects on juvenile as compared with adult crime (*see* Glaser & Rice 1959). Yet a fourth is that socioeconomic inequality is the principal factor which underpins high crime rates (Braithwaite 1978). Factors like unemployment are significant only via their effect on inequality. If the effects of unemployment are ameliorated by welfare policies or economic adversity lowers living standards for all, then unemployment should not be expected to increase crime rates.

Whatever credence is placed in these explanations they all suffer a common weakness. The question of whether adverse economic conditions affect crime rates really has to be looked at from two quite distinct dimensions. The first concerns the possible tendency of such conditions to precipitate involvement in criminal activity. The second concerns the possible influence of such conditions on the frequency with which individuals offend (*compare* Blumstein et al. 1986). Both dimensions are potentially very important. For some offences, such as homicide, the determinants of participation in crime are important simply because the frequency of offending (by an individual) is very

low. For other offences the determinants of offending behaviour are important because a small number of individuals account for the vast majority of recorded offences. In the Cambridge study of delinquent development, for example, Farrington found that 6 per cent of the boys he studied accounted for about 50 per cent of the criminal convictions (*see* Farrington 1986). Small changes in the number of these 'persistent offenders' would exert large effects on the recorded crime rate.

There is a surprisingly strong tendency among theoretical criminologists implicitly to assume that variations in crime rates, whether over time or place, largely reflect variations in the number of offenders (*compare* Wilson & Herrnstein 1985, for example, and Carr-Hill & Stern 1979). That is, they ignore the importance of factors which may not affect an individual's tendency to become involved in crime but which could exert dramatic effects on those already involved in offending. The importance of these factors is easily illustrated. Previous research, for example, has shown that rates of property crime among very heavy heroin users are almost double those of people involved in property crime but not regularly using heroin (*see* Dobinson & Poletti 1989, p. 51). Factors which affect the population of heroin users could therefore have substantial effects on crime rates even if they had no effect on the population of property offenders. These are obviously not the only kinds of factor which affect individual offending rates. The advent of profitable new criminal opportunities, such as credit card fraud, or new criminal incentives in the form of much sought after technological innovations could exert the same effect.

The distinction between the number of offenders and their frequencies of offending becomes even more important when allowance is made for the possibility that the conditions which influence the involvement of individuals in patterns of illegal behaviour may be quite

different from those which affect the frequency of that behaviour (*see*, for example, Smith et al. 1991). A school drop-out may turn to burglary under the influence of delinquent friends.

Economic factors may play only the most indirect role in this initial drift into crime. His subsequent frequency of offending, however, may be strongly influenced by the demand for portable consumer goods. If this were generally true then frequency of offending but not the number of offenders, could be said to be strongly under the influence of economic conditions. Of course the actual position may be completely the reverse of this. It may be that economic conditions play a key role in shaping the rate at which individuals drift into criminal activity but exert very little influence on the level or frequency of that activity once it begins. Alternatively the two effects might both exist, sometimes working in concert and sometimes working against each other.

Surprisingly, most studies on the relationship between crime and economic factors completely confound the two effects. In many studies, particularly time series studies, there is no way of telling whether a change in reported crime rates reflects a difference in the migration of individuals into crime or a difference in individual frequencies of offending or both. This is an area where victimisation surveys are of little assistance. They are as vulnerable to this problem as statistics on crime reported to police. Studies which set out to identify the influence of economic conditions on crime are therefore often at the mercy of circumstance. For a particular offence, and over a particular time period, the influence of economic conditions on crime rates may be zero, positive or negative, according to how the balance of their effects on the number of offenders and their rates of offending pans out. Only for offences (such as homicide) where the repetition rates are very low, is the establishment of a relationship between economic conditions and crime relatively unambiguous. For the

rest, the influence of economic conditions on offenders and the frequency of offending is likely to be very difficult to unravel.

Economic Factors, Participation in Crime and Frequency of Offending

Is it possible in the light of all this to identify the separate effects of economic factors on participation in and frequency of offending? As far as the effects of economic factors on participation are concerned, the existing evidence, ambiguous though it may be, provides fairly strong support for the proposition that delinquent children are much more likely to appear in areas which are economically disadvantaged. One reason for thinking this is the fact that longitudinal studies, which are able to disentangle the separate influences of economic conditions, consistently find that delinquent children are more likely to be found in families which are economically disadvantaged. Another reason is that studies concentrating not on crime rates but on the distribution of convicted offenders, consistently find a higher proportion of offenders in socially disadvantaged areas. A third reason is that cross-sectional studies, which are arguably more sensitive to the distribution of offenders than variations in individual frequencies of offending, tend to exhibit considerable uniformity in the spatial distribution of different offence types (this may help explain why cross-section studies have been alleged to provide a more consistent body of support for the view that there is a link between economic deprivation and crime).

The influence of economic conditions on individual offending rates is undoubtedly much more variable and complex than their effects on participation in offending. Farrington, for example, has shown that unemployment can immediately accelerate property crime rates but generally only among those already involved in such crime (Farrington et

al. 1986). Research conducted by Strauss (1990) strongly suggests that rates of family violence may be increased by economic stress but only within families where the male already has a tendency toward violent behaviour. At any given time, however, the accelerating effects of economic adversity on crime may be offset by a host of countervailing effects. Economic downturn may slow the rate at which strangers come into contact with each other in conditions conducive to violent behaviour. It may also reduce the demand for consumer goods, whether legally or illegally obtained. By reducing work-force participation rates it may reduce the number of unoccupied houses vulnerable to burglars. By reducing incomes it may reduce levels of vehicle use and alcohol consumption thereby lowering the rate of driving offences.

While the effects of economic factors on individual frequencies of offending may be more variable they ought not to be regarded as relatively less important. Those who are already disposed, for whatever reason, to committing offences, probably account for much of the short to medium term variation in offending rates and this is the variation which is of greatest concern to the general public and therefore to government. Finding out what factors affect the rate at which individuals offend is therefore of crucial importance in the development of crime prevention plans for the short to medium-term. This is obviously true of acquisitive offenders, such as break, enter and steal offenders but it is no less true of people, say, whose criminal behaviour is domestic assault. From the vantage point of traditional criminological theory there may be no distinction worth making between someone who occasionally assaults their spouse and someone who does so every Saturday night. From the vantage point of crime prevention policy, however, any insight into the cause of this difference offers a potential avenue for reducing the risk of domestic violence.

The Implications of the Current Recession for Crime Rates

Where do we stand in the light of all this and the fact that we are in the grip of a recession?

Over the three-year period (1989-91) leading into the current recession, NSW experienced a significant increase in a number of offence groups apart from robbery and arson. The categories which have shown an increase include assault (up 13 per cent), shop stealing (up 20 per cent) and malicious damage to property (up 22 per cent). It is tempting, perhaps comforting, to blame these increases on the recession. If we are to do this, though, it seems unreasonable not to credit the recession with engineering a drop in rates of offences such as break, enter and steal and car theft. It may be that, as time passes, rates of these offences will also begin to pick up. The present state of our knowledge about the short-term effect of economic factors on crime trends does not allow us to draw any certain conclusions about this. What is clear is the complexity of the relationship between economic adversity and crime, at least as far as short-term trends are concerned.

If the short-term effects of economic adversity on crime remain obscure to us, the existing research evidence allows us to assume that any significant increase in relative economic deprivation will, over the longer term, bring about increases in the supply of offenders in the community. Unless offset by developments which suppress individual offending rates (for example a significant increase in the risk of arrest), this will obviously exacerbate crime rates. It is important to note, though, that increases in relative as against absolute levels of economic adversity may occur just as easily in times of economic growth as during periods of economic contraction. The British experience of rising crime rates in the context of marked but very uneven economic

growth may well be tragic testimony to this (*see* Home Office 1990). It is a matter of concern to read newspaper reports quoting the Federal Minister for Employment and Training, Mr Beazley as suggesting that in the aftermath of the recession we will be faced with a pool of chronically unemployed people (*see Sydney Morning Herald*, 26 March 1992; *compare also Sydney Morning Herald*, 8 April 1992). It ought to be no less a matter of concern, though, if the recession gives way to rapid economic growth.

What can be done to offset the long-term effects of any increase in relative economic deprivation? It might be thought that the answer to this question depends upon one's theory about why increases in economic inequality expand the population of offenders. Such theories include the suggestion that delinquent subcultures tend to emerge out of any significant disjunction between learned aspirations and the supply of legitimate opportunities for achieving them (Cloward & Ohlin 1960), that relative deprivation tends to retard and/or disrupt the development of communal bonds (Braithwaite 1989) and that poverty tends to weaken parental supervision and control (Loeber & Stouthamer-Loeber 1986). If any of these theories are correct there would appear to be no easy way to prevent significantly increased inequality bringing about a rise in the population of offenders. Social welfare policy, even if expertly designed and comprehensively delivered, could hardly be expected to undo the alienating effects of chronic employment or prevent a breakdown in communal bonds or significantly enhance levels of parental supervision and control. This being so, there would appear to be no reason to expect the criminogenic effects of sustained economic deprivation to be any quicker to dissipate than they were to arrive. (To say this is not to assert that economic conditions always produce long delayed effects on offender participation. No doubt many of those who burnt their

businesses as interest rates rose in 1990 were doing it for the first time. Extremes of economic distress are occasionally found as precipitating factors in family homicides.)

In the final analysis the effect of passing economic crises, even severe ones such as the current recession, would seem less important to the future course of crime trends, than the overall pattern of economic development. Uncontrolled and rapid urban development, chronically high levels of unemployment in certain sectors of the economy and the existence of a marginalised under-class of individuals and families living in poverty are all conditions which can just as easily be found in booming as in contracting economies. We should be wary, then, about blaming particular governments for the effect their economic policies are reputed to have had on crime. What probably matters more than any one particular government's handling of the economy is the pattern of economic and social development over successive governments; whether in the effort to promote economic growth or constrain it, we need to avoid stretching communal bonds and/or family ties beyond their elastic limit. Nothing could be more inimical to law and order than an economy which generates rapidly rising living standards for some and an abundance of criminal opportunities for the remainder.

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