

# Crime, Poverty and Imprisonment

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The Secretary of State for Justice, Ken Clarke, has claimed that recent falls in crime have occurred at a time of increased prosperity. He concluded that therefore the way to reduce offending rates further was to improve prosperity levels generally, and added that there was no link between imprisonment and crime. However, such arguments are not only contradicted by recent empirical research, but by decades of experience from the UK and other countries.

The claims that he (and others) have made that the crime rate has fallen are contentious. Police recorded crime figures can be manipulated and the British Crime Survey (BCS) figures leave out of their reckoning millions of offences. As far back as 2002/03 it was shown that when these were added in, it took the then BCS survey total from 12.6 million crimes to 47 million crimes.<sup>1</sup> In 2000 the Home Office produced a little known report in which they calculated there were at least *60 million* crimes a year committed in the UK.<sup>2</sup> A short time after this Tony Blair commissioned John Birt to produce a report on offending in England and Wales. His investigation found that there were a staggering *130 million* indictable crimes *alone* committed every year.<sup>3</sup> These results remained locked away for years, and were finally prised out of the Cabinet Office by repeated requests made under the Freedom of Information Act. To say the least, these investigations cast more than a shadow of doubt over the assertion that the crime rate has fallen.

The logical implication of Ken Clarke's claim that crime can be reduced by increased prosperity is that higher crime rates are associated with poorer social and economic conditions. Yet during the first part of the 20<sup>th</sup> century millions of working class people in Britain lived in abject poverty, but crime levels were a fraction of what they are today.

It is worth recalling that R. A. Butler, who was Home Secretary from 1957 to 1962, noted that the marked increase in crime during this period coincided with the 'most massive social and education reforms for a century'. These years were a phase of distinct economic and social progress. They were years of full employment, higher wages and rising consumption. During this time well over a million new houses were built and there was a massive movement of the British working classes, away from their drab slums into new council houses. In 1961, as Butler pondered these developments and the escalating crime rate which had paralleled them, he said, 'today the link between poverty and crime has been severed'.<sup>4</sup>

In 1995 a report by the Rowntree Foundation noted that between 1961 and 1979, poverty had lessened, but this was also a period of rapidly rising crime.<sup>5</sup> In 1994 a Home Office research study found no relationship between unemployment and crime.<sup>6</sup>

Data from other countries provides a similar picture. For example, New Zealand was far less well off in the 1950's than it is now, yet crime rates then were significantly lower than they are today. Likewise research by Stephen Levitt found that data from the Great Depression

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<sup>1</sup> Green, D.G., *Do Official Crime Figures tell the Full Story?* Civitas, 2003.

<sup>2</sup> Home Office Research Study, 217, 2000.

<sup>3</sup> *A New Vision for the Criminal Justice System, Reducing Crime: A review* By John Birt, 20 December 2000.

<sup>4</sup> Fyvel, T. R., *The Insecure Offenders*, Middlesex, Penguin Books, 1963.

<sup>5</sup> The Great Myth of Poverty and Crime, *Daily Mail*, 2 January 1997.

<sup>6</sup> Home Office Statistical Findings, Issue 1/94, *A Study of the Relationship Between Unemployment and Crime*, 1994.

which produced unemployment rates near to 28% in America, failed to confirm the expected connection between poverty and crime.<sup>7</sup>

It is impossible to be poorer than the Haitians living in Citie Soleil, yet in 2009 they rejected the criminals at the point of their machetes, who tried, *en mass*, to re-establish their old fiefdoms, after their break-out from prison following the earth quake. This once again undermines the idea that crime is some kind of primitive revolt against poverty.

Clarke asserts there is no link between crime and rate of imprisonment. Yet in the 1970's the Netherlands introduced liberal sentencing policies and reduced their imprisonment rates, and the head of their Justice Ministry was in no doubt that this was linked to their spiralling crime rate. In the late 1980's he was compelled to announce that his country had changed from being a safe place to live to being the '*Wild West of Europe*'.<sup>8</sup> Thirty years later, following the widespread violence and looting in August 2011, it has become all too clear, even to many criminal apologists, that the same fate has befallen Britain.

Likewise, since the early 1990's the USA has increased its imprisonment rates and the length of many prison sentences. This has been accompanied by dramatic falls in crime. California, for example, has all but halved its crime rate since introducing a tough '*3 strikes and you are out*' sentencing policy for repeat and dangerous offenders, in 1994.<sup>9</sup> In the fifteen years before this California had built nineteen prisons, but since then has only had to build one. In the UK, between 1993 and 1998 the prison population rose by 43% and was accompanied by a fall of 15% in the crime rate or a million fewer crimes.

If we took the Justice Secretary's announcement at face value we would expect to find there was no relationship between crime and imprisonment, and further, that the more prosperous nations had *less* crime, while the poorer countries would have *higher* crime rates. However, a recent analysis which I carried out based on data from the 27 countries of the European Union, found very limited support for these claims.

The first part of the analysis tests out the claim that the way to reduce crime is to increase prosperity, and that therefore higher crime rates are associated with poorer socio-economic conditions. Three different measures were used to investigate this.

The first is gross domestic product per head of the population (GDP per head). This gives a general measure of the relative wealth of each of the nations. The second was the measurement of inequality of wealth distribution within each country, expressed by the 'Gini' coefficient (after the Italian statistician Corado Gini who worked out these values for each country). It is defined as a ratio with values between 0 and 1. Thus a low Gini coefficient indicates more equal income or wealth distribution, while a high Gini coefficient indicates more unequal distribution.

The third measure is the Human Development Index (HDI). This provides a comparative measure of life expectancy, literacy, education and standards of living for countries worldwide. More particularly it is a standard means of measuring well-being, especially child

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<sup>7</sup> Levitt. S. D., 'Understanding Why Crime Fell in the 1990's. Four Factors That Explain the Decline and Six Factors That Do Not', *The Journal of Economic Perspectives* 18 (1): 163-190, 2004.

<sup>8</sup> *The Netherlands has one of the highest crime rates in Europe*, a translation of the article taken from the *Telegraaf*, 26 May, 1989.

<sup>9</sup> US Bureau of Justice Statistics. See also: *Tough for Whom?* By Jennifer E. Walsh, California State University, a Monograph published by The Henry Salvatori Centre, New Series, No. 4, August 2004.

welfare. Its status as a reliable measure is such that it is included in the United Nations Development Program's Human Development Update, compiled in 2006.

These correlations, summarised in the following tables, show that poverty and conditions associated with poor socio-economic communities (as measured by the three chosen variables) were *not* linked to higher crime rates, as predicted by the Justice Secretary's claims. Perhaps to the surprise of many, they may even suggest the opposite. The poorer of these nations, and those with higher degrees of inequality of wealth, and those who are less well developed in terms of important services, have *less* crime than the wealthier nations.

**Table 1: Measurements of GDP per capita, Gini coefficients and HDI values with crime and imprisonment rates**

year	No. of countries	variables	correlation	note
2006	27	GDP + Crime	+ 0.55	Poorer nations have lower crime rates
2006	27	Gini coefficient and crime	-0.40	Countries with more inequality have less crime
2006	27	HDI and crime	+0.67	Lowest developed countries have lower crime

Against the expectation of many, perhaps, the correlation of the GDP (per head) and crime rates was positive, showing that as GDP per capita falls so crime rates fall, suggesting that the poorer of these nations have less crime than the wealthier nations. Likewise, contrary to what many might have expected, the Gini scores showed a *negative* correlation with crime, indicating that those countries with *more* inequality had *less* crime than those whose wealth was more equally distributed.

The HDI score is particularly interesting. Of all of the three measures used this could be said to be the most sensitive to items long believed by many to be associated with higher crime rates (various poverty factors). It should be noted that the higher the HDI score (measured on a scale of 0 to 1) the more developed the country. For example, Iceland is in the U.N.'s list of countries with a high level of development and has an HDI score of 0.968. Sierra Leone is listed in the low scoring countries on this measure and is given an HDI value of 0.329.

This current analysis found that the correlation between the HDI values for 27 countries and their crime rates was strong, showed a high level of significance, and was *positive*. In other words, contrary to the Clarke's argument, the wealthier more developed nations had *higher* crime rates than those who were less developed, and therefore, the poorer less developed nations had *lower* crime rates.

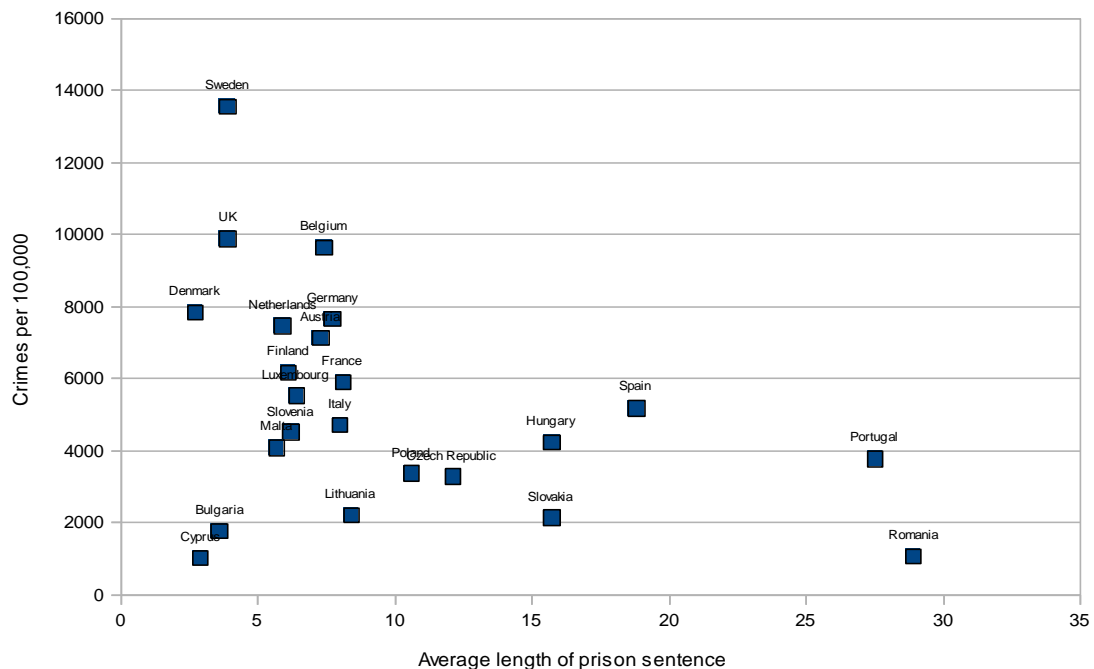
In the next part of our analysis, we test the argument that more severe prison sentences make crime worse. Prison populations tend, in the research literature, to be compared against the size of the general population i.e. the number of prisoners per 100,000 of the population. The latter formulation is used, for example, by the International Centre for Prison Studies at King's College London, recognised as the one of the leading authorities on prison population data. However, when imprisonment rates are calculated in this way, they mostly reflect the numbers of criminals in the country concerned, and not the severity of sentencing for each crime.

As an alternative, we compare the average sentence length in 23 European countries with their associated recorded crime rates, using figures from the Council of Europe (data for Latvia, Estonia, Greece and Ireland were unavailable).

**Table 2: Measurements of crime rates with average length of prison sentence**

year	No. of countries	variables	correlation	note
2006	23	Av. Length of prison sentence and crime	-0.41	Countries with longer prison sentences have less crime

**Figure 1: Average length of prison sentence vs Crime Rate (2006)**



Once again, far from being associated with high recorded crime rates, harsher sentencing is associated with lower crime rates. As a result, the popular prison reform argument that prison makes crime worse is challenged by findings showing that the countries with higher average length of prison sentences have lower crime rates.

Another useful comparison is with Singapore, which although a *wealthy* nation, also has one of the lowest crime rates on record, at 661 per 100,000 of the population<sup>10</sup> (compared for example with that of the UK at over 10,000 crimes per 100,000 of the population). But Singapore *also* has one of the highest imprisonment rates in the world, at 35,882 prisoners per 100,000 recorded crimes (*note 1*) (compare with the UK with just less than 1,500 prisoners per 100,000 recorded crimes). Thus, these findings strongly suggest that what is important for keeping crime rates down is keeping imprisonment rates up, a conclusion supported by the fall in the crime rates in the USA mentioned earlier.

Such findings as these are not usual in the crime and sentencing literature, but they are not isolated. A prominent European statistician, van Dijk, reporting on crime comparisons between countries in 2004, which found the wealthier states had higher rates of victimisations by criminals, than the less well-off countries, said "*this result refutes conventional wisdom about poverty as dominant root cause of crime*".<sup>11</sup>

It is even the case that research from America has found an increase in imprisonment rates are associated with a marked *improvement* in conditions for members of poorer minority communities, because they were being victimised less. This has been identified as one of the main factors leading to an increase in life expectancy among black males, and fewer crimes of all kinds, particularly rape and violence, has led generally to an improved life-style for all but particularly those from the poorer sections of American society.<sup>12</sup>

The weight of these findings suggests that the government has been making claims that are without strong foundation in an attempt to prepare the public for a fresh out-break of lenient, anti-prison policies. Its belief that this will save money is wrong. The argument that prisons are more expensive than non-custodial disposals is highly misleading, as such assertions ignore the high costs of crime committed by offenders left in the community, which even several years ago, was calculated to be £60 billion per year.<sup>13</sup> The prison system, by contrast, costs approximately £2.1 billion per year to run, making prisons a bargain we cannot afford to miss.<sup>14</sup>

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<sup>10</sup> Singapore Crime Statistics, found on <http://www.singstat.gov.sg/stats/keyind.html>

<sup>11</sup> Van Dijk, J.J.M., Manchin, R., van Kesteren, J. N., Hideg, G. 'The Burden of Crime in the EU, a Comparative Analysis of the European Survey of Crime and Safety', EU ICS, 2005. Brussels, Gallup Europe, 2007.

<sup>12</sup> Harper, S. et al., 'Trends in the Life Expectancy Gap Between Blacks and Whites in the United States, 1983-2003': Temple Law School, 2007.

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<sup>13</sup> Home Office Research Paper 217, The Economic and Social Costs of Crime, 2000.

<sup>14</sup> Annual Report of HM Prison Service, 2007/08.

*Note 1:* Calculated using Singapore Prison Population of 11,768, and total recorded crime figure for Singapore of 32,796 (2007). Crime data found on 'Yearbook of Statistics', Statistics Singapore, 2009; Prison Population data found on World Prison Population Lists, King's College London.

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