

Economic Inequality and Crime: A Socio-criminological Perspective

Giri Raj Aryal

School of Development and Social Engineering, Pokhara University

E-mail: girisharyal123@gmail.com

Abstract

This review paper explores the relationship between criminal activity and economic inequality, emphasizing how differences in income can influence people to commit crimes. The main concern is the historical and contemporary effects of economic inequality on social structures; wherein unequal resource distribution aggravates instability and criminal activity. Using a qualitative methodology, the study collects secondary data from criminological and sociological literature, impacted by theoretical viewpoints such as social strain theory, Becker's economic theory of crime, conflict theory, and relative deprivation theory. The findings are supported by evidence from a variety of international contexts, which shows a strong correlation between crime rates and economic disparity. Disadvantaged groups are particularly likely to engage in criminal activity because they face limited opportunities for genuine economic advancement. Systemic inequities, unemployment, and relative impoverishment are major contributory factors. Urbanization and young demography amplify these effects, albeit the effects varied depending on society. To reduce crime, the key takeaway highlights the significance of addressing economic inequality and suggests measures that promote equitable access to resources, education, and employment opportunities. By offering crucial insight into the socioeconomic elements that influence criminal conduct, these programs are key for fostering social cohesion, justice, and safer communities.

Keywords: Crime rates, economic inequality, relative deprivation, social disorganization, strain theory

Introduction

Economic inequality has become a significant global concern, deeply affecting various aspects of life, including crime rates. The uneven allocation of wealth and resources among individuals or groups within society weakens social unity, stability, and personal well-being, often resulting in a rise in criminal behavior. As countries confront growing economic disparities, the prevalence of social and economic crimes increases, underscoring the complex connection between socio-economic inequality and criminal activity. Crime is often viewed through the prism of socio-economic variables, with individuals from lower socio-economic strata encountering substantial obstacles in

accessing legitimate pathways to success.

This unavailability of economic resources frequently compels individuals to resort to illegal actions as an alternative means of reaching their objectives. This examination intends to investigate how economic inequality and disparity drive crime rates and the ways societies develop punitive measures in response (Merton, 1938).

Throughout history, economic inequality has taken various forms, ranging from feudal systems in which land ownership dictated power relations to contemporary capitalist societies marked by considerable wealth disparities. The Industrial Revolution represented a significant shift, leading to unparalleled urban growth and changes in labor dynamics. In numerous

developing nations today, swift industrialization is further amplifying inequalities, disrupting longstanding social structures, and escalating competition for resources. These disturbances often trigger increased tensions between socio-economic groups, which further heighten social instability and crime (Tsushima, 1996). In the present global economy, the distribution of wealth has become increasingly imbalanced. Findings from groups like Oxfam and the World Bank indicate that a small fraction of the global population possesses a disproportionately large share of resources, while millions endure extreme poverty (Oxfam & the World Bank, 2024). This glaring inequality cultivates a setting prone to social upheaval and crime, especially within marginalized communities. Restricted access to quality education, healthcare, housing, and job opportunities perpetuates cycles of poverty, driving individuals towards criminal endeavors as a means of survival or improvement (Baker, 1998).

The primary question this review intends to investigate is: What is the connection between economic disparity and criminal activity, and in what ways do socio-economic factors impact criminal conduct? By analyzing this issue from multiple sociological and criminological viewpoints, the study aims to pinpoint the significant elements that lead to criminal behavior in economically disadvantaged populations and evaluate the societal responses to these issues. The research also probes into the causal links between economic inequality and crime, investigates the socio-economic aspects that influence criminal actions, and considers pertinent theoretical frameworks such as Merton's Strain Theory and Conflict Theory. Ultimately, this study aspires to offer policy suggestions designed to lessen both inequality and crime rates, highlighting the necessity of fair resource allocation in

creating safer and more equitable societies.

By tackling these subjects, this review paper seeks to deliver a thorough understanding of crime as a socio-economic issue, accentuating the pressing need for initiatives that foster justice, opportunity, and social unity. Through this investigation, the study aims to enrich the wider conversation on economic inequality and its effects on crime, providing practical recommendations for policymakers and stakeholders dedicated to cultivating fair and safe communities.

Literature Review

The connection between economic inequality and crime has been thoroughly examined in criminology, with many studies emphasizing the crucial impact that socioeconomic differences have on criminal behavior. Beccaria (1763) was one of the first to explain the psychological and social strains faced by the disadvantaged, suggesting that laws, which are often shaped by the affluent and influential, maintain systemic injustices that drive marginalized individuals towards criminal acts. This idea is reflected in Merton's (1938) strain theory, which argues that people in lower socioeconomic levels encounter significant obstacles in reaching societal standards of success through legal avenues. When these individuals are unable to achieve financial or social advancement legitimately, they may feel frustration, anger, and a sense of unfairness, leading them to turn to illegal methods to fulfill their aspirations. This theory illustrates the psychological and structural disparities that emerge from economic inequality, which can result in increased crime rates among disadvantaged groups.

Review consistently reveals a strong link between income inequality and crime. Hsieh and Pugh (1993), in their

that 97% of the regression analyses found a significant positive correlation between income inequality and crime rates. In a similar vein, studies by Chiu & Madden (1998), Kelly (2000), and Fajnzylber et al. (2002a, 2002b) have demonstrated that income inequality correlates with rises in both property and violent crimes. Ted Enamorado et al. (2016) further highlighted this association in the context of the Mexican drug conflict, where a 1% increase in the Gini coefficient was associated with a 36% increase in drug-related fatalities. Nevertheless, not all studies agree with these conclusions. For example, Doyle et al. (1999) and Brush (2007) reported mixed outcomes, with some analyses indicating no substantial link between income inequality and crime rates, reflecting the intricate nature of this topic.

Wealth inequality significantly influences criminal behavior. When societies neglect to tackle the increasing divide between the affluent and the impoverished, the wealth of the rich can incite feelings of resentment and jealousy among the poor, potentially prompting criminal actions to rectify perceived injustices (Smith et al., 1977). Marx and Engels (1975) posited that the glaring differences in living conditions between the wealthy and the underprivileged intensify the feelings of deprivation and dissatisfaction, which can further encourage criminal behavior. Chabot and Ouimet (2018b) echoed this perspective, concluding that economic inequality is a leading factor in the rise of homicide rates around the globe. These studies indicate that wealth disparity not only perpetuates social tension but also fosters an environment that is prone to criminal activity.

The ideas of relative deprivation and relative poverty offer further understanding of the connection between poverty and crime. Blau & Blau (1982) asserted that

relative deprivation, which is marked by feelings of discontent and hopelessness among the poor, emerges from their inability to attain the same living standards as the wealthy through lawful means. This perception of injustice can lead individuals to seek illegal avenues for wealth acquisition. In a similar vein, Parsons and Galbraith (1959) highlighted that relative poverty, which arises from social comparisons, may result in criminal behavior as individuals attempt to fulfill their fundamental survival needs. Research by Kelly (2000) and Fajnzylber et al. (2002a) has demonstrated that those in lower socioeconomic positions, especially in regions with significant income inequality, are more prone to engage in criminal acts. Nevertheless, some research, including studies by Vold et al. (2002) and Messner (1982), found no substantial link between poverty and certain types of crime, suggesting that this relationship is not always consistent.

Unemployment is a significant factor that affects crime rates. Research by Braithwaite (1979) and Gould et al. (2002) has shown that unemployment, especially among low-skilled young males, correlates with increased criminal behavior. Further backing this, Fougère et al. (2009) and Grönqvist (2011) found that rising youth unemployment leads to notable increases in property crimes and drug-related offenses. Raphael & Ebmer (2001) identified a statistically significant positive relationship between unemployment rates and property crime, though the association between unemployment and violent crime was found to be less robust. These findings indicate that economic instability and a lack of legal income opportunities create conditions that may encourage criminal activity.

The process of urbanization and rapid societal change also plays a role in the increase of crime rates. Durkheim (1893)

and Merton (1938) posited that swift societal transformations can result in anomie, which is the erosion of social norms and values, thereby facilitating deviant and criminal behaviors. As urbanization advances, the expenses related to criminal activities diminish while the potential gains rise, resulting in higher crime occurrences in urban areas compared to rural ones (Glaeser & Sacerdote, 1999; Entorf & Spengler, 2000a). However, other research, including studies by Masahiro Tsushima (1996) and Buhaug & Urdal (2013), has shown no substantial evidence linking urbanization directly to increased crime rates, indicating that this relationship may vary by context.

To summarize, the existing literature consistently emphasizes the strong relationship between economic inequality and criminal behavior. Theoretical frameworks like Relative Deprivation, Conflict Theory, Becker's Economic Crime Theory, and Social Strain Theory offer valuable perspectives on how economic disparities motivate criminal actions. To alleviate the socioeconomic factors contributing to crime, it is essential to address these inequalities through targeted social policies that improve access to necessary resources and opportunities. Reducing economic inequality not only enhances social stability but also plays a crucial role in lowering crime rates, paving the way for policy initiatives aimed at reducing poverty and fostering greater equality within communities.

Methods

This review employs a qualitative research approach focused on a thorough literature review to explore the relationship between economic inequality and crime. The methodology consists of a systematic examination of varied scholarly articles from criminology and sociology, emphasizing

theoretical frameworks and empirical studies that discuss economic disparities and their effect on criminal behavior in different societies. The criteria for including literature in the review prioritized articles that addressed economic inequality, crime rates, and their interrelations, ensuring an inclusive investigation of the subject. The review paper covers an extensive period, integrating data from literature published over several decades. This strategy guarantees a strong understanding of both past and present viewpoints regarding the connection between economic inequality and crime. Thematic analysis of secondary sources served as the primary method for evaluating outcomes, allowing for the identification of causal elements linking economic inequality to criminal behavior. Thematic techniques were employed to synthesize findings across various sociological perspectives, such as Strain Theory and Social Disorganization Theory, to emphasize the similarities and differences in how economic inequality affects crime in different contexts.

Data collection was conducted by methodically sourcing articles from academic journals and databases, ensuring a diverse selection of theories and outcomes. This procedure aimed to provide a wide-ranging and inclusive viewpoint on the socio-economic drivers behind criminal behavior. Nevertheless, the study recognizes certain constraints, such as its dependence on secondary data and the variability in research methodologies used across the examined studies. For example, different approaches to measuring income inequality and crime rates may result in inconsistent findings. Moreover, most of the reviewed literature emphasizes macro-level analyses, with limited consideration of micro-level factors like individual motivations or cultural influences that might shape criminal behavior. Additionally, the study does not

consider non-economic factors, such as political systems or social dynamics, which may also impact the relationship between inequality and crime.

Despite these constraints, the research aspires to enhance the understanding of the socio-economic factors that affect crime. By employing thematic analysis techniques, the study aims to reveal the mechanisms that drive the link between economic inequality and criminal behavior. The findings are intended to guide potential policy measures focused on alleviating inequality and its related consequences for society, offering valuable insights for tackling this important issue

Results

The results of this review indicate a significant and consistent link between economic inequality and criminal activity, showing that systemic differences in wealth distribution are key drivers of crime. Disadvantaged groups, who frequently encounter limited access to legitimate opportunities, are particularly at risk of socio-economic pressures, prompting them to resort to criminal behavior as a rational response to their situations. These findings are consistent with theoretical frameworks like Strain Theory (Merton, 1938) and Relative Deprivation Theory (Blau & Blau, 1982), which describe how feelings of frustration and perceptions of inequality can lead individuals to engage in deviant actions. Empirical data further corroborate these theories, illustrating a strong relationship between increasing income inequality and rising levels of both property and violent crimes, particularly among economically disadvantaged populations (Hsieh & Pugh, 1993).

Unemployment was identified as a key factor contributing to criminal activity, with higher instances of property crimes

and drug-related offenses reported among unemployed youth (Fougère et al., 2009; Grönqvist, 2011). Furthermore, urbanization was found to intensify crime rates in densely populated areas featuring significant economic disparities, although its effect differed based on contextual elements like migration trends and social policies (Glaeser & Sacerdote, 1999; Tsushima, 1996). Mixed evidence concerning the connection between urbanization and crime suggests that additional mediating factors, such as social policies and cultural influences, are important in shaping this relationship.

The findings highlight that crime should not solely be seen as an individual moral failing but as a socio-economic issue fundamentally tied to systemic inequalities. Addressing these disparities through targeted initiatives—such as enhancing educational access, ensuring equitable resource distribution, and creating job opportunities—is crucial for lowering crime rates and promoting social cohesion. These findings stress the immediate necessity for structural reforms to alleviate crime and cultivate more inclusive and equitable communities. By confronting the underlying causes of economic inequality, societies can foster safer environments and improve overall well-being. Theoretical frameworks such as Strain Theory (Merton, 1938) and Relative Deprivation Theory (Blau & Blau, 1982; Runciman, 1966) propose that individuals from economically marginalized backgrounds, unable to meet socially recognized goals through lawful means, frequently resort to criminal behavior as a substitute. Conflict Theory further highlights those structural inequities within capitalist systems intensify class disputes, driving underprivileged groups toward illegal activities (Marx, 1975; Mills, 1956). These theories offer a foundational insight into how economic inequalities fuel criminal actions. Empirical studies provide

substantial support for these theoretical frameworks. For example, Hsieh & Pugh (1993) discovered a positive relationship between income inequality and rising rates of both property and violent crimes. In a similar vein, Fajnzylber et al. (2002) pinpointed income disparity, unemployment, and poverty as significant contributors to crime rates, particularly for property and violent offenses. Grönqvist (2011) indicated that increasing unemployment rates among young workers in Sweden were linked to higher crime rates in certain regions, further affirming the association between economic instability and criminal activity. Raphael and Ebmer (2001) also revealed that unemployment significantly influenced property crime rates in the U.S., highlighting how economic difficulties compel individuals to commit crimes for financial survival.

The role of urbanization is crucial in influencing crime rates. High-density urban environments typically demonstrate elevated crime rates due to economic disparities and social disarray (Glaeser & Sacerdote, 1999). Nonetheless, research such as Tsushima (1996) suggests that urbanization does not necessarily lead to increased crime rates, pointing to the importance of other elements like unemployment and migration. These results underscore the intricate relationship between urbanization and crime.

Although a significant number of studies affirm the connection between economic inequality and criminality, some research yields inconsistent conclusions. For instance, Brush (2007) noted regional and cultural differences in the correlation between inequality and crime, highlighting the necessity for further investigation into these variations. Such contrasting findings indicate that the effect of economic inequality on criminal behavior is not universally applicable and may be shaped by additional contextual considerations.

Overall, the evidence emphasizes the substantial influence of socioeconomic elements on criminal actions. Tackling economic inequality through fair resource distribution, enhanced access to education, and job creation is vital for fostering social stability and reducing crime. These insights are invaluable for policymakers seeking to develop safer and more just societies.

Discussion

The review discusses the role of urbanization in crime, where cities, due to their dense populations and economic disparities, often have higher crime rates compared to rural areas (Glaeser & Sacerdote, 1999). However, the findings are not unanimous. While some researchers argue that urbanization lowers the costs of crime and increases potential gains, others (Tsushima, 1996) found no significant impact of urbanization on violent crimes. This inconsistency highlights the complexity of urban crime and suggests that factors such as unemployment, migration, and social disorganization may play more prominent roles in influencing crime in urban settings.

Thus, this review provides an extensive examination of various sociological theories that link economic inequality to crime, illustrating how structural factors like poverty, unemployment, and wealth disparities create environments conducive to criminal behavior. While theoretical perspectives such as Strain Theory, Relative Deprivation, and Conflict Theory provide strong frameworks for understanding the causes of crime, the empirical evidence remains mixed. Further research is needed to clarify the distinctions of these relationships and identify which factors are most influential in different social and economic contexts. Overall, the review supports the argument that crime is a socially constructed phenomenon, driven by systemic

inequalities, and that addressing economic disparities is crucial for reducing crime and promoting social stability.

While much of the review supports a link between income inequality and crime, some studies offer conflicting results. Enamorado et al. (2016) discovered that a 1% increase in the Gini coefficient was associated with a 36% rise in drug-related violence in Mexico, bolstering the idea that economic disparities lead to crime in specific settings. On the other hand, Doyle et al. (1999) and Brush (2007) questioned this finding, arguing that the relationship between economic inequality and crime can differ based on methodology and regional characteristics. Brush (2007) found that time-series analyses did not back the theory that inequality fuels crime, while cross-sectional studies did. These inconsistencies suggest that other factors—such as social policies, law enforcement practices, and cultural elements—may influence how economic inequality affects crime rates.

Unemployment also plays a critical role in the relationship between inequality and crime. Research consistently indicates that increasing unemployment rates, especially among young people, heighten the tendency toward criminal behavior. Braithwaite (1979) & Gould et al. (2002) noted that individuals without jobs are more likely to engage in property and drug-related offenses due to their lack of access to legal economic opportunities. Similarly, research by Fougère et al. (2009) and Grönqvist (2011) highlighted that youth unemployment is closely linked to a rise in criminal activities, particularly in property and drug-related offenses. However, the connection between unemployment and violent crime is less straightforward. Some studies propose that economic hardship might drive violent crime in certain situations, while others claim that property crime is more directly

associated with financial difficulties. These results suggest that various types of crime are influenced by economic conditions in different ways, highlighting the need for more tailored policy responses.

Urbanization's impact on crime is another important topic of analysis. Glaeser & Sacerdote (1999) and Entorf and Spengler (2000) contend that cities, due to their lower population density and economic inequalities, generally report higher crime rates compared to rural regions. The aggregation of wealth and resources in urban areas generates more opportunities for criminal activity, alongside increased social tensions between rich and poor neighborhoods. Nonetheless, the link between urbanization and crime is not universally acknowledged. Tsushima (1996) investigated crime patterns in Japan and found no significant relationship between urbanization and homicide rates, suggesting that alternative factors—such as unemployment, migration trends, and social disorganization—could be more influential in determining crime rates in various locations. These insights emphasize the complexity of urban crime and imply that a singular explanation may not suffice to comprehend how urbanization affects criminal behavior.

This review thoroughly investigates various sociological theories and empirical studies that connect economic inequality with criminal behavior. The findings indicate that structural elements such as poverty, unemployment, and disparities in wealth produce conditions that foster criminal acts. Although Strain Theory, Relative Deprivation Theory, and Conflict Theory provide sound theoretical approaches for understanding crime, the empirical findings are inconsistent. Some research shows direct links between income inequality and criminal activity, while other studies

indicate that this relationship may depend on regional contexts, methodological approaches, and associated policies. More research is necessary to clarify how different socio-economic and political settings impact the relationship between inequality and crime, and to identify which factors significantly influence criminal behavior.

In summary, this study supports the notion that crime is a product of societal construction rather than merely resulting from individual decisions. Tackling economic inequalities through policy measures aimed at wealth redistribution, job creation, and enhancing access to quality education is essential for lowering crime rates and fostering social stability. Future investigations should focus on individual-level factors, including personal motivations and psychological influences, in addition to broader factors such as governmental policies, law enforcement efficiency, and regional economic growth, to develop a more holistic understanding of the socio-economic drivers of crime.

Conclusion

This review examines the complex link between economic disparity and criminal activity, analyzing how differences in wealth and resources influence unlawful behavior. The results indicate a notable connection between socio-economic adversities and rising crime rates, highlighting the impact of structural inequalities in promoting criminal acts. Theoretical frameworks like Relative Deprivation Theory, Conflict Theory, and Social Strain Theory reveal that limited access to legitimate opportunities often drives marginalized individuals to engage in crime. By tackling economic inequality, societies can more effectively reduce these behaviors and cultivate social harmony. The study emphasizes that economic inequality extends beyond just a socio-economic

concern; it serves as a catalyst for systemic instability and criminal behavior. This paper posits that criminal acts are frequently a rational reaction to inadequate resources, rather than an indication of individual moral failings. Viewing crime through a socio-economic lens redirects attention from punitive responses to the need for structural changes. The result of this research carries significant implications. Policymakers should focus on fair distribution of resources, increase access to educational and job opportunities, and address the systemic obstacles that sustain inequality. Implementing such initiatives can help to reduce the cycles of poverty and crime, leading to safer and more inclusive communities. The sociological and criminological theories provide practical guidance for creating targeted interventions. The main conclusion is that economic inequality erodes societal stability, perpetuating a cycle of deprivation and deviance. Addressing these disparities is vital for diminishing crime rates and fostering justice. Future studies could investigate intersectional elements, such as race and gender, to enhance our comprehension of how inequality influences criminal behavior.

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