

# Economics and crime: ideal-typical relationships

Vincenzo Ruggiero looks at four different approaches to the relationship between crime and economics.

In the name of analytical pluralism, I would like to differentiate four ideal-typical ways in which the relationship between economics and crime can be explored. Each of these, as I will suggest, presents its own specific limitations.

A notion of *homo lueticus* (syphilitic man) inspires the first way, in the sense that criminals are depicted as infective social agents who may be generated by economic development like diseases may be developed by healthy organisms. Crime is like *lue venerea* (syphilis) - the effect of culpable degeneration within an otherwise harmonious process bringing benefits for all. The disease, it should be emphasised, is deliberately acquired by individuals who are deemed prone to excesses or incapable of delaying gratification, who choose profligacy and evade control. Social prophylaxis is the solution that can prevent crime from spreading, and takes

market. This school of thought has produced a very large body of work, partly focused on institutional agencies and their responses to illegality, partly devoted to the responses of individuals and groups to their unsatisfactory economic condition.

Radical but also conventional theorists have adopted an economic model. The former, for example, in the analysis of illegitimate income as a substitute for the loss of legitimate income during periods of economic crisis. The latter in the analysis of costs and benefits of the criminal choice and of institutional control, and ultimately in the study of the optimum level at which law enforcement is economically viable. In a radical version of some of these analyses, the deviant solution and the choice of illegality are subjective responses to one's state of marginalisation. In a conventional version, the weighing of costs and benefits associated with

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the form of individual and collective deterrence through punishment, isolation or symbolic exile. A notion of *homo lueticus*, I believe, underpins some contemporary control theories, which attribute a number of psychological traits to all offenders, irrespective of the type of offence perpetrated. Thus, drug users, pickpockets, prostitutes, corrupt politicians, sadistic soldiers and sanguinary dictators are all characterised by impulsivity and lack of self-control. The limits of this school of thought are also the limits that can be imputed to methodological individualism, namely that human action is not only the effect of personal choice taken in isolation, but also the result of interaction which becomes meaningful when individuals are seen as parts of a group.

The second ideal-typical way in which the nexus economics-crime can be analysed is inspired by the notion that individuals act according to the position they occupy in the productive process, namely the notion of *homo oeconomicus* (economic man). According to this perspective, those excluded or expelled from work will find illegitimate modalities to access resources and income. The economy, in this sense, becomes the prime motor for the changing rates of criminality, and also of incarceration, as prisons hold the surplus population discarded by the labour

criminal activity leads to the identification of the 'preferable' forms of crime: for example, organised crime is deemed preferable to less serious forms of criminality because it 'internalises' the costs of illegal conducts. The limits of this approach reside in the difficulty it encounters in combining the notion of *homo oeconomicus*, a calculating individual predicting the possible outcomes of action, with the notion that economic trends determine action irrespective of subjective choice.

Orthodox economists studying crime shy away from the dilemmas of human unpredictability and the role of state intervention, thus paying a bad service to Adam Smith. Orthodox Marxists, at times, tend to simplify the original theories they embrace, thus paying a bad service to Marx. For example, where Marx's analysis of the marginalising effects of economic development distinguished between fluctuant, latent and stagnant surplus population, orthodox Marxists simply refer to 'the unemployed'.

*Homo ludens* (playing man) is a concept that has gained enormous currency in recent debates. Received with enthusiasm by criminologists from diverse backgrounds, this concept posits the existence of an epicurean sort of criminal who is guided by the

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thrill and the joyous excitement of law-breaking. In this approach, when the economics-crime nexus does not totally fade away, it is retained when authors associate the ‘fun’ of crime with the possession of particular consumer goods, but also with Weberian ‘status’ divorced from pure economic condition. Scholars who have been loyal to the concept of relative deprivation for decades, and who risked theoretical clumsiness trying to apply the concept to any illegal conduct (including, for example, the crimes of the powerful), now accept the notion of *homo ludens*, which is applied to members of violent gangs as well as professional fraudsters, to drug traffickers as well as night time bouncers. The difficulties encountered by this perspective come to light when ‘thrill’ is not seen as a universal variable, but divided into a variety of nuanced feelings shaping the desire and behaviour of a variety of social groups.

In other words, distinctions must be made between the ‘thrill’ experienced by white collar fraudsters and that sought by street robbers. For this distinction to be made, the structures of opportunities designating the type of ‘thrill’ guiding offenders return in the explanatory framework from which they have been so hastily ejected. Moreover, as Edwin Sutherland (1939: 79) warned, some variables explaining crime (in this case, fun) can also explain lawful conduct: thieves generally steal in order to secure money, but likewise labourers generally work in order to secure money: ‘The attempts by many scholars to explain criminal behaviour by general drives and values, such as the happiness principle, striving for social status, the money motive, or frustration, have been and must continue to be futile, since they explain lawful behaviour as completely as they explain criminal behaviour. They are similar to respiration, which is necessary for any behaviour but which does not differentiate criminal from non-criminal behaviour’.

*Homo organum* (organisational man) is the last ideal-typical category I would like to illustrate. In this case, the emphasis is not so much on the economy itself as on the changes caused by the economy on the culture and the structure of the organisations or networks in which criminals operate. Within this approach I would distinguish between analyses stressing ideological elements and those stressing immanent elements. Among the former, we find explanatory arguments linking the dominant culture with rising crime rates for the egoistic individualism and the irresponsibility it promotes.

The culture of neo-liberalism, for example, or the ‘revolution of the rich’, is deemed to produce negative economic, ethical and socio-political consequences. These include harm associated with the formation of monopolies, growing inequality, short-termism, poor health, violence, private affluence and public squalor. The spread of a culture whereby winning by any means is preferable than losing by the rules, according to this perspective, implies huge consequences for crime at all levels

of society (Reiner, 2007).

Among authors stressing more technical, immanent issues, we find those observing how criminal opportunities change when organisations adapt to the surrounding political and economic climate, which may encourage certain illegal conducts while discouraging others. For example, criminal activity may become more hierarchical, more segmented or more diffuse; it may aim at the distribution of goods of mass consumption, or at that of differentiated products; it may assume the form of assembly-line or that of just-in-time production, according to the prevailing demand for illicit goods and services. These changes are associated with the changes in the economic system and the legislations supporting it that determine which types of goods and services are to be regarded as illegal. The limits of this perspective are manifest when it is noted that organisations are not the only source of identity for those operating in them, but are among the many associational entities forging individuals and groups. Here, the analysis of Simmel (1955 [1908]) should be recalled, particularly his concept of identity as a process shaped by multiple relationships and diverse linkages to different primary and secondary groups.

In conclusion, and optimistically, analytical pluralism may lead to a synthesis in which the limitations of the respective approaches are tempered and phenomena are better understood and explained. Pessimistically, it may reiterate or even augment the infelicity that the founders of criminology saw in the adolescent discipline.

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## References

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