

Income Inequality and Violent Crime

Key Points

- The relationship between inequality and homicide has been found in many different settings—among developed and developing countries, both between and within countries. Relationships between inequality and violence are stronger when comparing whole societies and tend to be weaker when looking at small areas [1].
- Several studies have found that small reductions in income inequality cause large reductions in homicide.
- Inequality affects homicide, whereas a society’s average income level does not.
- The relationship between inequality and homicide seems to be part of a more general divisive effect of inequality which weakens the social fabric.
- Almost two-thirds of the higher homicide rates in southern (as compared to northern) states of the United States are attributable to their greater income inequality. There are lower rates of homicide in the Canadian provinces than in the states of the USA as a result of their smaller income differences [2].

Introduction

As early as 1993 an analysis of 34 studies of violent crime concluded that there was a robust tendency for rates of violence to be higher in more unequal societies [1].

In 1997, Messner and Rosenfeld [3] said “A finding that has emerged with remarkable consistency is that high rates of homicide tend to accompany high levels of inequality in the distribution of income.”

Two years later in a study of 50 countries, Lee and Bankston [4] concluded that “. . . economic inequality is positively and significantly related to rates of homicide despite an extensive list of conceptually relevant controls.”

Since then the evidence that violence is higher in countries with bigger income differences between rich and poor has not only continued to accumulate, but has also continued to be ignored by governments.

Contrasting trends: England and Wales, and Japan

England and Wales experienced dramatic increases in inequality during the last quarter of the 20th century, particularly during the later 1980s. In contrast, Japan became a much more equal society during the second half of the 20th century. Homicide rates in England and Wales doubled between 1967 and 2001, but in Japan homicide rates fell by 70 percent during the second half of the 20th century. In England and Wales the increase occurred mainly among young working-aged men from poor areas. In Japan the decline in violence was particularly large amongst young men [5].

Murder in Britain

On average there are 1.8 murders per day in Britain [6]. The increases in murder over recent decades are predominantly murders of poorer men. Richer areas have experienced opposite trends of low and declining murder rates. Men are twice as likely to be murdered as women. The murder rate amongst young men in their 20s has doubled.

Shaw, Turnstall and Dorling [6] note that the increase in murder in Britain occurred alongside the dramatic increases in inequality and relative poverty of the 1980s and 1990s. They suggest that "...when people are made to feel worthless then there are more fights, more brawls, more scuffles, more bottles smashed and more knives brandished, and more young men die. The lives of young men have polarised and this inequality has curtailed opportunities; hopelessness appears to have bred fear, violence and murder."

Small changes in inequality, big impacts on violence

Using data for 39 countries covering the period 1965–1994, Fajnzylber, Lederman and Loayza [7] show that a small permanent decrease in inequality—such as reducing inequality from the level found in Spain to that in Canada—would reduce homicides by 20%. They also showed that a similarly small decrease in inequality would result in a 23.2% long-term reduction in robberies. The analyses took account of the possible influence of economic development, education, economic opportunities, and urbanisation. The research controlled for causality, so that results would not be affected if there was a feedback loop between income and homicide. Daly, Wilson and Vasdev [2] found a decrease in income inequality of 0.01 (Gini) leads to 12.7 fewer homicides per 100,000 individuals.

Opposing views

While the vast majority of research in this field supports this analysis, the evidence has a few detractors. Neumayer [8] questions the link between inequality and violent crime. He recognises that this relationship is widely accepted amongst academics and international agencies, including at the World Health Organisation and World Bank. But, using the UN World Income Inequality Database he suggests that there is no link between income inequality and robbery. He argues that this is evidence for ‘country-specific effects’ influencing inequality and crime. However, such effects were taken into account by Fajnzylber *et al.* [7] as well as by Daly *et al.* [2]. Another explanation of Neumayer’s findings might be that he looks at robbery rather than homicide and they may have different relationships to inequality. In addition, robbery data is well known to be less reliable than homicide data, especially for international comparisons.

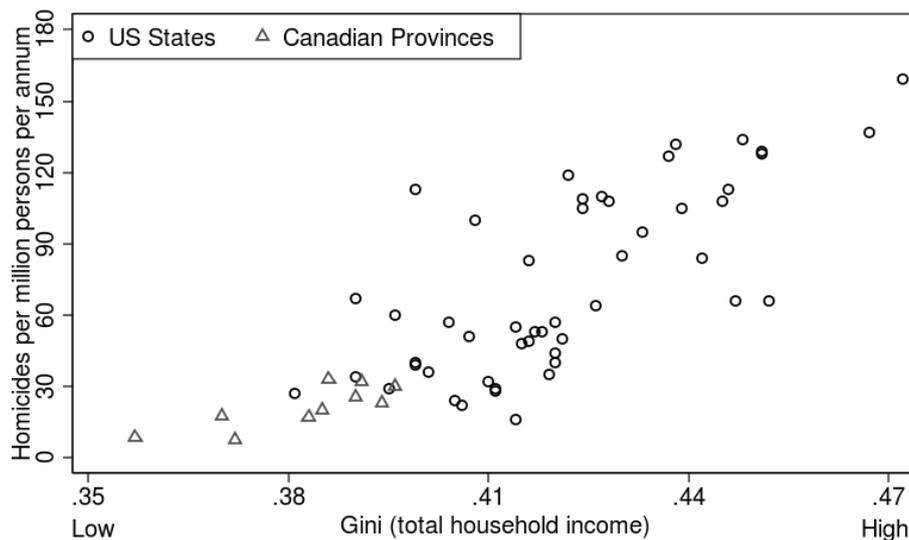
It’s not culture

One of the benefits of cross-national work is that it can reveal patterns that persist despite cultural variations. On the basis of their international analyses, Elgar and Aitken [9] state that “. . . inequality relates to homicide independently of local context.” They point out that “[the] large differences in homicide rates between countries with low inequality (such as Japan and Denmark) and countries with high inequality (South Africa and the Dominican Republic) are difficult to attribute to geographic proximity or to cultural, political or historical similarities.”

It’s inequality, not income

Daly, Wilson and Vasdev [2] found that income inequality, but not median income levels, relate to homicide rates. In other words, it is not the level of wealth, but the distribution of wealth, that influences murder and manslaughter. Their research compared Canadian provinces over the period 1981–1996 before going on to look at Canadian Provinces and US states together (*see graph below*). The more unequal have homicide rates ten times as high as the most equal. After taking account of the effect of income inequality, homicide was not related to average income levels. In this research, single events specific to one province that might influence the pattern are controlled for in order to see the link between inequality and crime more clearly. The authors suggest that this link is caused by inequality stimulating social competition, thus encouraging violence.

Figure 1: Homicide and income inequality in the USA and Canada



The incidence of Homicides increases with income inequality

Source: Modified from Daly, Wilson and Vasdev (2001) USA data is for 1990. Canadian data is the average between 1982-1992

How inequality causes violence

Economic inequality affects crime via psychosocial processes influencing social interactions, cultural norms, values and behaviour. These may be affected by inequality through social status, social support, community cohesion, self-esteem, sense of control over one's life, loneliness, tension, anxiety, trust, and depression. Elgar and Aitken [9] consider how greater income inequality leads to more homicides. Across 33 countries lower levels of trust seemed to provide the statistical link which leads from higher inequality to higher homicide. The link was not explained by any tendency for more equal societies to spend more on health and education. They concluded that "Societies with large income differences and low levels of trust may lack the social capacity to inhibit violence and create safe communities." This has parallels in a study showing that weakening trust and social cohesion may also explain why greater inequality is associated with poorer health [10]. This is echoed by Gilligan who, as a prison psychiatrist, talked frequently to violent men. He argues that inequality makes people more sensitive to experiences of inferiority such as disrespect, loss of face and humiliation which are amongst the most common triggers to violence [11].

Conclusions

There is near consensus within academia concerning the link between inequality and violent crime. Indeed, as seemingly small reductions in income inequality can lead to sizeable falls in violent crime, these findings have powerful policy implications. The uncertainty surrounding the transmission mechanisms are an additional reason to target economic inequality directly. As Elgar and Aitken [9] suggest, "...crime reduction policies that ignore income inequality relinquish much of their potential impact on reducing homicide."

References

- [1] Hsieh Ching-Chiu, and Pugh, MD. (1993) "Poverty, income inequality, and violent crime: a meta-analysis of recent aggregate data studies." *Criminal Justice Review*. 18: pp.182-202
- [2] Daly, Martin; Wilson, Margo and Vasdev, Shawn. (2001) "Income Inequality and Homicide Rates in Canada and the United States" *Canadian Journal of Criminology* 43: pp.219-36
- [3] Messner, Steven and Rosenfeld. (1997) "Political Restraint of the Market and levels of Criminal Homicide: A Cross-National Application of Institutional-Anomie Theory." *Social Forces*. 75: pp.1393-1416
- [4] Lee, MR and Bankston, William. (1999) "Political Structure, Economic Inequality and Homicide: A Cross-national Analysis." *Deviant Behaviour*. 19: pp.27-55
- [5] Johnson, DT. (2008) "The Homicide Drop in Postwar Japan." *Homicide Studies*. 12: pp.146-160.
- [6] Shaw, Mary; Tunstall, Helena and Dorling, Danny. (2005) "Increasing inequalities in risk of murder in Britain: Trends in the demographic and spatial distribution of murder, 1981-2000." *Health and Place*. 11: pp.45-54. Available at http://sasi.group.shef.ac.uk/publications/2005/shaw_tunstall_dorling_murder_corrected.pdf
- [7] Fajnzylber, Pablo; Lederman, Daniel and Loayza, Norman. (2002) "Inequality and Violent Crime" *Journal of Law and Economics* 45: pp.1-39
- [8] Neumayer, Eric. (2005) "Inequality and violent crime: evidence from data on robbery and violent theft." *Journal of Peace Research*. 42: pp.101-112
- [9] Elgar, Frank J and Aitken, Nicole. (2010) "Income inequality, trust and homicide in 33 countries." *European Journal of Public Health*. pp.1-6 Available at: <http://www.ncbi.nlm.nih.gov/pubmed/20525751>
- [10] Kawachi, I; Kennedy, BP; Lochner, K; and Prothrow-Stith, D. (1997) "Social capital, income inequality and mortality." *American Journal of Public Health* 87: 1491-8
- [11] Gilligan, J. (2001) *Preventing Violence*. Thames and Hudson: London

Suggested Citation: The Equality Trust. "Income inequality and violent crime." Equality Trust Research Digest 2011; no.1:pp.1-5