

#### **European Journal of Social Sciences Studies**

ISSN: 2501-8590 ISSN-L: 2501-8590

Available on-line at: www.oapub.org/soc

doi: 10.5281/zenodo.802317

Volume 2 | Issue 5 | 2017

# ASSESSMENT OF THE BURDENS OF RESIDENTIAL NEIGHBOURHOOD CRIME

Sunday Emmanuel Olajide<sup>i1\*</sup>, Mohd Lizam, Kazeem Bolayemi Akinbola

Department of Real Estate, Faculty of Technology Management and Business, Universiti Tun Hussein Onn, 86400 Parit Raja, Batu pahat, Johor, Malaysia

#### Abstract:

The responses of government, public, researchers and professionals alike could have been boosted in need to tenaciously tackle residential neighborhood crime if there were enough research and publication on the diverse consequences of residential neighborhood crime. The main objective of this article is to critically evaluate the consequences of residential neighborhood crime. The research finding revealed a triangular nature of the consequences in that it burdens on the property and its environs; on government and its agencies and thirdly on the residents. This study believes that tackling residential neighborhood crime portends some benefits like the removal of fear of crime which will inferably boost residents' health status towards efficiency of labour, boost housing investment, increase government revenue from property tax and in turn reduce public spending on crime control. All these efforts would translate to environmental sustainability.

**Keywords:** consequences; government; property; residents; residential neighborhood crime

#### 1. Introduction

Globally, urban violence is said to be soaring due to uncontrolled urbanization and advent of industrialization[1]. However, residential neighborhoods have been seen to

 $<sup>^{</sup>i}$  Correspondence: email <u>gp140026@siswa.uthm.edu.my</u>

be more negatively affected by property crime, which is otherwise called residential neighborhood crime, in the forms of burglary, larceny, vandalism, theft, assault, robbery, rape and even homicide. This is due to the fact that valuables are kept in the house and residents are in better part of the day and week, (with exception to retirees' homes) have to leave their homes empty to workplaces, schools, recreation and place of worship among others thereby making their homes target of attack by prospective offenders. Also, crimes like rape and homicide are pronounced in residential neighborhoods due to the fundamental function of serving as living accommodation after the day's activities.

Property crime especially within the urban setting has globally become a subject of discussion among urban planners, policy makers, researchers, international organizations in charge of environmental sustainability and other allied professionals. This is due to the devastating effect it has on almost every sector of the economy. Essentially, the consequences of property crime cut across the residents, neighborhood and government. To the residents, property crime has been found to be capable of having the psychological effect of fear which studies have discovered to cause health impairment on the residents[2]. Research also shows that property crime does unnecessarily increase family budget because of the need to provide security gadget to the building[1]. Furthermore, property crime, especially in the area of violent crime (e.g. armed robbery) has seldom resulted in loss of lives and less productivity.

Considering the incidence of property crime to the residential neighborhood, it has been discovered to have a negative impact on property investment[3]. This is unveiled through negative residential mobility, neighborhood decline through stigmatization, negative effect on environmental sustainability and general real estate practice. The effect of property crime on government activities include dwindling revenue from property tax, adverse effect of street crime on governance, avoidable excessive government spending on procurement and maintenance of community policing and its negative effect on the general economy[4].

From another perspective, the cost of crime and fear of crime can be divided into four categories[5]. These include (i) community justice system (CJS) costs which relate to expenditure on police, courts, prosecutions, and prisons; (ii) crime career costs which relate to the opportunity costs of an offender's option to participate in illegal, other than legitimate and productive behaviour; (iii) victim costs which relates to the economic losses of victims of crime and include medical expenses, lost earnings and property damage and destruction; (iv) intangible costs which relate to indirect losses and pains, suffering, reduced quality of life and psychological stress. All these according to the study are likely to impact on the well-being of citizens and communities significantly.

Anderson[6] examined the effects of crime on government and society from four (4) related angles. These included (i) crime-induced production (this explains that crime may occur as a result the distribution of resources toward commodities and services that do not add to society except in their connection with crime); (ii) opportunity costs (as the number of imprisoned individuals steadily increases, society suffers the enormous and growing loss of the potential workers' productivity); (iii) the value of risks to life and health (the express consequence of violent crime relate to the fear of being killed or injured, the hazard associated with the inability to respond as expected, and the agony of being a victim); (iv) transfers (one outcome of fraud or theft is a transfer of assets from victim to offender).

This paper is considered desirable on the hypothesis that residential neighborhood crime is soaring globally and most especially in the developing nations due to the paucity of research and publications on its consequences which are seen to be devastating. This paper, therefore, agrees with the position that the evil effect of residential property crime could be alleviated only when the stakeholders concerned are awake to its consequences with a view to enhancing housing sustainability.

#### 2. Nature of Residential Neighbourhood Crime

The social menace of crime has become a principal component in the discussion of urban issues, and the prevention of crime is now as much an urban policy issue as is housing shortage and poverty[7]. It is gradually manifesting that these problems are interrelated. Property crime, especially in homes, is said to be badly affected.

The unlawful entry into other peoples' residential apartment for the purpose of committing a crime is referred to as 'residential burglary'[8,9]. Offenses that constitute 'break and enter' include violent entry into someone's house possibly with a decision to steal. For the purpose of this research, residential burglary is used to represent both break and enter—dwelling and stealing from dwelling offenses. The fact that homes are usually left vacant during the day accounts for the frequent burglary offending. Many urban dwellers especially the high-income class are mostly victimized due to their massive acquisition of personal effects (valuables) and the fact that a large number of a detached dwelling with many accessible entry points like doors and windows[10].

The cumulative impacts of crime on the socio-economic restructuring, or concentration of particular groups, within neighborhoods, play out over time. However, transformation levels of offending are likely to cause instant responses at the individual level. Increases in offending will have direct influence on individual's perception of security in a neighborhood. Hence, as perceptions concerning the safety of one's community deteriorate, urban residents often choose to move from highly

populated communities in the search for a secure neighborhood[11,12,13]. Primarily, crime and fear of crime lead to flight from the city to the suburbs. It leaves in its wake areas of concentrated poverty and racial/ethnic enclaves in the urban core[14,15].

As housing markets serve as the arena in which the influence of crime first proves itself, these markets can essentially serve as early indicators of neighborhood decline. Consequently, a comprehensive examination of how crime affects local housing prices will essentially lead to a clear understanding of the larger discourse about small crime impacts on residential stability[16,17].

#### 3. Methodology

The research work is a combination of qualitative (observations and interview) and a review of related literature on the consequences as well as general impact of residential neighborhood crime (RNC). Secondary data were acquired through different databases which included Scopus, Web of Science (ISI), SAGE journal online, Ebscohost, Emerald and ScienceDirect among others. An attempt was made to critically appraise the related articles through the analysis of previous studies to further validate the burden of residential neighborhood crime after diagnosing the severity of the costs of RNC to the residents, immediate neighborhood, and government/society. The interview was conducted on adults (working class) using snowball method of sampling with a total number of 47 respondents basically on the general effects of RNC as highlighted in the literature. The policy implication of the research was later highlighted with a view to enhancing housing sustainability.

## 4. Analysis of Previous Studies on Consequences of Residential Neighbourhood Crime

Through the literature, empirical works associated with the consequences of residential neighborhood crime have been identified. Table 1 is presented to give the summary of the related work.

Table 1: Analysis of previous studies on consequences of residential neighbourhood crime

Incidence OF	Author &	Title	Purpose	Result(s)	
Crime	Year				
	Gibbons[1]	The costs of	To examine the cost	Property crime causes	
		urban property	of property crime on	high residential mobility,	
		crime	urban settlements.	stigmatization &	
				discourages property	
				investment	

### Sunday Emmanuel Olajide, Mohd Lizam, Kazeem Bolayemi Akinbola ASSESSMENT OF THE BURDENS OF RESIDENTIAL NEIGHBOURHOOD CRIME

	Pope &	Crime and	To examine the link	The result indicated that	
	Pope[4]	property values:	between crime and	negative relationship	
		Evidence from	property values by	between crime changes	
Residential		the 1990s crime	exploiting the	and property value were	
Environment			dramatic, nationwide	substantially significant &	
			decrease in crime that	economically large	
			occurred in 1990s	, ,	
	Lynch &	Measuring the	To estimate the	The cost of crime has	
	Rasmussen[3]	impact of crime	impact of crime on	virtually no impact on	
		on house prices	house prices	house prices overall but	
				that homes were highly	
				discounted in high crime	
				areas.	
	Crutchfield,	Crime rate and	To determine the	Neighbourhood crime is	
	Geerken, &	social	impact of property	capable of causing	
	Gove[18]	integration: The	crime on immediate	residential mobility and	
		impact on	neighbourhood	negatively affect social	
		metropolitan		integration	
		mobility			
	Cohen[19]	A note on the	To determine the cost	Property crime increases	
		cost of crime on	of property crime on	family budget, causes fear,	
		victims	residents	health hazard & death	
Green, G et al.[20]		Fear of crime and	To seek to assess the	There was significant	
		health in	relationship between	associations between fear	
		residential tower	fear of crime and	of crime and health status	
Residents		blocks in	residents' health		
		Liverpool, UK			
Dugan[12]		The Effect of	To determine the	The cost included	
		criminal	impact of criminal	monetary costs on lease -	
		victimization on	victimization on a	breaking penalties, realty	
		a household's	household's moving	mortgage and transfer tax	
		moving decision	decision	cost. It can cause	
				emotional and social	
	Andones	The accrease	To optime stee all the	Stress	
	Anderson[6]	The aggregate	To estimate all the	There was huge loss to the	
		burden of crime	direct and indirect costs of crime for the	victims as well as the	
			entire US nation.	general economy	
	Mayhew[21]	Counting the	To analyse the cost of	Cost of acquiring more	
	wiayiiew[21]	cost of crime in	crime to the society		
		Australia	and government.		
		1 Tusti alia	ana government.		
Government/	Jaliliyan &	Crime cost kinds	To analyse kinds of	Crime is capable of	
Society	Heydari[22]	and their	crime cost and their	increasing government	
	110, 4411[22]	assessing	assessment methods	expenditure	
		uoocoonig	assessment methods	experiance	

	methods.		
McCollister,	The cost of crime	The study presented a	The societal costs of crime
French,	to society: New	comprehensive	cut across victim costs,
Fang[5]	crime- specific	methodology for	criminal justice system
	estimate for	calculating the cost to	costs, crime career costs
	policy and	society of various	and intangible costs.
	program	criminal acts.	
	evaluation		

**Table 2:** Analysis of public response to the consequence of RNC

S/N	Question	Yes	No	%tage Of	%tage Of
				Yes	No
1.	RNC is capable of causing psychological fear	45	2	95.7	4.3
2.	RNC can increase household budget	43	4	91.5	8.5
3.	RNC is capable of reducing public revenue	41	6	87.2	12.8
4.	RNC is capable of increasing government budget	39	8	83.0	17.0
5.	RNC is capable of reducing health status	42	5	89.4	10.6
6.	RNC is capable of leading to sudden death	46	1	97.9	2.1
7.	RNC can reduce efficiency of labour	38	9	80.9	19.1
8.	RNC can increase residential mobility	35	12	74.5	25.5
9.	RNC can lead to neighbourhood decline	38	9	80.9	19.1
10.	RNC can have negative impact on housing sustainability	40	7	85.1	14.9
11.	RNC through incivility can have negative impact on	41	6	87.2	12.8
	governance				

#### 5. Results and Discussion

Essentially, a cursory search into the literature as shown in Figure 1 revealed that the consequences of the residential neighborhood crime (RNC) could be discussed under three main headings: effect on residents; effect on the immediate neighborhood and effect on government activities. Hence, this subject is discussed under the triangular incidences of RNC.

#### 5.1 Effect on Residents

Over the years, research has proven that residential neighbourhood crime is capable of causing emotional psychology of fear which has been found of degenerating to health impairment and sudden loss of life. Green[20] established a schematic links between fear of crime and health (See Figure 2). The study opined that feelings of safety in the dark especially when out alone is the most accurate predictor of the state of health and that fear of crime expressly affect quality of life which they opined was associated with poorer health. In the same vein, Cozens[2] posited that RNC could as well reduce

general level of physical activity and increase of fear and worry about crime have been linked to poor mental and physical health[23].

#### 5.2 Effect on immediate neighborhood

Researchers have shown that residential neighborhood crime impacts negatively on the immediate environment. This is manifested in various ways like discouraging property investment[1], leading to residential mobility with its attendant consequences[12], environmental decline through neighborhood stigmatization[4], the negative effect on environmental sustainability[3]. Residential Property investments over the years have been seen as a lucrative business due to many benefits attached to it such as regularity and security of income and investment, serving as a hedge against inflation, the possibility of creating freehold interest, acting as collateral for obtaining a loan, and a host of others. Nevertheless, all these have been threatened by the soaring rate of property crime globally [19].

Furthermore, residential neighborhood crime has been seen to have a negative influence on real estate transactions [1,27]. Thaler[27] found a negative impact between residential neighborhood crimes per capita and housing prices. His estimates infer that a one-standard-deviation increase in the consequence of residential neighborhood crime reduces by about three per cent. While Gibbons[1] in his empirical work found a reduction in property values of ten per cent for a one-standard-deviation increase in neighbourhood crime. However, these research works faced potential omitted variable challenges in the cross section as well as the time series[28]. According to the studies, using the cross section crime, rates are likely to co-vary with other neighborhood amenities for which researchers cannot adequately control as crime rates may change as the composition and attributes of neighborhoods change.

#### 5.3 Effect on government activities and the society

Apart from the significant negative effects of RNC on the residents as well as the immediate environment, reliable findings have also established the fact that RNC is capable of having negative influence on government activities. These cover the reduction of government revenue accruable from property tax, an effect of offending on governance, increase in government expenditure in the procurement police, fire arms, building and maintenance costs of more prisons, and employment of more judges among others and its negative effect on the general economy.

Anderson[6] estimated both the indirect and direct costs of crime for the entire US nation. The study stated that aggregating costs commonly associated with criminal activities and considered incidental costs that were yet to be included in an overall formula for the aggregate cost of crime. The study also emphasized that this included

expenses of the legal system, victim damages and crime-prevention departments, the consequence of crime comprises of the opportunity cost of victims, criminal and prisoners' time. The cost of private deterrence and the fear of being victimized. According to Anderson[6], the net annual incident of crime was found to soar above \$1 trillion. In the same vein, Dambazau[29] argued that Nigerian government spent not less than ten billion Naira annually to feed prison inmates which are considered to be outrageous and avoidable. This huge sum could as well be spent on more laudable projects. Estimating the burden of crime to US government, Anderson[6] found that crime-induced production gulped \$397 billion, opportunity cost at \$130 billion, risk of life and health at \$574 billion, transfers at \$603 billion, gross burden at \$1,705 billion, net of transfer at \$1,102 billion and per capita at \$4,118 billion. The study believed these sums took the chunk of the Budget which could be judiciously used for other purposes.

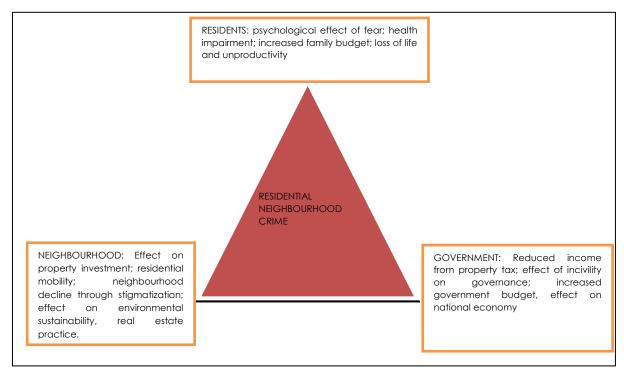


Figure 1: Triangular consequences of residential neighbourhood crime

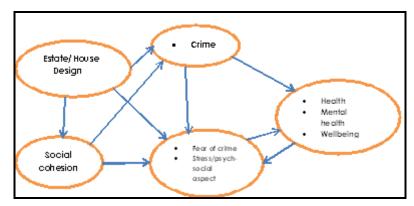


Figure 2: Relationship between fear of crime and health (Green et. al.[20]

#### 6. Conclusion

This paper dwelled on the consequences of residential neighborhood crime on the immediate environment, the residents as well as government. The findings have shown that the effect of residential neighborhood crime is completely negative and its soaring trend especially in the developing nations, where the penal system (use of police, court, and prison) is still prevalent gives one a worrisome concern.

Furthermore, the paper has directly or indirectly revealed the benefits inherent in tackling residential neighborhood crime. These include: removal of fear of crime within the neighbourhood, elimination of abnormal residential mobility, cure of residential neighbourhood decline, increase in government revenue through property tax which could transform to the nation's economic prosperity, reduction in government spending on crime prevention like the procurement of additional police, construction of additional prisons and recruitment of more judges. Also, a meaningful attention paid to the consequences of residential neighborhood crime could translate to a boosted housing investment and general sustainability of housing environment.

This article is also meant to serve as a clarion call to urban planners, property managers, researchers, policy makers and government agencies to see residential neighborhood crime as a menace that must be severely dealt with for the purpose of enhancing housing and environmental sustainability.

#### References

- [1] Gibbons, S. 2004 The Costs of Urban Property Crime\*. The Economic Journal, 114(499): F441-F463.
- [2] Cozens, P. 2015. Crime and Community Safety. The Routledge Handbook of Planning for Health and Well-Being: Shaping a sustainable and healthy future.
- [3] Lynch, A. K., D. W. Rasmussen 2001. Measuring the impact of crime on house prices. Applied Economics, 33(15): 1981-1989.
- [4] Pope, D. G., J. C. Pope 2012 Crime and property values: Evidence from the 1990s crime drop. Regional Science and Urban Economics, 42(1): 177-188.
- [5] McCollister, K. E., M. T. French, H. Fang, 2010. The cost of crime to society: New crime-specific estimates for policy and program evaluation. Drug and alcohol dependence, 108(1): 98-109.
- [6] Anderson, D. A. 1980 The aggregate burden of crime\*. The Journal of Law and Economics, 42(2): 611-642.

- [7] Naroff, J. L., D. Hellman, D. Skinner 1980 Estimates of the impact of crime on property values. Growth and Change, 11(4): 24-30.
- [8] Moreto W. 2010 Risk factors of urban residential burglary. RTM Insights 4: 1–3.
- [9] Ratcliffe J. 2001 Policing urban burglary. Trends & Issues in Crime and Criminal Justice no. 213. <a href="http://www.aic.gov.au/publications/current%20series/tandi/201-220/tandi/213.aspx">http://www.aic.gov.au/publications/current%20series/tandi/201-220/tandi/213.aspx</a>,
- [10] Grabosky P. 1995 Burglary prevention. Trends & Issues in Crime and Criminal Justice no. 49. Canberra: Australian Institute of Criminology. <a href="http://www.aic.gov.au/documents/3/5/D/%7B35D86CDD-F1C5-4F1B-BC85-378662CF6930%7Dti49.pdf">http://www.aic.gov.au/documents/3/5/D/%7B35D86CDD-F1C5-4F1B-BC85-378662CF6930%7Dti49.pdf</a>.
- [11] Cullen, J. B., S. D.Levitt, 1999. Crime, urban flight, and the consequences for cities. Review of economics and statistics, 81(2): 159-169.
- [12] Dugan, L. 1999. The effect of criminal victimization on a household's moving decision\*. Criminology, 37(4): 903-930.
- [13] Tita, G. E., T.L Petras, R. T. Greenbaum, 2006 Crime and residential choice: a neighborhood level analysis of the impact of crime on housing prices. Journal of Quantitative Criminology, 22(4):299-317.
- [14] Jargowsky, P. A. 1996 Beyond the street corner: The hidden diversity of high-poverty neighborhoods. Urban Geography, 17(7): 579-603.
- [15] Massey, D. S. N. A Denton, 1993 American apartheid: Segregation and the making of the underclass. Cambridge, MA: Harvard University Press.
- [16] Schwartz, A. E., S. Susin, I. Voicu, 2003 Has falling crime driven New York City's real estate boom? Journal of Housing Research, 14(1): 101-136.
- [17] Ihlanfeldt, K., T. Mayock, 2010 Panel data estimates of the effects of different types of crime on housing prices. Regional Science and Urban Economics, 40(2):161-172.
- [18] Crutchfield, R. D., M. R.Geerken, W. R. Gove, 1982 Crime Rate and Social Integration The Impact of Metropolitan Mobility. Criminology, 20(3-4): 467-478.
- [19] Cohen, M. A. 1990 A note on the cost of crime to victims. Urban Studies, 27(1):139-146.
- [20] Green, G, J. M. Gilbertson, M. F. J. Grimsley, 2002 Fear of Crime and health in residential tower blocks in Liverpool, U.K. European Journal of Public Health. 12:10-15.
- [21] Mayhew, P. 2003 Counting the costs of crime in Australia Australian Institute of Criminology.
- [22] Jaliliyan, M., M. Heydari 2014 Crime cost kinds and their assessing methods. Kuwait Chapter of Arabian Journal of Business and Management Review Vol. 4 (1):113-124.
- [23] Jackson, J., M. Stafford 2009 Public health and fear of crime a prospective cohort study. British Journal of Criminology, azp033.

- [24] Wilson P. R. 1989 Crime and Crime Prevention. Paper presented at the Designing Out Crime: Crime Prevention Through Environmental Design (CPTED) convened by the Australian Institute of Criminology and NRMA Insurance and held at the Hilton Hotel, Sydney, 16 June.
- [25] Garofalo, J. 1981 The fear of crime: Causes and consequences. The Journal of Criminal Law and Criminology (1973-), 72(2):839-857.
- [26] Felson, M., R. L. Boba, 2010 (Eds.) Crime and everyday life. Sage.
- [27] Thaler, R. 1978 A note on the value of crime control: evidence from the property market. Journal of Urban Economics, 5(1):137-145.
- [28] Linden, L., J.E. Rockoff, 2008 Estimates of the impact of crime risk on property values from Megan's Laws. The American Economic Review, 98(3):.1103-1127.
- [29] Dambazau, A. 2016 Nigeria spends #10B annually to feed prisoners. New Nigerian Newspaper, May 11. <a href="https://www.newnigeriannewspaper.com">www.newnigeriannewspaper.com</a>

### Sunday Emmanuel Olajide, Mohd Lizam, Kazeem Bolayemi Akinbola ASSESSMENT OF THE BURDENS OF RESIDENTIAL NEIGHBOURHOOD CRIME

#### Creative Commons licensing terms

Author(s) will retain the copyright of their published articles agreeing that a Creative Commons Attribution 4.0 International License (CC BY 4.0) terms will be applied to their work. Under the terms of this license, no permission is required from the author(s) or publisher for members of the community to copy, distribute, transmit or adapt the article content, providing a proper, prominent and unambiguous attribution to the authors in a manner that makes clear that the materials are being reused under permission of a Creative Commons License. Views, opinions and conclusions expressed in this research article are views, opinions and conclusions of the author(s). Open Access Publishing Group and European Journal of Social Sciences Studies shall not be responsible or answerable for any loss, damage or liability caused in relation to/arising out of conflicts of interest, copyright violations and inappropriate or inaccurate use of any kind content related or integrated into the research work. All the published works are meeting the Open Access Publishing requirements and can be freely accessed, shared, modified, distributed and used in educational, commercial and non-commercial purposes under a Creative Commons Attribution 4.0 International License (CC BY 4.0).