THE

ECONOMICS

OF CRIME

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Methodology:
Cross sectional Analysis of 115+ Countries
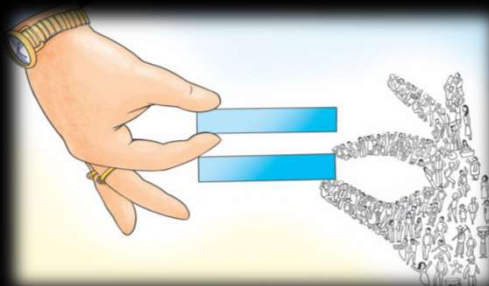
CRIME_INDEX = 6.667735 - 0.004292POP_DENSITY+ 1.016067GINI_INDEX + 0.455348UNEM_INDEX
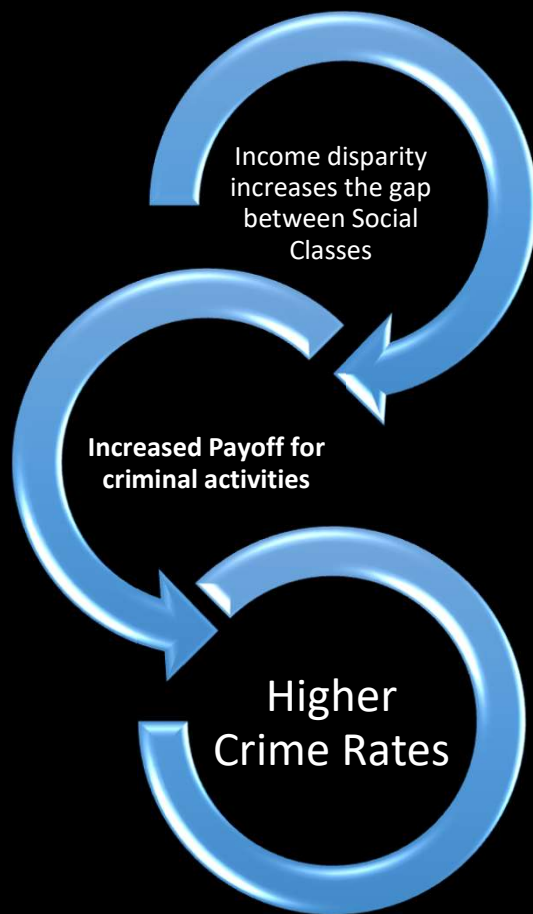
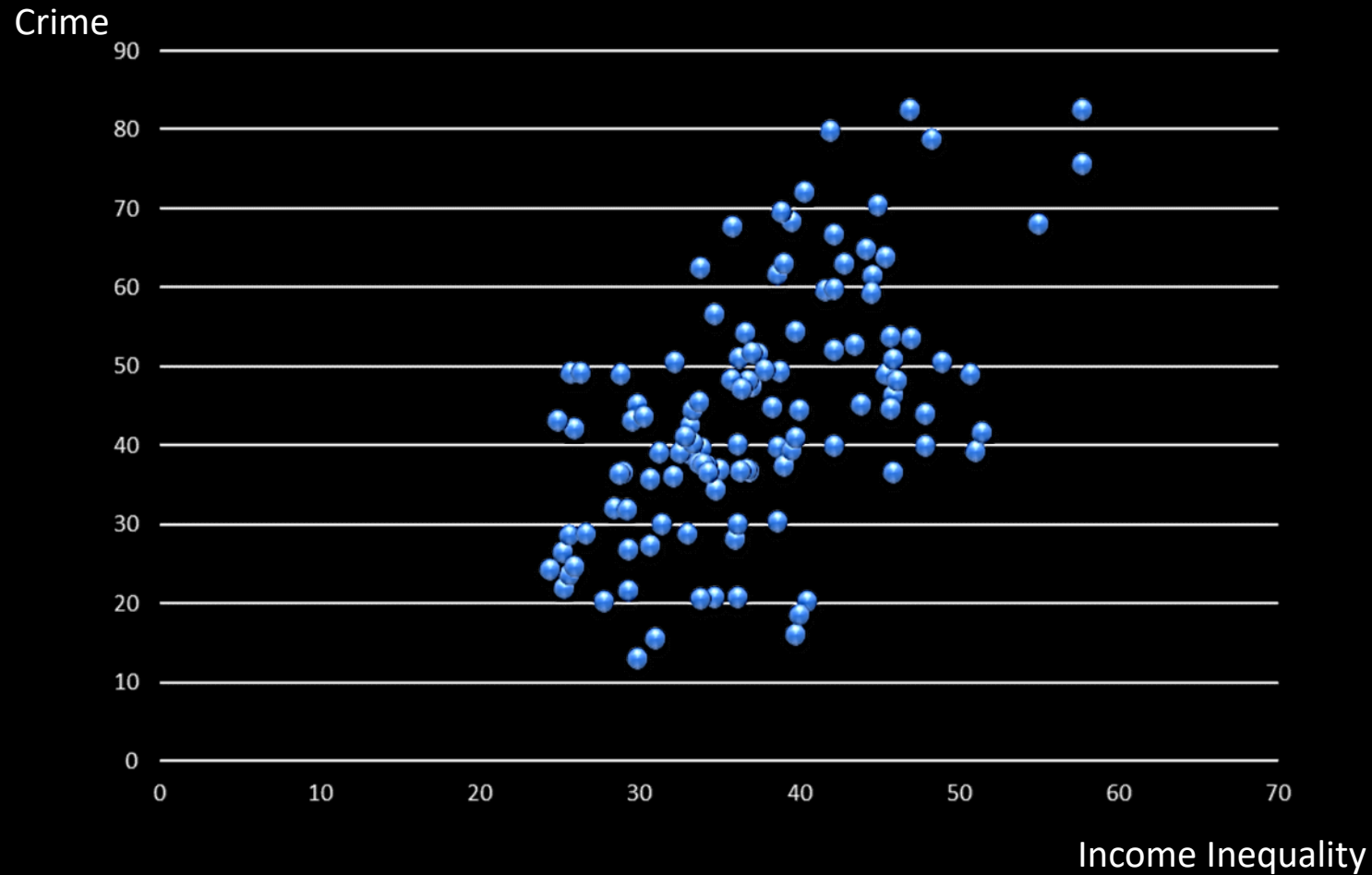## Explanatory Variables

Population Density

GINI Coefficient

Unemployment

IBA

DOES INEQUALITY MATTER?

Relationship between Income Inequality and Crime

Crime

Income disparity increases the gap between Social Classes

Increased Payoff for criminal activities

Higher Crime Rates

Income Inequality

1 point in Inequality Index (GINI Coefficient) leads to *1.016 points* in Crime Index
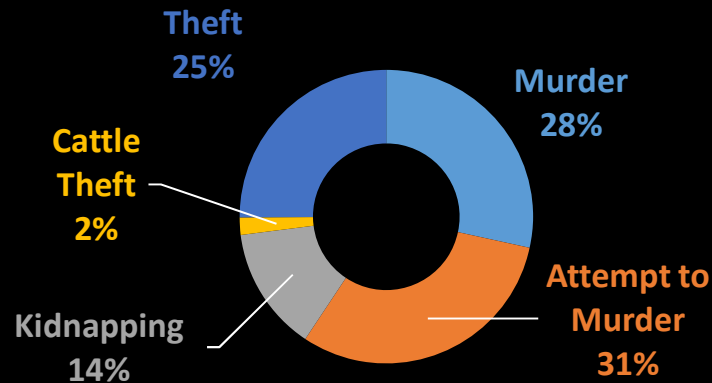
Denomination of major Crimes in Pakistan

KPK & Balochistan: Highest Murder/ Attempt to Murder rates.
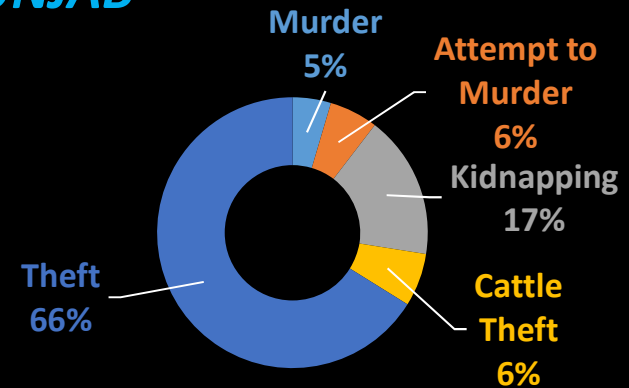*Sindh: Highest rate of Kidnappings   Punjab has the highest rate of Theft.*

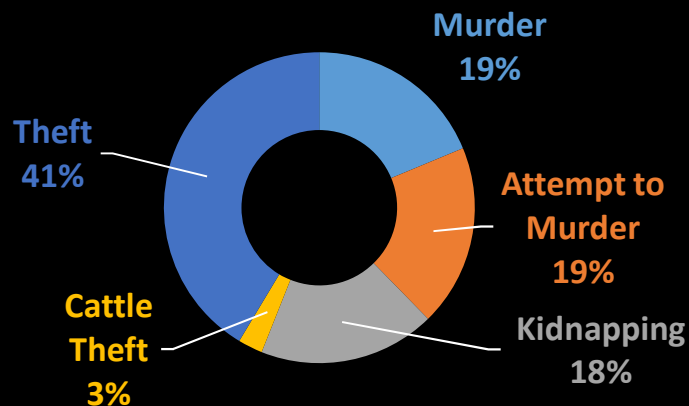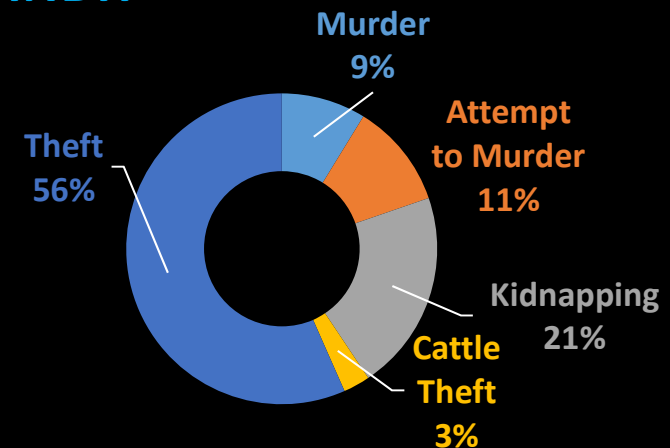**Underlying Realities:** Literacy, Rate of Apprehension, Religious Extremism, Tribalism, Bonded Labor.

KPK

Theft 25%
Murder 28%
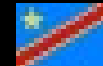Cattle Theft 2%
Attempt to Murder 31%
Kidnapping 14%

PUNJAB

Murder 5%
Attempt to Murder 6%
Kidnapping 17%
Theft 66%
Cattle Theft 6%

BALOCHISTAN

Murder 19%
Theft 41%
Attempt to Murder 19%
Cattle Theft 3%
Kidnapping 18%

SINDH

Murder 9%
Attempt to Murder 11%
Theft 56%
Kidnapping 21%
Cattle Theft 3%

Note: the category of 'Other Crimes' is excluded to have a concentrated view on major categories

Nigeria – South Africa - Congo

DO YOU KNOW?

According to our research findings, **1%** point increase in Unemployment increases country's rankings in Crime Index by **0.455** Points.

Post **Lockdown** *KARACHI*
(July-August 2020)

Motor Vehicle Theft   **5.19%**
Mobile Snatching   **13.34%**

Data Sources: NUMBEO