



INTERNATIONAL JOURNAL OF EDUCATION AND SOCIAL SCIENCE STUDIES

THE RELATIONSHIP BETWEEN ECONOMY AND CRIME IN THE COVID-19 PANDEMIC ERA (CASE STUDY OF INDIA AND INDONESIA)

Rajas Kumar

University of Calcutta, India

*Corresponding author: rajaskumar12@gmail.com

ARTICLE INFO

Received: November 2, 2024

Received in revised: November 9, 2024

Accepted: November 25, 2024

Available online: November 30, 2024

KEYWORDS

Keyword1; Economy

Keyword2; Crime

Keyword3; India and Indonesia

ABSTRACT

The economic determination of criminology according to Karl Marx is influenced by economic pressure, to fight crime rates, it must be accompanied by economic improvement. Crime rates are seen as a result or as a result of economic conditions which are considered to have a causal relationship. The research method used is qualitative by trying to present social phenomena that occur in the society of the two countries (India and Indonesia). The data collection technique used is a literature review by collecting data from books and journals that can be accessed online. Data analysis is carried out in depth and described qualitatively. The results of this research showed that this pandemic has also made India's economy collapse. Many companies have fired staff, and the informal sector was also in crisis. Experts say that rising unemployment during the Corona crisis can encourage many people to commit crimes, especially young people. The most frequent crime in Indonesia due to economic problems is theft. Theft is currently a threat to most communities. Theft is a complex social problem that is influenced by various factors, including economic factors, lack of security systems, limited supervision, drug abuse, and limited opportunities.

INTRODUCTION

One of the standards of success for a country's development is seen from its economic growth. This growth will succeed in achieving welfare goals if it is evenly distributed and can be enjoyed by people in all circles. A country's development can be said to be successful if the problems of poverty, economic inequality, and unemployment can be overcome (Ahluwalia, 1976). But in reality, the success of development has not been fully felt equally. There are economic inequalities between community groups that indirectly categorize people into high-income and low-income groups (Bjerk, 2007).

Increased inequality leads to higher opportunities for crime to arise. Inequality occurs in

almost every aspect of life. Income inequality leads to limited access to health and education facilities. Limited access to health facilities will increase the chances of underdevelopment of cognitive abilities due to malnutrition, especially for children. Limited access to education leads to differences in the quality of education received. Ultimately, this leads to fewer opportunities for low-income groups to acquire specific skills and enter the high-income labor market. As a result, the gap between high-income earners and the poor is widening (Eide, 2000).

According to (Milanovic, 1998), steady economic growth is often considered an indicator of a country's success. However, behind the promising numbers lies

a hidden aspect of serious concern: crime rates. Along with economic development, the question surrounding the correlation between economic growth and crime rates has become a topic of deep discussion.

The economic determination of criminology according to Karl Marx is influenced by economic pressures, to fight crime rates must be accompanied by economic improvement. Crime rates are seen as a result or as a result of economic conditions which are considered to have a causal relationship.

The emergence of the economic approach to analyzing criminal behavior is based on the assumption that individuals commit crimes rationally. A person when committing a crime will think about the benefits obtained and the risks and penalties received. Gary S. Becker was the first researcher to incorporate economic factors into the crime model. He saw that reducing the crime rate was not enough with the punishment approach, because crime is related to economic activities where criminals calculate benefits and costs. Thus, it is very relevant if the economic model is included in the analysis of criminal behavior. The type of crime that is heavily influenced by economic factors is property crime, such as fraud, theft and robbery. Based on the background that has been presented, researchers are interested in further examining the relationship between the economy and criminality in the covid-19 pandemic era.

METHODS AND MATERIALS

This research used data in two countries sourced from the internet and literature in the form of online journals. The research method used was qualitative by trying to present social phenomena that occur in the society of the two countries (India and Indonesia). The data collection technique used is a

literature review by collecting data from books and journals that can be accessed online. Data analysis was done in depth and described qualitatively.

RESULTS AND DISCUSSIONS

A. India

The collapse in India's economic performance was worse than economists had projected. In addition, India's economic performance is one of the worst when compared to other countries in the world. Investment performance slumped 47 percent in the second quarter of this year when compared to the same period last year, while consumption contracted by close to 27 percent (Anstey, 2023).

Government consumption on the other hand grew 16 percent, but was not enough to boost the economy's sharply declining performance in other sectors. Capital Economics economist Shilan Shah said, the second quarter this time was the lowest point of the Indian economy. He assessed, although there are signs of improvement in the future with the easing of lockdowns, the process will be very slow. This can be seen from manufacturing activity which actually weakened again in July, and the results of infrastructure which are still depressed. "The continued spread of the coronavirus will further depress domestic demand (Singh & Misra, 2020).

The impact of the coronavirus pandemic in India has largely disrupted economic activity as well as loss of human lives. Almost all sectors have been negatively impacted due to sharply falling domestic and export demand with a few exceptions where high growth was observed. An attempt was made to analyze the impact and possible solutions for some key sectors.

Given the scale of India's disruption was caused by the pandemic, it is clear that the current downturn is fundamentally different from a recession. The sudden shrinkage in demand and increase in unemployment will change the business landscape.

The pandemic has also battered the Indian economy. Many companies have fired staff, and the informal sector is also in crisis. Experts say that rising unemployment during the corona crisis could push many people into crime, especially young people. In one case, two former restaurant managers and a materials store employee were found guilty of stealing mobile phones and jewelry.

Authorities report that cybercrime has also increased since the start of the pandemic. In the state of Maharashtra alone, police recorded 400 cases of cybercrime, including internet hate crimes. Cases of online money transfer fraud are also on the rise. "We have found that cyber fraudsters have created fake websites similar to money transfer service sites to trick unsuspecting customers when transacting online (Kumar, S., & Managi, 2009). According to authorities, scams involving fake credit card transactions, online ordering of supposedly free corona test packages, and even overseas job offers that sound very tempting are also on the rise. Cybercriminals are also manipulating photos of women to blackmail them. "We have received many complaints, from posting obscene images to online threats and extortion (Hazra, 2020).

One way to characterize the relationship between crime and the economy in India during the COVID-19 pandemic is that crime rose as a result of the community's economic downturn.

B. Indonesia

The coronavirus or Covid-19 pandemic has the potential to increase the poverty rate. The economic slowdown, marked by reports of increased layoffs, is considered to be one of the reasons. The government itself has not released the latest figures on poverty in Indonesia in 2020 (Widyastaman & Hartono, 2022). Data released by the Central Statistics Agency (BPS), the percentage of poor people in September 2019 was 9.22 percent, a decrease of 0.19 percentage points against March 2019 and a decrease of 0.44 percentage points against September 2018. BPS said that the number of poor people in September 2019 amounted to 24.79 million people, decreased by 0.36 million people against March 2019 and decreased by 0.88 million people against September 2018. Meanwhile, the percentage of poor people in urban areas in March 2019 was 6.69 percent, down to 6.56 percent in September 2019. Then the percentage of poor people in rural areas in March 2019 was 12.85 percent, down to 12.60 percent in September 2019.

In September 2019, on average, poor households in Indonesia had 4.58 household members. Thus, the amount of poverty line per poor household on average is Rp 2,017,664, - / poor household / month.

The latest release of the Bhayangkara Corps said that the crime rate in Indonesia actually decreased by 27.03 percent in the 21st week of 2020, or 1,010 fewer cases compared to the previous week. BPS poverty rate data was then compared with crime rate data or crime rate per 100 thousand population in each province obtained from the Operations Control Bureau of

the National Police Headquarters. The results of the data research show that the large percentage of poor people in a province is not always directly proportional to the high crime rate in that province (Nurbasuni & Khoirunurrofik, 2024).. So, the phrase about poor being the base of crime cannot be said to be an absolute premise at all. Because, based on the data we collected and compared, the facts shown varied greatly (Ramadani etc, 2021).

The province with the highest crime rate per 100,000 population is North Sulawesi. In second place is West Papua, followed by Central Sulawesi, South Sulawesi and West Sumatra. The North Sulawesi Police recorded 416 crimes per 100,000 population in their jurisdiction in 2018, putting North Sulawesi at the top of the list. However, the province does not even rank in the top 10 provinces with the highest percentage of poor people. Sulut sits in 20th place with only 8 percent of its population living in poverty (Blackwood, 2007).

The most common crime that occurs due to economic problems is theft. Theft today is a threat to most communities. Theft is a complex social problem that is influenced by various factors, including economic factors, lack of security systems, limited supervision, drug abuse, and limited opportunities (Sugiharti etc, 2022).

In the Indonesian context, data shows that the most prevalent crime in villages and urban villages is theft. Based on the data of Central Bureau of Statistics, the figure ranges from 36 to 45 percent, but from the police side it is even higher at around 53.2 percent. This shows that theft is not just a local problem, but a serious

challenge for the government and society as a whole (Sugiharti et al, 2023).

Considering that child theft is a very worrying problem for the next generation of the Indonesian nation, the role and duties of the police, especially Ditreskrim in eradicating the crime of child theft, are very important in the jurisdiction of the Central Sulawesi Police. Central Sulawesi Regional Police (Polda Sulawesi Tengah). Policies and actions are essentially an integral part of efforts to protect society (social protection) and achieve the common good (social welfare).

CONCLUSIONS

The impact of the coronavirus pandemic in India has largely disrupted economic activities as well as loss of human lives. Almost all sectors have been negatively impacted as domestic and export demand plummeted sharply with a few exceptions where high growth was observed. An attempt was made to analyze the impact and possible solutions for some key sectors

Given the scale of India's disruption caused by the pandemic, it is clear that the current downturn is fundamentally different from a recession. The sudden shrinkage in demand and increase in unemployment will change the business landscape. The pandemic has also battered the Indian economy. Many companies have fired staff, and the informal sector is also in crisis. Experts say that rising unemployment during the corona crisis could push many people into crime, especially young people. In one case, two former restaurant managers and a materials store employee were found guilty of stealing mobile phones and jewelry. Authorities report that cybercrime has also increased since the start of the pandemic. In the state

of Maharashtra alone, police recorded 400 cases of cybercrime, including internet hate crimes.

The latest release of the Bhayangkara Corps said that the crime rate in Indonesia actually decreased by 27.03 percent in the 21st week of 2020, or 1,010 fewer cases compared to the previous week. BPS poverty rate data was then compared with crime rate data or crime rate per 100 thousand population in each province obtained from the Operations Control Bureau of the National Police Headquarters. The results of the data research show that the large percentage of poor people in a province is not always directly proportional to the high crime rate in that province. So, the phrase about poor being the base of crime cannot be said to be an absolute premise at all. Because, based on the data we have collected and compared, the facts shown vary greatly (Butt & Lindsey, 2020).

REFERENCES

- Ahluwalia, M. S. (1976). Inequality, poverty and development. *Journal of development economics*, 3(4), 307-342.
- Anstey, V. (2023). *The economic development of India. In Women's Economic Writing in the Nineteenth Century* (pp. 84-92). Routledge.
- Eide, E. (2000). Economics of criminal behavior. *Encyclopedia of law and economics*, 5(2), 345-389.
- Bjerk, D. (2007). Measuring the relationship between youth criminal participation and household economic resources. *Journal of Quantitative Criminology*, 23, 23-39.
- Butt, S., & Lindsey, T. (2020). *The criminal code. In Crime and punishment in Indonesia* (pp. 21-43). Routledge.
- Blackwood, E. (2007). Regulation of sexuality in Indonesian discourse: Normative gender, criminal law and shifting strategies of control. *Culture, health & sexuality*, 9(3), 293-307.
- Chapsos, I., & Hamilton, S. (2019). Illegal fishing and fisheries crime as a transnational organized crime in Indonesia. *Trends in Organized Crime*, 22(3), 255-273.
- Hazra, D. (2020). What does (and does not) affect crime in India?. *International Journal of Social Economics*, 47(4), 503-521.
- Kumar, S., & Managi, S. (2009). The economics of sustainable development: the case of India (Vol. 32). *Springer Science & Business Media*.
- Mittal, M., Goyal, L. M., Sethi, J. K., & Hemanth, D. J. (2019). Monitoring the impact of economic crisis on crime in India using machine learning. *Computational Economics*, 53, 1467-1485.
- Nurbasuni, L. E., & Khoirunurrofik, K. (2024). Between crime and economic growth: the asymmetric role of public expenditure and unemployment. *Review of Regional Research*, 44(1), 21-45.
- Ramadani, S., Danil, E., Sabri, F., & Zurnetti, A. (2021). Criminal law politics on regulation of criminal actions in Indonesia. *Linguistics and Culture Review*, 5(S1), 1373-1380.
- Singh, A. K., & Misra, A. (2020). Impact of COVID-19 and comorbidities on health and economics: Focus on developing countries and India. *Diabetes & Metabolic Syndrome: Clinical Research & Reviews*, 14(6), 1625-1630.
- Sugiharti, L., Esquivias, M. A., Shaari, M. S., Agustin, L., & Rohmawati, H. (2022). Criminality and income inequality in Indonesia. *Social Sciences*, 11(3), 142.
- Sugiharti, L., Purwono, R., Esquivias, M. A., & Rohmawati, H. (2023). The nexus between crime rates, poverty, and income inequality: A case study of Indonesia. *Economies*, 11(2), 62.
- Widyastaman, P. A., & Hartono, D. (2022). Economic inequality decomposition and spatial pattern of crime in Indonesia. *Papers in Applied Geography*, 8(3), 268-281.