

**The effect of socio-economic determinants on crime rates:
An empirical research in the case of Greece
with cointegration analysis**

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Abstract

The present paper analyzes the relationship between the criminal offences, the function of the justice system and some of their socio-economic determinants in the case of Greece by estimating their dynamic interactions. The analysis covers the period 1971-2006 and the cointegration methodologies of Johansen (1988) and Johansen-Juselius (1990, 1992) are applied to the VAR model. From the cointegration results, a cointegrating vector is shown among total offences, convicted persons and socio-economic variables. Moreover, Error Correction Models are estimated for the short-run dynamics of the explanatory variables and their convergence to a long-run equilibrium state.

Keywords: Crimes, Socioeconomic determinants, Greece, Cointegration, Error Correction Model.

JEL classification: I2, K42

1. Introduction

Criminality is presented as a historical social phenomenon, which does not rule out from a person's life, but it keeps pace with the social and technological evolution. It has the tension to readjust all the time and as a result, a large variety of criminal activities is shown worldwide during different time periods. Lately, types of organized, violent and profiteering crime appear to be the most prevalent, but without ruling out the different kinds of single crimes. Moreover, the criminal's character becomes even more unscrupulous and provocative, thus more dangerous towards the rest of the people.

The proper actions for a significant reduction and an effective prevention of crime rates has become a prior issue for every country, since criminal actions are presented through different forms, everywhere and in every time. There are no certain causes for committing crimes, but every time criminal actions come from different kinds of motives. In fact, there are many incentives that drive a person to criminal activities, due to the special socioeconomic and political conditions that characterize every country.

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