

Criminals pay a high price after completing sentences

The sentence in the court is: “You will go to prison for four months, and then pay a fine of 15% of your earnings each month for the rest of your life.”

No such harsh and unusual sentence has ever been pronounced in a Danish court, but nevertheless that is precisely the punishment that a criminal can look forward to in Denmark if he or she ends up in prison.

New research from the Rockwool Foundation Research Unit shows that criminals have a great deal more punishment awaiting them after their release from prison: a form of indirect punishment. No sentence to such punishment has been handed down, but it is no less real and immediate for all that.

According to Torben Tranæs, Research Director at the Rockwool Foundation Research Unit, this additional punishment lies in the greater difficulty offenders experience in finding work than they had before the crime and punishment took place, and the greater difficulty they have in re-establishing and maintaining the same level of income as before.

“People who are sentenced to up to six months’ imprisonment suffer on average a 15% reduction in income in comparison with their registered income two years before going to prison. If the sentence is longer than six months, the loss of income is even greater, around 25%. We have tracked convicted prisoners for five years after they completed their sentences – and for up to ten years where this was possible – and we can see that the financial pain is very long-lasting,” he says.

The analysis shows that this indirect punishment is relatively heavy in Denmark, compared for example with similar punishment in the USA.

“It’s a little surprising. Denmark pays relatively high transfer incomes to people



PHOTO: JULIANE TRIER, STIG STASIG FILM & FOTOGRAFI

who cannot find work, including those who have been to prison. However, while indirect punishment is heavy in Denmark, similar surveys show that in the USA indirect financial punishment associated with a prison term is relatively mild. After serving their sentences, convicted offenders in the USA quickly retrieve their position on the labour market – though admittedly this position was often not especially strong before conviction,” Torben Tranæs reports.

The Danish analysis was based on the incomes of all those who received their first unconditional prison sentence in the period 1994-2003. Details of the analysis are presented in a Rockwool Foundation Research Unit book entitled *Forbryderen og samfundet* (The offender and society) (Gyldendal, 2008), which also contains details of research into the consequences of crime for relationships and into the connection between unemployment and crime.

The Danish book is summarized in the newsletter.

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A conviction does not mean that it takes young men any longer to form relationships. However, men who have been to prison find it more difficult than others to establish relationships with women from well-to-do families. For those men who were already married or cohabiting at the time of their crime, imprisonment increases the risk of their relationships breaking down Page 6

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Men who lose their jobs are more inclined to commit crimes than others. This is the finding from a study of men who became unemployed through no fault of their own as a result of the closure of the company that employed them. These men had a greater tendency towards crime than a control group Page 8

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Activation of the unemployed is effective not only in getting people into employment, but also in helping to prevent crime. Men participating in activation programmes are significantly less likely to engage in crime than men who passively receive transfer income Page 10

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The risk of being a victim of violence or theft is the same whether one is in Denmark or the USA, but it costs more to be a criminal in Denmark than in America. After release, those who have been in prison in the USA are generally able to regain the level of income that they had previously. In Denmark, convicted offenders face a reduction of up to 40% in their earned income Page 12

Publications from the project:

Forbryderen og samfundet. Livsvilkår og uformel Straf (The offender and society. Life conditions and indirect punishment) by Torben Tranæs and Lars Pico Geerdsen, with contributions from Susumu Imai, Claus Larsen and Michael Svarer. Gyldendal, 2008. 176 pages, illustrated. ISBN 978-87-02-05574-0.

Crime and partnership Study Paper No. 19 by Michael Svarer. University Press of Southern Denmark, 2008. 40 pages. ISBN 978-87-90199-11-1

The financial punishment that just keeps on

First, a person commits a crime, or a number of crimes (often it is more than just one). Then comes the sentence. Then prison. And then – weeks, months or years later – freedom. But with freedom comes the start of a new form of punishment: the indirect, ongoing punishment in the form of a significant reduction in income, which will last for a very long time.

In the book *Forbryderen og samfundet* (The offender and society), the Rockwool Foundation Research Unit has focused on how much, in purely financial terms, people who have been punished through the criminal justice system stand to lose – in other words, how much lower their incomes are after their release, in comparison with a period of stability a few years before they were imprisoned.

The study is the first of its kind in Denmark, and is based on a comparison of offenders' real incomes in the five years before they were first imprisoned, and in the five years after their release. This makes it possible to create a picture of the offender's financial situation before and after prison – and the picture is indeed a clear one. Before things began to go wrong, finances were on one level; and afterwards, finances are on another, lower level.

In the study, prison sentences are divided into short and long periods of imprisonment. Short periods of imprisonment are of up to six months; long periods are of six months or more.

There is a significant and permanent drop in income of 15%. The loss of potential earnings on the labour market is even greater. If the offender's earnings alone are considered, the reduction in level of income is almost 25%. However, the offender does not personally suffer a loss of that magnitude, since the state provides replacement of a part of the reduced income through transfers from the public purse (unemployment compensation).

Figure 1 also shows that real income is typically stable up to a point 1-2 years before imprisonment. After release, income again stabilises, but at a new and lower level. Somewhere in between, things start to go wrong. The movement from one level of income to another is not purely a consequence of going to prison; the decline begins before this. It is a consequence of crime, and of the circumstances that lead to crime, as well as of the punishment itself.

It should be noted that the level of income for the last 12 months before prison and the first 12 months after release is uncertain. This is because figures are only available for annual incomes, not for monthly incomes. Consequently, the figures that are directly comparable are those for the last full calendar year before imprisonment and the first full calendar year after imprisonment.

On average, men who have been to prison for less than six months earn 25% less after release than they did previously. However, they only suffer a part of this decrease as a loss of personal income, because the state pays transfer incomes to compensate, for example in the form of unemployment benefit, social security benefit or early retirement benefit.

TABLE I

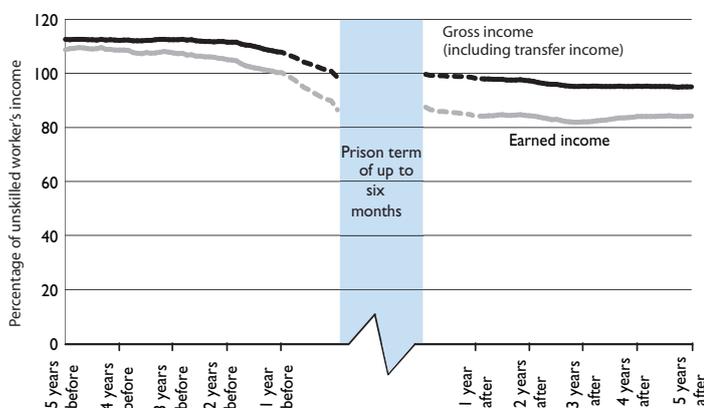
The prison population.

Started prison sentences in the course of 1 year	13,600 people
Proportion sentenced to less than six months' imprisonment	Over 90%
Average prison population in Denmark	3,500 people

Notes: Figures for 2004.
Source: Statistics Denmark.

The findings of the study are plain: regardless of whether the prison term is short or long, income after imprisonment is permanently lower than it was two years prior to imprisonment. As Figure 1 shows, even a short unconditional prison sentence is linked to a perma-

FIGURE I
Registered incomes for men who are sentenced to less than six months' unconditional imprisonment – before and after the prison term.



Note: Both earned income and gross income are shown in relation to the income of an unskilled worker of the same age in employment.
Source: Own calculations based on data from Statistics Denmark for the period 1994-2003.

Longer prison terms result in heavier losses

If we consider the situation with respect to long terms of imprisonment, the overall pattern is the same – but the amount of loss is greater.

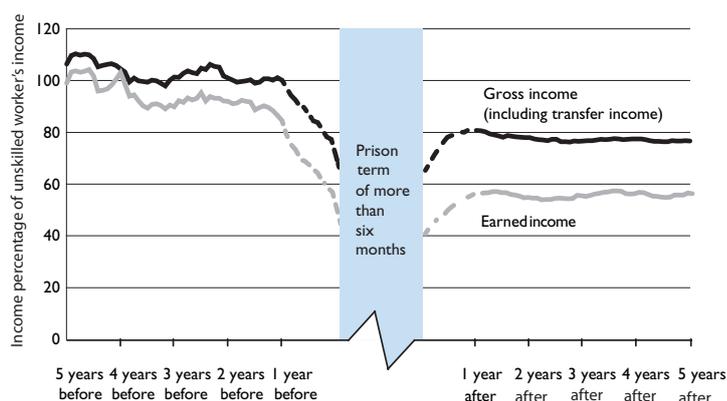
The offender's capacity to earn money on the labour market falls by 40%. Once again, public transfer incomes provide some compensation, so that offenders suffer a personal loss in income of “only” 25% compared to what they earned before imprisonment.

Once again, the decline in income begins before the term of imprisonment. However, the level of income is steady until a year before prison. At that point, around half of those who receive a long sentence have already been involved with the police or the courts. In other words, there is little to suggest that earlier committed crime which is punished mildly or not at all damages a person's prospects on the labour market.

As Figure 2 shows, offenders sentenced to long prison terms do not regain their previous level of income either, and overall they suffer a permanent financial loss which is significantly greater than that of offenders sentenced to short terms in prison.

FIGURE 2

Registered incomes for offenders who are sentenced to more than six months' unconditional imprisonment – before and after the prison term.



Note: Both earned income and gross income are shown in relation to the income of an unskilled worker of the same age in employment.

Source: Own calculations based on data from Statistics Denmark for the period 1994-2003.

Those who receive long prison sentences also suffer greater financial punishment. Their incomes fall dramatically during the periods immediately before and after imprisonment.

Direct and indirect punishment

Punishment for crime has both direct and indirect elements. The court imposes the direct punishment. The indirect punishment or the informal one, on the other hand, is a consequence which is very real, but which is not part of the punishment handed down by the court: it is harder to get a job after the direct punishment is over, and in particular harder to get a well-paid job. It is also harder to hold a relationship together.

The indirect punishment is the difference between the family and working life a person would have had if he or she had kept within the law, and the life actually experienced after a term in prison.

However, while the direct punishment is the same for everyone, the effects of the indirect punishment vary from person to person. The better a person's work situation and family life are before committing a crime, the worse the indirect punishment is likely to be. Quite simply, the person has more to lose.

Criminals receive the profits of their crimes both before and after imprisonment. Those who can make significantly greater profits from crime after their time in prison will be able to cancel out the effect of indirect punishment. There is still an indirect punishment, though, if the reduced opportunities to obtain work on the labour market after imprisonment contribute to the choice of a life of crime. If in contrast the opportunities for obtaining normal employment are unchanged, for example because the offender has elected not to take an ordinary job because there is no time to fit normal work in to a busy criminal career, then it is really not possible to talk of further punishment. However, income after a term of imprisonment is only calculated in the study for those people who are not sent to prison again at a later date. Professional criminals are thus typically not included in the calculations in the final years shown in Figure 2.

Dependent on public transfer incomes

It should be noted that the explanation for the fall in income is not that the convicted offenders go on to commit more crimes, so that they constantly return to prison. Any person who receives a second conviction is removed from this study.

The aim of the study is to measure the financial consequences of first engaging in criminal activity and the first sentence, not to study the effects of a long criminal career with repeated returns to prison. In order to isolate the effects of the first conviction and the events leading up to it, people who go on to commit more crime are removed from the study at the point when they return to prison. Thus the study concerns only those offenders who do not have their opportunities on the labour market further restricted by new terms of imprisonment.

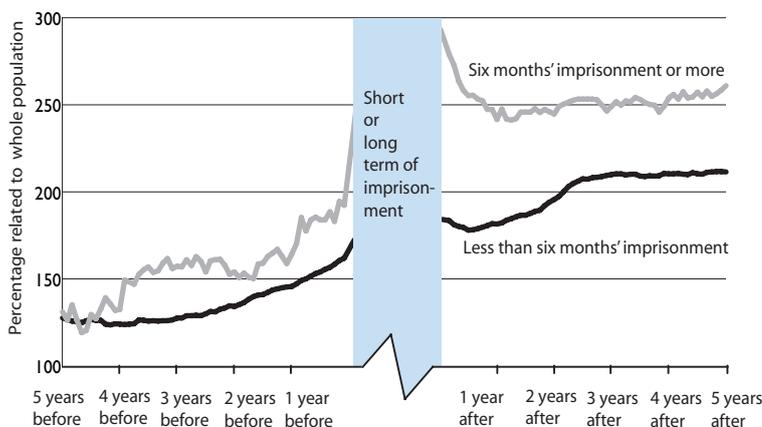
By far the most important element of the explanation for the loss of income is the weakening of the offenders' connection to the labour market.

It is true that offenders generally tend to have been more dependent on transfer incomes than other people even before their convictions. However, crime and imprisonment have the effect of creating greater dependence on benefits and thus of widening the gap between income before and income after imprisonment.

As Figure 3 shows, the two groups studied here were approximately one and a half times more dependent on transfer incomes before their crimes as the general population of working age. After their crimes and sentences, however, they were between two and two and a half times more dependent on social benefits than other people. Approximately 25% of the Danish population in the age range 15-59 are in receipt of transfer incomes, whereas the figure is approximately 50% of those who have been in prison.

For those who received sentences of less than six months in prison, there was a noticeable decline in their labour market situation even before their crimes. They were becoming gradually ever more dependent on transfer incomes. This trend accelerated during the process of police investigation and conviction, which had

FIGURE 3
Convicted offenders' dependence on public benefits in comparison with that of the whole population, age 15-59 years.



Source: Own calculations based on data from Statistics Denmark for the period 1994-2003.

Dependence on transfer incomes increases rapidly in connection with crime and imprisonment – especially for those who receive long sentences.

just as great an effect on their labour market situation as the actual term in prison. The great majority committed the crime for which they were sent to prison less than a year before their sentences began.

The situation is even worse for those who receive longer terms of imprisonment. The long stay in prison has very negative consequences on their attachment to the labour market. The degree of reliance on transfer incomes increases from approximately double that of the rest of the population of working age to three times that level immediately after release. Thereafter the level of dependence falls again, and finally stabilises at a level that is approximately two and a half times that of the general population.

Denmark has many criminals

Contrary to popular belief in Denmark, crime is not something confined to a small group on the margin of society. It is in fact very widespread, both in Denmark and elsewhere.

Among a random selection of 100 males in Denmark aged 35, 28 will have had one or more convictions for crime. Twelve of them will have received either conditional or unconditional prison sentences. These figures do not include convictions for traffic offences such as drunk driving.

Is indirect punishment too severe in Denmark?

While virtually everybody in Denmark has an opinion on whether the sentences handed down in the nation's courts are too severe or too lenient, the issue of indirect punishment is not something that generally enters the national consciousness or features on the debate pages of the country's newspapers.

It is an issue that perhaps should concern Danes rather more. One could for example argue that the total punishment, not just the direct, formal sentence, should be considered by politicians when they set the limits for the sentences available to the courts for different crimes.

There may be several reasons for the lack of discussion of indirect punishment. The first is the obvious one, quite

simply that the issue has not been the focus of study previously. Another point is that it is not evident who is responsible for informal punishment. Does responsibility lie with employers who refuse to hire convicted criminals? Or is it the criminals themselves who forget while in prison how to behave in normal society, or whose work skills diminish during their term of imprisonment?

Another relevant question is whether the welfare system is designed to deal appropriately with convicted offenders. On the one hand, the courts impose formal punishments without taking account of the collateral consequences; on the other, the welfare system halves the effect of indirect punishment through income transfers.

Personal relationships after prison

Even though a Danish criminal record does not reduce one's chances of finding a partner in life, there are nevertheless social consequences. The chances of a man being able to find a partner from a family in good social standing are diminished. There is also an increased risk of breakdown in relationships.

These are the conclusions of a study on the effects of crime on relationships in Denmark carried out by Michael Svarer, Professor in Economics at the University of Aarhus, together with the Rockwool Foundation Research Unit.

In the study, a representative sample of the male Danish population who had been convicted of a crime was compared with a sample of men who had not been convicted of a crime during the period 1990-2003. The two groups diverged from one another in a number of ways that might be relevant in the context of personal relationships. For example, the proportion of those unemployed was greater among convicted offenders than in the remainder of the population. This may have significance for whether a man finds a partner, and for what type of partner he finds.

Consequently, the samples were analysed using a statistical model which is based on the assumption that there are differences between the two groups. The analysis showed that Danish men who have been convicted of an offence do not find it more difficult to form a cohabiting or marital relationship than men without a criminal conviction. One might have expected that it would be more difficult for an offender to find a partner because of the negative social and economic status associated with convictions, but it seems this is not the case in Denmark.

Criminal convictions do, however, have significance in determining which women men form relationships with. Convicted offenders must wait for a longer time if they want to form a relationship with a woman whose father's wealth is above the Danish average, and fewer of them end up in such relationships. A criminal record, it seems, is not the way to a woman's heart if she comes from an above-average social background. The time it takes for a man to form such a relationship increases regardless of whether his conviction was for crime against property or for violent crime.

TABLE 2

The significance of a criminal conviction for the time it takes for a man to form a relationship.

Relationship	No effect
Relationship with a woman whose father is wealthy	Longer time taken
Relationship with a woman whose father is not wealthy	No effect

Note: Effects significant at the 5% level.

Source: The Rockwool Foundation Research Unit.

A criminal conviction does not affect a man's chances of forming a relationship, but does influence the type of woman with whom a relationship is formed.

Marriage and economic theory

The topic of marital partnerships is one of the concerns of the academic discipline family economics.

According to theory in this field, people will try to maximise their yield from the marriage market. The marriage market can be likened to a discotheque where men and women weigh each other up and try to get the best deal possible for themselves by securing the best match.

A decision to commit a crime may be related to a wish to make some fast money and achieve a favourable position in relation to potential partners, and thus to obtain a better yield on the marriage market. The theory states that women value men with high income-earning potential. The risk, however, is that one can end up with a lower yield if the crime is discovered, and one is convicted. This will undermine one's position on the marriage market, since it diminishes the prospects of a stable earned income.

If we translate the recent Danish study reported here into this terminology, the conclusions of the study are an expression of the fact that crime that is discovered leads to a lower yield on the marriage market.

Michael Svarer's analyses are included in *Forbryderen og samfundet* (The Offender and Society) (Gyldendal). Non-Danish-speaking readers with a special interest in the links between crime and relationships are referred to a working paper by Michael Svarer, published by the University Press of Southern Denmark and entitled *Crime and Partnerships* (40 pages, DKK 80). The paper contains complete details of the analysis.

Risk of divorce

Another element of the study concerns the extent to which crime is significant for the breakdown of relationships. The conclusion is that crime does have an effect.

The probability that a relationship will come to an end increases by 76% in the wake of a conviction in comparison with relationships for the population as a whole. This applies to relationships established both before and after conviction.

The probability of relationship breakdown is greater in the case of conviction for violent crime than it is with crimes against property. Similarly, the probability is greater in the case of an unconditional sentence than with a conditional sentence.

The economic theory explains the increased risk of relationship breakdown by the fact that a criminal conviction decreases the yield to the woman from the relationship. On the other hand, one might imagine that the female partner would be aware of the man's criminal tendencies before she entered into the relationship. In that case conviction will not come as a surprise, and the effect on the relationship will be reduced.

TABLE 3

The effect of criminal conviction on the likelihood of relationship breakdown.

Criminal conviction	Increases probability
Conviction for violent crime	Increases probability
Conviction for property crime	Increases probability
Other convictions	Increases probability
Conditional sentence	Increases probability
Unconditional sentence	Increases probability
Fine	Increases probability
Community service	Increases probability

Note: Effects significant at the 5% level.

Source: The Rockwool Foundation Research Unit.

The risk of divorce increases regardless of what crime a conviction is for, and of what the sentence is.

Unemployment leads to crime

When the level of unemployment is high, the number of convictions for property crime increases.

This is one of the findings from the analyses in *Forbryderen og samfundet* (The offender and society), a study by the Rockwool Foundation Research Unit. There are many factors which affect both unemployment and crime, and consequently it is not always enough simply to note that the levels of the two things are related. Nevertheless, examining the correlation does quickly provide an overview of the situation.

As Figure 4 shows, since 1980 there has been a fairly clear correlation between property crime and unemployment in Denmark. Crime increased up until 1993-1994, when unemployment also peaked. Thereafter unemployment fell significantly, as did crime against property.

Which comes first – crime or unemployment?

It is one thing to note that there is a correlation between property crime and unemployment. It is a different matter to determine the direction of causality: does

crime lead to unemployment, or is it unemployment that leads to crime? Complex analysis is needed to discover the answer to this question.

It is clear that people who are convicted of crimes are subsequently more often unemployed than others, as explained in the articles on the front page and page 3, where the loss of earned income following conviction and imprisonment is discussed.

However, the analysis suggests that the effect also operates in the other direction, and that high rates of unemployment lead to more crime. Crime is thus not just a cause of unemployment for the individual, but also a result of unemployment.

In order to demonstrate a causal link, it is necessary to compare two groups that are alike in all respects except the factor which one wishes to examine – in this case, that one group became unemployed, while the other did not.

It is difficult to find two such groups for research purposes. One reason for this is that it is necessary to be sure that the people in the group which has a high level of unemployment do not all share some characteristics that lead to both high unemployment and a high level of crime.

In order to avoid that potential problem, the study must focus on people who were not themselves responsible for their unemployment. The unemployment has to be the consequence of external factors. This was achieved in the study by examining people who had become unemployed as a result of the closure of companies they worked for.

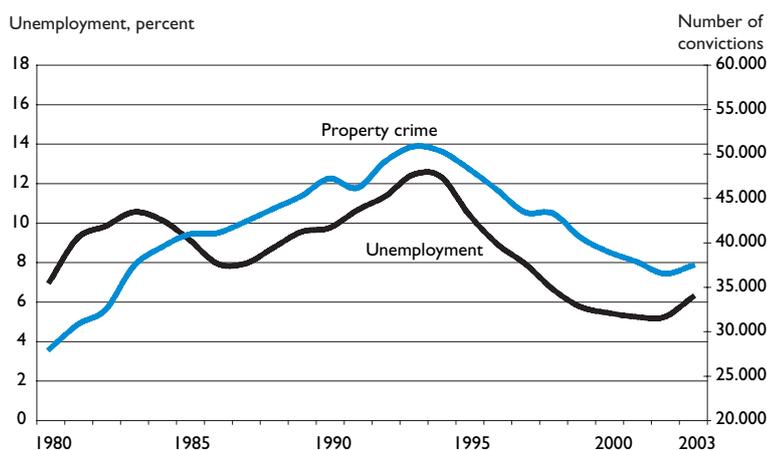
Company closures

Men who became unemployed as a result of the closure of companies in Denmark during the period 1990-2003 were compared with a control group consisting of men who had not experienced the closure of the companies where they worked.

Even though most of the men quickly found new jobs after the closure of their companies, there was nevertheless a higher level of unemployment in this group than in the group of those who had not experienced company closure.

FIGURE 4

Unemployment and crime, 1980-2003.



Source: Own calculations based on figures from Statistics Denmark.

Unemployment has halved since the beginning of the 1990s. At the same time, crimes against property have fallen by over 25%.

The comparison of the two groups took into account the characteristics of the people who were employed by the companies which closed. For example, the unskilled were more often affected by company closures than other people, and the unskilled, all else being equal, have a greater tendency to commit a crime than others. Consequently, the control group had to be matched to the group studied. The members of the control group were still randomly selected, but the selection process was arranged so that the unskilled had a greater chance of being selected for the control group than those with academic qualifications. In this way it was ensured that the two groups resembled each other with respect to factors such as age, education and criminal records.

The results were clear, as Table 4 shows: men who had lost their jobs through company closure had a greater tendency to crime than other men with comparable characteristics throughout almost the whole of the period 1990-2003.

A vicious circle

Studies show, then, that unemployment leads to crime, and that at the same time crime leads to unemployment. It is thus only a short step to the conclusion that unemployment that is caused by crime leads to new crime.

When study after study shows that criminals relapse into crime again and again, the explanation is not necessarily that the offenders develop even more criminal tendencies while in prison. The explanation may also be that they commit crime again because they cannot find employment once they have completed their first prison term. And they cannot get a job because they are expected to commit crime again - which they then eventually do.

Why does unemployment lead to crime?

There are several theories as to why unemployment should lead to crime. One relates to the conscious weighing up of the odds between reward and punishment. The theory is that the criminal considers how great the risk is of being discovered, and how much he has to lose if he is caught. The less there is to lose,

TABLE 4
The effect on crime of the closure of the company where one works

Period	Company closure
1990-1993	Increases crime
1994-1997	Increases crime
1998-2000	No effect
2001-2003	Increases crime

Note: Effects significant at the 5% level. Crimes against property and against the person taken together.

Source: The Rockwool Foundation Research Unit.

Unemployment leads to crime. If unemployment increases by one percentage point, crime increases by around three percent. In 2008, with unemployment at a level of around 3%, Denmark could expect to see approximately 25% less crime than at the beginning of the 1990s, when unemployment was around 12%.

the greater the potential benefit from crime.

People who have permanent jobs and a good income can lose both these if they venture into crime. For those who are unemployed, the opposite is the case. They have less to lose – not only financially but perhaps also socially. Consequently, unemployment reduces the cost of being discovered and leads to crime.

The original assumption concerning unemployment was that being without work brought material want, and the unemployed therefore stole in order to avoid going hungry. The modern version of this notion is that unemployment creates a relative level of want. The family cannot maintain the same material standard of living as before, and this changes the assessment of the possible gain from theft in relation to the risk of punishment.

Another theory focuses on the fact that lack of occupation leaves more time for crime. If people are not working, they have more time to plan and commit crimes. At the same time there are greater opportunities for moving in circles where crime is widely accepted.

Labour market activation puts the brakes on crime

It has been known for years in the field of employment policy-making that labour market activation promotes employment. However, there is now an analysis which shows that activation also prevents crime.

Men who are on activation programmes display lower levels of crime than men who are receiving social security benefits but not participating in activation schemes.

This is the evidence from the first Danish analysis of the correlation between crime and activation, published in the Rockwool Foundation Research Unit book *Forbryderen og samfundet* (The offender and society).

One important reason that the connection was not investigated previously is that it is very difficult to isolate the effect of activation. It is necessary to identify two comparable groups, one of them made up of people in activation programmes, and the other functioning as a control group. The two groups must be alike in all other respects, so that activation is the only difference between them. This is difficult to achieve in Denmark, because activation programmes are so universal.

But it can be done – for example, by comparing the Municipality of Farum with the rest of the country. There was a time when Farum Municipality near Copenhagen enrolled recipients of social security benefits in activation programmes at a very

early stage, much earlier than was the practice elsewhere in Denmark. For a period from 1987 onwards all recipients of social security benefit in Farum were immediately placed in activation programmes. This meant that from Day One they had to do some sort of work in return for receiving benefit.

Crime reflects the extent of activation

The analysis shows that the effects of immediate activation can be seen in crime levels in Farum. The study was based on all men who were not covered by unemployment insurance.

Danes who are not members of an unemployment fund often end up on social security benefit, if they have no other source of income. Variation in criminal activity among men without unemployment insurance is therefore an indicator of variation in crime for male recipients of social security benefit.

The results of the study are very clear. From 1987, when Farum began this activation policy, the level of crime among men without unemployment insurance in Farum began to diverge from the equivalent level in the rest of the country. This can be seen in Figure 5.

Farum was very similar to the rest of the country until 1987, when there were approximately 9 convictions for every 100 men aged 18-30 without unemployment insurance. This was the case in the whole of Denmark, and it was the case in Farum.

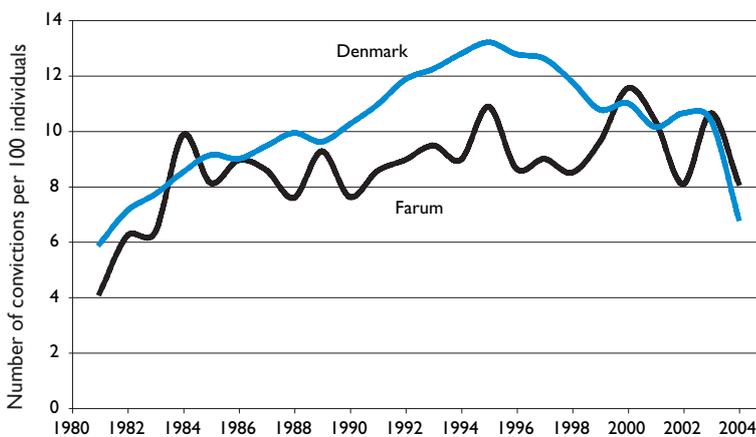
After 1987 the incidence of crime increased in the rest of the country, to a level of 12-13 convictions per 100 uninsured men. But not in Farum. The level there remained at around 9 convictions.

Only towards the end of the 1990s did the levels of crime in Farum and the rest of Denmark begin to converge once more.

And it was in fact at precisely that time that activation policies in Farum and the rest of Denmark started to grow more similar – in part in that activation throughout Denmark became more comprehensive, and in part because the rules were relaxed somewhat in Farum.

FIGURE 5

Number of convictions in Farum and the rest of Denmark, 1981-2004.



Note: The figure shows statistics for all men aged 18-30 who were not members of an unemployment fund. Women are not included, since most crime is committed by men.
Source: Own calculations based on figures from Statistics Denmark.

From 1987 until the end of the 1990s, Farum had more activation and less crime than the rest of Denmark.

Loss of free time

There may be several explanations as to why activation has a dampening effect on crime.

One is that a person who is in an activation programme has less free time. There are many who would say that “the Devil makes work for idle hands”.

Another possibility is that activation helps to keep people away from criminal environments and instead places them in work environments, where crime is not regarded as acceptable to the same extent.

Finally, the explanation might be that activation enables people to obtain qualifications, opening up new opportunities for them on the labour market. If activation increases a person’s chances of finding a better job in the future than would otherwise be possible, then it is possible

that the unemployed reject the criminal option during activation in order not to ruin their future opportunities.

The reason that activation has a crime prevention effect is probably more complex than simply that activation helps people to obtain employment. A large part of the effectiveness of activation with regard to employment is attributable to the prospect – or, to put it bluntly, the threat – of activation, and not to the activation programme itself. Many people find paying jobs for themselves when faced with the prospect of having to get out of the house in the morning anyway to attend an activation programme. However, the study does suggest a crime reduction effect from actual participation in activation for slightly older people in the social security system, and this is discussed in the book *Forbryderen og samfundet*.

How crime is measured

There are two possible approaches to measuring the level of crime. One method is to ask people how often they have been victims of crime, and the other is to examine the statistics for reported crimes.

There are two problems with basing a measure on reported crime statistics. One is, of course, that this method only counts crimes that are reported. A fairly large proportion of crimes are never reported to the police at all.

The other drawback is that the propensity of the population to report crime changes over time. An apparent increase in crime rates may simply be a reflection of an increased tendency to report crimes, and studies show that

this has indeed occurred in Denmark. Danes report vandalism and violence much more often now than they did previously. There are approximately 35% more crimes reported in Denmark today than in the early 1970s, but victim surveys show no increase in the number of people who state that they have been affected by crime.

There are also problems related to victim surveys, especially when these are used to make comparisons over time. For example, the general perception of what constitutes violence changes over the years. The degree of uncertainty associated with the results of victim surveys is, however, lower than that associated with statistics for reported crimes.

Indirect punishment is heavier in Denmark than in the USA

While formal sentences are typically much tougher in many places in the USA than the equivalent punishments in Denmark, the situation is the reverse with respect to the indirect or informal element of the punishment: Danish society is harder on people with criminal convictions than American society is.

It quite simply costs more in purely financial terms to be a convicted criminal in Denmark.

American studies of the life conditions of convicted criminals show that former prisoners in the USA are generally able to re-establish the level of pay and attachment to

the labour market that they had during the year before they went to prison. That is far from being the case in Denmark, where a convicted male criminal who is sent to prison stands to lose between 25% and 40% in earnings compared to what he had before, depending on the term of imprisonment. A significant proportion of this loss appears to be directly associated with imprisonment.

Even when the relatively generous Danish transfer income benefits are taken into account, the punishment is greater in Denmark, with criminals suffering an overall reduction in income of between 15% and 25%.

As much crime in Denmark as in the USA

Many people may be surprised to learn that the risk of being a victim of crime in Denmark is on a par with the risk in the USA. This is the finding from victim surveys in the two countries.

In Denmark, the extent of violent crime has been steady over many decades; between 2% and 3% of the population state that they have been victims of attacks within the previous year. Since the year 2000, an average of 14% of the population have reported that they have been victims of theft during the previous 12-month period.

The surveys by the American Department of Justice are not completely comparable with the Danish surveys. However, they do indicate that crime levels in the USA are around the Danish level: 2% of the population report being victims of violence over the previous year, and 15% say they

have been victims of theft.

While the level of crime in Denmark has remained constant, though, there has been a marked reduction in crime in the US since the beginning of the 1970s. At that time, the USA had nearly three times the level of crime as that which was prevalent in Denmark: in surveys 5% of Americans reported being victims of violence, and 50% victims of theft, over the previous 12 months.

Although Denmark and the USA are on the same level in terms of numbers of crimes today, the seriousness of the crimes differs. The numbers of murders and serious assaults are much higher in the US than in Denmark, which is also at the bottom end of the European table in terms of seriousness of crime. However, Denmark is one of the nations in Europe where there is the greatest probability of a person being the victim of a crime.

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Editors responsible under the Press Law: Torben Tranæs (Research Director) and Bent Jensen (Head of Communications). The other staff at the Research Unit are: Signe Hald Andersen, Researcher; Lars Højsgaard Andersen, Researcher; Jens Bonke, Senior Researcher; Johannes K. Clausen, Research Assistant; Maria C. Elgaard, Research Assistant; Peter Fallesen, Research Assistant; Kristoffer Glavin, Research Assistant; Jane Greve, Researcher; Camilla Hvidtfeldt, Researcher; Rasmus Landersø, Research Assistant; Claus Larsen, Researcher; Helene Bie Lilleør, Researcher; Louise Herrup Nielsen, Research Assistant; Helle Sophie Houlberg Petersen, Research Assistant; Marie Louise Schultz-Nielsen, Researcher; Mai-britt Sejberg, Secretary; Peer Skov, Researcher; Jesper Sørensen, Research Assistant; Elise Stenholt Sørensen, Research Assistant and Helene Regitze Wandsø, Research Assistant.

Any practical questions concerning the Newsletter should be addressed to Mai-britt Sejberg, tel. +45 39 17 38 32, fax +45 39 20 52 19.

Address: Sejrøgade 11, 2100 Copenhagen Ø. E-mail: forskningsenheden@rff.dk. Website: www.rff.dk.