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Economic Cost of Crime

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ECONOMIC COST OF CRIME

Estimates of the bill this country pays for crime vary greatly. Burdette G. Lewis, former head of the New Jersey State Department of Institutions and Agencies, has put the figure at \$3,500,000,000. William B. Joyce, chairman of the National Surety Company, puts the total at \$10,000,000,000—\$4,000,000,000 actual money losses and \$6,000,000,000 for enforcement. The first estimate, according to Mark O. Prentiss, organizer of the National Crime Commission, is absurdly low, and the other estimate is well below the actual cost. Directly and indirectly, says Mr. Prentiss, crime costs this country an economic loss of at least \$13,000,000,000 a year, and even this estimate leaves out of account many items that would carry the amount over \$3,000,000,000 higher.

In other words, every year more money is lost in the war on crime than the \$11,000,000,000 advanced to Europe during and since the war.

If the people who discuss the economic waste of war were to stop to consider the war which society wages against the criminal; they would receive a severe jolt. Here is a war in which 12,500 people die each year—murdered; in which 500,000 police, judicial and enforcement officials combat the inert malevolence of 2,000,000 criminals, men and women, engaged in illegal and economically unproductive activities. The police hold 200,000 prisoners of war in this ceaseless battle to protect life and property.

It is estimated that there are, at that, 135,000 murderers at large. In Chicago six policemen are shot to every criminal hung. If, therefore, half of the emotion now enlisted in favor of outlawing war were turned to suppressing crime, war's counterpart in civil life, the taxpayers of this country would begin to get a great deal better value for their money.

Dealing with the facts in another way it is pointed out that crime is one of the biggest businesses in the country. Adopting the low figure of \$10,000,000,000 as the annual cost, it stands above the entire foreign trade of the United States, which amounted, in 1926, to \$9,239,000,000. Surely, therefore, this business of dealing with crime looms as the greatest single problem to be faced by the nation, levying, as it does, its toll on every aspect of food, clothing, shelter, higher protection costs, higher transportation charges, greater overhead in business and government, less value in social welfare and economic security.

Whether the subject is dealt with in the form of actual property damage, or cost of enforcement, or the matter of economic waste, the figures are staggering. The figures, as tabulated by Mr. Prentiss, show the following:

Losses Through Fraud:

Fraudulent Securities	\$	500,000,000
Embezzlements		150,000,000
Forgeries		100,000,000
Worthless Checks		120,000,000
Fraudulent Bankruptcies		400,000,000

Property Losses Through Burglary, etc.

Transportation Thefts	\$ 500,000,000
Thefts from Warehouses, etc.	525,000,000
Thefts from the Mails.....	10,000,000
Economic Value 12,500 Murdered Persons	125,000,000

Cost of Law Enforcement

Federal, State and Municipal Police	\$ 1,000,000,000
Cost of Criminal Justice and Legal	3,000,000,000

Wastes of Crime

2,000,000 Criminals at \$1,500 a Year	\$ 3,000,000,000
400,000 Police at \$1,500 a Year	750,000,000
Commercialized Vice	628,000,000
Drug Traffic	1,000,000,000
Liquor Traffic	1,000,000,000
Value of 12,500 Victims of Liquor Traffic	125,000,000

\$12,933,000,000

Mr. Prentiss maintains that this is merely scratching the surface, and does not take into consideration other authentic figures available. Totalling them in another way he arrives at the figure of more than \$16,000,000,000, to-wit:

Loss Through Commercial Frauds	\$2,000,000,000
Loss to Property	2,000,000,000
Cost of Police, Prosecutions, etc.	6,000,000,000
Economic Waste	6,503,000,000

As yet but few localities have made any determined start towards dealing with the situation, and unless the battle against crime is to become an endless and very discouraging one, legislators, executive officials and citizens everywhere need to awaken to the seriousness of the situation and bring to the consideration of the matter their best talent and effort.

Dean Pound of Harvard
has agreed to visit North Dakota at the
time of the 1927 Annual Meeting.