

EFFECTS OF URBAN CRIME ON THE ECONOMIC DEVELOPMENT OF ORON URBAN, AKWA IBOM STATE, NIGERIA

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Abstract

The aim of this paper was to assess the effects of urban crimes on economic development of Oron urban, Akwa Ibom State, Nigeria. A survey research design was adopted to assess the phenomenon. The study area was divided into nine (9) study zones. Data generated were both qualitative and quantitative using structured questionnaire. These were data on 24 parameters relating to economic development (people/ place based economic development); and 12 parameters relating to urban crimes from the Nigerian Police Force (NPF) reports and published materials. Factor Analysis (FA) technique was applied to collapse to a few factors. Both urban crimes and economic development were statistically correlated and regressed using Pearson's Products Moment Correlation (PPMC) and Multiple Regression Analysis and this yielded a correlation (R) of .765 representing 58.5% coefficient of determination at 0.05 (2 tailed test) significant level. This revealed a positive correlation between urban crime and economic development of Oron urban. Based on the findings, it is recommended that improvements on people- based and placed- based economic development strategies combine with adequate mobilization of equipped security agents will reduce the desire of criminals to commit crimes in Oron urban.

Keywords: Urban, Crime, Economic, Development, Security

Introduction

According to Scott and Gordon (2009) “a crime is said to be an offence, which goes beyond the personal and into the public sphere, breaking prohibitory rules or laws, to which legitimate punishments or sanctions are attached, and which requires the intervention of a public authority...” For crime to be known as such, it must come to the notice of, and be processed through, an administrative system or enforcement agency. Crime can be seen as an infraction of both the basic

principles of law and order and the norms of civilized behaviour (Danbazau, 2007). No society is immune from this thorny social problem but what differ are the frequency and magnitude of the situation and the response mechanisms to address same (Chinwokwu, 2014).

On the other hand, the word economic development refers to the sustained, concerted actions of policymakers and communities that promote the standard of living and economic health of a specific locality (Todaro and Stephen, 2011).

Economic development is the strengthening of autonomy and substantive freedoms, which allow individuals to fully participate in economic life (Sen, 1999). Hence, economic development occurs when individual agents have the opportunity to develop the capacities that allow them to actively engage and contribute to the economy

In Nigeria, the significant effect of urban crimes and other associated crimes are becoming worrisome and perplexing not only to Nigerians but also to the international community. As observed by Ayuk, *et al.* (2013) “any nation that has conflict, crime and security challenges cannot be said to be in the path of greatness and development.” The upsurge of crime has been ongoing as Nigeria has been on the global crime map since 1980s. This has heightened the fear of foreigners, especially international investors; thereby threatening the foundation of economic development. For instance, reported murder cases in Lagos State rose from 1,629 in 1994 to 2,136 in 2003. Such a phenomenal increase of over 75 percent between 1994 and 2003 is worrisome. Also, armed robbery increased from 2,044 in 1994 to 3,889 in 2002, in less than a decade (CLEEN Foundation, 2007).

Akwa Ibom State in Nigeria is not left out in this current web of crime dilemma, manifesting in the convulsive upsurge of both violent and non-violent crimes. Available crime data in Oron urban shows a total of 297 cases of various types of crime in 2007, 265 in 2008, 463 in 2009, 392 in 2010 and 444 in 2011 (Nigeria Police Force, 2015). This progressive increase may continue in the phase of mounting youth unemployment in the country. It is against this backdrop that this paper aims at

assessing the effects of urban crime on the economic development of Oron urban. To achieve this, a null hypothesis: H_0 , that ‘there is no significant relationship between urban crime and economic development of Oron urban’ is formulated for testing.

Research Problem

The growth in urban crime rate in Oron urban with its implications on economic development is a major social problem facing Akwa Ibom State in recent times. Crime in Oron urban is perceived to have risen to a worrisome level in recent decades, causing material and immaterial consequences and could threaten the city’s corporate existence. Ahmed (2012) asserted that in many urban centres of Nigeria today, criminal activities and violence are assuming dangerous tendencies as they threatened economic development initiatives, lives and property, the national sense of well-being and coherence, peace, social order and security, thus, reducing the citizens’ quality of life. This describes the current security situation in Nigeria’s urban centres and Oron urban in particular.

In Oron urban, the activities of criminal elements and situation of violence remain of great concern to government, policy-makers, policing agencies, planners and the general public. Urban crime is seen as one of the push factors responsible for out-migration of the residents and relocation of business operatives from Oron urban to other urban centres within and outside Akwa Ibom State since 2004. It thus seems natural to expect that urban crime is detrimental to the economic development and income growth of Oron urban giving the

prevailing crime wave – patterns, volume and trends perpetuated in the study area in recent times.

Study Area

Oron urban is the administrative headquarters of Oron Local Government Area (LGA) in Akwa Ibom State, Nigeria. It is located between Latitudes 4°47'N and 4°50'N of the Equator and Longitudes 8°11'E and 8°15'E of the Greenwich Meridian (see Figure 1). Oron urban had a total population of 50,513 persons (NPC,1991).

The settlements making up Oron urban are: Uya Oron, Eyotong, Iquita I, Iquita II, Udung Usotai, Udung Okung I, Esin Ufot and Idua Assang. Major activities revolve around the Central Business District (CBD) area where the morning

market is located. The socio-economic activities in the study area revolve around majorly non-agricultural activities such as food trading, road transport operation, automotive fuel services, skilled works complemented by white collar jobs (public/civil service jobs) and the emerging oil company’s jobs. Fishing is also carried out by virtue of the abundant water resources of the area. The major security agencies in Oron urban are the Police Area Command headquarters, Divisional Police headquarters, Nigerian Drugs Law Enforcement Agency (NDLEA), Nigerian Security and Civil Defence Corps (NSCDC), Operation Thunder Base, Directorate of State Security DSS), Nigerian Custom and Nigerian Immigration Services.

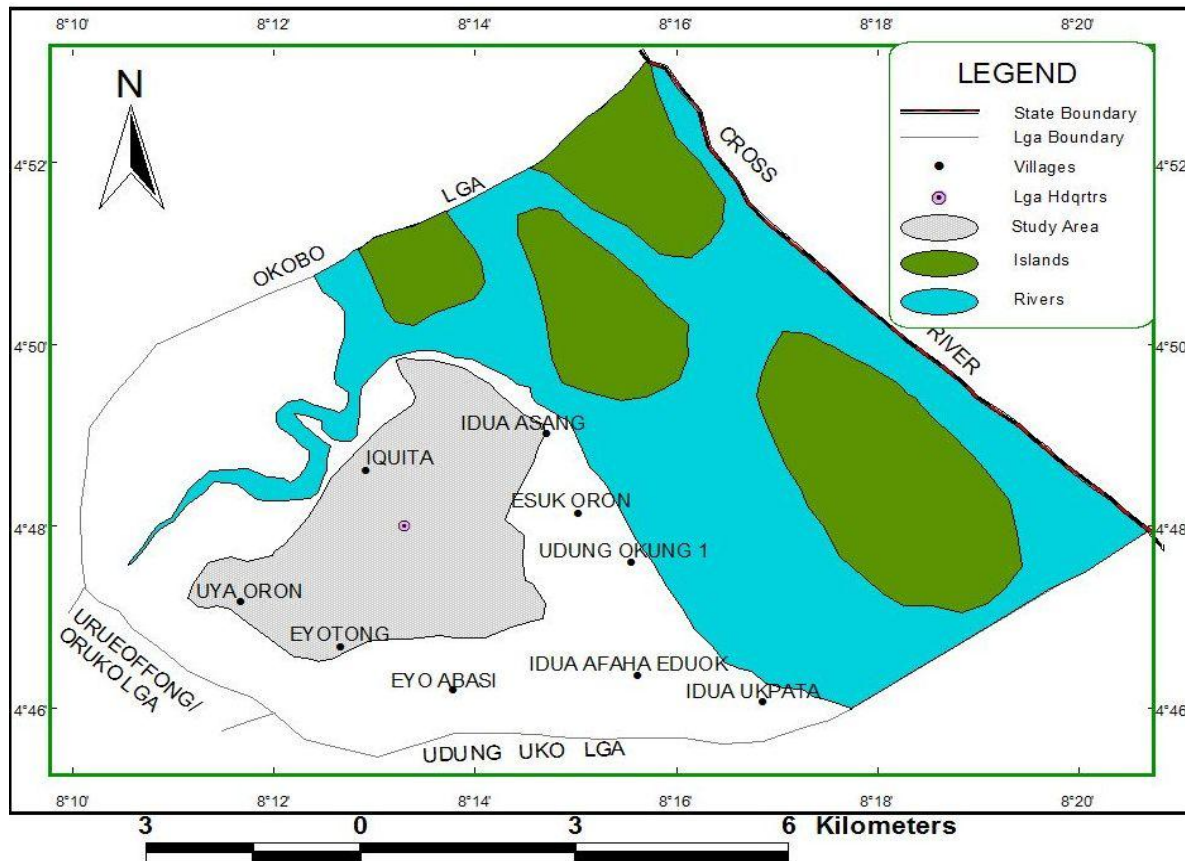


Figure 1: Location of Oron urban on the map of Oron LGA

Literature Review

Criminal activities can have strong, negative impacts on economic development by drastically reducing growth and producing long-lasting detrimental social impacts at macro and micro economy levels (World Bank, 2009). The effect of crime on the economy is substantial, because it generates great costs to society at different levels, from individual to national. The environmental, social health and economic ramifications of this situation in our cities have tremendous impact on urban economy and security (Ogboi, 2009). Security is very important for all human beings regardless of one's status in the country.

It has been noted that the cost of crime and its control is equivalent to 5% GDP in the developed world, the figure rises to about 14% in developing nations (ICPC, 2005). In the United States, in 2007, there was more than 23 million crimes committed which resulted in economic losses of nearly 15 billion US Dollars to the victims and 179 billion US Dollars in government expenditures on legal and judicial activities, police protection and corrections (McCollister, *et. al.*, 2010). In Great Britain, in 1999 and 2000, the Home Office estimated that around 67 billion Euros was spent on the criminal and judicial system (Brand and Price, 2000), while in the USA, in 1992, the total expenditure related directly and indirectly to crime represented around 5% of the American GDP for that year. However, despite the costs, since 1918 crime has risen at an average rate of 5.1% per year (Cozens, 2002).

In a study of Colombian communities, Gaviria and Vélez (2002) argued that crime has a

perverse effect on economic efficiency, reducing investment and employment in poor urban Colombian communities. Also, in addition to financial costs, crime has profound emotional and physical effects upon the victims, causing behavioural alterations that may bring serious consequences for the whole community (Harries, 2000). These include fear of crime (anxiety and insecurity), the outcome of which may actually be worse than that of the criminal act itself as it causes people to drastically alter their daily routines. Santana and Nogueira (2008) examined the relationship between feelings of insecurity and community mental health, and found that this perception has a significant negative influence on the self-assessed health status of the population, affecting their general wellbeing.

The study in Enugu city, Nigeria, by Jiburum, *et. al.* (2014) revealed that many people relocated from areas of high crime concentration to safe and crime free areas. They concluded that crime has effect on household's choice of residential location decision in Enugu. In addition, many studies revealed that crime has a very significant negative influence on economic growth (Gaibulloev and Sandler, 2008).

Research Method

A survey research design was adopted to examine the urban crime phenomenon. Oron urban was demarcated into 9 study zones for ease of data collection. Survey research enabled the listing and studying of available types of urban crime and various economic development strategies in the

designated study zones. It also helped in discovering the relative incidences, distribution and interrelationship between variables (crimes) that affect economic development in Oron urban. Available literature and/or police data on crime

were reviewed. Qualitative approaches such as informal discussions with opinion leaders, and administration of questionnaire were also adopted. Tables 1 and 2 present measurable economic and crime indices identified for the study.

Table 1: Measurable Economic Development Indices

Economic Dev. Strategy	Economic Development Indicators	Unit of Measurement
People-Based Economic Development Strategy	(i) Food Trading	Number
	(ii) Public Services	Number
	(iii) Skilled Work	Number
	(iv) Restaurant	Number
	(v) Telecom Apparatus/Computer Services	Number
	(vi) Supermarket/Provision Store	Number
	(vii) Road Transport Operation	Number
	(viii) Watches and Jewellery	Number
	(ix) Wearing Apparel & Foot wears	Number
	(x) Furniture and Household Equipment	Number
	(xi) Automotive Service	Number
	(xii) Stationery Shop	Number
Place-Based Economic Development Strategy	(i) Security Infrastructure	Number
	(ii) Tourism Facility	Number
	(iii) Health Facility	Number
	iv) Transport Facility	Number
	(v) Housing Infrastructure	Number
	(vi) Market Infrastructure	Number
	(vii) National (Electrical) Grid	Number
	(viii) Water Infrastructure	Number
	(ix) Recreation Facility	Number
	(x) Road Infrastructure	Number
	(xi) Financial institution	Number
	(xii) Education Facility	Number

Source: Author's Field Survey (2018)

Table 2: Measurable Urban Crime Indices

Sample Number	Urban Crime Indicators	Unit of Measurement
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1	Murder	Number
2	Armed Robbery	Number
3	Manslaughter	Number
4	Unlawful Possession of Fire Arms	Number
5	Store Breaking	Number
6	Arson/Political Violence	Number
7	Indecent Assault/Rape	Number
8	Attempted Murder	Number
9	Riot	Number
10	Burglary	Number
11	Kidnapping	Number
12	Theft/Stealing	Number

Source: Authors' Field Survey (2018)

The projected population of the study area from 1991 to 2018 (22-year period) was 81,891. Based on this figure, the Taro Yamane formula (Equation 1) was applied to sample 400 persons for questionnaire administration.

$$n = N \frac{1}{1 + N(e)^2} \text{ Equation (1)}$$

Where n = the sample size, N = the population size, e = the acceptable sampling error (0.05 error level)* 95% confidence level and $p = 0.05$.

Table 3: The Study Zones with Sampled Population

S/No.	Sampled Zones' Name	1991Base Population	Projected Population (1991-2018)	Sampled Population (No. of Persons)	Percentage (%)
1.	IduaAssang	15,279	24,770	121	30.2
2.	EsinUfot	4,871	7,897	38	9.5
3.	UdungUsotai	1,091	1,767	9	2.3
4.	UdungOkung 1	708	1,147	6	1.5
5.	Iquita I	13,771	22,325	109	27.2
6.	Iquita II	5,354	8,680	42	10.5
7.	EyoUsotai	4,090	6,630	32	8
8.	Eyotong	2,589	4,200	21	5.3
9.	UyaOron	2,760	4,474	22	5.5
Total		50,513	81,891	400	100

Source: Projected Population (2018)

Factor Analysis (FA) was applied to the 12 predictor variables of urban crimes and 24 indicator variables of economic development to ensure parsimony in reducing the data sets. Testing of the null hypothesis, H_0 , that 'there is no significant relationship between urban crimes and economic development of Oron urban', was achieved using

Pearson Product Moment Correlation (PPMC). This helped in measuring the strength of the relationship between urban crime and the economic development of the study area, while Multiple Regression analysis was applied to determine the effect of urban crime on economic development of Oron urban,

Data Presentation and Analysis

Table 4 shows the raw data on the 12 predictor variables (urban crime) that were

proposed for the study. These data were also gathered from the nine (9) study zones of Oron urban.

Table 4: The Raw Data of Urban Crimes

Study Zone	X ₁	X ₂	X ₃	X ₄	X ₅	X ₆	X ₇	X ₈	X ₉	X ₁₀	X ₁₁	X ₁₂
IduaAssang	12	8	4	14	8	13	5	4	10	7	7	8
EsinUfot	4	0	2	3	3	3	5	3	2	1	2	4
UdungUsotai	0	0	0	0	1	0	2	0	1	1	0	2
UdungOkung I	0	1	2	0	0	0	1	0	0	1	0	1
Iquita I	2	4	7	9	4	5	13	12	3	12	5	12
Iquita II	3	2	4	3	3	3	0	2	8	1	3	5
EyoUsotai	4	11	7	8	6	3	1	12	8	5	16	9
Eyotong	0	1	0	3	3	1	1	3	1	0	1	3
UyaOron	2	2	1	0	0	0	0	3	0	4	6	0

Source: Authors' Field Survey (2018)

Where: X₁ - X₁₂ are the predictor variables (urban crimes) identified in Table 2.

Table 5 on the other hand, presents the raw data on economic development and weighted. Data on the 24 variables are recorded against the nine (9) study zones. The variables bothered on both people-based and place-based economic development (see Table 1). Table 5 shows that the economic development indicators which have indirectly shaped the lives of the people (people-based economic development) in the area are, food trading, public service, skilled work, restaurant services, telecommunication apparatus/computer services, supermarket/provision store, road transport

operation, watches and jewelry, wearing apparel and footwear, furniture and household equipment, automotive fuel services and stationery shop. Indicators that shaped the place thereby shaping the people (place-based economic development) were also listed as security infrastructure, tourism facility, health facility, housing infrastructure, transport facility, market infrastructure, national (electrical) grid, water infrastructure, recreational facility, road infrastructure, financial institution and education facility.

Table 5: The Raw Data of People-based Economic Development Indicators

Study Zone	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉	Y ₁₀	Y ₁₁	Y ₁₂	Y ₁₃	Y ₁₄	Y ₁₅	Y ₁₆	Y ₁₇	Y ₁₈	Y ₁₉	Y ₂₀	Y ₂₁	Y ₂₂	Y ₂₃	Y ₂₄
IduaAssang	7	7	9	7	8	6	6	9	7	10	6	4	0	0	0	0	15	13	12	5	0	9	8	23
EsinUfot	2	3	2	2	2	3	3	5	3	2	2	0	0	8	4	0	0	0	5	0	0	2	6	0
UdungUsotai	1	1	0	0	1	0	1	0	0	0	0	1	0	1	0	2	0	0	0	0	4	0	0	0
UdungOkung I	2	1	0	0	0	0	0	0	0	0	0	1	0	1	0	1	0	0	1	1	0	2	0	0
Iquita I	4	6	5	12	7	5	5	2	2	6	9	7	0	2	0	0	13	14	10	11	0	11	5	0
Iquita II	4	3	2	1	2	4	2	2	2	3	1	2	13	0	13	1	0	0	0	3	2	2	0	0
EyoUsotai	5	14	9	5	3	7	6	4	6	4	2	7	15	10	2	12	0	0	3	6	15	7	0	0
Eyotong	0	2	1	0	0	3	0	1	1	0	2	2	2	0	0	4	0	0	0	0	0	2	5	4
UyaOron	0	0	0	1	1	2	1	2	1	2	2	2	0	4	7	1	0	0	2	0	4	0	0	0

Source: Authors' Field Survey (2018)

Where: Y₁ – Y₂₄ are Economic Development indicators as indentified in Table 1.

Table 6 indicates that the factor analysis yielded three dimensions of urban crimes and levels of relationship with the four dimensions of economic development. The relationship between semi-sophisticated crimes and socio-economic activity/public utility, institutional service, security service and medical service dimensions reveals that semi-sophisticated crime has a strong relationship with socio-economic activities/public utilities as $R = 0.728^*$ for X_1 representing 53 per cent coefficient of determination and greater than the average and $\text{Sig. F.} = 0.02$ less than the maximum Sig. F. value of 0.05. The relationship between sophisticated crime and institutional service dimension of economic development is very strong as $R = 0.859^{**}$ for X_2 representing 73.8 per cent coefficient of determination and $\text{Sig. F.} = 0.00$ far less than maximum Sig. F. value of 0.05. This implies that places like banks have been the prime targets of armed robbers and kidnappers in recent times. However, the relationship between simple crime and the four dimensions of economic development is very weak as shown in Table 7

Table 6: Relationship between Urban Crime and Four Dimensions of Economic Development

Parameters	Significant Variables		
	X_1	X_2	X_3
R	.728*	.415	-.283
Sig. F.	.02	.26	.46
R	-.310	.859**	-.226
Sig. F.	.41	.00	.55
R	.548	-.002	.078
Sig. F.	.12	.99	.84
R	.205	-.011	-.138
Sig. F.	.59	.97	.72

*. Correlation is significant at the 0.05 level (2-tailed).

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Author's Statistical Analysis (2018)

Where X_1 = Semi-sophisticated crime, X_2 =

Sophisticated crime and X_3 = Simple crime

Furthermore, Table 7 clearly shows that urban crimes indeed have effects on the economic development of the area. The Multiple Regression Analysis (MRA) result of the three dimensions of urban crime (predictor variables) on each of the four dimensions of economic development reveals that predictor variables exhibited positive effects that have significantly influenced the economic development of the study area.

Table 7: Effects of Urban Crimes on Four Dimensions of Economic Development

Variables	Correlation (R)	R Square	Sig. F.
Urban Crime	.845	.715	.04
Urban Crime	.916	.840	.00
Urban Crime	.566	.321	.55
Urban Crime	.239	.057	.94

Source: Authors' Statistical Analysis (2018).

Table 7 shows the overall effect of urban crime on economic development. The relationship and influence of the three dimensions of urban crimes on the socio-economic activities/public utilities dimension of economic development appear to be positive and significant as $R = 0.845$ representing 71.5 per cent coefficient of determination is greater than

average and Significant $F = 0.04$ is within the average. The regression of the three dimensions of urban crime on the institutional services dimension of economic development shows a very strong positive relationship and influence as $R = 0.916$ representing 84 per cent coefficient of determination is greater than the average and Significant $F = 0.00$ is within the required maximum limit of 0.05. The relationship and influence on the security service dimension of economic development however show a minimal relationship and influence as $R = 0.556$ representing 32.1 per cent coefficient of determination is quite below average and significant $F = 0.55$ is slightly above the required limit of 0.05 significant F value. The influence of three dimensions of predictor variables on medical service dimension of economic development shows a negative influence as $R = 0.239$ representing only 5.7 per cent coefficient of determination is far below the average and significant $F = 0.94$ is far greater than the maximum limit of 0.05. This implies that perpetrators of crimes did not launch much of their attacks on security and medical facilities in Oron urban in recent times. The relationship is too strong to accept the null hypothesis. On the basis of the above, the alternative hypothesis is accepted that the dwindling economic development situation in Oron urban depends to some extent on the levels of urban crimes. This implies that the study area is not free from webs of urban crimes, and that urban crime is one of

the factors responsible for the economic doldrums experienced in the study area in recent times.

Discussion of Results

The results of the analysis revealed that the three dimensions of urban crime – sophisticated, semi-sophisticated and simple crimes have negative influence on major socio-economic activities, public utilities such as water infrastructure and national (electrical) grid, institutional services such as banks and schools and security infrastructure. The analysis further showed that urban crime has little or no negative influence on the medical facility of Oron urban in recent times. These results are in line with the findings of Gaviria Valez (2002) that crime has a perverse effect on economic efficiency, investment and employment in poor urban Columbian communities.

Conclusion/Recommendations

The study has revealed that there is currently a positive relationship between urban crime and economic development of Oron urban. This implies that Oron urban is currently in the web of urban crime. Certain levels of urban crimes namely sophisticated, semi-sophisticated and simple crime are currently on the increase in the area studied. These levels of crime have posed serious security threat to the lives and property of the residents of the area. It discourages the development projects and would-be business operators from locating their business premises in Oron urban. There is

therefore a critical need to rebuild domestic trust by sending clear signals that the current situation will change through the deliberate and concerted efforts in the provision of effective security architecture and creation of jobs for the youths.

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