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### **PRICE OF CRIME AS A CRIMINOLOGICAL CATEGORY**

*Forming a modern state criminal policy it is necessary to take into account the possibilities of the state to pay for the security of society and its financial capabilities. The combination of losses that are incurred as a result of the crime, their negative impact on the socio-economic development of the country forced the state to spend the financial resources on the protection from the criminal threats. As a terminological category of the calculation of aforementioned costs in the criminological literature, the term "price of the crime" is used.*

*The analysis of costs, losses and damages incurred by individuals, the state and the society as a result of the crime, allows to highlight the structural elements that make up the "price of the crime", namely: costs of the state, society, legal entity and individuals on the prevention of crime, that is the implementation of special measures of protection against criminal anticipated risks; losses of the state, society, legal entity and individuals in connection with any crime; expenses to eliminate the consequences of crimes related to the restoration of the condition which concerns the crime, money compensation, insurance claims, medical care and the rehabilitation of victims and their families, a reduction in employment level, working productivity, losses of income from the closing of the organization, etc., government expenditures on the execution of punishment and the prevention of recurrent crimes, that is the costs of the state bodies and public organizations that have been incurred in connection with the execution of punishment and resocialization of the prisoners and the implementation of measures which are directed on the prevention of the crime recidivism (the employment, the administrative supervision, the control of apparatus of probation and other law enforcement bodies).*

*The main conclusion to which researchers have come in the definition of "price of the crime" does not indicate the social consequences and losses incurred by the society as a result of illegal acts committed, but also it indicates about possible direct impact of these costs on the rate of the economic development of the country. Therefore, the society have to control the state activity, the law enforcement bodies including the penitentiary system constantly and carefully.*

**Key words:** *price, costs, losses, society, state, criminal policy.*

**Target setting.** From the social and economic point of view, the activities of law enforcement agencies, including Criminal and Executive System, is to provide public goods. By isolating from society the perpetrators of the crimes, in accordance with the adjudged sentence and facilitating their correction and re-socialization, the law enforcement agencies ensure the preclusion and

prevention of crime and promote creation of security guarantees of society (these guarantees are a product of "internal security").

Such service is called public good and is provided to the entire population of the country. It is indivisible and its consumption by one person does not restrict other citizens' ability to receive it. Specifying the activities of the state on the provision of public goods, such ways of activities are distinguished:

- development of the system of internal and external security;
- improvement of legislative and law-enforcement activity of the state;
- provision of legal order;
- development of the system of public administration, etc.

Focusing on law enforcement activities, it is difficult not to agree to R. Müller's view that "crime is a social issue and therefore it affects the whole of society" [7, p. 9]. In this regard, not only lawyers, but economists, sociologists, public officials as well, are interested in the issue of the activities of law enforcement agencies in combating crime and its assessment, the definition of "crime price" and its relation with "social consequences".

**Uninvestigated parts of general matters defining.** In this context, an important scientific, theoretical and practical significance has studying of category of "price of crime" as total assessment of the losses of person, society and state. In particular, the calculation of the costs of ensuring the activity of law enforcement and judicial authorities can determine the effectiveness of the implementation of their functions, depending on the amount of funding.

**Actual scientific researches and issues analysis.** A lot of papers of both foreign and domestic scholars such as: P. Samuelson, S. Mil J., A. Smith, D. Norton, N. Kristi, V. Stern, Kh. Zer, M. Koen, M. Syncler, M. Babaiev, I. Zulkarnai, YA. Hylinskyi, V. Kvashys, V. Kudriavtsev, L. Kondratiuk, A. Naumov and others, are devoted to the problems of studying the nature of public goods and the peculiarities of their provision to society. However, lack of theoretical development of the concept, the essence and content of the category "price of crime" raises problems of theoretical and practical nature, which require further research.

**Formation of the purposes of the article** is to determine criminological category "price of crime" and its structural elements and the relationship with social consequences.

**Presentation of the main substantiated results of the research.** The analysis of literary sources allows us to determine the category of "execution of punishments" by applying two approaches. The first characterizes its narrow interpretation and we do not explore it, because it is determined by the limits of the implementation of criminal and executive functions. The second one allows us to explore not only legal, but economic, social and moral aspects as well. That is why, the activities of the Criminal and Executive System can be considered to be not only an institution for fighting against crime, but one of the parties of the life of society. "It is here the influence on legal and moral execution of punishment is made, social and legal status of a person in society, nature, complicity of social system, economic and political state of the state takes place [15, p. 37]. The effective activity of Criminal and Executive System ensures satisfaction of society with the public goods associated with isolation of criminals and prevention of offenses.

Developed by P. Samuelson in modern financial and economic aspect, public good has its price [12, p. 156]. But because of specific features of its production and consumption, the market mechanism of pricing does not work. The modern market is not able to provide citizens with public goods, so the state assumes the functions of the manufacturer or the customer, and determines the optimal number of them and minimizes the cost of their production. A. Smith [13] and S. Mill J. [10] wrote about the necessity of providing public goods with the state. Later, revealing the nature of the price of public goods, K. Wiksel indicated that the gap between marginal private and social costs may be covered at the expense of taxpayers, and therefore costs for the provision of public goods belong to public expenditures [17, p. 234]. According to V. Kvashys, the state itself is a monopolist for the provision of public goods [6, p. 95]. I. Zulkarnai, investigating the nature of production of public goods in various models of the state system, considers the state as a company that provides public services and establishes the ability of consumers to influence their price [5, p. 112].

Foreign scientists' research in mentioned fields complete our ideas about the activities of law enforcement agencies, which allow you distinguish two key areas in scientific research: social and economic and economic and forensic.

Social and economic direction is presented in the papers of N. Christi [3, p. 176], that go beyond the scope of legal science, considering the fight against crime as "industry", that is, purely economic process, which is demand not only from the side of society, but also the desire to pay for it, because it is related to security. His views and ideas are shared and supported by V. Stern [15], H. Zer [4], Russian scientist Ya. Hylynskyi [3], investigating the issue of the appointment of the prison system and the results of its activities.

Economic and forensic direction investigates the problem of "price of crime" and is associated with the papers of foreign scholars such as: M. Koen [17], M. Synekler [18], V. Kvashys [6], A. Naumov [11], L. Kondratiuk [8] and others. An important national problem is the establishment of sufficient resources and their effective use in order to ensure the security and protection of person's interests and losses from crime (direct and indirect). According to V. Kvashys, the level of crime that exists in the country, shows its impact on the state and society and allows determine the validity of political and managerial decisions. Direct losses from crime consist of the cost of one-time or long-term nature [6, p. 167]. O. Starovierova proves that at the basis of the "price" of crimes there are three categories of losses (direct, production and non-monetary losses). Determining the size of the damage caused by crime depends on the time period and the country in which they were committed [14, p. 275].

The relevance of this topic is due to several factors. Firstly, criminological significance of the investigated category in order to determine the extent of losses of person, society and state associated with the commission of crimes and the justification of the necessary costs of the state to counter criminality. Secondly, poor scientific development of investigated topic in domestic legal, economic and social science [1]. Thirdly, studies conducted by foreign scholars in connection with the need to determine the impact of criminality on social institutions and the state. For example, in the recommendations of the conference on issues of legal statistics, which was held under

the auspices of the UN, special attention was paid not only to the organization of the implementation of unified statistical reporting of criminality, but also to work on determining the cost of fighting it, the cost of crime. It is noted that the organization of accounting "value" of crime ... is an important political task [2]. Fourthly, increase in the cost of counteraction to criminality. Difficult political and economic situation in Ukraine leads to an increase in public attention to the effectiveness of law enforcement bodies and the Judiciary. Fifthly, the need to develop a concept of criminal policy and criteria for the formation of substantiated administrative and political decisions in the field of crime prevention. Sixthly, the development of a methodology for calculating the minimum budget financing standard in order to optimally secure financial resources of the Law Enforcement and Judicial Systems. Calculations of material costs for fighting against crime encourage finding more effective ways to counteract crime.

Academician V.M. Kudriavtsev emphasized, that one should not exaggerate the value of "price of crime ". He thought that the estimation of costs (expenses) on law enforcement bodies as an indicator of the effectiveness and efficiency of their activities should be considered carefully. "In foreign practice, methods are widely used to assess the effectiveness of means of combating crime, based on the monetary equivalent, which determines the resulting losses. And although the calculation of losses from crime and the funds spent on combating it have a certain material dimension, this figure can not be an end in itself and considered as the main indicator of the effectiveness of the Law-Enforcement System "[9, p. 15]. Therefore, there is a need to develop a separate criminological indicator, which would allow calculate not only the "cost" of crime, but also the amount of economically justifiable costs to combat it. It is necessary to use the existing methods and means as much as possible rationally, to compare the volumes of different types of expenses for combating crime and damage caused by a crime.

Formation of modern criminal policy should take into account the state's ability to pay for the security of society and economic components and financial opportunities. The aggregate of losses incurred as a result of the commission of a crime, their negative

impact on the socio-economic development of society compel the state to spend financial resources to protect against criminal threats.

As a terminology category for calculating the above cost criminological literature uses the term "price of crime", in the Anglo-American literature, such costs are called "cost of crime". In the scientific literature, "price of crime" is identified with the notion of social consequences of crime, or is defined as part of them [1, p. 246; 2, p. 9; 14, p. 63-85].

The identification of the above categories is either through a broad interpretation of the category, or the inclusion of the "price" to social consequences. In the first case, the "price of crime" includes the entire set of actually inflicted damage, which is compelled to pay and reimburse the state, society, citizens, that is, that inevitably they have to be lost because of the existence of crime. In the second case, scientists narrow the composition of the social consequences of crime to those amounts of damage that can be determined and calculated. Therefore, a comparative analysis of the content of the studied categories allows us to determine that:

- firstly, these categories are different in content. Thus, the social consequences of crime include in its composition the total damage caused by crime to social, economic, moral and psychological and other social relations, which is expressed in the aggregate of causal links of criminal behavior of direct and indirect, direct and indirect negative changes, as well as a set of economic or other expenses of the state, society and citizens related to the fight against crime and its social prevention. "The price of crime" is formed by taking into account different types of established and calculated losses (caused losses) of the state from criminal activity. Consequently, the concept of the social consequences of crime is filled in meaningfully and voluminously and includes its "price" in its composition;

- secondly, the "price" of crime is determined solely by calculated and determined losses and costs (expenses), the establishment of which is possible as a result of the crime. The social consequences are the set of negative changes that occurred as a result of the crimes committed. But these changes can be both directly and indirectly related to crime, as precisely calculated, and those that can not be calculated as those that can be determined, and those that are not

precisely defined. It is only important that their existence was caused by crime;

- thirdly, studied categories have different criminological significance.

Consequently, an analysis of costs, losses and damage caused by individuals, the state and society as a result of a crime, allows distinguish the following elements that are part of the "price" of a crime:

1. Costs (expenses) of the state, society, legal entities and individuals for the prevention of crime, that is, the implementation of special measures to protect against the expected criminal risks. Unfortunately, it is not possible to set the size of this value, because their statistical recording is not carried out. For example, as a component of the fight against crime, a long process of lawmaking can be singled out, the cost of which can not be accurately calculated and determined, but it is a serious obstacle in adopting the relevant legal acts necessary to create an effective crime prevention system. It is through the process of lawmaking, including the introduction of amendments to the law, implemented criminal-executive policy. A significant part of the cost is the cost of financing the activities to implement legislative changes. The analysis of passports of bills, which have a financial and economic justification for them, testify that sometimes necessary financial calculations are carried out. Therefore, at the initial stage of the implementation of the legislative initiative, financing will be implemented within the budget allocations envisaged by the State Budget for the current year.

2. Losses of the state, society, legal entities and individuals in connection with the commission of a crime. At present, the size of this indicator can not be set. It is possible to calculate only the material damage caused by registered crimes, the amount of their reimbursement, the amount of material charges in the income of the state, court costs, which are determined by judicial acts. Despite the "stinginess" of such information on the material damage caused by crime, it becomes even more negligible in calculating the materials of criminal cases.

It is possible to establish and calculate the damage caused by studying the materials of criminal cases and analyzing the results of a

sociological survey of the population. Other data that would allow more information can not be obtained.

3. The cost of eliminating the consequences of the crimes directly related to the restoration of the state of the crime committed, the payment of compensation, insurance compensation, the provision of medical care and rehabilitation of the victims and their relatives, the reduction of the level of employment, productivity, loss of income from the closure the activities of the organization, etc., it is impossible to calculate.

4. Expenditures for the execution of punishment and prevention of recurrent crimes, that is, the costs of state bodies and civic organizations that were incurred in connection with the execution of punishment and ensuring the re-socialization of convicts, as well as the implementation of measures aimed at preventing recidivism of crimes (employment, administrative supervision, control probation bodies and other law enforcement agencies). It should be noted that the listed elements "price of crime" may include other components.

**Conclusions.** The "price" of crime is a real set of losses and costs (expenses) inflicted on a person, society and the state with committed crime and the existence of criminality. At the present stage of the development of Criminological Science, the problem of creating a unified methodological basis for calculating the "price of crime" and developing a methodology for its calculation is more acute. It is complicated by the lack of attention of the Criminological Science to this criminological problem. In addition, such calculations are necessary for the development of a rational criminal policy on counteraction to crime.

The main conclusion reached by the researchers while defining "price of crime" shows not only social consequences and losses incurred by society as a result of committed wrongful acts, but also possible direct impact of these costs on the pace of economic development of the country. Therefore, the society must exercise constant and thorough control of the activity of the state, law enforcement agencies, including the Criminal and Executive System.

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## **ЦІНА ЗЛОЧИННОСТІ ЯК КРИМІНОЛОГІЧНА КАТЕГОРІЯ**

*У статті обґрунтовано теоретичну і практичну необхідність наукового дослідження кримінологічної категорії «ціна злочинності» як сукупної оцінки втрат особи, суспільства та держави. Визначено структурні елементи «ціни злочинності», такі як: витрати держави, суспільства, фізичних і юридичних осіб; збитки держави, суспільства, особи; витрати держави і громадських організацій на заходи з протидії злочинності та їх співвідношення з «соціальними наслідками». Проведено аналіз факторів, що визначають актуальність наукових досліджень кримінологічної категорії «ціни злочинності».*

**Ключові слова:** ціна, витрати, збитки, суспільство, держава, кримінальна політика.

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## **ЦЕНА ПРЕСТУПНОСТИ КАК КРИМИНОЛОГИЧЕСКАЯ КАТЕГОРИЯ**

*В статье обоснована теоретическая и практическая необходимость научного исследования криминалогической категории «цена преступности» как совокупной оценки потерь личности, общества и государства. Определены структурные элементы «цены преступности», такие как: издержки государства, общества, физических и юридических лиц; потери государства, общества, личности; издержки государства и общественных организаций на мероприятия по противодействию преступности и их соотношение с «социальными последствиями». Проведен анализ факторов, определяющих актуальность научных исследований криминалогической категории «цены преступности».*

**Ключевые слова:** цена, издержки, потери, общество, государство, уголовная политика.