

Does Materialistic Development Leads to Distress: An Empirical Analysis

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Abstract: The present paper overviews linkage of economic development with distress (represented through crime and its related parameters) for eighteen high and medium human develop countries for 2001 at macro level. The increasing population and rapid pace of development lead to negativity among the people that have upshot in the form of Total Crimes, Frauds, Thefts, Rapes, Assaults, Murders and Drug Offences. The attempt here is to empirically investigate the said objective. To draw conclusions on global survey of nations, spearman's correlation has been run. These rank correlation coefficients have further been tested for their statistically significance at $p<0.01$ and $p<0.05$. Thus the results we get indicate with the increase in the level of development, distress is increasing.

Keywords: Development, Disharmony, Economics of Crime.

Introduction

"Western society for the past 300 years has been caught up in a fire storm of change. This storm far from abating now appears to be gathering force. Change sweeps through the highly industrialized countries with waves of ever accelerating speed and unprecedented impact. It spawns in its wake all sorts of curious social flora — from psychedelic churches and "free universities" to science cities in the Arctic and wife-swap clubs in California. It breeds odd personalities, too: children who at twelve are no longer childlike, adults who at fifty are children of twelve. These are rich men who playact poverty, computer programmers who turn on with LSD. There are Playboy Clubs and homosexual movie theatres amphetamines and tranquillisers anger, affluence, and oblivion".

Through out the affluent nations the litany is all too familiar: rising rates of juvenile suicide, dizzyingly high levels of alcoholism, widespread psychological depression, vandalism, and crime. In the United State, emergency rooms are crowded with "potheads," "speed freaks" and "Quaalude kids," "coke sniffers" and heroin junkies," not to mention people having "nervous breakdown."²

And apart from this with the faster pace of time, millions of ordinary, psychologically normal people will face an abrupt collision with change. Citizens of the world's richest and most technologically advanced nations, many of them will find it increasingly painful to keep up with the incessant demand for change that characterizes our time. For them, the future will have arrived too soon³. "Contrary to their fashionable phrases about the need to face change, those who proclaim themselves to be in the front line of new thought prove to be in the iron clutch of economic dogma, mush of it provided by famous economists of the past as a guide to policy in a world different from our own"⁴.

Development defined here, needed to provide people with the basic necessities of life, for their own sake and to provide a degree of self-esteem and freedom for people that could be denied to them by underdevelopment. This whole development process rewarded the mankind with materialistic development/ material well being. By-product of this materialistic development has been uneven and unequal resulting in unhappiness, discontent and distress. The outcome has been an increase in the acts like crime, accidents, violence, robbery, marital instability, suicides; attempted suicides and drug abuse.

Objective of the Study

Against this background it will be worthwhile to explore the relationship between development as defined by the main stream economist and development as experienced by the people across nations in the form of discontent and distress.

Methodology

In the present paper crime data is taken from the Interpol Data on eighteen countries⁵ (13 high human develop countries and 5 medium develop countries) integrated by National Crime Record Bureau in their report 'Crime in India, 2000'. This includes rates on Total Offences, Frauds, Sex Offences (including Rapes), Serious Assaults, Murders, Thefts and Drug Offences as contained in National Crime Statistics.

To measure Development, the indicators incorporated are Human Development Index, Physical Quality of Life Index, Per Capita Gross Domestic Product (PPP US \$), and Urbanisation taken from Human Development Report 2003.

After framing and conceptualising important issues, and to draw conclusions on global survey of nations, spearman's correlation has been run. These rank correlation coefficients have further been tested for their statistically significance at $p<0.01$ and $p<0.05$. As per the objectives of the study i.e., 'inter-relationship between variables manifesting distress and level and character of development at the inter-country level' at one point of time i.e. 2001.

The relationship between development indicators represented through [HDI, PQLI, GDP PC (PPP US \$)] with distress indicators epitomized through (Total Crimes, Frauds, Thefts, Rapes, Assualts, Murders and Drug Offences) has been worked out.

Analysis

The question asked whether the today's modern societies enable the individual to lead a happier life. It was hoped during the Age of Enlightenment⁶ that rationally designed social conditions would lead in the future to greater prosperity, more security and increased happiness for all. Only a little of this optimism has survived into the twenty-first century. And in their studies on anomie, sociologists such as Durkheim⁷, Merton⁸ and Senett⁹ have drawn attention to the darker side of progress. The literature supported here matching the theme that with the rise in development lead to distress in the society. That can be empirical supported by the results given below in table1.3.

Table 1.3: Development Indicators and its Association with Interpol Total Offences and its Types for 18 High and Medium Human Develop Countries

Spearman's Correlation	Total Offences as contained in National Crime Statistics (Interpol Data)	Frauds (Interpol Data)	Sex Offences including Rapes (Interpol Data)	Serious Assualts (Interpol Data)	Murders (Interpol Data)	Thefts (Interpol Data)	Drug Offences (Interpol Data)
HDI	.800****	.623****	.675****	.286	-.464**	.833****	.666****
Sig. (2-tailed)	(.000)	(.006)	(.002)	(.250)	(.052)	(.000)	(.003)
PQLI	.759****	.589****	.629****	.347	-.527***	.826****	.612****
Sig. (2-tailed)	(.000)	(.010)	(.005)	(.158)	(.024)	(.000)	(.007)
GDP PC (PPP US \$)	.812****	.631****	.667****	.267	-.426*	.825****	.647****
Sig. (2-tailed)	(.000)	(.005)	(.002)	(.284)	(.078)	(.000)	(.004)

Source: Calculated

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

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

**. Correlation is significant at the 0.07 level (2-tailed).

*. Correlation is significant at the 0.10 level (2-tailed).

Number of Countries =18, including '13' High Human Development and '5'Medium Human Development Countries (represented by *).

1.Argentina	7.Greece	13.Latvia
2.Azerbaijan*	8.Hungary	14.Norway
3.Bulgaria	9.India*	15.Portugal
4.Denmark	10.Indonesia*	16.Spain
5.France	11.Jamaica*	17.Sweden
6.Germany	12.Japan	18.Turkey*

In the present study we found highly positive and significant relationship (table 1.3) among Development indicators [i.e. human development index, physical quality of life index and GDP PC (PPP US \$)] and Distress indicators18 countries (including13 high human develop countries and 4 medium develop countries). HDI, PQLI and GDP PC (PPP US \$) were highly positive and significantly related (table 2.4) with total offences ($p < 0.01$), frauds ($p < 0.01$), sex offences ($p < 0.01$), thefts ($p < 0.01$), and drug offences ($p < 0.01$), only with serious assaults though this relation is positive but insignificant. Hence the results show that with the increase in the level of development, distress is increasing.

The reason that can be cited for such a phenomenon can be fast changing criminal code. Many kinds of economic activity that were formerly illegal are now allowed in the develop countries. Just as there is no single reason for criminal behaviour, there is no single source of the rising levels of crime in the transition countries. There can be various criminogenic features behind this, briefly these are: (1) problem of law enforcement; A key characteristic of the transition countries is the changing nature of law enforcement and corresponding inability of criminal justice system to adjust rapidly. (2) the changing nature of regulation over economic activity

Only with one indicator that is with murders this association is negative but highly significant (table 1.3). This linkage with HDI ($r = -0.464$, $p < 0.07$), PQLI ($r = -0.527$, $p < 0.05$), GDPPC (PPP US \$) ($r = -.426$, $p < 0.10$) for 18 high and medium human develop countries. It signifies that with the rise in endurance, knowledge and standard of living of the people in across countries rate of murders are decreasing.

The results are further supported by the Franco¹⁰ words in the House of International Relations Committee's Western Hemisphere Subcommittee where he pointed out that "*Latin America's crime rate is double the world average, and he indicated that this high incidence of crime is taking a toll on the region's economic development and public faith in democracy. He said that the Inter-American Development Bank estimates that Latin America's per capita gross domestic product would be 25 percent higher if the region's crime rates were equal to the world average. The USAID official added that business associations in the region have identified crime as the number-one issue negatively affecting trade and investment. Latin America is caught in a vicious circle, where economic growth is thwarted by high crime rates, and insufficient economic opportunity contributes to high crime. Debilitating threats confronting law enforcement officials include organized crime networks, macro-trafficking, high levels of corruption, ineffective legal systems, and gang violence.*"

Conclusion

Crime as a major manifestation of Distress may be regarded as an accepted way of life and cost of doing business in the world today. Therefore crime increases may be viewed to not only as an alarming social trend but also as a threat to public order and as a challenge to the economic potential of many develop and developing countries. Hence the results empirically investigated indicate that development lead to distress.

End Notes

1. Toffler, Alvin (1971) *Future Shock*, Bantam Books, New York, pp.10.
2. Toffler, Alvin (1980) *The Third Wave*, William Collins Sons & Co. Ltd., London, pp. 381.
3. Toffler, Alvin (1971: 9).
4. Mishan, E. J. (1973) *The Cost of Economic Growth*, Pelican, Middlesex, pp. 17.
5. Eighteen Countries include (1) Argentina, (2) Azerbaijan*, (3) Bulgaria, (4) Denmark, (5) France, (6) Germany, (7) Greece, (8) Hungary, (9) India*, (10) Indonesia*, (11) Jamaica*, (12) Japan, (13) Latvia, (14) Norway, (15) Portugal, (16) Spain, (17) Sweden, and (18) Turkey*. Countries with the * superscript represents five medium human develop countries and others are high human develop countries.
6. Cited from the paper by Bulmahn, Thomas (2000: 375).
7. Refer to Durkheim, Emile (1960[1893]) *The Division of Labour in Society*, Fourth Printing, Free Press, Glencoe, pp. 70-132.
8. Refer to Durkheim, Emile (1963[1897]) *Suicide — A Study in Sociology*, Sixth Printing, Free Press, Glencoe, pp. 353-409.
9. Refer to Merton, R. K. (1968) *Social Theory and Social Structure*, The Free Press, New York, pp. 186-198.
10. Line said by Adolfo, A. Franco (April 20, 2005) Assistant Administrator Bureau for Latin America and the Caribbean, United States Agency for International Development, (USAID's) where committee on International Relations U. S. Hose of Representatives calls him for comprehensive approach to crime mitigation on the topic "Crime Hinders Development, Democracy in Latin America", usinfo.state.gov/dhr/Archive/2005/Apr/21-965427.html - 48k.

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