

TACKLING STOLEN GOODS WITH THE MARKET REDUCTION APPROACH

Briefing Note

Crime Reduction Research Series Paper 8

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July 2001

“The views expressed in this briefing note are those of the authors, not necessarily those of the Home Office (nor do they reflect Government policy).”

Summary

The full Market Reduction Approach model, presented for the first time in this report, builds upon earlier Home Office research and offers a strategic, systematic and routine problem-solving framework for action against the roots of theft. This publication is the first to review comprehensively what is known about stolen goods markets and to offer detailed guidelines, based on general “what works” knowledge, for reducing illegal markets with an aim to reduce theft at the local area level.

The main aim of this second Home Office report on the Market Reduction Approach (MRA) is to provide a strategic guide for crime prevention partnerships attempting to tackle theft by reducing the trade in stolen goods. The report contains general information about planning, implementation, monitoring and evaluation that will benefit many interagency crime reduction initiatives. Although it is designed to guide police forces and community safety partnerships wishing to reduce stolen goods markets, this report will also serve as a valuable tactical guide for smaller-scale police operations targeting specific types of market, thieves and dealers in stolen goods.

The MRA model is heavily influenced by current thinking on interagency project management and also by the latest developments in crime reduction methods. The report describes the MRA model and explains how it incorporates the main elements of situational crime prevention, proactive policing, problem oriented policing, intelligence-led policing and the problem solving process.

Main findings

Stolen goods markets influence thieves’ decisions about whether or not to steal because they enable them to convert stolen property into cash. The MRA provides a framework to guide interagency crime reduction teams to implement solutions to weaken the motivation

to steal among offenders, and potential offenders, while also reducing the vulnerability of ‘hot products’. The MRA hampers the ability of thieves to cultivate new markets, while continuously attempting to disrupt existing illegal trading.

Stolen goods markets are mainly fuelled by thieves offering goods for sale, rather than by proactive demand from dealers. Few buyers actively seek out thieves in order to buy stolen goods. Rather, it is more usual for thieves, with stolen goods for sale, to approach fences, businessmen and other members of the public. Stealing-to-order does go on, and the practice is quite widespread, but it is not as common as what should, perhaps, be called ‘stealing-to-offer’. It is such offers to sell stolen goods that have a major influence on the way that stolen goods markets operate. If dealers and consumers do not actively seek out stolen goods, then they need to be offered goods in order to be able ‘knowingly’ to buy them.

The earlier Home Office Research Study: Handling Stolen Goods and Theft identified five main types of market for stolen goods:

- **commercial fence supplies** – are where stolen goods are sold by thieves to commercial fences (e.g. jewellers, pawnbrokers, second-hand dealers) operating out of shops;
- **residential fence supplies** – involve sale of stolen goods (particularly electrical goods) from thieves to fences, usually at the home of a fence;
- **network sales** – often involve a residential fence. The buyer may be the final consumer, or may sell the goods on again through friendship networks - where stolen goods are passed on and each participant adds a little to the price until a consumer is found;
- **commercial sales** – are sales of stolen goods by commercial fences for a profit - either directly to the (innocent) consumer or to another distributor who thinks the goods can be sold again for additional

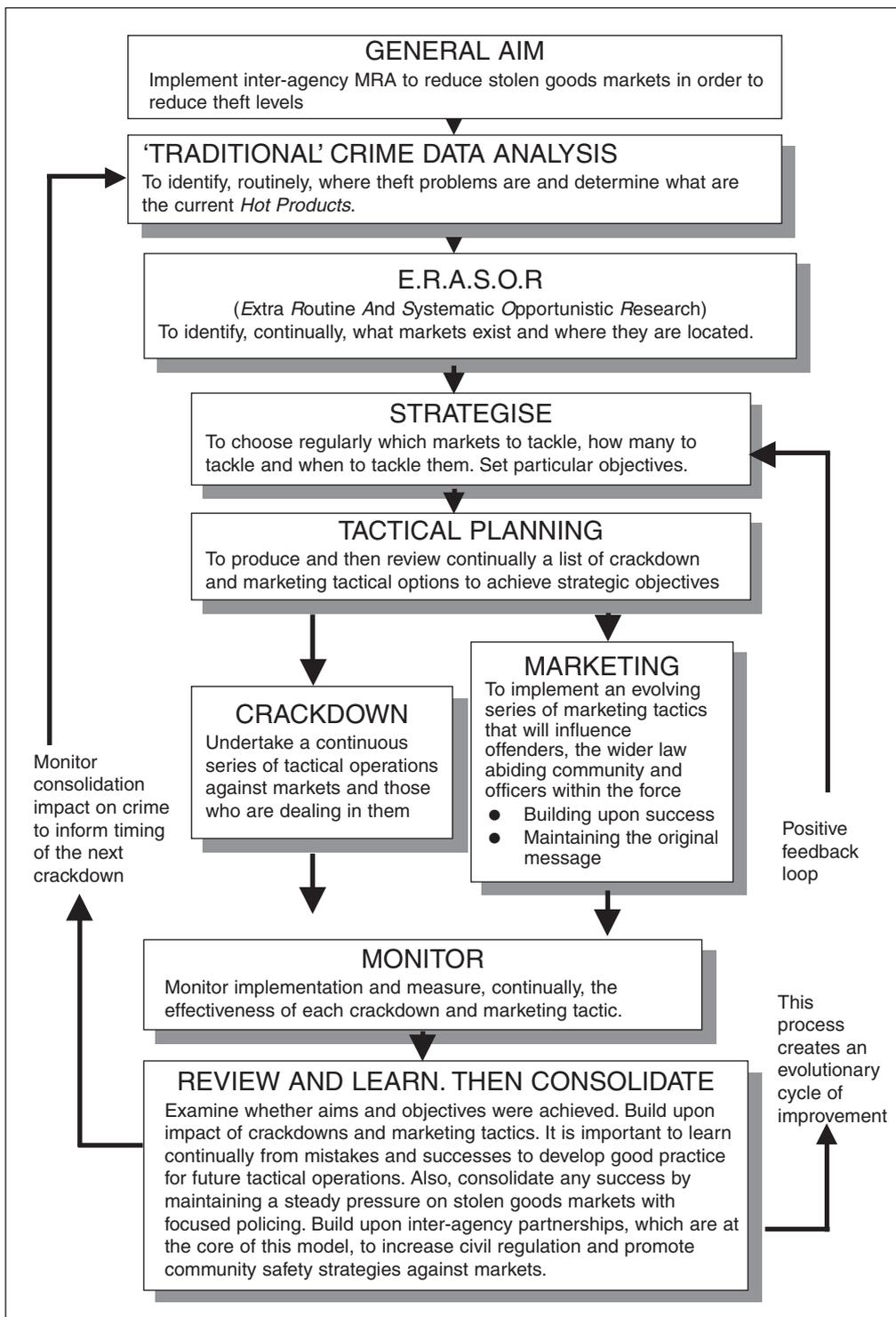
profit. More rarely, such sales are made to another distributor; and

- **hawking** – occurs when thieves sell directly to consumers in places like pubs and clubs, or door-to-door (e.g. shoplifters selling clothes or food).

Efforts to reduce one market type will not necessarily have a similar effect on another type of market. Successful intervention tactics are most likely to be those that are market specific. Similarly, tactics that work on one type of market in a particular location may not have the same effects in another, which means that tactics may need to be fine-tuned for local conditions. While it is possible to suggest general approaches to

achieve a reduction in dealing in different types of market, it will almost certainly be necessary to design and implement local solutions to tackle the particular characteristics of local markets. Using the criminal justice system may not be the most effective way to reduce stolen goods markets. In some cases, it might be more cost effective to remove particular underlying conditions that allow stolen goods markets to flourish. Agencies such as Trading Standards, Planning, Custom & Excise, and those regulating benefits and housing might have a greater and longer lasting effect - through cracking down on unlicensed trading and invoking other administrative powers to stop irregular business activities.

The MRA interagency model - a research and strategy-led system



ERASOR

The ERASOR (Extra Routine and Systematic Opportunistic Research) process involves asking questions of victims, offenders, informants and traders whenever the opportunity arises, in order to get up-to-date information about stolen goods markets. Similarly,

market information should also be sought proactively through anonymous in-depth interviews with imprisoned offenders and those serving community service orders. Paid police informants should, as a matter of routine, be asked to identify those dealing in particular types of stolen goods, where they are operating from and how active they are.

Seeking ERASOR information		
<p>Qualitative Interviews with Offenders</p> <ul style="list-style-type: none"> ● Burglars ● Other thieves, including shoplifters ● Dealers ● Drug users <p>➤ The purpose is to gain information on current market conditions from offenders' perspective</p> <p>➤ Conduct interviews on a quarterly basis to monitor changes in markets</p>	<p>Qualitative Interviews with Police Officers</p> <ul style="list-style-type: none"> ● In the MRA project area ● In areas surrounding the MRA project <p>➤ The purpose is to gather information on markets from a cross section of officers</p> <p>➤ Conduct interviews on a quarterly basis</p> <p>➤ Questionnaires could be distributed to all police sections at quarterly intervals</p>	<p>Qualitative Interviews with Prisoners</p> <ul style="list-style-type: none"> ● Convicted of burglary ● Convicted of other theft offences, including shoplifters ● Convicted of handling ● Convicted of illegal drug use or dealing <p>➤ The purpose is to gain information on current market conditions from offenders' perspective</p> <p>➤ Conduct interviews on a quarterly basis to monitor changes in markets</p>
<p>Qualitative Interviews with Informants</p> <ul style="list-style-type: none"> ● Informants registered with the police <p>➤ The purpose is to gain information on stealing and dealing activities of thieves, handlers and drug users</p> <p>➤ Conduct interviews on a regular basis</p>	<p>Qualitative Interview with Shop Keepers</p> <ul style="list-style-type: none"> ● Seek information from those with histories of handling ● Target those suspected of handling ● Seek assistance from legitimate dealers to gain information about the illegitimate dealers <p>➤ The purpose is to gain information on stolen goods markets from those dealing in goods</p>	<p>Anonymous Crime Reporting</p> <ul style="list-style-type: none"> ● Crime Stoppers ● MRA Internet website ● MRA specific hotline <p>➤ The purpose is to give the public alternative methods to report suspicious behaviour</p>
<p>Qualitative Interviews with the Public</p> <ul style="list-style-type: none"> ● With victims of burglary about property stolen and repeat victimisation ● With neighbours of residential fences ● Ask about knowledge of MRA tactics ● Ask about knowledge of stolen goods markets <p>➤ The purpose is to discover what the public knows about stolen goods markets</p> <p>➤ Victims provide detailed information about the goods that are being targeted by thieves</p>	<p>Crime Mapping/Related Data</p> <ul style="list-style-type: none"> ● Places of all types of disposal, including sales, storage, and dumping ● Places of all types of theft ● Ranking of "Hot Property" ● Descriptions of what is being stolen from different locations ● Areas of repeat burglary victimisation ● Lists of all known/suspected handlers & places of residence, employment, and their associates ● Lists of all shop keepers in area who deal in stolen goods <p>➤ The purpose is to gather supply and demand information about stolen goods markets</p> <p>➤ The purpose is to look at the relationships between individual thieves, dealers and places of disposal</p>	<p>Routine Intelligence Sources</p> <ul style="list-style-type: none"> ● Police sources ● MRA partners information <p>➤ The purpose is to tap into various sources of complimentary information</p>

When information obtained from traditional crime data is *combined* with that learned from ERASOR then it is possible to know the following:

- the particular types of items that are most commonly stolen
- items most sought after by thieves and fences

- the type of markets that are dealing in particular types of stolen goods
- where markets exist for particular types of stolen goods
- who is dealing in particular types of stolen goods and the type of market they use

Markets for stolen goods, in many cases, provide motivation for initial and continuing involvement in crime. Some inexperienced burglars fail to sell goods stolen from their first burglaries and consequently they give up stealing after two or three attempts. Other burglars, however, are able successfully to convert stolen property into cash at their first attempt - not surprisingly they tend to repeat the criminal acts that reward them with money. This is an important area for crime prevention. Reducing markets for stolen goods might help to ground many criminal careers before they can properly begin.

Broader recommendations for police to use in MRA crime reduction projects:

General recommendations for a MRA project can be divided into three categories. While distinctions between these can, at times become blurred, the basic categories are *strategic*, *operational*, and *monitoring/evaluation*:

Strategic

- develop guidelines to enable project managers to identify and prioritise particular crimes to tackle, and also the individuals and targets most at risk of victimisation - and those most likely to benefit from action
- establish a project steering group consisting of representatives from local governments, businesses and professional researchers. The steering group must be monitored to ensure that it is not merely acting as a “rubber stamp” for the project managers decisions and that it does not make arbitrary decisions based on intuition
- liaise with local justices and their clerks, judges and crown prosecutors to explain the aims of the project in terms of the anticipated increase in the number of defendants being charged with handling stolen goods
- always know the ‘mechanism’ by which a particular tactic should work to achieve the desired aim—ask: “in what way, exactly, will this work”
- after each ‘crackdown’, consolidate any successful crime reduction by implementing longer term tactics to address the underlying problems that led to the need for a crackdown in the first place
- avoid operations that aim to identify stolen goods for return to rightful owners - because research suggests that this is very resource intensive and is not at all cost effective in reducing acquisitive crime

Operational

- seek to tackle those fences described by offenders as giving good or fair prices for stolen goods - because research suggests that these people are likely to encourage increased offending
- use of Section 27 of the Theft Act of 1968 to discourage prolific thieves and handlers of stolen goods from continuing to engage in these activities
- to help deter offenders, develop good public relations systems for the project - to ensure the provision of on-going news reports with local and national media coverage
- seek local authority co-operation to crack down on rogue traders - establish close lines of communication with trading standards officers
- consider very carefully the possible problems that can result from police ‘sting’ operations - such as bogus second-hand shops - because they are expensive, time consuming and research shows they may lead to an influx of crime into the area around the sting

Monitoring/Evaluation

- before and after the implementation of particular tactics, always ask, “is this the most cost-effective way of disrupting this market?”
- find a balance between spending money quickly and perhaps carelessly, with the need to collect proper data and to justify targeting particular property, areas, victims, crimes and offenders
- appoint someone with responsibilities for continually monitoring various aspects of the implementation and, where possible, the impact of the project
- define success and those measures by which success is to be judged
- be sure to avoid falsely claiming successes if they did not arise from the project
- seek to limit the possibility of any displacement to other more vulnerable targets and places

Conclusion

While the MRA is straightforward, logical and appears to have great crime reducing potential, it is at this stage an innovative crime reducing philosophy. The MRA has been adopted in several projects funded under the Government’s Crime Reduction Programme. Therefore, within the next three years this innovative approach will receive an independent evaluation of how it was implemented in each area and the costs and benefits.