KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2019/2020

FIRST SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF SECURITY MANAGEMENT AND POLICE STUDIES

KPS 401: ECONOMICS OF CRIME AND SECURITY

DATE: Monday, 2nd December 2019 **TIME:** 5.30 p.m. - 7.30 p.m.

INSTRUCTIONS:

Answer question one and any other two.

QUESTION ONE

(a) Identify the **four** basic laws of economics and demonstrate their relevance to crime management. (8 marks)

(b) Using relevant examples, explain the difference between public and private costs of crime. (6 marks)

(c) Drawing from economic models of crime, highlight the economic policy prescriptions that can be used to reduce the supply of crime. (6 marks) 8

(d) Provision of security is primarily done by government as a public good though to a limited extent by private agents as a private good. Explain the provision of security as a public good. (8 marks)

QUESTION TWO

(a) Discuss **five (5)** ways through which crime affects economic development. (10 marks)

(b) Explain the various ways in which crime statistics can be collected and for each elaborate on how it helps in decision making. (10 marks)

QUESTION THREE

(a) The economic cost of crime does not depend on whether stolen funds are recovered and returned to the victims. Using relevant examples, explain the understanding of crime under theoretical perspective. (8 marks)

(b) A change in the probability of being caught has a greater effect on the number of offenses than a change in the punishment. Briefly discuss using relevant examples from Kenya. (4 marks)

(c) Assume someone works as a thief for a week and does not get caught, he will earn Ksh 1,000. If he gets caught, he will have to pay the fine of Ksh 2,000. He thinks there is a 40 percent chance of punishment if he commits the crime. If he does not steal, he will continue to work at a legitimate job which pays him Ksh 600 per week. Compare his gains and costs from crime and legitimate work and explain whether he would steal or not. (8 marks)

QUESTION FOUR

(a) Discuss **five** global causes and effects of organized crime. (10 marks)

(b) Explain the policy, legal and institutional measures for reducing the supply of crime affecting the management of public institutions in Kenya. (10 marks)

QUESTION FIVE

(a) Briefly discuss **six** indicators of demand for crime prevention in the urban centers. (12 marks)

(b) Write short notes on the following and show its contribution to crime.

- (i) inequality (2 marks)
- (ii) Poverty (2 marks)
- (iii) Business Cycle (2 marks)
- (iv) Corruption (2 marks)