

# Cyber crime and identity theft weighing on property crime rates, says study

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Researchers at UAlbany have found the level of online property crime, credit card fraud and identity theft are all increasing. These crimes are not included in the FBI's Uniform Crime Reporting statistics.

The U.S. crime rate continues to fall, according to the latest FBI's release based on Uniform Crime Reporting from police departments, but researchers say those numbers, which have been on a downward slide since the 1990s, don't tell the whole story.

That's because the federal report does not track online [property crime](#), [credit card fraud](#) or [identity theft](#), all of which are increasing, according

to researchers at the University of New Haven and the State University of New York at Albany.

## **Difficult to estimate cost of online theft**

The researchers, Maria Tcherni, an assistant professor of criminal justice at the Henry C. Lee College of Criminal Justice and Forensic Sciences at UNH, the lead researcher, and Andrew Lucas Blaize Davies, Giza Lopes and Alan Lizotte, of the University at Albany School of Criminal Justice, contend that it is extremely difficult to estimate the cost of online theft and that in some cases, for example, when intellectual property is stolen, the direct cost may not even be in dollars.

Yet, although counting cybercrime can be complex, it is clearly a growing problem and "whether it is incorporated into the crime index or not, criminologists would be wise to be circumspect before declaring that crime has dropped as radically as traditional measures appear to reflect," the researchers said.

"Crime reporting has to be updated for the cyber-era," said researcher and dean of the UAlbany School of Criminal Justice Alan Lizotte.

"Property crime that remains underreported because it's online crime shapes our response to it, particularly the response of law enforcement—what's hidden stays hidden, yet continues to be a real, growing threat."

"Recent data breaches targeting major US retailers and, more disturbingly perhaps, health care providers, are evidence that we've reached a new frontier in criminal behavior," said UAlbany [criminal justice](#) school researcher Giza Lopes. "Crime control is far from keeping up—a deficit that spans from inadequate measurement to jurisdictional inability to deal with a problem that spills over physical and national boundaries."

The researchers suggest counting online property crimes not only because they seem to be increasing, but also because they have great potential for harm.

"Internet usage has increased dramatically in the U.S. in recent decades with 81 percent of American adults and 95 percent of American teens accessing the Internet," they said in their paper, "The Dark Figure of Online Property Crime: Is Cyberspace Hiding a Crime Wave?" recently published in *Justice Quarterly*. "The potential harm from this type of crime is unknown but it clearly affects millions," Tcherni said.

In fact, each of the 12 largest domestic incidents of security breaches against major corporations included hacking into the records of tens of millions of users. Sadly, the paper says, more than half of the victims of these crimes don't even know that their data has been compromised.

## **FBI does not record cybercrime losses**

Losses from cybercrime are not recorded by the FBI and, in fact, may not even be reported to police, the paper says. Often, the crime is handled by private corporations rather than police, and so it does not make its way into official crime statistics. Moreover, a lot of the organizations affected by cyber attacks and online theft (financial institutions and other corporations) are reluctant to report their losses for fear of compromising their reputations and losing customers.

"But the financial losses attributable to identity theft appear far in excess of the damage inflicted by traditional property crime," the researchers say.

"There is a glaring gap in [crime](#) reporting," Tcherni said. "Yet even though we were able to demonstrate that online and identity theft is costing thousands of dollars, we are not able to obtain reliable data to

quantify the size of the losses."

**More information:** "The Dark Figure of Online Property Crime: Is Cyberspace Hiding a Crime Wave?" [DOI: 10.1080/07418825.2014.994658](https://doi.org/10.1080/07418825.2014.994658)

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