

Crime against businesses in two ethnically diverse communities

Natalie Taylor

This paper reports on a face-to-face survey conducted with 337 small businesses in two ethnically-concentrated communities. Interviews were conducted in Vietnamese, Mandarin, Cantonese and English. Controlling for other factors, Chinese businesses were at greater risk of shoplifting and Vietnamese businesses were at greater risk of burglary and vandalism compared with English speaking businesses, while English speaking businesses were at greater risk of robbery and/or verbal abuse and/or physical assault. Cheque and credit card fraud was also more prevalent against English speaking businesses. Only one in five recent incidents of crime was reported to police with large reporting variations depending on the type of crime. Although low proficiency in English was not associated with actual victimisation, it was associated with a lower likelihood of reporting shoplifting and burglary. Fear of reprisal also reduced the likelihood of reporting crimes where the offender could potentially identify the victim. There are some important findings in this paper that should resonate with those implementing local crime prevention strategies in ethnically diverse communities.

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Australia is an immigrant society, with almost one-quarter of its population in 2005 estimated to have been born overseas (ABS 2006). Of those born overseas, 20 percent were born in southeast or northeast Asia (6% from China and provinces, 4% from Vietnam), while six percent were born in North Africa or the Middle East. Approximately 60 percent of overseas-born migrants were born in countries where English is either not an official language or is not the main language spoken by most of the population. Language and cultural differences can discourage integration for non-English speaking migrants, and many may choose to live in areas where others from similar backgrounds live. This is evident, for example, in the 'Chinatowns' in major cities around the western world, including Australia.

Residing within homogeneous communities can provide benefits to migrants from non-English speaking backgrounds through cushioning the transition to a new environment (Song 1992). The ability to speak with others in the same language and to interact on the basis of shared cultural norms may also provide a buffer to crime through increased social protection and reduced likelihood of being victimised by people of the same ethnic background. In other words, a 'cocoon' effect may result which protects ethnic communities from crime.

On the other hand, it is also possible that certain types of criminal activity may be more likely to flourish within these communities precisely because they are cocooned from the wider Australian culture, norms and laws. Of all non-English speaking immigrants who arrived in Australia in 2001, nearly one-third rated their ability to speak English as 'not well' or 'not at all' (ABS 2003). Poor proficiency in English has been associated with higher criminal victimisation (Chin, Fagan & Kelly 1992; Kelly, Chin & Fagan 2000), primarily because of communication barriers. Research also

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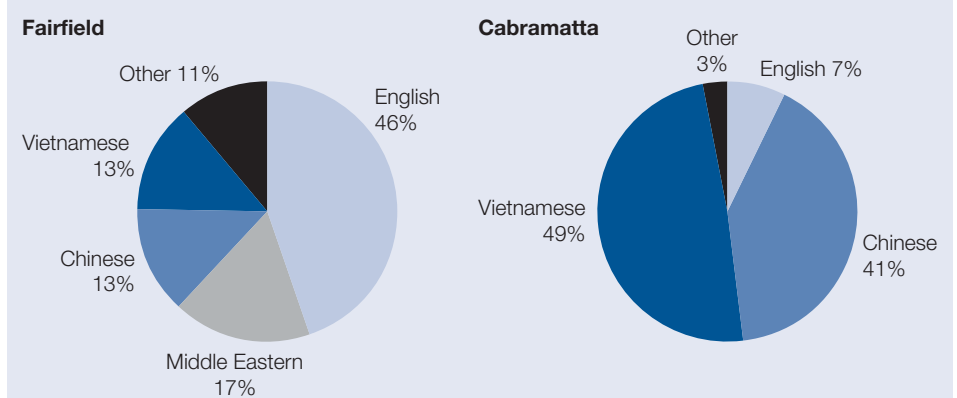
suggests that language and cultural barriers can foster environments in which crime can be committed with little fear of it being reported to police (e.g. Davis & Erez 1998; Torres & Vogel 2001). Lack of trust in authorities and the police, inability to communicate with others in English, and lack of knowledge about how laws and social norms in the broader Australian community operate, may encourage criminal activity by inhibiting reporting and communication outside the immediate community.

While interest in crimes against the business sector has grown in recent years (Alvazzi Del Frate 2004; Taylor & Mayhew 2002) and surveys have tried to uncover its nature and extent (e.g. Hopkins & Ingram 2001; Hopkins 2002), there has been relatively little research focused on ethnic businesses. This is an important omission as issues of culture and language might mean the types of crime experienced by businesses where the owners are English speakers may differ from those businesses where this is not the case.

Surveys of crime against English speaking businesses, particularly smaller retail businesses, have focused primarily on burglary, shoplifting, cheque and credit card fraud, employee fraud, theft, vandalism, assault, robbery and extortion. For smaller retail businesses, shoplifting is typically the most common crime and extortion the least (Shury et al. 2005; Taylor & Mayhew 2002). Cheque and credit card fraud and employee theft are also relatively common. However, United States research with Chinese and Vietnamese businesses (Chin, Fagan & Kelly 1992; Kelly, Chin & Fagan 2000; Song & Hurysz 1995) suggests they might be at disproportionate risk of some types of crime. It is also possible that crimes such as employee theft and cheque and credit card fraud may be less prevalent among Chinese and Vietnamese businesses due to many being family-run or individually-run businesses, and dealing in cash rather than in credit (Song 1992).

The United States studies of crime against Chinese and Vietnamese

Figure 1: Main languages spoken at home by business owners



Source: AIC Fairfield Business Crime Survey [computer file]

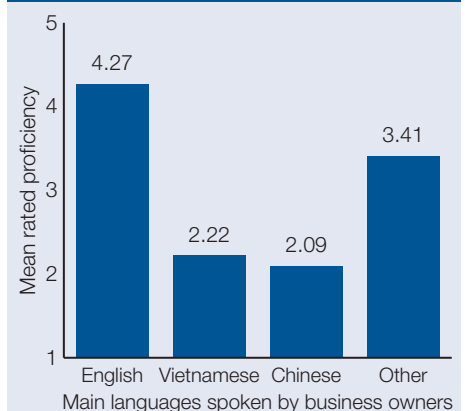
businesses acknowledged the importance of interviewing business owners in their own language, and highlighted the difficulties associated with trying to survey ethnic businesses about crime. The authors concluded that extortion and protection rackets run by Asian gangs were common. A study in the United Kingdom (Ekblom & Simon 1988) investigated crime and racial harassment in Asian-run (primarily Pakistani and Indian) small shops, although these interviews were in English.

To date there has been no published investigation of the nature or extent of crimes perpetrated against non-English speaking businesses in Australia, nor any attempt to distinguish whether and how crimes might differ by ethnicity, or what characteristics of the business might be associated with greater risk.

The study

This paper details the findings from a face-to-face survey, conducted with assistance from Fairfield City Council, with 337 businesses in the town centres of two Sydney suburbs: Fairfield and Cabramatta. These suburbs are located close to each other within the Fairfield local government area and were selected because of their high ethnic diversity. According to the 2001 census, 66 percent of residents in Cabramatta (population of 19,400) were born in a non-English speaking country while the same applied to 60 percent of residents in Fairfield (population of

Figure 2: Self-rated English proficiency



Compound variable comprised self-rated proficiency in speaking, reading and writing English

Source: AIC Fairfield Business Crime Survey [computer file]

14,600). The main languages spoken at home in Cabramatta are Vietnamese and Chinese while in Fairfield the main languages are English, Middle Eastern and other European languages. This diversity can also be seen in the languages spoken at home by business owners in this study (see Figure 1).

In addition to their ethnic diversity, both Cabramatta and Fairfield have had reputations in terms of drug use (buying and selling). In years past, Cabramatta had the dubious distinction

Consistent with the ABS which regards the main language spoken at home as an indicator of 'active ethnicity', this paper defines active ethnicity through the language primarily spoken at home.

of being Australia's 'heroin capital' (Maher & Dixon 1999), although policing strategies have changed dramatically in the last few years to try and reduce the presence of drugs on the streets. Police visibility on the streets has also increased.

Not surprisingly, English proficiency was highest in English speaking businesses. It was lowest in Chinese and Vietnamese businesses (Figure 2).

Differences in language spoken at home also showed some association with the type of business being run: English speaking proprietors were more likely to own non-food retail businesses and less likely to be food retailers than their counterparts from other backgrounds (see Table 1). This too, could affect the types of crime to which they are vulnerable.

Given the ethnic diversity in the two suburbs, it is informative to analyse the findings in terms of three key issues:

1. Do ethnic businesses experience the same types of crime as English speaking businesses? If not, how do they differ?
2. What factors might be associated with higher risk?
3. What types of crime are reported to police and which factors are most important for reporting crime?

Methodology

The face-to-face survey was conducted by a professional survey company during the latter half of 2003 and early 2004. Interviews were conducted in English, Vietnamese, Mandarin and Cantonese by native speakers who were specially selected and trained. These languages were selected based on budgetary constraints and the likelihood of language prevalence among businesses. To ensure reliability and consistency, interview instruments and introductory letters were translated (and back translated) into each language by professional translators accredited to the National Accreditation Authority for Translators and Interpreters. To be included in the survey, respondents needed to be sufficiently fluent in one of these

Table 1: Type of business by language spoken at home (column percentages)

	Chinese	Vietnamese	English	Other
Food goods retailer	35	37	28	49
Non-food goods retailer	46	38	48	37
Service provider	19	25	24	14
(N)	(93)	(107)	(86)	(51)

Source: AIC Fairfield Business Crime Survey [computer file]

Box 1: Eligibility criteria for inclusion in sample

- The business must be located within either the Fairfield or Cabramatta town centres.
- The main activity of the business had to be within a specified list of ANZSIC codes. These primarily related to retail and hospitality activities and excluded services such as medical or legal.
- The business must not be located in a large shopping centre or mall (small arcades were included). This was because large shopping malls do not exist in Cabramatta and it was intended that businesses included in the survey should be as comparable as possible between the two centres.
- The owner or manager must have owned or worked at the business (and the business must have been in operation) for at least some of the period from 1 January 2001 to 30 June 2003.
- The person to be interviewed must speak one of the following languages well: English, Vietnamese, Mandarin or Cantonese.

languages to complete the interview to the satisfaction of the interviewer. Although a strong attempt was made to interview the owner of each business it was sometimes only possible to interview the business manager.

With no readily available sampling frame of businesses, a census of businesses in the Fairfield and Cabramatta town centres was undertaken in mid-2003. A physical count of each identifiable business within each town centre was taken and the business name, address, business type and potential ethnicity recorded. Each business was later classified according to the Australian and New Zealand Standard Industrial Classification (ABS 1993). The potential classification of ethnicity was to provide both an initial estimate of the numbers of businesses that might fall into different language groups, and a means of managing the multilingual interviewing team.

Only businesses meeting the inclusion criteria (see Box 1) were considered in-scope for the sample.

From this census, businesses were then randomly selected and stratified by suburb (Fairfield and Cabramatta). The total number of businesses (owner or manager) interviewed was 337, representing an overall response rate of 64 percent. The number of businesses interviewed and their response rates were evenly distributed between Cabramatta and Fairfield (see Box 2).

Results

Overall, just under half of all businesses experienced at least one crime in 2002; a similar rate to that found in the AIC Small Business Crime Survey (Taylor & Mayhew 2002). Shoplifting was the most common crime, although less so among food retailers than non-food retailers, suggesting that food is a less attractive target than other goods (see Table 2).

While the percentage of businesses experiencing shoplifting and burglary did not differ between English speaking and other businesses, the former experienced higher rates of verbal abuse, vandalism and/or graffiti, cheque

Box 2: Response rates

	Fairfield	Cabramatta
Total businesses in ANZSIC scope (June 2003)	313	426
Out of scope due to language spoken ^(a)	29	26
Business in initial pilot survey	9	3
Businesses in scope	275	397
Businesses randomly selected in sample	257	269
Sample loss		
Owner absent	7	10
No contact with owner	28	23
Refusal	27	23
Incomplete interview	2	6
Total	64	62
Effective sample size	193	207
Total completed interviews	163	174
Response rate	63%	65%

(a) The languages for which businesses were out-of-scope were Arabic, Teochew, Cambodian, Thai and Lao

Note: Sample sizes were selected based on number of interviews which could be achieved within budgetary constraints and desire to conduct similar numbers of interviews in Fairfield and Cabramatta

Source: AIC Fairfield Business Crime Survey [computer file]

Table 2: Percentage of businesses that experienced crime in 2002

	Food goods	Non-food goods	Service provider	Total	Victimisation (%)	
					English	Other
Attempted shoplifting	18	31	11	22	22	22
Completed shoplifting	17	38	11	24	20	26
Attempted burglary	8	6	6	7	7	7
Completed burglary	8	6	1	5	6	5
Verbal abuse	8	11	7	9	16*	7
Vandalism and/or graffiti	4	8	8	7	11*	5
Cheque/credit card fraud	3	6	8	5	11*	4
Robbery	2	3	1	2	5	1
Broken windows	2	4	3	3	7*	2
Employee theft	2	1	0	1	4	<1
Physical assault	2	1	1	1	4	<1
Extortion ^(a)	2	1	1	1	0	2
Any crime ^(b)	43	58	33	47	47	47
(N)	(120)	(144)	(73)	(337)	(86)	(251)

(a) This question was 'Did anyone come into your business and ask you for money or goods in exchange for not damaging your business? This does not include beggars or people asking for a loan.' This question was differentiated in the interview from armed or unarmed robbery

(b) Excludes physical assault or verbal abuse

* statistically significant at p<.05

Source: AIC Fairfield City Council Business Crime Survey [computer file]

and credit card fraud and broken windows (Table 2). The greater prevalence of cheque and credit card fraud among English speaking businesses likely reflects a different cultural practice among ethnic businesses – Chinese and Vietnamese businesses in particular are more likely to deal in cash than in credit (Song 1992; Song & Hurysz 1995).

Risk factors

Previous research has identified factors that can increase the risk of crime against

businesses. These can include type and location of the business, the degree of opportunity provided for crime, as well as surrounding environmental features (Hopkins 2002).

Routine activity theory (Cohen & Felson 1979) highlights three important elements in successful criminal activity:

- motivated offenders
- suitable targets
- the absence of capable guardians.

In relation to crime against businesses, Hopkins and Ingram (2001) outlined

a problem analysis triangle displaying essentially the same elements, but focusing specifically on risk factors for businesses:

- features of the business
- features of the location and/or situation
- features of the offender and/or source of the problem.

The problem analysis triangle has been adapted here (see Figure 3) to classify the risk factors measured in this paper.

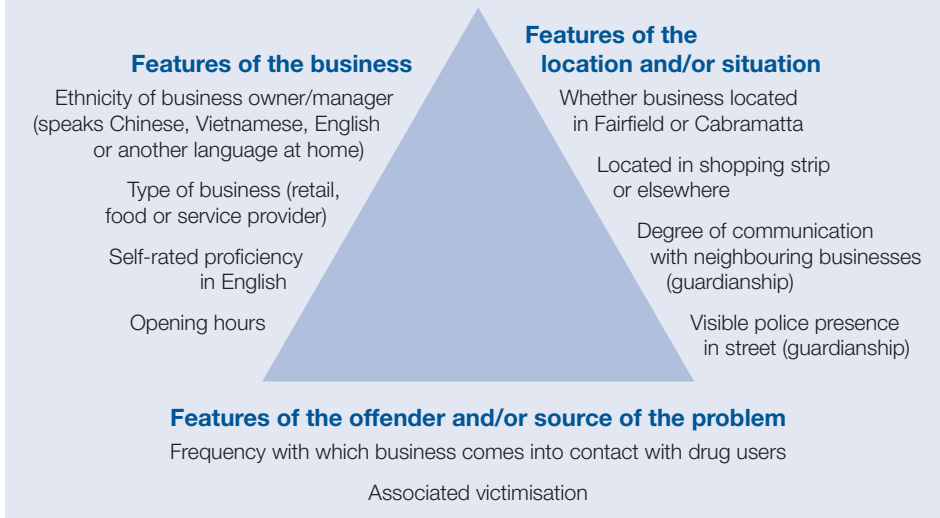
Guardianship factors, such as degree of contact with neighbours and police presence, would be expected to reduce crime. Conversely, higher levels of contact with drug users at the business (social disorder) and previous victimisation might place a business at greater risk. To assess which factors increased risk of victimisation, three logistic regression models were conducted for shoplifting, other property crime (burglary and/or vandalism and/or broken windows) and personal crime (robbery and/or verbal abuse and/or physical assault). Holding other variables constant (see Table 3):

- risk factors differed according to the type of victimisation
- low contact with neighbours increased the risk of robbery and/or verbal and/or physical assault while low police presence was associated with a higher risk of shoplifting
- Chinese businesses were at greater risk of shoplifting and Vietnamese businesses were at greater risk of other property crime than English speaking businesses
- both Chinese and Vietnamese businesses were at less risk of robbery and/or verbal abuse and/or physical assault compared with English speaking businesses
- more frequent contact with drug users increased the risk of shoplifting and other property crime.

Reporting to police

Businesses were asked whether the last incident of each type of crime experienced had been reported to the

Figure 3: Potential features associated with increased risk



Source: Adapted from the problem analysis triangle (Hopkins & Ingram 2001)

Table 3: Risk factors associated with victimisation (logistic regression, odds ratios)^(a)

	Attempted or completed shoplifting	Burglary, vandalism, broken windows	Robbery, verbal abuse, physical assault
Features of the business			
Non-food retailer (vs food) ^(b)	3.31*	0.85	0.56
Service provider (vs food) ^(b)	0.66	0.70	0.43
Vietnamese (vs English) ^(b)	1.74	3.36*	0.13*
Chinese (vs English) ^(b)	3.31*	1.94	0.28**
Other language (vs English) ^(b)	1.45	1.01	0.53
Whether open late ^(b)	0.84	1.62	0.73
Self-rated proficiency in English	0.92	1.04	1.04
Features of the location/situation			
Cabramatta (vs Fairfield) ^(b)	1.08	0.63	0.81
Shopping strip (vs other) ^(b)	0.93	0.82	0.94
How often see police in street	0.80*	1.04	1.07
Degree of contact with neighbouring businesses	1.12	0.96	0.69*
Features of offender/source of problem			
Contact with drug users at business	1.56*	0.82	1.31
Low police presence and high contact with drug users at business ^(b)	1.44	3.05*	0.40
Experienced shoplifting in 2002 ^(b)	n.a.	1.28	7.00*
Experienced burglary or vandalism in 2002 ^(b)	1.26	n.a.	1.72
Experienced robbery or assault in 2002 ^(b)	5.81*	1.78	n.a.
-2 log likelihood	350.16	274.89	184.76
Model chi square	83.76* (df17)	28.25* (df17)	44.29* (df17)

(a) Models control for length of time in business (b) Dichotomised variables. Statistically significant at: * p<.05; ** p<.10
 Source: AIC Fairfield Business Crime Survey [computer file]

police. Overall, only 22 percent of incidents had been reported. Shoplifting was least likely to be reported (10%) while completed burglary was the most likely (83%).

The low raw numbers of actual incidents experienced precluded a statistical

comparison based on ethnicity. In order to approach the problem from a different angle all businesses were asked to indicate how likely they would be to report incidents of shoplifting (attempted or completed), burglary, unarmed robbery and extortion if they were to occur in the

future. Logistic regression analyses were then conducted for these types of crime (low or high likelihood of reporting) to identify the most important predictors of reporting these crimes to police if they were to occur in the future.

Holding the effects of other variables constant:

- proficiency in English was a significant predictor of reporting shoplifting and burglary
- the likelihood of reporting shoplifting was higher for those who had not experienced it, suggesting that those who have experienced shoplifting are no longer motivated to report it
- confidence in police to solve crime was an important predictor of reporting extortion, while a higher police presence was linked to higher reporting of burglary
- fear of reprisal reduced the likelihood of reporting attempted shoplifting, unarmed robbery and extortion (the three crimes where the offender could potentially be identified and where the offender could therefore identify the victim)
- extortion was rated as significantly less likely to be reported by Chinese, Vietnamese or other businesses than by English speaking businesses.

Conclusions

Patterns of victimisation of ethnic businesses differ from English speaking businesses: overall rates of vandalism and/or graffiti, verbal abuse and cheque and credit card fraud were higher for English speaking businesses. When the effects of other variables were held constant and business ethnicity was further broken down, the risks of shoplifting were higher for Chinese businesses and the risks of other property crime, including burglary, were higher for Vietnamese businesses compared with English speaking businesses. However the risks of robbery and/or verbal abuse and/or physical assault were greater for English speaking businesses.

Low guardianship (low police presence and low contact with neighbouring businesses) and higher levels of social disorder (contact with drug users) also increased the risk of victimisation, implying that the surrounding environment of a business is an important factor in exposure to crime risk. Differences in victimisation are also likely to be associated with other characteristics of the businesses, which were not measured in this study, such as attractiveness of goods sold, type of surrounding businesses and their opening hours, frequency of pedestrian traffic and attitudinal or cultural differences in crime prevention strategies and responses to crime.

Likelihood of reporting future incidents of crime to police also varied. Despite a higher risk of shoplifting, Chinese businesses appeared no more likely to report a future incident of shoplifting than English speaking businesses. While the actual levels of extortion reported in this study were low, English speaking businesses were more likely to say they would report extortion if it were to occur in the future than other businesses. Although proficiency in English was not associated with actual victimisation, it significantly predicted likelihood of reporting future incidents of shoplifting and burglary, indicating that language difficulties may present a barrier to reporting certain crimes to police. Confidence in police also affected the decision to report future incidents of crime. When considered in combination with fear of reprisal for reporting, these findings suggest that reporting of crimes such as attempted shoplifting, unarmed robbery and extortion may be improved if

business owners believe that offenders will be caught and dealt with, thus protecting the business from reprisals. Strategies to reassure victims of their safety, including reassurance policing (Tuffin, Morris & Poole 2006), could improve reporting of crimes to police. In summary, the findings suggest that providing adequate interpreter services and/or improving English proficiency and building community confidence in the effectiveness of the criminal justice system may improve the reporting rates of crime against businesses in ethnic communities.

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