Het has been little research into who buys stolen goods and the factors which influence demand for them. To address this problem the British Crime Survey (BCS) asked people if they had bought stolen goods. Further information was gathered separately from in-depth interviews with a sample of burglars, other thieves and handlers. The main findings from the study include information on how stolen goods are bought and sold and considers how the market for stolen goods can be weakened to reduce acquisitive crime – the ‘market reduction approach’.

**KEY POINTS**

- 11% of BCS respondents admitted to buying stolen goods in the past five years.
- More than twice as many males as females are offered stolen goods. Nearly twice as many males buy them.
- In the past five years, nearly half of 16- to 24-year-old males had been offered or bought stolen goods.
- 21% of people think that a lot or quite a few of their neighbours own stolen goods.
- For the novice thief, the success or failure to convert stolen property into cash appears to play an important part in whether they continue to offend.
- Particularly active fences tend to encourage thieves to increase their offending.
- Property marking did not deter thieves from stealing marked items or deter others from buying and selling marked goods.
- Thieves repeatedly target small business owners asking them to buy stolen goods.
- Living in a household where the head was self-employed significantly increased the likelihood of buying stolen goods.

**THE SCALE OF THE STOLEN GOODS PROBLEM**

Buying or selling stolen goods is an offence under the Theft Act 1968. The scale of this offence in Britain in 1995 is indicated by estimates (based on official crime statistics and figures from the BCS) which suggest that:

- thieves selling stolen property cleared between £900 million and £1.68 billion (net)
- fences cleared between £450 million and £870 million (net) selling stolen property.

The 1994 BCS revealed that a large number of people are offered, and may buy, stolen goods although the majority said they had not been offered them in the past year and had never bought them over a five year period (82%). The remaining 18% had either been offered stolen goods, bought them, or both. 11% had bought in the past five years and 11% of people were offered them in the past year. Only 7% of those who admitted buying stolen goods in the past five years said they had not been offered them in the last twelve months.
AGE AND GENDER
There is a clear association between age, gender and being offered and buying stolen goods. A greater proportion of those aged between 16 and 24 received offers. More males were offered stolen goods and more males bought than females.

Association between age, gender and being offered and buying stolen goods
- almost half of males aged 16 to 24 had been offered or bought stolen goods and more than twice as many males are offered stolen goods as females. Nearly twice as many bought them
- a higher proportion of females up to the age of 35 declined offers to buy than older females or males of all ages
- once in their mid-thirties, there is virtually no difference between males and females declining offers to buy
- the odds on 16- to 24-year-olds buying stolen goods were more than four times those aged 36–60.

HOUSING AND PERSONAL WEALTH
In addition to age and gender, type of housing area was an important factor significantly associated with buying stolen goods. Indeed, more than twice as many of those living in the least well off housing areas bought, compared with those living in more affluent areas. The most powerful factors associated with buying are:

- living in the least affluent areas
- drug problems in the neighbourhood
- where locals believe burglaries are committed by residents.

Adverse ‘personal wealth’ indicators correlated with buying stolen goods are:

- wage earners loss of livelihood
- not managing on income
- not having household contents insurance.

Table 1 demonstrates the cumulative effect of an increasing number of adverse factors on buying stolen goods. This may reflect the extent to which respondents experiencing more adverse factors – both where they live and in terms of personal wealth – have a relatively smaller stake in society and therefore less to lose by breaking the law. However, many of these respondents may estimate the risk of getting caught as so minimal that the risk of losing anything is almost academic. For many, ownership of highly prized goods, that they cannot afford to buy legitimately, fulfils the ‘visible’ criteria seen as essential for full and active membership of a consumer oriented society.

DEMAND AND SUPPLY
When new products come on the market such as video cassette recorders, mobile telephones, personal computers or camcorders, they are frequently targeted by thieves because they are desirable and expensive. It is easier to find buyers for these products among those who cannot afford or are unwilling to pay high street prices.

Stealing to order is done by experienced and inexperienced thieves alike and is particularly common in shoplifting, car stereo theft and school, factory, warehouse and office burglaries. Domestic burglars do not appear to steal to order.

Although thieves sometimes steal to order, issues of demand and supply are not simple. For example, the study found that small business owners are frequently offered stolen goods by strangers and many of them buy. Such offers are made because these people are likely to have money available and thieves believe that simply because they are in business they will buy from them at bargain prices. Many do buy – the BCS found a significant association between living in a household where the head of the household was self-employed and buying. Consequently, markets for stolen goods should be seen as both a consequence of theft and also as an underlying motivational force for acquisitive offending.

Inexperienced thieves tend to rely on existing markets, particularly a single residential fence who is usually either a relative or neighbour –
particularly active fences tend to encourage thieves to increase their offending. However, experienced and prolific thieves, particularly the drug users interviewed, were proactive in finding new buyers and sold to a variety of people. In this way they were able to overcome local fluctuations in stolen goods markets and could sell more goods. They were able to sell quickly even if they were not in close proximity to their usual buyers, thus minimising risk of arrest by only transporting stolen goods short distances.

Some failed to sell the goods stolen in their first burglaries and gave up stealing after two or three attempts. However, burglars who successfully converted stolen property into cash at their first attempts tended to continue. This is an important area for crime prevention. Reducing markets for stolen goods might curtail many criminal careers before they ‘take off’.

MARKETS FOR STOLEN GOODS
Stolen goods markets support:
- thieves
- a whole stratum of people supplying ‘criminal services’
- consumers.

Like other illegal markets, they are localised, fragmented, ephemeral enterprises (Reuter, 1985). Different types of stolen goods are sold in particular ways. Jewellery is usually sold to jewellers shops. Car stereos are often sold to residential fences, then through networks of friends; stolen cheque books and credit cards are often sold to frequent drug-users. Stolen cars — including those only a few years old — are frequently sold to car breakers’ yards.

The five main markets for stolen goods are:

- **commercial fence supplies** — stolen goods sold by thieves to commercial fences (e.g. jewellers) operating out of shops
- **residential fence supplies** — sale of stolen 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 extra to the price, until a consumer is found
- **commercial sales** — the sale of stolen goods by commercial fences for a profit — either directly to the consumer or, more rarely, to another distributor
- **hawking** — thieves sell directly to consumers in places like pubs and clubs, or door-to-door (e.g. shoplifters selling clothes and food).

PRICES
Second-hand items are usually sold by thieves for a third of the retail value. If the thief sells to a residential fence, the fence usually sells the item(s) to a consumer for half the retail value. Goods sold to second-hand shops are usually sold-on to the public for two-thirds of the retail value. Thieves selling gold jewellery to jewellery shops are paid the going rate for scrap gold.

Stolen goods are not always sold to consumers for less than the retail price. A commercial fence can sell stolen jewellery in a jewellers shop for the same price as legitimate jewellery. Corner shop owners, operating as commercial fences, can do the same with packaged goods.

THE MARKET REDUCTION APPROACH
The market reduction approach is one which aims to reduce these markets — it is a broad strategy which does not focus merely upon specific theft situations or specific thieves. Its key aim is to price offenders out of the market.

Initiatives to reduce stolen goods markets should include tailoring measures to particular types of market. This would increase the effort and risk of offending while reducing the rewards. Some suggested strategies for the different markets are:

In **commercial fence supplies markets**, useful strategies might include:
- use of cctv cameras to monitor thieves entering certain shops
- imposing statutory or encouraging voluntary obligations on shopkeepers and certain types of business people, to require that all sellers be photographed or to conduct transactions with members of the public ‘on camera’
- stricter requirements of proof of ownership could also be considered.

Residential fence supplies could be reduced through focusing more police resources on identifying and arresting residential fences.

Some **network sales** might be reduced by:
- arresting residential fences
- implementing ‘rule setting’ schemes to remove any ambiguity in what is and is not acceptable behaviour — tackling illegal trading subcultures in the areas where they currently thrive, may dissuade potential consumers.

In **commercial sales markets**, members of the public are usually innocent buyers, so it is necessary to concentrate on the dealers and thieves through:
- greater formal surveillance of shops — this would increase the risks involved in stealing and selling by making it easier for the police to connect the seller with the thief
• encouraging or requiring shops which buy and sell second-hand goods to display signs stating they are part of a crime prevention programme to reduce theft and handling.

**Hawking markets** could be reduced through surveillance measures and public awareness campaigns which emphasise the deleterious effects of buying stolen goods.

Taken alone, it is unlikely that these measures would have significant impact, as transactions would simply become more secretive. However, as part of a wider, co-ordinated operation they would send a clear message to thieves and handlers that their activities are becoming more hazardous and perhaps, for many, no longer worth the risk.

At a wider level, the market reduction approach could involve new ways to make certain luxury goods affordable, legitimately, for low income groups. This might be achieved by encouraging manufacturers to lower initial prices of new technology through prolonging the period over which they seek to recover their investment. As part of a long term strategy, it might even be worth considering tax breaks on such products.

Reducing drug markets is likely to reduce the overall incidence of crime because acquisitive crime is commonly found to fund drug abuse (Parker and Bottomley, 1996). Developing a strategy which combines efforts to tackle geographically located illegal drug markets with schemes aimed at reducing stolen goods markets would tackle two of the principal causes of serious theft.

**ADDITIONAL FINDINGS**
The study also uncovered additional issues with important policy implications for general theft and burglary prevention. For example, thieves were not deterred by property markings – even so called ‘invisible’ ultra violet markings could be seen and wiped off. Use of taxis by burglars to get to and from victims’ houses was widespread.

The clip-off face or pull-out car stereos were the most sought after – even when they had been removed from the slot, thieves broke into cars in the hope, often realised, of finding them under the seat, in the glove box, or luggage compartment.

Contrary to popular belief, none of those interviewed sold stolen goods at car boot sales or thought that stolen goods were sold in this way.

**CONCLUSIONS**
The role of demand and supply on theft levels is an under researched area but, we now have an indication of the national demand for stolen goods. More than one in ten of the population in England and Wales aged between 16 and 60 have bought items which they knew or believed to be stolen.

Buying stolen goods is significantly and independently correlated with being young and poor. As with most crimes, young males are most likely to buy stolen goods. However, the effect of age on the likelihood of buying is virtually the same for males and females after reaching 21 years.

This study demonstrates the widespread existence of stolen goods markets, indicates how they provide motivation for thieves and how they influence what is actually stolen. This is an old problem requiring a new solution. The market reduction approach aims to reduce theft by discouraging people from buying and selling stolen goods. In doing so it seeks to deal with the underlying causes of criminal motivation as well as the vulnerability of victims’ possessions.

**REFERENCES**


Mike Sutton is a Senior Research Officer in the Offenders and Corrections Unit, Home Office Research and Statistics Directorate. Donald Roy of the Home Office Economics Unit provided estimates of the amount of money cleared through selling stolen property in the UK.


The Research and Statistics Directorate is an integral part of the Home Office, serving Ministers and the Department, its services, Parliament and the public through research, development and statistics. Information and knowledge from these sources informs policy development and the management of programmes; their dissemination improves wider public understanding of matters of Home Office concern.

‘Research Findings’ are produced by the Research and Statistics Directorate. Series editor: Carole Byron.

For further copies contact: Information and Publications Group, Room 201, Home Office, 50 Queen Anne’s Gate, London SW1H 9AT. Telephone: 0171 273 2084.