



**THE DETERMINANTS OF CRIME RATES  
IN MALAYSIA**

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Submitted in Partial Fulfillment  
of the Requirement for the  
Bachelor of Business Administration (Hons) Finance

**FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
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## **DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**JOHOR**

### **“DECLARATION OF ORIGINAL WORK”**

**Amiera Mahmuda Binti Mahmud**

**( I/C Number : 920425-10-5142 )**

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature :

Date :

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## LETTER OF SUBMISSION

21<sup>st</sup> June 2015

Mrs. Nur Liyana Bt Yousop  
Mr. Syamsul Bin Samsudin  
Faculty of Business Management,  
Universiti Teknologi MARA,  
85009 Segamat,  
Johor Darul Takzim.

Dear Sir,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “ **THE DETERMINANTS OF CRIME RATES IN MALAYSIA** ” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

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AMIERA MAHMUDA BT MAHMUD

2012857972

Bachelor of Business Administration (Hons) Finance

## **ACKNOWLEDGEMENT**

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Thank you.

## **ABSTRACT**

Fear of crime in areas steadily keep increasing, the economic effect and social effects can distribute into surrounding city. Residents then, become more defensive, cautious and having low committed to their communities. The important social root of the community were decreasing and also weakend. Moreover, economics conditions also may effect the occurance at this crime. Thus, to clarify the relationship between the economic variables and crime, this study aims to investigate the significants relationship between unemployment, inflation and population density with crime rates in Malaysia. The data of crime rate index in Malaysia for the year 1982 until 2013 (yearly basis) were obtained from Royal Malaysia Police as well as from DataStream for the dependent variables. The data of this study was being analysed by using Eviews software. The Multiple Linear Regressionswere used to analyze the significant relationship between independent variables (unemployment, inflation and population density) towards dependent variable (crime rates). The findings of this study was consistent with crime rate hypothesis which indicate that the country which have high degree of unemploment, inflation and population density tend to have higher rate of crime.