

**The Ohio State University
Colleges of the Arts and Sciences Concurrency Form**

The purpose of this form is to provide a simple system of obtaining departmental reactions to course requests. A letter may be substituted for this form.

An academic unit initiating a request should complete Section A of this form and send a copy of the form, course request, and syllabus to each of the academic units that might have related interests in the course. Initiating units should be allowed two weeks for responses.

Academic units receiving this form should respond to Section B and return the form to the initiating unit. Overlap of course content and other problems should be resolved by the academic units before this form and all other accompanying documentation may be forwarded to the Office of Academic Affairs.

A. Information from the academic unit *initiating* the request

Economics **02/07/2008**

 Initiating Academic Unit Date

Economics

 Book 3 Listing (e.g., Portuguese)

597.01	Sex, Drugs, and the Underground Economy	UG	05
Course Number	Title	Level	Credit Hours

Type of Request (underlined): **New Course** Course Change Course Withdrawal Other

Psychology

 Academic unit asked to review the request

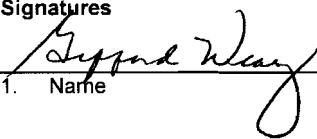
2/21/2008

 Date response is needed (within two weeks of above date)

B. Information from the academic unit *reviewing* the request should include a reaction to the proposal, including a statement of support or non-support (continued on the back of this form or a separate sheet, if necessary).

The department is pleased to concur

Signatures

	Professor & Chair	Psychology	3/3/08
1. Name	Position	Unit	Date
2. Name	Position	Unit	Date
3. Name	Position	Unit	Date

Economics 597.01 Sex, Drugs, and the Underground Economy

THE OHIO STATE UNIVERSITY

Department of Economics

Course Instructor Information:

Instructor:	Bruce W. Bellner	E-mail:	bellner.1@osu.edu
Office:	427 Arps Hall	Office Phone:	614/ 292-3790
Office Hours:	T R 01:00P—03:30P	Office Fax:	614/ 292-3906

Course Term, Location, Time and Call Number:

Term:	Spring 2008	Classroom:	RA 0100
Schedule:	M W 09:00A—10:48A	Call Number:	12345-6

Overview of the GEC Capstone; Issues in the Contemporary World:

The GEC requires that near the end of their studies, each student will select one course that considers one or more contemporary issues of broad and worldwide significance. This course is meant to provide a capstone to a student's undergraduate studies. Such capstone courses are designed to: 1) promote interaction among students and 2) have a significant writing or research component.

Course Overview and Objectives:

The issues this course addresses take place in the underground economy. The course will focus on two informal market sectors, namely the black markets for illegal drugs and human trafficking. The objective is to apply economic reasoning to the analysis of the social issues surrounding these markets, drawing from principles of economics, and developing an 'economic way of thinking' used throughout the course.

Students will be responsible for learning key economic principles and are expected to be able to apply them to the underground economy—principles such as bounded rationality, positive versus normative economics, scarcity and trade-offs, utility, demand and supply, price elasticity of demand, consumer choice theory, demerit goods, externalities, labor markets, the goal of the firm, the public sector and public choice.

The course objectives overall are to have students learn, understand and demonstrate knowledge of these economic principles. These objectives are accomplished by having students satisfy assignments as set forth in the course syllabi (including group presentations, researching and writing essays, turning in homework assignments and the successful completion of the midterm and final exams).

Required Course Texts:

Malarek, Victor. *The Natashas: Inside the New Global Sex Trade*.
New York, N.Y.: Arcade Publishing, Inc., 2004. ISBN: 978-1-55970-779-4

Miron, Jeffrey A. *Drug War Crimes: The Consequences of Prohibition*.
Oakland, Calif.: The Independent Institute, 2004. ISBN: 978-0-94599-990-4

Schlosser, Eric. *Reefer Madness: Sex, Drugs and Cheap Labor in the American Black Market*.
Boston, Mass.: Houghton Mifflin, 2003. ISBN: 978-0-61833-466-7

Note: Readings other than the required texts are posted to Carmen.

Course Dateline, Topics, and Reading Assignments:

First Week: The Underground

- Schneider, Friedrich and Enste, Dominik. *"Hiding in the Shadows: The Growth of the Underground Economy"*
- Schlosser, Eric. *Reefer Madness: Sex, Drugs and Cheap Labor in the American Black Market*, Prologue: The Underground

Second Week: The Drug Trade

- Schlosser, Eric. *Reefer Madness: Sex, Drugs and Cheap Labor in the American Black Market*, Chapter 1
- Miron, Jeffrey A. *Drug War Crimes, The Consequences of Prohibition*, Chapters 1—3

Third Week: The Drug Trade (Cont'd.)

- Miron, Jeffrey A. *Drug War Crimes, The Consequences of Prohibition*, Chapters 4—7
- Becker, Gary S. and Murphy, Kevin M. *"Battle Tactics, The Economics of the War on Drugs"*
- Luxemburger, Hans. *"Bluegrass, Blackmarket"*

Fourth Week: The Sex Trade

- Schlosser, Eric. *Reefer Madness: Sex, Drugs and Cheap Labor in the American Black Market*, Chapter 3
- Lim, Lin. *"The Economics of Sex, Sexwork Fuels Economic Growth and Income for Millions"*
- Malarek, Victor. *The Natashas: Inside the New Global Sex Trade*, Chapters 1—3

Fifth Week: Midterm Exam

Sixth Week: The Sex Trade (Cont'd.)

- Levine, Andrew. *"The Day My God Died"* DVD
- Malarek, Victor. *The Natashas: Inside the New Global Sex Trade*, Chapters 4—6

Seventh Week: The Sex Trade (Cont'd.)

- Malarek, Victor. *The Natashas: Inside the New Global Sex Trade*, Chapters 7—10
- China Economics Blog, *"The Sex Trade and Quality Assurance, Some Observations"*

Eighth Week: Out of the Underground

- Schlosser, Eric. *Reefer Madness: Sex, Drugs and Cheap Labor in the American Black Market*, Endnote: Out of the Underground
- Malarek, Victor. *The Natashas: Inside the New Global Sex Trade*, Conclusion and Epilogue

Ninth Week: Group Presentations

Tenth Week: Group Presentations

Finals Week: Final Exam

Course Assignments/ Exams:

Assignments include reading, writing, and conducting research, as individuals and in teams. You're awarded points for the successful completion of these assignments and expected to turn them in by the end of class during the week they are due.

The midterm exam will be essay based and is a take home exam. The individual writing assignment is to be an essay that should be eight to ten pages in length on a topic relevant to the black market issues we discuss in class.

The group presentations are to be no shorter than ten minutes and no longer than fifteen. The presentations can be on any aspect of the underground market and are expected to be enhancing the class learning experience.

The final exam is cumulative and essay based (not a take-home exam) and will be given during finals week. It must be taken the day it is given, as there are no alternate exam dates, sorry. Please adhere to this.

The breakdown of your course assignments, points awarded and due dates is as follows:

Assignments/ Exams:	Points:	Due Dates:
I. Midterm Exam	20	Week VI
II. Individual Writing Assignment	20	Week VIII
III. Group Presentations	20	Weeks IX—X
IV. Homework Assignments/ Class and Group Participation	20	Ongoing
V. Final Exam	20	Finals Week
Total Points Available	100	

Points are awarded writings specifically for clarity, evidence, accuracy, sources and grammar. Further instruction and helpful information, including useful links, can be found on the course FAQ posted on Carmen.

The total of points will be used to tally the grade as below:

Course Grading; OSU Standard Scheme:

Symbol	%	Symbol	%
A	93	C+	77
A-	90	C	73
B+	87	C-	70
B	83	D+	67
B-	80	D	60
		E	0

For example, your points tally to 90; you would receive an A- for your final grade.

Student Services Information:

Code of Student Conduct:

www.studentaffairs.osu.edu/resource_csc.asp

Code of Student Conduct:

ACADEMIC INTEGRITY (ACADEMIC MISCONDUCT)

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's *Code of Student Conduct*, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's *Code of Student Conduct* and this syllabus may constitute "Academic Misconduct."

The Ohio State University's *Code of Student Conduct* (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's *Code of Student Conduct* is never considered an 'excuse' for academic misconduct, so I recommend that you review the *Code of Student Conduct* and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's *Code of Student Conduct* (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

Other sources of information on academic misconduct (integrity) to which you can refer include:

The Committee on Academic Misconduct:

www.oaa.osu.edu/coam/home.html

Ten Suggestions for Preserving Academic Integrity:

www.oaa.osu.edu/coam/ten-suggestions.html

Eight Cardinal Rules of Academic Integrity:

www.northwestern.edu/uacc/8cards.html

Students with Disabilities Contact Information:

"Any student who feels she/ he may need accommodation based on the impact of a disability should contact the instructor privately to discuss your specific needs. Please contact the Office for Disability Services at 614/ 292-3307 in 150 Pomerene Hall to coordinate reasonable accommodations for students with documented disabilities."

Endnote: A Rubric for Assessing Term Papers

Adopted from a list by Lewis Hyde; edited by Sue Lonoff, with thanks to Richard Marius's writing handbook.

The Unsatisfactory Paper:

The D or E paper either has no thesis or else it has one that is strikingly vague, broad, or uninteresting. There is little indication that the writer understands the material being presented. The paragraphs do not hold together; ideas do not develop from sentence to sentence. This paper usually repeats the same thoughts again and again, perhaps in slightly different language but often in the same words. The D or E paper is filled with mechanical faults, errors in grammar, and errors in spelling. Please note: plagiarism will result in a failing grade.

The C Paper:

The C paper has a thesis, but it is vague and broad, or else it is uninteresting or obvious. It does not advance an argument that anyone might care to debate. "Henry James wrote some interesting novels." "Modern cities are interesting places."

The thesis in the C paper often hangs on some personal opinion. If the writer is a recognized authority, such an expression of personal taste may be noteworthy, but writers gain authority not merely by expressing their tastes but by justifying them. Personal opinion is often the engine that drives an argument, but opinion by itself is never sufficient. It must be defended.

The C paper rarely uses evidence well; sometimes it does not use evidence at all. Even if it has a clear and interesting thesis, a paper with insufficient supporting evidence is a C paper.

The B Paper:

The reader of a B paper knows exactly what the author wants to say. It is well organized, it presents a worthwhile and interesting idea, and the idea is supported by sound evidence presented in a neat and orderly way. Some of the sentences may not be elegant, but they are clear, and in them thought follows naturally on thought. The paragraphs may be unwieldy now and then, but they are organized around one main idea. The reader does not have to read a paragraph two or three times to get the thought that the writer is trying to convey.

The B paper is always mechanically correct. The spelling is good, and the punctuation is accurate. Above all, the paper makes sense throughout. It has a thesis that is limited and worth arguing. It does not contain unexpected digressions, and it ends by keeping the promise to argue and inform that the writer makes in the beginning.

The A Paper:

The A paper has all the good qualities of the B paper, but in addition it is lively, well paced, interesting, even exciting. The paper has style. Everything in it seems to fit the thesis exactly. It may have a proofreading error or two, or even a misspelled word, but the reader feels that these errors are the consequence of the normal accidents all good writers encounter. Reading the paper, we can feel a mind at work. We are convinced that the writer cares for his or her ideas, and about the language that carries them. The sure mark of an A paper is that you will find yourself telling someone else about it.

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Economics 597.01 Sex, Drugs, and the Underground Economy

Re: **E597 Issues in the Contemporary World New Course Proposal**

Submitted to: Bruce A. Weinberg, Professor and Director of Undergraduate Studies
Department of Economics

Prepared by: Bruce W. Bellner, Senior Lecturer and Undergraduate Advisor
Department of Economics

Date: December 20, 2007

Content: I: GEC Overview
II: Course Overview
III: FAQ
IV: Assessment Plan
V: Course Survey

As set forth in the *Guidelines for the GEC Capstone Experiences Component* at:
<http://artsandsciences.osu.edu/currofc/resources/gecguidelines.cfm#9>

I: Overview of the GEC Capstone; Issues in the Contemporary World:

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II: Course Overview and Objectives:

The issues this course addresses take place in the underground economy. The course will focus on two informal market sectors, namely the black markets for illegal drugs and human trafficking. The objective is to apply economic reasoning to the analysis of the social issues surrounding these markets, drawing from principles of economics, and developing an 'economic way of thinking' used throughout the course.

Students will be responsible for learning key economic principles and are expected to be able to apply them to the underground economy—principles such as bounded rationality, positive versus normative economics, scarcity and trade-offs, utility, demand and supply, price elasticity of demand, consumer choice theory, demerit goods, externalities, labor markets, the goal of the firm, the public sector and public choice.

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Economics 597.01 Sex, Drugs, and the Underground Economy Cont'd.

III: FAQ

- *What contemporary issue(s) will the course address?*
- *Does the issue have worldwide significance...?*

The issues this course addresses take place in the underground economy. The course will focus on two informal market sectors, namely the black markets for illegal drugs and human trafficking. These two sectors have worldwide significance.

The total shadow economies (as a percent of GDP) in an IMF paper showed that developing economies have a percentage of 35-44, transition countries 21-30 and OECD from 14-16. The underground economy is vast, and growing (it is perhaps 10 percent of the U.S. economy).

Up to \$400 billion was spent on illicit drugs in 2000. Total global drug expenditures (licit and illicit) rival that of food. Marijuana alone is often ranked at or near the top in terms of being one of the largest 'cash crops.' (Positive and normative analysis of prohibition will be addressed.)

Trafficking in human beings is now the third-largest illegal moneymaking venture in the world, after illegal weapons and drugs. The trafficking of women from Eastern Europe and newly independent states (NIS) is a global phenomenon stretching from Vladivostok to Los Angeles.

- *Is the course based within a single discipline or is it multidisciplinary in design?*

The course is based on the social science of economics and reflects the discipline it represents, yet remains inclusive of other social sciences. Principles of micro and macroeconomics will be utilized to discuss the contemporary issues in the informal market sectors, namely issues surrounding the drug trade and the sex industry.

Economist Steven D. Levitt identified key concepts that recur in economics—positive versus normative analysis, incentives matter, the conventional wisdom is often wrong, and dramatic effects often have distant, even subtle causes—which will underpin these principles, and help students retain and build on them.

The required course text, *Drug War Crimes*, is authored by Jeffrey A. Miron who received a Ph.D. in Economics from M.I.T, is a Research Fellow at the Independent Institute and is a Professor of Economics of Boston University (where he was previously Chairperson). He has also been the Associate Editor of, *Journal of Money, Credit and Banking*.

- *What features of the course will promote the interaction among students from different academic backgrounds?*

As set forth in the GEC guidelines, the overall goal is to “bring together students from diverse majors, thereby creating an integrative learning environment in which, through interaction, the students themselves demonstrate the relationships or connections between information derived from different departments. The approach is to permit students to appreciate the application of knowledge from diverse disciplines to contemporary issues.”

Economics 597.01 Sex, Drugs, and the Underground Economy Cont'd.

The features of the course are designed to promote interaction among students from different academic backgrounds in a variety of ways. For example, students will be assigned small groups composed of students with different academic backgrounds based on majors listed in the roster. Students will have the opportunity to interact with their group and participate in group and class discussion during each class. The instructor has taught Economics 367.02 where this has been done successfully and has enriched the student learning experience. Students will also have the opportunity to do a group presentation and will be able to synthesize what they are learning.

- What prerequisites will be specified for this course?

There are no prerequisites, although it is recommended that a student take either Economics 200 or Economics 201, and that a student be of junior or senior status.

- What writing or research component will be required as part of the course?

As set forth by the Arts and Sciences Curriculum Committee, "capstone courses should have a writing or research component." And, "the panel believes that this component must be at least twenty-five percent of the course grade and noted on the syllabus."

There is a specific writing and research component embedded in the curriculum. The first homework assignment is based on research the second is based on writing. Students will also have an individual essay to write and a midterm exam that is essay based. (These assignments are worth more than twenty-five percent as noted on the syllabus.)

- Will class size be limited to a maximum of 40 students?

Yes. It is recommended that the class be capped at forty students as a goodly amount of a students' grade is based on class participation and group interaction which would be somewhat inhibited by a larger class size.

IV: Assessment Plan

The learning objectives will be achieved with the use of reading assignments, writing assignments, exams and group presentations. The syllabus readings draw from various sources, including an economics text, websites, scholarly writings and contemporary authors on the course subjects. Ongoing assignments will afford students the opportunity to synthesize material being covered and build on it. Essays and exams will require students to consider issues of the underground economy from an economic perspective and show they are able to present their knowledge in a cogent fashion by providing in-depth analysis.

Students will be asked to review literature and find information from scholarly journals and other sources from data bases such as *Factiva*, *Lexis/ Nexus Academic* and the *Econlit* database. Students will also have a draft of their essays critiqued and feedback given them. Individual writing assignments will further assess the student's ability to think critically and reflectively and to synthesize economic issues, as will the exams, while group presentations will promote interaction among the students, and their learning from each other. Students will be assessed based on these assignments as well as their in-class participation. Their output will be evaluated with the spirit of the GEC and course goals and objectives in mind. Adjustments will be made in the course by the instructor where appropriate.

Economics 597.01 Sex, Drugs, and the Underground Economy Cont'd.

V. Course Survey

This survey is intended to provide feedback to your instructor about the extent to which this course achieves the goals of its GEC category. Please fill out this short survey and return it. Thank you!

Legend:

Strongly Disagree	1
Somewhat Disagree	2
Neutral—Neither Agree nor Disagree	3
Somewhat Agree	4
Strongly Agree	5

This course gave me a deeper appreciation of how to apply economic reasoning to the issues of the underground economy.

1 2 3 4 5

This course helped me to understand the role the drug trade and sex industry plays in the underground economy.

1 2 3 4 5

This course caused me reconsider my opinions about the contemporary world issues I have studied.

1 2 3 4 5

Has this course changed the way you look at the issues facing today's world? How?

What have you learned that will be helpful to you personally?

Do you have any other comments about this course?

