

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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