

**The Ohio State University  
Colleges of the Arts and Sciences New Course Request**

Economics

Academic Unit  
ECON

Book 3 Listing (e.g., Portuguese)  
110.02 Basic Economic Concepts: Freakonomics

Number	Title	U	05
Freakonomics			
18-Character Title Abbreviation		Level	Credit Hours
Summer	Autumn	Winter	Spring X
			Year 2006

Proposed effective date, choose one quarter and put an "X" after it; and fill in the year. See the OAA curriculum manual for deadlines.

**A. Course Offerings Bulletin Information**

Follow the instructions in the OAA curriculum manual. If this is a course with decimal subdivisions, then use one New Course Request form for the generic information that will apply to all subdivisions; and use separate forms for each new decimal subdivision, including on each form the information that is unique to that subdivision. If the course offered is less than a quarter or a term, please complete the Flexibly Scheduled/Off Campus/Workshop Request form.

Description (*not to exceed 25 words*): Discuss current social problems and issues within an economics framework, including topics such as job discrimination and integration.

Quarter offered: SP06 Distribution of class time/contact hours: 2 -2 Hr Classes  
Quarter and contact/class time hours information should be omitted from Book 3 publication (yes or no):

Prerequisite(s): none

Exclusion or limiting clause:

Repeatable to a maximum of 0 credit hours.

Cross-listed with:

Grade Option (Please check): Letter  S/U  Progress  What is course is last in the series? \_\_\_\_\_

Honors Statement: Yes  No  GEC: Yes  No  Admission Condition

Off-Campus: Yes  No  EM: Yes  No  Course: Yes  No

Other General Course Information:  
(e.g. "Taught in English." "Credit does not count toward BSBA degree.")

**B. General Information**

Subject Code 450601

Subsidy Level (V, G, T, B, M, D, or P) B

If you have questions, please email Jed Dickhaut at [dickhaut.1@osu.edu](mailto:dickhaut.1@osu.edu).

1. Provide the rationale for proposing this course: Novel applications and findings by economists in new subject areas create opportunities for discussion of economic reasoning at the freshman and sophomore level.

2. Please list Majors/Minors affected by the creation of this new course. Attach revisions of all affected programs.

This course is (check one):  Required on major(s)/minor(s)  A choice on major(s)/minors(s)  
 An elective within major(s)/minor(s)  A general elective:

3. Indicate the nature of the program adjustments, new funding, and/or withdrawals that make possible the implementation of this new course.

N/A

4. Is the approval of this request contingent upon the approval of other course requests or curricular requests?

Yes  No  List: 110 being decimalized

5. If this course is part of a sequence, list the number of the other course(s) in the sequence: \_\_\_\_\_

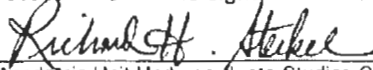
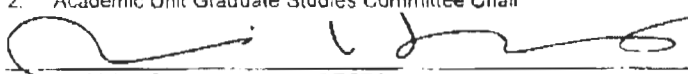
6. Expected section size: 50 Proposed number of sections per year: 1

7. Do you want prerequisites enforced electronically (see OAA manual for what can be enforced)? Yes  No

8. This course has been discussed with and has the concurrence of the following academic units needing this course or with academic units having directly related interests (List units and attach letters and/or forms):  
Not Applicable

9. Attach a course syllabus that includes a topical outline of the course, student learning outcomes and/or course objectives, off-campus field experience, methods of evaluation, and other items as stated in the OAA curriculum manual and e-mail to [ascurofc@osu.edu](mailto:ascurofc@osu.edu).

**Approval Process** The signatures on the lines in ALL CAPS ( e.g. ACADEMIC UNIT) are required.

1.	 Academic Unit Undergraduate Studies Committee Chair	RICHARD H. STECKEL Printed Name	12-30-05 Date
2.	Academic Unit Graduate Studies Committee Chair	Printed Name	Date
3.	 ACADEMIC UNIT CHAIR/DIRECTOR	Masum Hashim Printed Name	12-30-05 Date
4.	After the Academic Unit Chair/Director signs the request, forward the form to the ASC Curriculum Office, 105 Brown Hall, 190 West 17 <sup>th</sup> Ave. or fax it to 688-5678. Attach the syllabus and any supporting documentation in an e-mail to <a href="mailto:ascurofc@osu.edu">ascurofc@osu.edu</a> . The ASC Curriculum Office will forward the request to the appropriate committee.		
5.	COLLEGE CURRICULUM COMMITTEE	Printed Name	Date
6.	ARTS AND SCIENCES EXECUTIVE DEAN	Printed Name	Date
7.	Graduate School (if appropriate)	Printed Name	Date
8.	University Honors Center (if appropriate)	Printed Name	Date
9.	Office of International Education (if appropriate)	Printed Name	Date
10.	ACADEMIC AFFAIRS	Printed Name	Date

## **Economics 110.02: *Freakonomics***

Quarter

Days & Time

Classroom

Lecturer: Dr. Molly Malloy Cooper

E-mail: cooper.338@osu.edu

Office: Arps Hall

Phone:

Office Hours: TBD

### **Course Objectives**

The purpose of this course is to apply economic reasoning to analyze contemporary social issues. This course will investigate the controversial findings of economist Steven Levitt and journalist Stephen Dubner in their bestseller, *Freakonomics*. Students will learn the economic principles behind their findings and discuss related issues in the economics of sports, crime, education, poverty and welfare, etc. This course fulfills the Human, Natural, and Economic Resources Social Science General Education Requirement.

### **Course GEC Statement:**

**Economics 110.02 is a GEC course in Arts and Sciences, Social Sciences, Category: Human, Natural and Economic Resources.** Economics 110.02 has been designed with the general learning objectives of the social sciences in mind. The readings, class discussions, and exams will further students' abilities:

- To understand the behavior of individuals, in particular responses to incentives, and society as a whole in the formation of institutions.
- To appreciate theories and methods of social scientific inquiry, their broad applications, and limitation.
- To comprehend differences in average outcomes due to social, economic, geographic and demographic factors.
- To assess individual and social values and recognize their importance in social problem solving and policymaking.

**Economics 110.02** falls under the rubric Human, Natural, and Economic Resources (such as land, labor, capital, population, and the environment). The rubric includes subtopics: Use, Distribution/Diffusion, Allocation, Exchange, Decision-Making, Policies, and Global Interdependence.

**Economics 110.02** fits directly into this category by addressing these main topics and subtopics within the course content. Economics 110.02 covers essential economic principles, reflecting the discipline it represents. These principles are representative of the learning objectives above. They include:

- The economic behavior of individuals—responses to incentives and disincentives.
- The principles of microeconomics—decision making by households and firms.
- The allocation of scarce resources by individuals, groups, and society.
- The factors of production: land, labor, capital, and entrepreneurship—their acquisition and use.
- The analysis of supply and demand, prices, and markets, and the use of models are representations of the real world.

**Economics 110.02** presents this subject matter with examples from Steven Levitt and Stephen Dubner's bestseller, *Freakonomics*. These examples reinforce traditional economic principles, allowing the course to meet the general principles of the GEC model curriculum, and the specific goals of the categories and subcategories. Examples include:

- Why do economists expect schoolteachers to cheat, sumo wrestling to be rigged, and MLB players to use steroids?
- Even fanatical terrorists can be rational.
- Why do crack dealers risk life and limb for no more than fast-food wages?
- Did the Brady Bill or *Roe v. Wade* play a greater role in the drop in violent crime rates?
- What matters more: who your parents are or what they do?
- Are distinctively black names the cause or merely the consequence of poverty?

## Course Material

### *Required Textbooks:*

Stephen D. Levitt and Stephen Dubner. *Freakonomics*. (HarperCollins Publishers, Inc., 2005)

Robert C. Guell, *Issues in Economics Today*, 3rd ed., (The McGraw-Hill Companies, Inc., 2007)

An outline of class notes and additional materials will be available on the course website on CARMEN. **The outlines are not meant to serve as a substitute for attending class lectures.** Other materials also may be distributed in class.

## Course Requirements

You are required to take a two midterm exams and a final. The first midterm will be given in class during Week 4. The second midterm will be given in class during Week 7. The final exam will be held in accordance with the university common schedule. The format of these exams will be short answer essay.

## Grading

Your final grade will be calculated using the following weights:

Midterm 1 in class during Week 4	30%
Midterm 2 in class during Week 8	30%
Final Exam in accordance with university scheduling	40%

The Grading scale will be the OSU Standard Scheme.

## Contacting Me

The best way to reach me outside office hours is via e-mail. If you do not have access to e-mail, and you need to get a message to me quickly, you can call the Economics Department office at 292-6701 during normal business hours.

## Course Outline:

Week 1: Administrative and Introduction and Some Theory Background

- Opportunity costs
- Incentives
- Supply & Demand
- Elasticities
- Production, Cost, and Profit

Guell: Chapters 1& 2

*Freakonomics*: “Introduction: The Hidden Side of Everything”

Week 2: More Theory and The Economics of Sports

- Production, Cost, and Profit
- Incentives and Cheating (Sumo wrestlers, figure skaters, steroids in MLB)
- Why do poor cities subsidize wealthy sports’ team owners?
- An analysis of ticket scalping

Guell: Chapters 4 and 30—“Ticket Brokers and Ticket Scalping” & 34—“If We Build It, Will They come? And Other Sports Questions”

*Freakonomics*: Chapter 1—“What Do Schoolteachers and Sumo Wrestlers Have in Common?”

Week 3 Asymmetric Information and Terrorism

- The impact of asymmetric information on interactions such as real estate transactions, internet dating, and coffin shopping
- The “Rational” Terrorist model

Guell: Chapter 41—“The Economics of Terrorism”

*Freakonomics*: Chapter 2—“How Is the Ku Klux Klan Like a Group of Real Estate Agents?”

Week 4: Review for and take **Midterm 1** (30% of final grade)

Week 5: The markets for vices.

- Why we tax and regulate alcohol and tobacco, but prohibit prostitution and nonprescription narcotics.
- The economic impact of drug decriminalization.
- Are casinos the answer to economic stagnation?
- How crack gangs resemble corporate America

Guell: Chapters 16—“Tobacco, Alcohol, Drugs, and Prostitution” and 40—“The Economic Impact of Casino Gambling”

*Freakonomics*: Chapter 3—“Why Do Drug Dealers Still Live with Their Moms?”

Week 6: Crime and Punishment

- The rational criminal model
- Optimal enforcement and sentencing
- Differences in criminality and victimization by socioeconomic demographics
- The death penalty debate

Guell: Chapter 21—“The Economics of Crime”

*Freakonomics*: Chapter 4—“Where Have All the Criminals Gone?”

Week 7: Children are our Future

- School funding
- The role of parents in educational outcomes
- The tenure system
- Is Head Start a worthwhile investment?
- Can competition save the public schools?
- Is college a worthwhile investment?

Guell: Chapters 22—“Education” & 25—“Head Start”

*Freakonomics*: Chapter 5—“What Makes a Perfect Parent?”

Week 8: Review for and take **Midterm 2** (30% of final grade)

Week 9: What matters more: who your parents are or what they do?

- Intergenerational poverty
- Race and labor market outcomes

Guell: Chapters 24—“Poverty and Welfare” and Chapter 26—“The Economics of Race and Sex Discrimination”

*Freakonomics*: Chapter 6—“Perfect Parenting, Part II....”

Week 10: Course Wrap up and review, additional current economic issues

## **FINAL EXAM in accordance with the university common schedule.**

### **Academic Integrity**

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. It is expected that all students at The Ohio State University 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 web pages ([oaa.osu.edu/coam/home.html](http://oaa.osu.edu/coam/home.html))

*Ten Suggestions for Preserving Academic Integrity*  
([oaa.osu.edu/coam/ten-suggestions.html](http://oaa.osu.edu/coam/ten-suggestions.html))

*Eight Cardinal Rules of Academic Integrity* ([www.northwestern.edu/uacc/8cards.html](http://www.northwestern.edu/uacc/8cards.html))

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