

Class Time: MTuWTh 12:00 – 2:00  
 Classroom: Wurster Hall 102  
 Office Hours: Monday 2:10 – 3:00; Thursday 2:10 – 3:00 (other days and times by appointment)  
 Office: Room 114, 2240 Piedmont Ave or after class informally  
 Email: [dvencill@sfsu.edu](mailto:dvencill@sfsu.edu)  
 Phone: 510-593-6840

### Subject Matter of Law and Economics II

LS 147 will cover the application of economic principles to law, law enforcement, and related public policy. Topics are shown in the grid on pages 2-3

### Prerequisites

There are no formal prerequisites, but students are advised that some training in economics will be helpful. Graphs and algebra will be used in class.

### Conduct of Class

The class will include a mixture of lectures and discussion; students should read assigned materials before class to benefit fully from the material presented. Regular attendance in class is important to success in the course. The approach is designed to be interdisciplinary with internet research homework assignments.

### Grades

Basis for grades:

Midterm (definitions, essays, some problems)	(30%)
Homework (2-3 problems or essays) and participation in section	(20%)
Final exam	(50%)

### Exams

Midterm and Final exams will be take-home, but will be limited in length.

### Texts for Course:

Paul Butler—*Chokehold [Policing Black Men]* New Press 2017

Katri K. Sieberg: *Criminal Dilemmas: Understanding and Preventing Crime*, Springer, New York, 2005, 2<sup>nd</sup> Edition (**Sieberg**)

Christine L. Gardiner, Stacy L. Mallicoat, Eds., *California's Criminal Justice System*, Carolina Academic Press, 2012 (**Gardiner**)

**Bureau of Justice Assistance, Rand Corporation “Evaluating the Effectiveness of Correctional Education” Lois M. Davis et al. 2013, a Meta-Analysis of Programs.**

Alan B. Krueger, *What Makes a Terrorist – Economics and the Roots of Terrorism*, Princeton University Press, 2008 (**Krueger**)

Madjd-Sadjadi, Zagros, *The Economics of Crime*, Business Expert Press, 2015 (on B-space)

John Mueller & Mark Stewart, *Chasing Ghosts: the Policing of Terrorism*, Oxford University Press, 2016

These will be supplemented by class handouts and/or other materials posted on bSpace.

(Note that the schedule, topics, and assignments below may be revised; if so, changes will be posted on bSpace and distributed in class) New topics if in current news and merit discussion.

**Schedule, Topics, and Assignments:**

DAY	DATE	TOPICS	READINGS*
1-Tuesday	Jul 5	Orientation to the course, expectations and grading. Economic theory of crime and punishment; are criminals rational? Game theory: Prisoner's Dilemma Model; Nash Equilibrium; Cohn on tradeoffs—altruism and honesty Civic society vs. selfish self-interest : Global Civic Honesty <a href="http://science.sciencemag.org/content/early//2019/06/19/science.aau8712">http://science.sciencemag.org/content/early//2019/06/19/science.aau8712</a> Stealing donuts --white collar crime writ small Steven Levitt AER	<i>"An Economic Theory of Crime and Punishment," Chapter 11 of Cooter &amp; Ulen, Law and Economics; Sieberg, Preface Jour Science</i>
2-Wednesday	Jul 6	Rational crime model; linear regression as a tool of analysis. What is the economics of crime and criminal justice? The curious case of the fall in crime ( <u>Roe v. Wade</u> , legalized abortion and crime, Levitt-Donahue hypothesis and empirical investigation); history of violent crime in America; crime trends in California. Privacy—Griswold v. Connecticut	<i>The Economist 7/20/13</i>  <b>Madjd-Sadjadi, Ch. 2</b> Barry Latzer Book, Ch. 4-5 <b>Gardiner: Ch. 1</b>
3-Thursday	Jul 7	Crime control: Broken Windows, Hot Spot Policing (Compstat); Who are criminals; planning crime; two models of the criminal justice process (H Packer) <u>Mens Rea</u> & Internet threats	<i>Wilson &amp; Kelling Packer article</i> <i>Elonis v. U.S</i>
4-Monday	Jul 11	Contemporary policing issues; Terry stops; stop-question-and-frisk ( <u>Floyd v. City of New York</u> ); profiling dilemmas; Greg Ridgeway, RAND Corp, "Analysis of Racial Disparities in N.Y. Police Department's Stop, Question, & Frisk Policy"; Exclusionary Rule; Fourth Amendment jurisprudence	<i>Floyd decision/summary</i> <i>RAND report</i> <i>Fagan report</i> <i>War on Cops</i> <i>Utah v. Strieff</i>
5-Tuesday	Jul 12	Militarism of Police, SWAT, and Impact on People of Color, parole issues; drug sniffing dogs; law enforcement effectiveness (productivity); Ferguson effect; de-policing and Black Lives Matter Paul Butler <b>Chokehold [Policing Black Men]</b> read Book	<i>ACLU Report, 6/24/2014</i> <i>Martinelli book, Ch 3-4</i> <b>Gardiner, Ch. 5</b>
6-Wednesday	Jul 13	Prison-Industrial Complex; private prisons; realignment in California; Three Strikes policy issues; prison reform benefit-cost analysis; Capital Punishment – lethal injection controversy; Rampage killers and insanity defense. Rand Corp study: Evaluate Programs that Provide Education to Incarcerated Adults: What works? B/C analyses. Synthetic California: Charis Kubrin Prop 47 Study UC Irvine 2018	<b>Sieberg, Ch. 1</b> <i>Eric Schlosser article in The Atlantic Monthly</i> <b>Gardiner Ch. 7, 8; Lois Davis</b> <i>Furman v. Georgia</i>
7-Thursday	Jul 14	Does prison (incarceration) reduce crime? labor market impact of crime; realignment in California; murder and morals: the Cabin Boy, the Trolley Problem (would you kill the fat man?) Lois Davis Rand study on education in prisons [con't] --Post-release employment outcomes improved.	<b>Gardiner, Ch. 8</b> <i>Sandel: Harvard Justice lectures</i> <i>Edmonds book</i>

9-Mon	Jul 18	What Explains Coercive Behavior of Prison Guards; Over incarceration, ACLU & Alexander's Thesis from <u>The New Jim Crow</u> ; The Stanford Prison Experiment: The Lucifer Effect	<i>Haney, Banks, &amp; Zimbardo article; New Yorker article Zimbardo Congressional Testimony</i>
10-Tue	Jul 19	Economics of prostitution; Estimating The Size And Structure of the Underground Commercial Sex Economy in Eight Major Cities; victimless crime	<i>Urban Institute study</i>  <b>Madjd-Sadjadi, Ch. 5</b>

*\*readings in italics can be found on bSpace. Readings in bold are from assigned texts.*

DAY	DATE	TOPICS	READINGS
11-Wed	Jul 20	Continuation; Anti-Human Trafficking Policies	<b>Sieberg, Ch. 3</b>
12-Thu	Jul 21	The war on drugs; models of drug markets, supply side approach; prohibitionism Demand side and the Harm Reduction Approach; drug smuggling (Decker & Chapman); Organized crime	<b>Sieberg, Ch. 4</b>
13-Mon	Jul 25	Drug war costs, legalization debate, why drug laws have failed; The war on drugs and lessons for the war on terrorism (tracing the money financing); money laundering; reverse stings: Police selling drugs for profit; Law of unintended consequences; economics of police and FBI use of paid informants; the Sunrise (Florida) experience	<i>Klitgaard: Economics of Corruption; O'Matz &amp; Maines article in Sun-Sentinel; "Secret Justice": article on criminal informants; OIG report, Ch 3 – AG Guidelines 2005</i>
14-Tue	Jul 26	The War on Gangs; the economics of victim behavior; street gangs and gun selling; Why Drug Dealers Live with Their Moms, "The Financial Activities of an Urban Street Gang"	<b>Sieberg, Ch. 5;</b> <i>Quarterly Journal of Economics article FREAKONOMICS, Chapter 3</i> <b>Gardiner, Chs. 10-11</b>
15-Wed	Jul 27	The Policing of Terrorism; risk assessment TAKE-HOME MIDTERM DISTRIBUTED – DUE 8/1	<b>Mueller &amp; Stewart (all)</b> <b>Madjd-Sadjadi, Ch. 6-7</b>
16-Thu	Jul 28	Organized crime; RICO Statute, Asset Forfeiture and Distortion of Police Incentives; War on property rights	<i>Baicker &amp; Jacobson, "Finders Keepers," article</i>
17-Mon	Aug 1	The political economy of terrorism (Introduction); impact of terrorism and war on terror on the macroeconomy; 9/11 and NY financial markets; stemming the flow of terrorist financing; CyberSecurity and CyberWar	<b>Krueger (read book)</b> <i>Singer-Friedman, part 2</i>
18-Tue	Aug 2	Benefits & Costs of Drone Wars, Rendition, and Enhanced Interrogation: Constitutional Issues/	<i>Barron Memo to the Attorney General</i>
19-Wed	Aug 3	Terrorism (continued); economics of suicide bombers; the strategic logic of suicide terrorism; alms for Jihad, Hawalas networks, "Why Suicide Bombers Should Buy Life Insurance" Lone Wolf Terrorism in the U.S.	<i>Levitt &amp; Dubner, Superfreakonomics</i> <i>FBI Study</i>

20-Thu	Aug 4	Civil Liberties vs. Protection/Security Tradeoff; role of Media in War on Terrorism; 911 and Economic Impact on U.S. Economy; Privacy in an age of technology	<i>Enders &amp; Sandler, <u>Political Economy of Terrorism</u> Chs. 2 and 9</i> <i>Riley v. CA</i>
21-Mon	Aug 8	Gun control issues; More Guns Less Crime (Lott Hypothesis); “The True Cost of Gun Violence”; Economics of gun control; gun violence and weapons in the U.S.; Supreme Court and the Second Amendment <b>TAKE HOME FINAL DISTRIBUTED – DUE 8/101</b>	<b>Sieberg, Ch. 6</b>
22-Tue	Aug 9	Policing In Theory: The Principal-Agent Problem Approach and the Dilemma	Sieberg, Ch. 7 Serve & Protect
23-Wed	Aug 10	Review, Q&A, discussion	
24-Thu	Aug 11	Final Exam due	

*\*Readings in italics can be found on bSpace. Readings in bold are from assigned texts.*

**Recommended Additional Reading:**

Radley Balko, *Rise of the Warrior Cop: The Militarization of America's Police Forces*, Public Affairs/Perseus Book Group, New York, 2013

G. Becker and Y. Rubinstein, “Fear and the Response to Terrorism: An Economic Analysis,” (can be found at [www.econ.ku.dk/CAM/Files/Autumn%202004/becvkerrubinstein\\_0801.pdf](http://www.econ.ku.dk/CAM/Files/Autumn%202004/becvkerrubinstein_0801.pdf))

Thomas Cathcart, *The Trolley Problem, or Would You Throw the Fat Man Off the Bridge?* Workman Publishing Co. NY, 2013

Robert Cooter and Thomas Ulen, *Law and Economics*, Addison-Wesley, Chapters 11-12, “The Economics of Crime and Punishment” and “Death Penalty, Addictive Drugs & Gun Control”

Dezhbakhsh & Shepherd, “Effect of Capital Punishment,” *Economic Inquiry*, Vol. 44, No 3, July 2006

John Donohue and Steven Levitt, “Further Evidence that Legalized Abortion Lowered Crime: A Reply to Joyce” National Bureau of Economic Research Working Paper 9532 (available free at [www.nber.org/papers/w9532](http://www.nber.org/papers/w9532))

David Edmonds, *Would You Kill the Fat Man?*, Princeton University Press, 2014

Walter Enders & Todd Sandler, *The Political Economy of Terrorism*, Cambridge Press, 2006.

Seth G. Jones, *A Persistent Threat: the Evolution of al Qa’ida and Other Salafi Jihadists*, Rand Corporation, Report to the Office of the Secretary of Defense, 2014

Robert Klitgaard et al., *Corrupt Cities: A Practical Guide to Cure and Prevention*, ICS Press, 2000 (out of print)

Barry Latzer, *The Rise and Fall of Violent Crime in America*, Encounter Books, 2016

Steven Levitt & S. Dubner, *Freakonomics*, Morrow, 1995

Heather MacDonald, *The War on Cops*, Encounter Books, 2016 (conservative position)

Ron Martinelli, *The Truth Behind the Black Lives Matter Movement and the War on Police*, 2016

Alexandra Natapoff, *Snitching: Criminal Informants and the Erosion of American Justice*:

Richard A. Posner, *Countering Terrorism*, Rowman, Littlefield, NY 2007

David Samuels, “Dr. Kush – How Medical Marijuana Is Transforming the Pot Industry,” *The New Yorker*, July 28, 2008

Michael J. Sandel, Justice: What’s the Right Thing to Do? ([www.justice.harvard.org](http://www.justice.harvard.org) online lectures)

Steven Shavell, *Foundations of Economic Analysis of Law*, Belnap Press/Harvard University Press, Cambridge, MA, 2004 (see especially chapter 23, “Incapacitation, Rehabilitation, and Retribution”)

P.W. Singer & Allen Friedman, *CyberSecurity and CyberWar*, Oxford University Press, 2014

[www.justice.gov/OIG/special/0509/chapter3.htm](http://www.justice.gov/OIG/special/0509/chapter3.htm) The FBI’s Compliance with the Attorney General’s Investigative Guidelines” Special Report, 2005 Officer of the Inspector General, the Benefits and Risks of Using Criminal Informants in FBI Investigations

Franklin E. Zimring, *The City That Became Safe*, Oxford University Press, 2012

Gabriel Zucman, “The Missing Wealth of Nations: Are Europe and the U.S. Net Debtors or Net Creditors?” *Quarterly Journal of Economics* (2013), 1321-1364.