Economics of Crime

This module aims to:
- Introduce economic theory and its relationship to criminological theory
- Examine the economic and social costs of crime
- Evaluate the economic aspects of punishment and crime prevention/reduction initiatives
- Explore the ways in which criminal activity might be reduced through economic disincentives
- Consider the way that an understanding of economics may inform approaches to dealing with illegal markets and organised crime

Learning outcomes
On completion of this module, students will be able to:
- understand the relationship between economic theory and criminological theory
- assess the economic and social costs of crime
- apply basic economic theory to understand illegal markets and organised crime
- evaluate the economic efficiency of punishment and crime reduction and prevention initiatives

Learning and teaching methods
The learning and teaching methods for the module follow the intended online delivery strategy for the programme as a whole. The module will be delivered through the provision of specified reading materials on the virtual learning platform, which shall be supported by specified discussion forums and lecturecasts, and tutor support will be available to students via phone, email, and a fortnightly synchronous question and answer (Q&A) session.

Students will be provided with indicative guidance on, and encouraged to look at, relevant websites which are appropriate to the module, and to identify and share appropriate web-based resources as learning support references with their fellow students and as indicators of their individual learning contexts with their tutors. The live lectures will include referenced use of selected case studies which will be drawn from the reading materials/web based module learning resources and the practice-based and professional/educational contexts and experience of the tutors. At pre-arranged and regularly agreed points, on specified days and times in advance of each lecture (typically two to three days prior to the lecture) there will be a ‘drop in’ telephone or online preparatory learning liaison session conducted between the student(s) and tutor, typically lasting for 20 to 30 minutes. These sessions are designed to provide students with an introductory preview of the week’s work and give them an opportunity to ask specific and general questions related to that week’s learning opportunities and to enable them to contextualise their learning experience. Self-managed learning will supplement lectures and students are given weekly direction on required and indicative reading.

Syllabus
- Module intro and introduction to economic theory:
  - ‘model’ building
  - price determination through supply and demand
  - opportunity cost
  - economic efficiency
  - market failure
  - game theory
- Modelling criminal behaviour:
  - simple economic model building and analysis
  - the ‘Becker model’ of criminal behaviour
  - the policy implications driving from the model
- Rational choice theory:
  - the origins and meaning of positivism
  - the practical and philosophical problems associated with positivism
  - the basic model of rational choice theory and its application to criminal behaviour
  - the challenges to rational choice theory and the contribution of ‘behavioural economics’
- Labour market, poverty and crime:
  - criminological theories explaining the link between criminal activity and levels of employment and poverty, including:
    - anomie
    - relative deprivation
    - social disorganisation theory
    - control theory
- Alternative economic models of crime:
  - the modelling of criminal activity using non-linear modelling
  - the policy implications of this analysis for criminal justice policy, including:
    - sentencing
    - clear-up rates
    - reducing recidivism
Economic of Crime

- Statistical Methods and the Costs of Crime.
  - Key tools of economic analysis:
    - cost analysis
    - cost effectiveness analysis
    - cost benefit analysis
  - Outline of basic econometrics.
  - Underpinning assumptions economic analysis.

- Crime Reduction.
  - The issues surrounding various crime reduction initiatives.
  - The difficulties associated with measuring costs and benefits of crime reduction initiatives.
  - The likely cost/benefits of various crime reduction initiatives.

- Prison and Community Justice.
  - The data and theory underpinning the debate over imprisonment and community based alternatives.
  - International comparisons of the different approaches, including:
    - sources of data
    - outcomes achieved

- Organised Crime.
  - The various definitions of organised crime.
  - UK and international data sources on the nature and extent of organised crime.
  - The contribution of economics to the understanding of organised crime.

- Illicit Drugs.
  - The sources of data on illicit drug use in the UK and EU.
  - The economic costs associated with drug use.
  - Alternative approaches to enforcement, including:
    - supply chain disruption
    - harm reduction
    - demand reduction
  - The drug legalisation debate.

<table>
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<tr>
<th>Description of unit of assessment</th>
<th>Length/Duration</th>
<th>Submission date</th>
<th>Weighting</th>
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<tbody>
<tr>
<td>Discussion contributions</td>
<td>Fortnight</td>
<td>Unit 2 and Unit 3</td>
<td>10%</td>
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<tr>
<td>Mid-module assignment</td>
<td>2,000 words</td>
<td>Unit 6</td>
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<tr>
<td>Journal entries</td>
<td>500 words (each)</td>
<td>Unit 4 and Unit 8</td>
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<tr>
<td>End of module project</td>
<td>2,000 words</td>
<td>Unit 9</td>
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