

**Defense and Peace Economics**  
**ECON 496-D01 & 695-D01**  
**Summer 2020 (Session D, June 1 – August 8)**  
**Online**

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**COURSE DESCRIPTION:**

This is an online asynchronous class. The course uses the tools of economics to explore various aspects of conflict, defense, and peace. Students will learn how to apply concepts from microeconomics to a variety of issues related to domestic defense and international relations. Among the topics covered are: an exploration of why conflict occurs, different forms of conflict, the arms trade, terrorism, torture, alternatives to conflict and war (e.g., sanctions), nation building, humanitarian intervention, and the impact of different political and economic systems on the likelihood of peace or conflict.

**REQUIRED MATERIALS:**

The reading for this course comes from the books, journal articles, and videos listed below. You do not need to purchase any books for this course.

**SCHEDULED OUTLINE OF COURSE EVENTS:**

**1. What is Defense and Peace Economics? & Why Wars are Waged (Week of June 1)**

Christopher J. Coyne. 2015. "[Lobotomizing the Defense Brain](#)," *The Review of Austrian Economics*, 28(4): 371-396.

Michael Intriligator. 1990. "On the Nature and Scope of Defence Economics," *Defence Economics* 1(1): 3-11.

Thomas C. Schelling. 1956. "[An Essay on Bargaining](#)," *American Economic Review* 46(3): 281-306.

**2. Terrorism (Week of June 8)**

Matt Apuzzo. 2016. "[Who Will Become a Terrorist? Research Yields Few Clues](#)," *The New York Times*, March 27.

William F. Shughart. 2011. "Terrorism in Rational Choice Perspective," In, Christopher J. Coyne and Rachel L. Mathers. *The Handbook on the Political Economy of War*, pp. 126-153.

Video: Anne Bradley, [Crime and Terrorism](#).

Video: John Mueller, [How Safe are We? Balancing Risks, Benefits, and Costs](#).

### **3. Torture and Civil War (Week of June 15)**

Nathan Fiala and Stergios Skaperadas. 2011. "Economic Perspectives on Civil Wars," In, Christopher J. Coyne and Rachel L. Mathers. *The Handbook on the Political Economy of War*, pp. 177-194.

Alfred McCoy. 2005. "[Cruel Science: CIA Torture and U.S. Foreign Policy](#)," *New England Journal of Public Policy* 19(2): 209-262.

Video: Alfred McCoy, [Torture and Impunity](#).

### **4. Coups and Sanctions (Week of June 22)**

David Cortright and George A. Lopez. 2011. "Sanctions as Alternatives to War," In, Christopher J. Coyne and Rachel L. Mathers. *The Handbook on the Political Economy of War*, pp. 534-570.

Robert Pape. 1997. "[Why Sanctions Do Not Work](#)," *International Security* 22(2): 90-136.

Gordon Tullock. 1971. "The Paradox of Revolution," *Public Choice* 11: 89-99.

### **5. Alliances & Arms Races (Week of June 29)**

Todd Sandler and Keith Hartley. 2001. "[Economics of Alliances: The Lessons of Collective Action](#)," *Journal of Economic Literature* 39(3): 869-896.

Thomas C. Schelling. 1957. "Bargaining, Communication, and Limited War," *Journal of Conflict Resolution* 1(1): 19-36.

Video: Thomas Schelling, Game Theory and Conflict, [Part 1](#) and [Part 2](#).

### **6. The Defense Industrial Base & Defense Procurement Base and the U.S. Economy in the 1940s (Week of July 6)**

Christopher J. Coyne, Courtney Michaluk and Rachel Reese. 2016. "[Unproductive Entrepreneurship in U.S. Military Contracting](#)," *Journal of Entrepreneurship and Public Policy* 5(2): 221-239.

Thomas K. Duncan and Christopher J. Coyne. 2013. "[The Origins of the Permanent War Economy](#)," *The Independent Review* 18(2): 219-240.

Thomas K. Duncan and Christopher J. Coyne. 2013. "[The Overlooked Costs of the Permanent War Economy](#)," *The Review of Austrian Economics* 26(4): 413-431.

Video: Robert Higgs, [On the Great Depression and World War II](#).

Video: Seymour Melman, [The Military-Industrial Complex](#) (video starts at 24:10).

### **7. Drones & The Arms Trade (Week of July 13)**

Christopher J. Coyne and Abigail R. Hall. 2018. "[The Drone Paradox](#)," *The Independent Review* 23(1): 51-67.

Abigail R. Hall and Christopher J. Coyne. 2014. "[The Political Economy of Drones](#)," *Defense and Peace Economics* 25(5): 445-460.

David Kinsella. 2011. "The Arms Trade," In, Christopher J. Coyne and Rachel L. Mathers. *The Handbook on the Political Economy of War*, pp. 217-242.

Video: ABC News: [America's Secret Drone War](#)

Video: Abigail Blanco: [Does Drone Warfare Reduce Harm?](#)

### **8. Military Occupation, Nation Building, and Humanitarian Action (Week of July 20)**

Coyne, Christopher J. and Adam Pellillo. 2011. "[Economic Reconstruction Amidst Conflict: Insights from Afghanistan and Iraq](#)," *Defense and Peace Economics* 22(6): 627-643.

Video: Christopher Coyne, [Exporting Democracy](#)

Video: Christopher Coyne, [Why Humanitarian Action Fails](#)

### **9. Defense Expenditures and Growth (Week of July 27)**

Higgs, Robert. "[Crisis Without Leviathan?](#)" In, Stephan H. Balch and Benjamin Powell (eds.), *Economic and Political Change After Crisis*, New York, NY: Routledge.

Video: Christopher Coyne, [Tyranny Comes Home: The Domestic Fate of U.S. Militarism](#).

Video: Robert Higgs, Crisis & Leviathan, [Part 1](#) and [Part 2](#).

**10. Alternatives to State-Provided Defense (Week of August 3)**

Gene Sharp, *The Politics of Nonviolent Action*, Introduction (by Thomas Schelling), Introduction to part one & Chapters 1 and 2

Video: Erica Chenoweth, [The Success of Nonviolent Civil Resistance](#).

**11. August 8 – Final journals due by 7:00pm.**

**GRADING AND ASSIGNMENTS:**

Your final grade is based on weekly reaction papers and a journal that is due at the end of the semester.

Weekly reaction papers

Weekly reaction papers (one per module, ten total) constitute 50% of your overall grade (5% each). These papers are intended to allow you to engage the assigned slides, readings, and videos as posted on the syllabus and on BlackBoard.

Details of this weekly assignment are included in BlackBoard.

Journals

Final journal constitutes 50% of your overall grade.

Details of the course-long journal exercise are available on BlackBoard.

**ACADEMIC DISHONESTY:**

Cheating will not be tolerated and can result in a failing grade, dismissal from class, and expulsion from the university. If I suspect you of cheating, I will seek the appropriate punishment under George Mason University guidelines. Please review the [George Mason University Honor System and Code](#).