

Theory of the Market Process II
ECON 881-001
Spring 2024
Monday, 7:20 – 10:00pm
James Buchanan Hall D180

Professor Christopher J. Coyne
Department of Economics
James Buchanan Hall, Suite D180
ccoyne3@gmu.edu
Office hours by appointment

COURSE OBJECTIVES:

This course investigates the Austrian school of economics as a progressive research program. We will critically engage contemporary scholarship to understand how Austrian economics provides a set of tools for making original and novel scholarly contributions to the broader economics discipline. Another goal of this course is to offer you the opportunity to develop the skills required to generate original applications and research in the field of Austrian economics. Toward this end, throughout the semester, you will work on developing, organizing, and conveying original insights that build on these ideas through written scholarship.

LEARNING OUTCOMES:

Upon completion of this course, you will:

1. Engage the historical and contemporary academic literature in Austrian economics.
2. Be able to synthesize existing ideas about Austrian economics, and to build on these ideas to produce novel contributions to existing scholarship.
3. Be able to write academic papers in the field of Austrian economics suitable for peer review.

REQUIRED BOOKS

Peter J. Boettke. 2018. [*F.A. Hayek: Economics, Political Economy and Social Philosophy*](#)

SCHEDULED OUTLINE OF COURSE EVENTS:

1. Foundations (January 22)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapters 1 & 2

2. Calculation (January 29)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapters 5 & 6

Paper topic discussion – please bring one or two general ideas for a paper topic. You do not need to submit anything prior to class or have anything formal outside of your own notes for discussion.

3. The Market Process (February 5)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapter 4

4. Institutions (February 12)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapters 7 & 9.

5. Paper Workshop #1, part 1 (February 19)**6. Paper Workshop #1, part 2 (February 26)****7. Spring Break – no class (March 4)**

Work on your final paper

8. Interventionism (March 11)

Candela, Rosolino A. and Vincent J. Geloso. 2020. “The Lighthouse Debate and the Dynamics of Interventionism,” *The Review of Austrian Economics* 33(3): 289-314.

Fuller, Caleb S. 2017. “The Perils of Privacy Regulation,” *The Review of Austrian Economics* 30(2): 193-214.

Holcombe, Randall G. “Creative Destruction: Getting Ahead and Staying Ahead in a Capitalist Economy,” *The Review of Austrian Economics* 35(4): 467-480.

9. Political Capitalism (March 18)

Coyne, Christopher J. and Abigail R. Hall. 2019. “[Cronyism: Necessary for the Minimal, Protective State](#),” *The Independent Review* 23(3): 399-410.

Hodgson, Geoffrey M. 2019. “[Capitalism, Cronyism, and Democracy](#),” *The Independent Review* 23(3): 345-355.

Holcombe, Randall G. 2013. “[Crony Capitalism: By-Product of Big Government](#),” *The Independent Review* 17(4): 541-559.

Munger, Michael C., and Mario Villarreal-Diaz. 2019. “[The Road to Crony Capitalism](#),” *The Independent Review* 23(3): 331-344.

10. Macroeconomics (March 25)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapter 3.

Cachanosky, Nicolás, and Alexander William Salter. 2017. “The View from Vienna: An Analysis

of the Renewed Interest in the Mises-Hayek theory of the Business Cycle,” *The Review of Austrian Economics* 30(2): 169-192.

11. Development (April 1)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapter 8.

Easterly, William R. 2021. “Progress by Consent: Adam Smith as Development Economist,” *The Review of Austrian Economics* 34(2): 179-201.

12. No Class Meeting (April 8)

Work on your final paper.

13. Paper Workshop #2, part 1 (April 15)

14. Paper Workshop #2, part 2 (April 22)

15. Conclusion (April 29)

Peter Boettke *F.A. Hayek: Economics, Political Economy and Social Philosophy*, Chapters 10 & 11.

GRADING AND ASSIGNMENTS:

Your grade will be based on the following:

Class participation (50%)

Your participation grade is based on two components:

1. Discussion questions—You must submit at least one question per reading for the following day’s class to ccoayne3@gmu.edu by 8pm (EST) on the Sunday before class. Your questions must be open-ended with the aim of fostering discussion. I will use your questions to facilitate class discussion.
Note: you do not need to submit questions for the paper workshop weeks.
2. In-class participation—Please come to class prepared to engage in a seminar-style discussion about the readings. Each class participant is expected to consistently contribute to the discussion in a value-added manner.

Final paper (50%)

The culminating project for this course is a final paper. You are expected to work on your paper throughout the semester. We will have two dedicated paper workshops during the semester to discuss your paper and provide constructive feedback.

The breakdown of the overall paper grade is as follows:

Paper workshop #1: 10%

Paper workshop #2: 15%

Final paper: 25%

The paper workshops grades will be based on whether you follow the guidelines discussed in class and whether you are making adequate progress on your paper.

The final paper grade will be based on the overall quality of the paper. I will review the paper expectations during the first-class meeting and will be available to answer any questions throughout the semester.

Final paper: Your final paper will be due by the date of the final exam, Monday, May 6, 2024, by 7:00pm (EST). Please submit your paper by email (ccoayne3@gmu.edu); I will confirm receipt.

SPECIAL ACCOMODATIONS:

If you require any special accommodations, please see me immediately following the first class so that we can work together to make sure that you have what you need to succeed in this course.

POLICY REGARDING AUDIO/VIDEO RECORDING & PICTURES:

For the privacy and comfort of your fellow students, audio and video recordings, as well as photography, is strictly prohibited during class.

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](#).