Economics 4611/5411: Defence Economics

Fall 2019

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Lectures: Monday and Wednesday 11:30-1:00 in RB 1024
Office Hours: Monday 9:00-11:00

Course Overview

This course focuses on issues related to the economics of national defence. We begin with a review behind the theory of public goods. This is followed by an examination of various topics in the subjects including: defence budgets, force generation, strategic interactions, alliances, manpower, procurement, and the defence industrial base. The purpose of this course is to give students an opportunity to apply the skills and tools learned in core economic theory courses to a specific policy area. The hope is that this will familiarize the students with the applied side of economics.

This course will be very different from core theory courses you may have already taken. In general, this is a much less technical course compared to those courses. Here, you are expected to discuss ideas and communicate your understanding of economics through short-answer and essays. Solving mathematical models will still be a part of this course, but not its entire focus. This will be challenging to many of you, but will also help you understand how to apply your economic training to a specific area of study.

Prerequisite

There are no official prerequisites for this course. However, students should be familiar with undergraduate microeconomics. We will also make use of a number of mathematical tools such as linear algebra and calculus.

Learning Outcomes

By the end of this course students will

- be better able to apply economic thinking to the area of defence economics.
- have improved their written and oral communication skills.
• have an understanding of numerous issues in the field of defence economics.
• have an understanding of issues in Canada’s defence sector.
• be able to understand what types of obstacles researchers face when undertaking research and how these are overcome.
• be able to read and critically evaluate academic articles.
• have experience with working with data.

**Textbook**

There is no textbook for the defence portion of the course. Instead we will make use of a variety of different reading materials that I will provide directly to the students or that are available online or through the Lakehead library.

**Grading**

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<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Participation</td>
<td>(10%)</td>
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<tr>
<td>Assignments</td>
<td>(60%)</td>
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<tr>
<td>Essay</td>
<td>(30%)</td>
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Each student is expected to read the required readings, and come prepared to discuss the material in class. Marks will be assigned based on the frequency and quality of in-class participation. Showing up to class but not speaking will earn a student no marks. The goal of this is to encourage you to learn how to discuss economic issues with other economists.

Each student will submit their own assignments. Working together to complete them is allowed.

The essay will be a major paper that you work on throughout the term. More information will be provided in a separate handout.

**Academic Misconduct**

The University and myself take a most serious view of offences against academic honesty such as plagiarism, cheating and impersonation. Penalties for dealing with such offences will be strictly enforced.

Penalties for those found guilty of attempting to obtain academic credit dishonestly can include receiving a grade of zero for the assignment/essay in question, receiving a grade of zero in the course, and more severe penalties such as removal from their program of study or the university.
The University Regulations regarding academic dishonesty can be found at:
https://www.lakeheadu.ca/faculty-and-staff/departments/services/provost-vice-president-academic/academic-integrity-plans-policies/academic-dishonesty-regulations

The Student Code of Conduct can be found at:

Course Outline

Topics

  Topic 1:  Public Goods
  Topic 2:  Defence Budgets
  Topic 3:  Force Generation
  Topic 4:  Strategic Interactions
  Topic 5:  Alliances
  Topic 6:  Manpower
  Topic 7:  Procurement
  Topic 8:  The Defence Industrial Base
Readings

Topic 1

Required

- G. Kennedy (1975), The Economics of Defence, Faber and Faber, Chapter 2, 40-57.

Topic 2

Required


Topic 3

Required

Additional


Topic 4

Required


Additional


Topic 5

Required

Additional


Topic 6

Required


Additional


Topic 7

Required


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**Topic 8**

**Required**


**Additional**