

**Econ 309: Economic Problems and Public Policies**  
**Summer 2019**  
**Tuesday: 4:30 – 7:00pm & Friday: 9:00 – 11:30am**  
**Founders Hall**

**Dr. Christopher Coyne**  
**Department of Economics, George Mason University**  
[ccoayne3@gmu.edu](mailto:ccoayne3@gmu.edu)

**Office Hours: I will be available before and after each class to meet with students. Please contact me if you would like to make a specific appointment to meet.**

**COURSE OBJECTIVES AND LEARNING OUTCOMES:**

The goal of this course is to help you think like an economist when discussing public policy issues. It does this by applying key economic principles to a variety of contemporary public policy issues in an intuitive way. Economics is not just about money, the stock market, or business. It is a way of analyzing *all forms* of human decision-making—from profit-seeking to charity.

This class is deliberately provocative and encourages you to challenge many “conventional wisdoms.” Its approach will teach you to detect and correct fallacious economic reasoning and expose common economic myths. By the end of the semester, your capacity to observe your surroundings through the lens of economics will improve. As a result, so will your appreciation for how the world works.

Upon completion of this course, you will be able to:

1. Articulate the principles of the economic way of thinking.
2. Apply this way of thinking to a variety of public policy issues.
3. Understand human behavior through the lens of economics.
4. Detect and correct fallacious economic reasoning and expose common economic myths.
5. Apply the economic way of thinking to public policy issues both verbally and in writing.

**READINGS:**

There are no required books for this course. All readings are available online and free of charge. A hyperlink is included in the title of each reading listed below.

**GRADING AND ASSIGNMENTS:**

Your final grade is based on two exams, one current event assignment, and attendance.

Exams (70% total)

There are two exams for this course. The midterm exam (30%) will include all of the material from the first meeting to the class before the exam. The final exam (40%) is cumulative. The exams will consist of multiple choice questions and short answer/essay questions. I will review

and discuss the specifics of the exams the first day of class and again before each exam. Please be sure that you are available on the scheduled dates.

#### Op-ed assignment (15% total)

As a final assignment, each student is responsible for writing an op-ed engaging a current policy problem. The topic is your choice. The purpose of this exercise is twofold: (1) to encourage you to follow current public policy issues and (2) to provide you the opportunity to apply the concepts discussed in the readings and class to current events. I will distribute an instruction sheet electronically with more specifics regarding content and formatting. I will review this the first day of class.

#### Attendance (15% total)

It is important that you commit to attending class. Class will be a combination of lecture and open discussion which will not necessarily parallel the required reading. Anything discussed in class is fair game for the exams, so coming to class is critical for doing well in this course.

I will take attendance either at the beginning or end of each class. You must be present when I take attendance to receive credit. There are no exceptions for arriving late (if attendance is taken at the beginning of class) or if you leave early (if attendance is taken at the end of class). Each student is allowed one absence during the course with no penalty. This will allow you to attend to any unforeseen consequences (work-related activities, delays in commute, sickness etc.). You do not need to contact me if you will miss class and no additional exceptions for absences will be made.

#### **ACADEMIC INTEGRITY:**

It is expected that students adhere to the George Mason University Honor Code as it relates to integrity regarding coursework and grades. The Honor Code reads as follows:

“To promote a stronger sense of mutual responsibility, respect, trust, and fairness among all members of the George Mason University community and with the desire for greater academic and personal achievement, we, the student members of the University Community have set forth this: Student members of the George Mason University community pledge not to cheat, plagiarize, steal and/or lie in matters related to academic work.”

More information about the Honor Code, including definitions of cheating, lying, and plagiarism, can be found at the Office of Academic Integrity website at <https://oai.gmu.edu>

#### **SPECIAL NEEDS AND DISABILITY SERVICES:**

Students with disabilities who seek accommodations must be registered with the GMU’s Disability Services (see <http://ds.gmu.edu/>). If you require accommodations please see me in person as soon as possible so that we can discuss the specifics.

## TENTATIVE SCHEDULE:

### **1. The Economic Approach, Part 1 (June 11) Auditorium, Founder's Hall**

Roberts, Russell. "[The Concept of Opportunity Cost](#)"

Roberts, Russell. "[Incentives Matter](#)"

### **2. The Economic Approach, Part 2 (June 14) Auditorium, Founder's Hall**

Henderson David. "[Demand](#)"

Roberts, Russell. "[A Marvel of Cooperation: How Order Emerges without a Conscious Planner](#)"

### **3. Property, Trade, Coordination, and Institutions (June 18) Fungler Hall 103**

Alchian, Armen A. "[Property Rights](#),"

Anderson, Terry and P.J. Hill. 1975. "[The Evolution of Property Rights: A Study of the American West](#)," *Journal of Law and Economics* 18(1): 163-179.

### **4. The Market Process (June 21) Hazel Hall 225**

Buchanan, James M. "[Order Defined in the Process of Its Emergence](#)"

Roberts, Russell. "[The Reality of Markets](#)"

### **5. The Economics of Politics, Part 1 (June 25) Hazel Hall 225**

Buchanan, James M. "[Public Choice: The Origins of a Research Program](#)".

Roberts, Russell. "[Pigs Don't Fly: The Economic Way of Thinking About Politics](#)"

### **6. The Economics of Politics, Part 2 (June 28) Hazel Hall 225**

McChesney, Fred S. 1987. "[Rent Extraction and Rent Creation in the Economic Theory of Regulation](#)," *Journal of Law and Economics* 16(1): 101-118.

Norton, Rob. "[Unintended Consequences](#)"

### **7. Midterm Exam (July 2) Hazel Hall 225**

### **8. July 5 – No class, GMU closed for summer recess**

**9. The Rule of Law, Regulation, and Development (July 9) Hazel Hall 225**

Cochrane, John. 2015. "[The Rule of Law in the Regulatory State](#)"

**10. The Economics of Torture (July 12) Auditorium, Founder's Hall**

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

**11. The Economics of Terrorism (July 16) Hazel Hall 225**

Hughes, Sam. 2016 "[How to Fight Terrorism](#)"

Krugman, Paul. 2015. "[Fearing Fear Itself](#)"

Mueller, John. 2004. "[A False Sense of Insecurity](#)," *Regulation*, Fall, p. 42-46.

**12. Economic Nationalism (July 19) Hazel Hall 225**

Bastiat, Frederic. "[A Petition](#)"

Bastiat, Frederic. "[The Negative Railroad](#)"

Roberts, Russell. "[Treasure Island: The Power of Trade, Pt. 1](#)"

Roberts, Russell. "[Treasure Island: The Power of Trade, Pt. 2](#)"

**13. Development & Foreign Intervention (July 23) Mercatus Center Lobby Classroom**

Benjamin Powell, "[In Defense of Sweatshops](#)"

Clemens, Michael. 2009. "[The Biggest Idea in Development that No One Really Tried](#)," *The Annual Proceedings of the Wealth and Well-Being of Nations*, II: 26-49.

Skarbek, David B. and Peter T. Leeson. 2009. "[What Can Aid Do?](#)" *Cato Journal* 29(3): 391-397.

**14. To be determined (July 26) Hazel Hall 225**

**15. Final Exam (July 30) Hazel Hall 225**

**Dr. Christopher Coyne:**

Christopher Coyne is an Associate Professor of Economics at George Mason University and the Associate Director of the F. A. Hayek Program for Advanced Study in Philosophy, Politics, and Economics at the Mercatus Center. He is the Co-Editor of *The Review of Austrian Economics* and *The Independent Review*. He also serves as the Book Review Editor for *Public Choice*. In 2008, Coyne was named the Hayek Visiting Fellow at the London School of Economics, and in 2010 he was a Visiting Scholar at the Social Philosophy & Policy Center at Bowling Green State University.

Coyne is the author or co-author of *Tyranny Comes Home: The Domestic Fate of U.S. Militarism* (2018, Stanford University Press), *Doing Bad by Doing Good: Why Humanitarian Action Fails* (2013, Stanford University Press), *Media, Development and Institutional Change* (2009, Edward Elgar Publishing), and *After War: The Political Economy of Exporting Democracy* (2007, Stanford University Press). He is also the co-editor of *Future: Economic Peril or Prosperity?* (2016, Independent Institute), *The Oxford Handbook of Austrian Economics* (2015, Oxford University Press) and *The Handbook on the Political Economy of War* (2011, Edward Elgar Publishing). In addition, Coyne has authored numerous academic articles, book chapters, and policy studies.

In 2016 he was selected as a recipient of George Mason's University Teaching Excellence Award.



**Econ 309 - Economic Problems and Public Policy Issues**  
**Professor Christopher Coyne ([ccoayne3@gmu.edu](mailto:ccoayne3@gmu.edu))**  
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**ASSIGNMENT PURPOSE:**

One of the goals of this course is for you to apply the theoretical concepts discussed in the readings and in class to a variety of public policy scenarios. This assignment offers you the chance to apply what you have learned to a topic of personal interest.

Regardless of the career you choose, chances are you will be required to gather information and data, condense it, and present this material to others. This requires you to think and write clearly. The purpose of this assignment is to hone these skills while providing you with the opportunity to own the course material by selecting a topic that you find interesting and important.

**ASSIGNMENT DETAILS:**

Your task for this assignment is to write a 800 – 1,000 word op-ed (opinion editorial) applying the economic way of thinking to a public policy issue. An op-ed is a short newspaper article that expresses an informed point of view to a general (non-specialist) audience.

The topic you choose, as well as the opinion you wish to express, is entirely up to you. You may write on local, state, or national issues. Are you interested in healthcare? Write about it. Is your interest international relations? By all means, run with an international policy issue. Are you curious about the economics of drug prohibition/legalization? Go for it! If you are discussing your topic by accurately using the economic way of thinking, you are satisfying the general criteria of this assignment.

Your op-ed should be double spaced, 12 point font, Times New Roman, with 1 inch margins.

When writing an op-ed, your goal is to convince the reader of your position. Toward this end, you should offer statistics and other data that you believe will persuade your readers of your argument. Keep in mind, though, that data overload or poorly presented data will confuse readers and turn them off to your argument. As the rubric below indicates, clarity of presentation is a key component of the grade of these assignments.

The final op-ed accounts for 15% of the overall course grade. Your op-ed will be evaluated on the basis of persuasiveness, command of the course material, accuracy, clarity, and organization.

### **SOME TIPS REGARDING STRUCTURE AND CONTENT:**

There is no single way to write an op-ed. That said, they tend to follow a structure as follows:

1. You should have a “hook” to start the piece. The first line(s) should grab the reader’s attention and draw them in. In doing so your hook should make clear why the topic is important.
2. Following the hook, you need to make your central thesis clear. What are you arguing in the piece? The reader needs to know, and they need to know quickly.
3. The body of the op-ed should develop an argument to support your thesis. The argument needs to be linear, meaning that it flows and connects instead of jumping from idea to idea. Further, in making your case, you want to utilize both argumentation and evidence.
4. The final, concluding paragraph should tie your piece together. Reiterate why this is important and end with any key implications of your argument. Think of this as a final chance to tell the reader why your argument matters.

Other tips:

1. Vary your sentence structure and length. Reading several short or long sentences in a row can get monotonous. Think of it like a speech. If you are listening to someone speak, and they keep the same pace, tone, and inflection the entire time, it is easy to get bored or lost, even if the argument is valid.
2. Lead your readers to your line of reasoning by asking questions you anticipate that a critical reader will ask. Asking questions in your op-ed accomplishes two things. First, it demonstrates to your reader that you have thought of potential issues and counterpoints to your argument. Second, it builds a rapport with your reader. If the reader sees that you are thinking the same way that they are, they are more inclined to read and think through your logic.
3. Assume your reader is intelligent, but not an expert in economics. Avoid specialized jargon that isn’t defined or relevant.
4. Keep it simple. You only have 800 – 1,000 words so you can’t address everything related to your topic. Keep it straightforward and choose your arguments wisely.

### **DUE DATES:**

A hard copy of the final op-ed assignment is due in class on the date of the final exam (July 30, 2019). Late assignments will not be accepted and will receive a score of “0.” Op-eds which fail to satisfy the criteria outlined above will have points deducted accordingly.

### **PLAGARISM:**

Please read the GMU Honor Code as it pertains to plagiarism, available here:

<http://mason.gmu.edu/~montecin/plagiarism.htm>

We will discuss this in class as well and I am available to answer any related questions.

## GRADING CRITERIA:

The following rubric will be applied in grading your op-ed and will provide you with a guide of the criteria used for grading:

### 1. The op-ed identifies a clear issue and offers a concise thesis.

<b>Excellent</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Clearly identifies an issue and provides a well-defined thesis statement	Partially identifies an issue and has a partial thesis statement (unclear, too long or short).	Fails to identify a clear issue and lacks a thesis statement

### 2. The op-ed is written in a clear, engaging and logically structured manner free of grammatical errors, typos, etc.

<b>Excellent</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
The paper flows in a clear and linear manner. The thesis is carried throughout the paper. The text is free of grammatical errors and typos. The paper is written in an engaging manner.	Parts of the paper lack clarity due to a lack of structure. Portions of the text are not linked to the thesis. There are some grammatical errors or typos. The paper is only somewhat engaging.	The paper lacks a clear structure and is therefore confusing and hard to follow. There are significant grammatical errors and typos. The paper lacks engaging writing.

### 3. The op-ed incorporates and accurately engages relevant supporting data and evidence, where necessary.

<b>Excellent</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Accurately and completely engages the relevant data and evidence related to the issue being discussed. Demonstrates the ability to synthesize that data/evidence into a broader analytical discussion.	Partially engages the relevant data and evidence related to the question, or makes minor mistakes in discussing and engaging the data/evidence. Demonstrates a partial, above average, ability to synthesize data and evidence into a broader analytical discussion.	Fails to engage the relevant data and evidence related to the question, or makes major mistakes in discussing and engaging the data/evidence. Demonstrates an inability to synthesize data and evidence into a broader analytical discussion.



**4. The op-ed clearly identifies the conclusions and implications of the analysis, where necessary.**

<b>Excellent</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Clearly and accurately identifies conclusions and implications resulting from the analysis provided in the paper. Shows a strong ability to identify and communicate the relationship between theory, evidence, and implications.	Partially identifies conclusions and implications related to the argument provided. Shows an above average ability to identify the relationship between theory, evidence, and implications.	Fails to identify conclusions and implications related to the argument provided. Fails to identify the relationship between theory, evidence, and implications.

**GRADING PROCESS:**

Your op-ed will be read in the context of the four criteria in the rubric above.

An “A” essay is one that earns an “Excellent” in the four categories of criteria. It provides a clear hook and thesis, has a clear argumentative structure and engages relevant evidence. The argument is developed and carried through the entire essay, and demonstrates the student’s ability to independently evaluate the ideas presented in the course. The paper is free of grammatical or spelling errors and awkward language.

A “B” essay is one that earns “Satisfactory” (or two “Satisfactory” and two “Excellent” scores) in the four categories above. It contains a partially defined thesis and recognizes some key points, but does not provide creative, independent analysis. There are some grammatical or spelling errors and awkward language.

A “C” essay is one that earns two “Unsatisfactory” scores in the four categories above. The paper presents information relevant to the essay topic without any clear organizing principle, or contains significant weaknesses in expression.

A paper that earns three or more “Unsatisfactory” scores will earn a grade lower than “C”. The paper generally fails to address the thrust of the assignment, contains numerous grammatical errors, and generally lacks c