

Charles University
Faculty of Social Sciences
Bezpečnostní studia
Master in International Security Studies



Economic Warfare (JPM696)

Winter semester 2018/2019

6 ECTS

Friday 9:30 – 10:50, room C216 Celetná 20, Praha 1, <https://goo.gl/maps/kJ2vacpPEVy>

Lecturer

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Course description

The focus of this course is at the crossroad of nation's economic strengths and weaknesses and a political power. The course introduces students to economic foundations of nation's power and various types and modalities of strategies to use this power to achieve nation's goals in international politics. Attention will be paid to both actions taken in peacetime and in the course of war. The course combines lectures and seminars and emphasizes students' active involvement in small groups:

Each lecture will start with a small group literature review. Each student in a group will be assigned one item from the reading list and at the beginning of a lecture he/she will introduce reading's main ideas to the groupmates..

Seminars subsequent to the lectures will address previously identified research puzzles. Each student will be tasked to prepare a written mini case study (800-1200 words). The mini case studies will be discussed during the class. First, in 'empirical groups', students with same case studies share their findings and control empirical validity of their mini case studies. Second, in 'theoretical groups' students with different case studies address the research puzzles drawing on evidence from different cases. After the seminar each 'theoretical group' prepares written conclusion of (800-1200 words).

Aims of the course

By its design, the course goes beyond introducing students into the economy – power intersection that is at the core of its topic. Instead of simply teaching history and theory of economic warfare, the course uses theoretical concepts and historical cases to develop transferable skills. Students should learn how to develop and manage their own research projects; a skill that is transferable to project-based work outside of the academia. Students will be encouraged to question the state of the art, identify how to advance existing knowledge, explain the importance of their project to others, and provide the classmates with helpful feedback.

Structure of the course

- 1) Week 1 (February 22): Introduction to the class and the class requirements
- 2) Week 2 (March 1): Economy as a source of power in war (lecture)
- 3) Week 3 (March 8): Economy as a source of power in war (seminar)
- 4) Week 4 (March 15): Economy as a target in war (lecture)
- 5) Week 5 (March 22): Economy as a target in war (seminar)
- 6) Week 6 (March 29): Policy session I
- 7) Week 7 (April 5): Economic sanctions (lecture)
- 8) Week 8 (April 12): Economic sanctions (seminar)
- 9) Week 9 (April 19): Good Friday (no class)
- 10) Week 10 (April 26): reading week (no class)
- 11) Week 11 (May 3): Logic of positive engagements (lecture)
- 12) Week 12 (May 10): Logic of positive engagements (seminar)
- 13) Week 13 (May 17): Policy session II and peer assesment

Readings (recommended)

Introduction to the class and the class requirements

Syllabus

Karl Gustafsson and Linus Hagström (2017) 'What is the point? Teaching graduate students how to construct political science research puzzle', *European Political Science*, first online <https://doi.org/10.1057/s41304-017-0130-y>.

Economy as a source of power in war:

Hugh Rockoff, *America's Economic Way of War: War and the US Economy from Spanish-American War to the Persian Gulf War*. Chapter 2 'The economics of war', pp. 13-47.

Jan Ludvik, 'The Poverty of Statistics: Military Power and Strategic Balance,' *Central European Journal of International and Security Studies*, 8:4, pp. 152-166.

Mark Harrison (ed), *The Economics of Coercion and Conflict*. Chapter 2 'Why the Wealthy Won: Economic Mobilization and Economic Development in The World Wars', pp. 67-98.

Mark Harrison (ed), *The economics of World War II*. Chapter 1 'The economics of World War II: an overview', pp. 1-42.

Niall Ferguson, *Money and Power in the Modern World 1700 – 2000*. Chapter 14 'Understretch: The Limits of Economic Power', pp. 390-418.

Economy as a target in war

Jurgen Brauer and Hubert van Tuyll, *Castles, Battles, & Bombs: How Economics Explains Military History*. Chapter six: 'The Age of the World Wars, 1914-1945: The Case of Diminishing Marginal Returns to the Strategic Bombing of Germany in World War II', pp. 197-243.

Adam Tooze, *The Wages of Destruction: The making and breaking of the Nazi economy*. Chapter 19 'Disintegration' and Chapter 20 'The End', pp. 590-655.

Joel Ira Holwitt, *Execute Against Japan: The U.S. Decision to Conduct Unrestricted Submarine Warfare* (College Station: Texas A&M University Press, 2008). Read chapter 11 and Conclusion (pp. 162-184).

Karl Lautenschlager, 'The Submarine in Naval Warfare, 1901-2001', *International Security*, 11:3, pp. 94-140. Skim through and read section on Commerce Warfare (pp.109-122).

Michael A. Glosny, 'Strangulation from the Sea: PRC Submarine Blockade of Taiwan', *International Security*, 28:4, pp. 125-160.

Economic sanctions

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Gary Clyde Hufbauer, Jeffrey J. Schott, Kimberly Ann Elliot, and Barbara Oegg, *Economic Sanctions Reconsidered*, Chapter 6 'Conclusions and Policy Recommendations', pp. 155-180.

Robert A. Pape (1997) 'Why Economic Sanctions Do Not Work', *International Security*, 22:2, pp. 90-136.

Daniel W. Drezner, *The Sanctions Paradox: Economic Statecraft and International Relations* (Cambridge: Cambridge University Press, 1999). Read Introduction (pp.1-24) and Conclusion (pp.307-317).

Daniel W. Drezner (2011) 'Sanctions Sometimes Smart: Targeted Sanctions in Theory and Practice', *International Studies Review*, 13, pp.96-108.

Bryan R. Early, *Busted Sanctions: Explaining Why Economic Sanctions Fail*, Chapter 1 'Introduction: Why Busted Sanctions Lead to Broken Sanctions Policies' and Chapter 2 'What Are Sanction Busters', pp. 1-29.

Logic of positive engagements

Daniel W. Drezner (1999) 'The trouble with carrots: Transaction costs, conflict expectations, and economic inducements', *Security Studies*, 9:1-2, 188-218, DOI: 10.1080/09636419908429399

Charles W. Keglez and Steven W. Hook (1991) 'U.S. Foreign Aid and U.N. Voting: Did Reagan's Linkage Strategy Buy Deference or Defiance?', *International Studies Quarterly*, 35:3, 295-312.

Miroslav Nincic, 'The Logic of Positive Engagement: Dealing with Renegade Regimes', *International Studies Perspectives*, (2006) 7, pp. 321-341.

James Reilly (2017), 'China's economic statecraft in Europe', *Asia Europe Journal*, 15:2, pp. 173-185.

Stephen D. Collins (2009), 'Can America Finance Freedom? Assessing U.S. Democracy Promotion via Economic Statecraft', *Foreign Policy Analysis*, 5, pp. 367-389.

Course requirements

Active involvement in small groups (up to 20%) - you are expected to be active in the group work both during class and while outside of the class. Your peers will evaluate the degree of your contribution and peer assessment will be an important input for evaluation.

Mini case studies (40%) – must be uploaded to Moodle no later than 24 hours before the seminar (one late - but not after seminar - submission is acceptable without penalty, other late submissions will receive 10% penalty; submissions after the seminar will receive 20% penalty; exceptions will be late submissions due to medical or other unexpected emergencies, which will be accepted even after the seminar)

Written (after seminar) group conclusions (40%) – must be uploaded to Moodle before a lecture subsequent to the respective seminar (one late - but not after seminar - submission is acceptable without penalty, other late submissions will receive 20% penalty; exceptions will be late submissions due to medical or other unexpected emergencies, which will be accepted even after the seminar)

Evaluation

General Grade	Grade Specification	Percentage
A - excellent	Excellent upper (1)	100 – 96
	Excellent lower (2)	95 - 91
B – very good	Very good upper (1)	90 - 86
	Very good lower (2)	85 – 81
C - good	Good upper (1)	80 – 76
	Good lower (2)	75 – 71
D - satisfactory	Satisfactory upper (1)	70 – 66
	Satisfactory lower (2)	65 – 61
E - sufficient	Sufficient upper (1)	60 - 56
	Sufficient lower (2)	55 - 51
F - fail		50 - 0

Course rules

The *Code of Study and Examination of Charles University in Prague* provides the general framework of study rules at the university. According to art. 6, par. 17 of this Code, “a student may not take any examination in any subject entered in his study plan more than three times, i.e. he shall have the right to two resit dates; no extraordinary resit date shall be permitted. (...)”

If a student fails to appear for an examination on the date for which he has enrolled without duly excusing himself, he shall not be marked; the provision of neither this nor of the first sentence shall constitute the right to arrange for a special examination date.”

Any written assignment composed by the student shall be an original piece. The practices of plagiarism, defined by the Dean’s Provision no. 18/2015, are seen as “a major violation of the rules of academic ethics” and “will be penalized in accordance with Disciplinary Regulations of the faculty.”

While attendance per se is not a part of evaluation, it is a prerequisite for all component of the evaluation. It is acceptable to miss up to two sessions. You do not need to provide any rationale of your absence, but you still need to bear the adequate burden of the group workload (i.e. share your case study with group mates and write your part of the group conclusion).

Timely feedback to your submissions is an essential part of the learning process. I will try to do my best. In principle, you should receive feedback for your case studies and group conclusions before you start working on another one. Being able to give feedback to the entire class, however, requires reserving time. If you want feedback, you must turn in your paper before the deadline. I reserve the right not to provide any feedback to papers submitted after the deadline.