Course: ECON 3369_HNI The Political Economy of Terrorism
Professor: Todd Sandler
Term: Fall 2016
Meetings: M, W 10:00-11:15 a.m., GC 1.208B

Professor’s Contact Information
Office Phone: 972-883-6725
Office Location: GR 2.828 (Come through Administrative Assistant’s office)
Email Address: tsandler@utdallas.edu
Office Hours: M 11:30 a.m.-12:30 p.m., W 8:50-9:50 a.m., and by appointment

Other Information
I post assignments/notes/practice questions and announcements on eLearning. Grad Student is Dongfang Hou (dxh140130@utdallas), GR 2.816. She will have office hours on 12:00pm to 2pm in GR 3.416. You can also make appointments with her to get questions on the homework answered.

General Course Information
Pre-requisites, Co-requisites, & other restrictions
Basic algebra skills, knowledge of Microeconomic Principles including indifference curve analysis; I will go over indifference curves in class as a short review. With a little effort and focus, you will be able to pick up this background material up if you don’t have it so don’t worry. I will emphasize the important things in class.

Course Description
This course examines the nexus of the terrorist threat and the government response. In particular, it examines the effectiveness of transnational and domestic terrorism as a means for achieving a political goal through intimidation based on violence or the threat of violence. Terrorists resort to means outside of the normal political channel by typically targeting individuals, not directly involved with the political decision making process that terrorists seek to influence. The course is also concerned with the challenges that modern-day terrorism poses for the liberal state. Thus, the key policy issues confronting liberal democracies, whose legitimacy depends on protecting lives, property, and rights, are addressed as they respond to terrorism. A section of the course is concerned with an evaluation of government responses (e.g., metal detectors in airports, retaliatory raids, group infiltration, intelligence, embassy fortification, UN conventions and resolutions) to the terrorist threat. The course is interested in the historical, political, and institutional aspects of terrorism. In addition, it addresses the use of theoretical and empirical tools to investigate terrorism and the impact of counterterrorism policy. Throughout the course, tools of economic analysis (e.g., indifference curves, constrained optimization, and simple market analysis) are applied to the study of terrorism. In addition, elementary game theory is also applied.

The course provides students with an analytical-based knowledge of terrorism and counterterrorism in a modern-day globalized society where borders are porous to terrorists. The class demonstrates the power of economics and analytical analysis in understanding real-world problems such as terrorism. The course will educate students so that they can read
today’s literature on terrorism. The methods learned can be applied to a wide range of topics in a variety of subjects including economics, political science, sociology, and history. This class will also educate individuals going into a homeland security career or working for the government.

1. Ability to apply game theory to understand the practice of terrorism and procedures to counter terrorism.
2. Understand the root causes of terrorism and what can be done to limit these causes.
4. Distinguish between domestic and transnational terrorism.
5. Fosters the ability to apply basic microeconomic principles to analyze terrorism and the practice of counterterrorism.
6. Promotes the ability to apply macroeconomic principles to discern the economic consequences of terrorism on economic growth, investment, foreign direct investment, and government expenditure.
7. Be able to answer questions about the history of terrorism and the four waves of terrorism.
8. Be able to distinguish between terrorism, crime, war, civil war, insurgencies, and other forms of political violence.
9. Acquire a good knowledge of the important leftist and religious fundamentalist terrorist groups.
10 Acquire an understanding on how various statistical tools have been applied to the modern study of terrorism.
11. Understand the notion of transference where counterterrorist policies have unintended consequences.
12. Understand how hostage taking furthers terrorist goals and how authorities should respond to hostage taking
13. Acquire a working knowledge of the trends in terrorist attacks.

**Textbooks:**


**Books available Electronically or Reference Area:**


Press, 1997). (Reference source for incidents)
(In Reference section, 2nd Floor)

(In Reference section, 2nd Floor) More recent additions are also available.


**Articles on eLearning for Downloading:**


Also 9/11 Commission Report chapters are on e-Learning.

### Assignments & Academic Calendar

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Assignment</th>
</tr>
</thead>
</table>
| 1    | Introduction | Hoffman, Chap 1  
Enders-Sandler, Chap 1  
9/11 Report, Chaps 1-2 |
| 2    | Historical Aspects  
Liberal Democracy Tradeoff | Hoffman, Chap 2  
Enders-Sandler, Chap 2  
Lipsey-Steiner Reading about indifference curves on e-Learning |
| 3    | Historical Aspects  
Liberal Democracy Tradeoff | Hoffman, Chap 3  
Enders-Sandler, Chap 2  
Eubank and Weinberg (1994) |
| 4    | Statistical Studies and Terrorist Behavior | Enders-Sandler, Chap 3, Sandler (2014)  
Gaibulloev, Sandler, and Santifort (2012) |
| 5    | Counterterrorism | Enders-Sandler, Chap 4  
9/11 Report, Chap 3 |
| 6    | Counterterrorism: Continue | Enders-Sandler, Chap 4  
Cronin (2006) article |
| 7    | Transference | Enders-Sandler, Chap 5  
Brandt and Sandler (2010) |
| 8    | Religion and Terror  
Suicide Terrorism | Hoffman, Chaps 4-5  
Moghadam (2006) article  
Benmelech and Berrebi (2007) |

Exam 1: **October 5, 2016**

7 Transference  
Enders-Sandler, Chap 5  
Brandt and Sandler (2010)

8 Religion and Terror  
Suicide Terrorism  
Hoffman, Chaps 4-5  
Moghadam (2006) article  
Benmelech and Berrebi (2007)
9 International Cooperation  
Enders-Sandler, Chap 6  
Sandler, Arce, Enders (2011)

10 Hostage Taking; Terrorist Groups; After 9/11  
Enders-Sandler, Chaps 7-9  
Brandt, George, and Sandler (2016)

11 Economic Impact of Terrorism  
Enders-Sandler, Chap 10

12 Homeland Security, WMD Terrorism  
Enders-Sandler, Chaps 11-12  
Hoffman, Chaps 8-9

Exam 2:  November 9, 2016
13-14 Student Presentations:  
Terrorist Groups (e.g., al-Qaida, ISIS, al-Shabaab, Boko Haram, Abu Nidal Organization, HAMAS, Hezbollah)  
Psychology and terrorism Use the Victoroff article as a starting point  
Terrorism and the media  
Lessons from 9/11  
Cyberterrorism  
Or topic of own choosing

Exam Dates  
Exam 1: October 5, 2016  
Exam 2: November 9, 2016  
Presentations: As announced  
Final Exam: To be announced (usual classroom).

Course Policies

<table>
<thead>
<tr>
<th>Grading (credit) Criteria</th>
<th>The class grade is determined as follows:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exam 1</td>
<td>25%</td>
</tr>
<tr>
<td>Exam 2</td>
<td>25%</td>
</tr>
<tr>
<td>Class Presentation/Attendance at other Presentations</td>
<td>25%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>25%</td>
</tr>
</tbody>
</table>

I do not give makeup exams, no matter what. If you miss Exam 1 or 2 because of sickness or circumstances (e.g., death in family), then your grade will be determined as follows:

Exam 1 or 2  
Class Presentation/Attendance at other Presentations 25%  
Final Exam 50%

I will need documented proof to miss an exam. If you miss both Exams 1 and 2, then the Final Exam counts 75%. Be forewarned: past experience indicates that students who take more exams tend to do better. The Final Exam is cumulative.

Your group presentation is with one or two other students. You will be graded on the presentation (each member is graded individually on his/her part) and the overheads. Also, your participation is graded on coming to all other presentations and participating in discussion. Failure to do so will lose you 5 points for every missed presentation.
Presentations can use overheads and/or powerpoint. Class presentations will be kept to 25-30 minutes depending on class size.

**Grades are not like hostage events – they are not negotiable. I do not change grades (grant concessions) because you discover at the end of the semester that your scholarship will be taken away or some other catastrophe will befall you. If you need a certain grade, then you need to work for it during the semester. Likewise, there are no extra credit projects. The final exam is given at the agreed upon time so don’t book a flight and then ask for an earlier exam. I will make no exceptions.**

<table>
<thead>
<tr>
<th>Make-up Exams</th>
<th>No make-up exams, no matter what.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra Credit</td>
<td>Students missing <em>no more than one class</em> within the weeks prior to each exam will have five points added to their exam score. <em>(Remember, no excuses are accepted for missing a class).</em> Also, you must be in your seat <em>within 5 minutes</em> of the start of class – coming in 6 minutes late, or leaving early will not qualify as an attendance for extra credit. Starting the semester late will be counted against attendance for extra credit.</td>
</tr>
<tr>
<td>Late Work</td>
<td>Not accepted</td>
</tr>
<tr>
<td>Special Assignments</td>
<td>None</td>
</tr>
<tr>
<td>Class Attendance</td>
<td>Strongly recommended</td>
</tr>
<tr>
<td>Classroom Citizenship</td>
<td>No talking in class. No cell phones in class except on the date of teaching evaluation. They can of course be in your pocket or backpack.</td>
</tr>
<tr>
<td>Ancillary Material</td>
<td>For material on Religious Holy Days, Disability Services, Student Conduct, etc., see <a href="http://provost.utdallas.edu/syllabus-policies/">http://provost.utdallas.edu/syllabus-policies/</a></td>
</tr>
</tbody>
</table>