

## Economics of Security Newsletter 1 – February 2009

**economics-of-security.eu**

The **Economics of Security** is a research and policy-relevant initiative that is managed by the German Institute for Economic Research (DIW Berlin). The aim of the Economics of Security initiative is to understand the economic and social causes and consequences of insecurity, as well as the consequences of security policies. With an improved knowledge of these issues, the initiative will help to produce more effective and efficient security policies in Europe.

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## 1. Economics of Security Update

**Call for Papers:** The Economics of Security Initiative is announcing the opening of its Call for Papers on the **Economics of Maritime Piracy**. Maritime piracy has become an important international security issue, as well as a great risk to the safe and affordable conduct of international trade. Therefore, the initiative will host a one-day workshop that focuses on the economics of piracy, while also discussing relevant legal, political, anthropological, psychological, medical, or historical issues. The call can be downloaded from the Economics of Security website. ([www.economics-of-security.eu](http://www.economics-of-security.eu)) Papers can be submitted until February 28, 2009. The workshop will take place at DIW Berlin on April 22, 2009, following the next workshop of the Network for the Economic Analysis of Terrorism (see below).

**Economics of Security Working Paper Series:** The Economics of Security has launched its working paper series. This series will serve to fill a niche for working papers dedicated to economic aspects or the economic analysis of (in)security, including terrorism and organized crime, as well as of security policies. The first paper is the "Survey on the Economics of Security", which was written by Tilman Brück, Marie Karaisl, and Friedrich Schneider. More papers will follow in the coming months. If you are interested in submitting a paper for consideration in the series, please contact the Economics of Security Project Manager, John Holmes ([jholmes@diw.de](mailto:jholmes@diw.de)). Click here for a link to the first working paper.



The **Network for the Economic Analysis of Terrorism (NEAT)** is a group of leading European researchers in the economic analysis of terrorism, security, and anti-terror policies. The network aims to strengthen understanding of the economic impacts of terrorism and anti-terror policies, and thereby enhance European security, economic development, and research. NEAT is funded by the European Commission.

## 2. NEAT Update

**Workshop 2:** NEAT held its second workshop on Monday, September 22, 2008 in Brussels. The topic of the workshop was “The Economic Analysis of Terrorism: The Current State of Research and its Policy Relevance”. Roughly sixty individuals from universities, research organizations, national governments, the European Commission, and private-sector organizations were in attendance. Participants heard presentations on the latest economic research on terrorism, and they discussed findings and policy implications with a diverse group of researchers. More information on this workshop, including the papers that were presented, can be found on the network’s Resources page: <http://www.economics-of-security.eu/neat/resources.html>.

**Workshop 3:** NEAT is currently preparing for its third workshop, which will be held at DIW Berlin on Tuesday, April 21, 2009. A detailed program will be available in the coming weeks on the NEAT website.

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**EUSECON (A New Agenda for European Security Economics)** is a four-year collaborative research project that analyzes the causes, dynamics, and long-term effects of both human-induced insecurity threats and European security policies. The project is funded by the European Commission's Seventh Framework Programme and comprises a consortium of top economists and other social scientists from across Europe. EUSECON began in March 2008 and runs through February 2012. It is managed by the German Institute for Economic Research (DIW Berlin).

### 3. EUSECON Update

**Project Workshop:** EUSECON held its Project Workshop on Tuesday and Wednesday, September 23-24, 2008 in Brussels. The purpose of this meeting was to discuss the initial outputs of Work Package 1 (WP1 - Conceptual Framework). A variety of papers – covering topics from threat perceptions, historical notions of insecurity, as well as data availability and needs in security economics – were presented and discussed.

**Working Papers:** Several of the research outputs of WP1 (mentioned above) have appeared as working papers in the Economics of Security Working Paper Series. These papers are available for download from the series' list of publications. (<http://www.economics-of-security.eu/publications.html>)

**Other News:** EUSECON will complete its first year at the end of February 2009. EUSECON's main working packages on human-induced insecurity – including micro-economic processes, macro-economic impacts, and evaluation of EU policies – will continue throughout 2009. The next project workshop, where interim research results will be presented, will take place in early 2010.

### 4. Other Publications

**Konstantinos Drakos'** paper, entitled "An Econometric Analysis of Counterterrorism Effectiveness: The Impact on Life and Property Losses", which he presented at the first NEAT workshop, has been accepted for publication in *Public Choice*. See the 'Resources' page to download the unpublished version of this paper.

**Mark Harrison** has recently completed several publications on issues surrounding the economics of war. "The Frequency of Wars" (available via RePEc) (<http://ideas.repec.org/p/wrk/warwec/879.html>) investigates the relationship between the frequency of war and economic globalization and democratization – and raises unexpected questions on causal effects. "Stalinism and the Economics of War" (available from the University of Warwick) ([http://www.warwick.ac.uk/go/markharrison/papers/stalinism\\_en.pdf](http://www.warwick.ac.uk/go/markharrison/papers/stalinism_en.pdf)) was presented at the international conference on "The History of Stalinism: Research Problems and Results," Moscow, December 5-7, 2008. He has also edited a book entitled "Guns and Rubles: The Defense Industry in the Stalinist State". More information is available from the Yale University Press. (<http://yalepress.yale.edu/yupbooks/book.asp?isbn=9780300125245>)

**Commentary on Piracy:** Tilman Brück wrote a commentary on the need for regulation of the seas in regards to piracy. This text can be found in DIW Berlin's Weekly Report (Wochenbericht), which is available in German. ([www.diw.de/documents/publikationen/73/91922/08-50-1.pdf](http://www.diw.de/documents/publikationen/73/91922/08-50-1.pdf))

## 5. Other Events

**ExLEGI Seminar:** EUSECON partner Federico Varese and the Oxford-based Extra-Legal Governance Group (ExLEGI) will host a seminar on “Economic Structure and Vulnerability to Organised Crime: Evidence from Sicily” on February 12, 2009 with Mario Lavezzi (University of Palermo) as guest speaker. More information is available on the [ExLEGI website](http://www.exlegi.ox.ac.uk/events/index.asp). (<http://www.exlegi.ox.ac.uk/events/index.asp>)

**International Conference on Economics and Security:** The CITY College of Thessaloniki, Greece will hold its 13th Annual International Conference on Economics and Security on June 24-26, 2009. Papers dealing with the topics of economics and security are being accepted until March 15, 2009. More information is available on the conference website. ([http://www.city.academic.gr/special/events/economics\\_and\\_security09/index.html](http://www.city.academic.gr/special/events/economics_and_security09/index.html))

**Conference:** The Jan Tinbergen European Peace Science Conference will be held June 29-July 1, 2009 in Amsterdam. Visit the Economics of Security website and download the call for papers for more information. ([www.economics-of-security.eu/neat/news.html](http://www.economics-of-security.eu/neat/news.html))

## 6. Other News

**Terrorism Database:** The RAND Corporation has launched a new subscription-based terrorism database in January 2009. The RAND Worldwide Terrorism Database (RWTID) is an updated version of its predecessors, the RAND Terrorism Chronology and the RAND-MIPT Terrorism Incident Database. More information is available on the RAND website. (<https://www.rand.org/ise/projects/terrorismdatabase/>)

**Call for Proposals:** The German Federal Ministry of Education and Research currently has calls for proposals available in the area of civil security. For more information, please see the website of BMBF (in German) (<http://www.bmbf.de/en/furtherance/13124.php>).

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The Economics of Security initiative is managed by the Department of International Economics at the German Institute for Economic Research (DIW Berlin).