

**POSC 4641/5641: Politics of the Illicit Global Economy**

Spring 2010  
MWF 2:00-2:50  
Wehr Physics 138

Professor H.R. Friman  
Office: Wehr Physics 454 (288-5991)  
OH: MWF 1-1:45, MF 3:00-4:30  
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**OBJECTIVES:**

International Political Economy scholarship has paid relatively little attention to transnational markets for illicit goods and services, even though such markets have a substantial impact on the global economy and state and societal security. State agencies, corporations, organized criminal groups, terrorists, and others interact in these markets as participants as well as aspiring regulators. The nature of transactions in these illicit markets is multifaceted. The illicit flow of goods includes products ranging from cocaine and heroin to human body parts and weapons of mass destruction. The illicit flow of capital includes a myriad of forms of laundered money ranging from cash and securities to electronic currency and currency speculation. Illicit movements of people include the smuggling of migrant workers as well as the trafficking in women and children for sexual slavery.

The objectives of this course are threefold. First, students will learn the major theoretical approaches that seek to explain the illicit global economy. Second, students will learn the basic characteristics and mechanics of, and participants in, the substantive issue areas that comprise the illicit global economy. Third, students will learn to apply and assess the merits of theoretical approaches in seeking to understand patterns of participation and efforts to control the underside of international economic relations.

**REQUIREMENTS:**

The course grade will be based on two exams and a research paper (12-14 pages). The midterm and final exams will each count for 35 percent of the course grade, and the paper for 30 percent. The research paper must use at least eight sources of which six must be books or scholarly journal articles. Readings already assigned for the course do not count. Citation rules will be discussed in class and strictly enforced. The direction of borderline grades will be based on class participation. Graduate students should meet with the instructor during the first week of the semester to discuss additional course requirements.

Students are responsible for completing and thinking about the assigned reading before coming to class. Class format will be a combination of lecture and discussion. If it becomes clear that the course readings are not being completed, the instructor reserves the right to add to the course requirements through the use of surprise reading quizzes. The successful completion of this course requires attention to both course readings and class lectures and discussions. Attendance will be spot checked. Academic dishonesty policies will conform to the *2009/2010 MU UNDERGRADUATE BULLETIN*.

**GRADING SCALE:**

1000 point total: 950-1000 = A; 900-949 = AB; 850-899 = B; 800-849 = BC; 750-799 = C; 700-749 = CD; 650-699 = D; 0-649 = F

**REQUIRED TEXTS:**

There are six required texts for the course. Additional readings will be on library reserve, available on line, or sent to the class list (you are responsible for monitoring your MU email account).

### Required books:

Peter Andreas and Ethan Nadelmann [AN], *Policing the Globe* (Oxford University Press, 2008)

Mark Bowdin, *Killing Pablo: The Hunt for the World's Greatest Outlaw* (Penguin 2002)

Gordon Corera, *Shopping for Bombs: Nuclear Proliferation, Global Insecurity, and the Rise and Fall of the A.Q. Kahn Network* (Oxford University Press, 2009)

H. Richard Friman [RF], ed., *Crime and the Global Political Economy* (Lynne Rienner, 2009) [a low cost version of this book is available through Book Marq]

David Kyle and Rey Koslowski [KK], eds., *Global Human Smuggling: Comparative Perspectives* (Johns Hopkins University Press 2001)

Moises Naim [MN], *Illicit: How Smugglers, Traffickers, and Copycats are Hijacking the Global Economy* (Anchor, 2006)

### Course Schedule

January 20, 22, 25, 27: Introduction and Perspectives

Read:

Moises Naim, "Wars We Are Losing," and "Global Smugglers," "Well Worn Lenses," "Asymmetric Borders," in MN, Chapters 1-2, and pages 269-277.

Peter Andreas and Ethan Nadelmann, "The Internationalization of Crime Control," in RF, Chapter 2

William Reno, "Illicit Commerce in Peripheral States, in RF Chapter 5

H. Richard Friman, "Crime and Globalization," in RF, Chapter 1

### Part I: Drugs

January 29, February 1: Drug Trade Histories

Read:

Andreas and Nadelmann, "International Drug Trafficking," in AN, pp. 37-46

Jonathan Marshall, "Opium and the Politics of Gangsterism in Nationalist China," *Bulletin of Concerned Asian Scholars* 8, 3: 19-48.

Monica Serrano, "Drug Trafficking and the State in Mexico," in RF, Chapter 9

February 3,5,8: European Connections and Latin Cartels

Read:

Mark Bowden, *Killing Pablo*, entire

February 10,12,15: Drug Trafficking Resurgent

Read:

Moises Naim, "No Business like Drug Business," in MN Chapter 4

H. Richard Friman, "Externalizing the Costs of Prohibition," in RF, Chapter 4

US General Accountability Office, "Afghanistan Drug Control," Report to Congressional Committees, November 2006.

Vanda Felbab-Brown, "The Obama Administration's New Counternarcotics Strategy in Afghanistan," *Brookings Policy Brief*, September 2009

## Part II: Human Smugglers and Traffickers

February 17,19,22: Slavery, Prostitutes and Sex Slaves

Read:

Andreas and Nadelmann, "Slavery and the Slave Trade," "Prostitution," in AN, pp. 27-37  
 John Picarelli, "Enabling Norms," in RF, Chapter 6  
 Eileen Scully, "Pre-Cold War Traffic in Sexual Labor and its Foes," in KK, Chapter 3  
 Carmen Arbgbay, Sexual Slavery and the Comfort Women of World War II, *Berkeley Journal of International Law* (2003): 375-389

February 24, 26, March 1, 3: Migrant Smuggling

Read:

David Kyle and John Dale, "Smuggling the State Back In, in KK, Chapter 1  
 Peter Andreas, The Transformation of Migrant Smuggling across the U.S.- Mexican Border, in KK, Chapter 4  
 David Spener, Smuggling Migrants through South Texas," in KK, Chapter 5  
  
 Zai Liang and Wenzhen Ye, "From Fujian to New York," in KK, Chapter 7  
 Ko-Lin Chin, "The Social Organization of Chinese Human Smuggling," in KK, Chapter 8  
 H. Richard Friman, "Immigrants, Smuggling and Threats to Social Order in Japan," in KK Chapter 11

March 5,8,10: The 'Return' of Human Trafficking

Read:

Moises Naim, "Why is Slavery Booming in the 21<sup>st</sup> Century," in MN, Chapter 5  
 James Finkenauer, "Russian Transnational Organized Crime and Human Trafficking," in KK, Chapter 6  
 Nora Demleitner, "The Law at the Cross roads," in KK, Chapter 10  
 Department of State, Selections from the 2009 *Trafficking in Persons Report*  
 Review: H. Richard Friman, "Externalizing the Costs of Prohibition," in RF, Chapter 4

## MIDTERM EXAM: Friday March, 12

## SPRING BREAK: March 15-17

## Part III: Arms Trade

March 22,24,26:

Read:

Moises Naim, "Small Arms and Loose Nukes," in MN, Chapter 3  
 Gordon Corera, *Shopping for Bombs*, entire

## Part IV: Moving Money

March 29, 31, April 7, 9

Read:

William F. Wechsler, Follow the Money," *Foreign Affairs* 80, 4 (July/August 2001): 40-  
 Naim, "The Money Washers," in MN, Chapter 7  
 Ronen Palan, Crime, "Sovereignty and the Offshore World," in RF, Chapter 3  
 Marieke de Geode, "Governing Finance in the War on Terror," in RF, Chapter 7

### **Part V: Piracy: Intellectual and Armed**

April 12,14,16

Read:

Carla Hesse, The Rise of Intellectual Property, 700 B.C. – A.D. 2000: An Idea in the Balance,” *Daedalus* 131, 2 (Spring 2002): 26-45.

Moises Naim, “The Global Trade in Stolen Ideas,” in MN, Chapter 6

Andreas and Nadelmann, “Piracy and Privateering,” in AN, 22-26

Peter Chalk, “Contemporary Piracy in Southeast Asia,” *Studies in Conflict and Terrorism* 21, 1 (January-March 1998): 87-112.

Max Boot, “Pirates, Then and Now,” *Foreign Affairs* 88, 4 (July August 2009): 94-

### **Part VI: Trash and Treasure**

April 19,21,23,26

Read:

Moises Naim, “What Do Orangutans, Human Kidneys, Garbage and Van Gogh Have in Common?” in MN, Chapter 8

Andreas and Nadelmann, “Endangered Species,” “New and Emerging Global Prohibitions,” in AN, pp. 46-58.

R.T. Naylor, “The Underworld of Art,” *Crime, Law and Social Change* 50, 4-5 (December 2008): 263-291.

R.T. Naylor. “The Underworld of Ivory,” *Crime, Law and Social Change*, 42, 4-5 (January 2005): 261-295.

Nancy Sheper-Hughes, “The Ends of the Body: Commodity Fetishism and the Global Traffic in Organs,” *SAIS Review* 22, 1 (2002): 61-80.

Jennifer Clapp, “The Illicit Trade in Hazardous Waste and CFCs,” in H. Richard Friman and Peter Andreas, eds., *The Illicit Global Economy and State Power* (1999), 91-124.  
[on library reserve: password: crime 10]

**Research Paper Due: Monday April 26. No late papers will be accepted.**

### **Part VII: Transnational Crime versus Transnational Policing**

April 28,30, May 3,5

Read:

Moises Naim, “What Are Governments Doing?” “Why We Are Losing,” What Can We Do,” in MN, Chapters 9, 11, 12,

Andreas and Nadelmann, Chapters 2-6.

May 7: Conclusion

**Final Exam, May 12, 8:00- 10:00 a.m.**