

**ITRN 701-006 , PUBP710-002 Illicit Trade**  
**Fall 2009**  
**Monday 720-1000P.M.**  
**Rm. # 331**  
**School of Public Policy, George Mason University**

**Professor Louise Shelley**

Office: Arlington Rm 221

e-mail: [lshelley@gmu.edu](mailto:lshelley@gmu.edu)

Office Hours: Mon 5:30- 6:30 and by  
appointment

Office: 703-993-9749

Graduate Assistant: Mahmut Cengiz [mahmutcengiz96@yahoo.com](mailto:mahmutcengiz96@yahoo.com)

**Course Description:**

Most discussions of international trade focus only on licit trade, ignoring the ever more important component of trade which is illicit. Illicit trade, as this course will show, is not always distinct but often converges with licit trade. The class examines the rise of the phenomenon, the role of conflicts in illicit trade and the actors who facilitate this trade and the policies that are needed to address it. Class assignments will help support the web portal of the World Economic Forum on illicit trade.

**Texts:**

Willem van Schendel and Itty Abraham, Illicit Flows and Criminal Things: States, Borders, and the Other Side of Globalization Bloomington and Indianapolis, Indiana University Press, 2005

Moisés Naím, Illicit How Smugglers, Traffickers and Copycats are Hijacking the Global Economy, New York: Doubleday, 2005

**Course Requirements:**

**Reading**

A significant amount of reading is required for the course. Students who fall behind will have a difficult time catching up. Students are expected to do the assigned reading in advance of the class. The class will presume knowledge of the readings assigned for that week. Students are expected to keep up with news on transnational crime that is reported in newspapers and on-line sources and to discuss recent developments in class each week. There are links provided. If these do not work, type the title of the work in google.

Please read the newspapers regularly to keep up with recent developments on illicit trade. For example see <http://voices.washingtonpost.com/mexico/> for continuing posts on illicit trade between Mexico and the US

The password for e-reserves is “illegal”.

## **Attendance**

Students will be expected to attend the whole class. Attendance will be taken. Your grade will be reduced for unexplained and unexcused absences. Please inform me if you will be absent from a class.

## **Exams**

There will be a mid-term exam on **November 9th**. It will combine short identifications and long essays. The exam will draw on the readings, class lectures, and discussions.

Class Project 20%: Written and Oral Presentations. Presentations will be chosen by the student in coordination with the instructor. **Class presentations will begin October 13th.**

The class presentations should be material that can be used for the website of the WEF (World Economic Forum) Global Agenda on illicit trade. Each presentation should map the route of an illicit commodity or multiple commodities through a particular area. We want to explain the route of the commodity, its transition over time and those who facilitate the illicit trade. A 2-3 page double spaced concise analysis should accompany the powerpoint that will make the illicit trade understandable to those who are not specialists in the illegal side of the global economy. A bibliography should be attached. Possible examples might be: Smuggling in the Tri-border area of Latin America, drug smuggling in Pakistan and Afghanistan, the Balkan smuggling route and what is smuggled along it.

## **Term Paper Due Dec. Length 20-25 pages, standard reference format**

The topic will be chosen after consultation with the instructor. It can use insights that are obtained from the oral presentation. It should discuss a topic related to illicit trade and should develop a bibliography of diverse sources. Examples of suitable topics are: illicit trade in antiquities, illicit trade in CFCs or illicit trade in counterfeit cds. You can choose to focus on a particular area of illicit activity, a region of the world where this trade goes or a strategy or set of strategies that can be used to address the problem.

## **Grading:**

Students will be graded according to the following criteria:

**Class attendance and participation 20%**

**Class Project 20%**

**Mid-Term Exam 25%**

**Term Paper 35%**

## **Plagiarism:**

Plagiarism is representing or submitting someone else's language or ideas as your own. Plagiarism is strictly prohibited by the University and will lead to disciplinary action. You must write your own papers. Identify, with quotation marks and footnotes, direct quotations from others. Identify, with footnotes or attribution in the text of your writing, ideas of others that you have paraphrased.

## **Weekly Schedule:**

### **August 31 Week 1- Introduction to the Course**

#### **No Class Labor Day September 7, 2009**

September 10 TraCCC sponsored conference on U.S. Policy on transnational crime. Sessions will be held on drug trafficking, people smuggling and trafficking and counterfeiting and money laundering,

<http://policy-tracc.gmu.edu/events/Sept%2010th%20Program.pdf>

**You are invited to attend all or part of the event, please rsvp to [tracc@gmu.edu](mailto:tracc@gmu.edu)**

### **September 14 Week 2 Why the Growth of Illicit Trade?**

**Read:** Itty Abraham and Willem van Schendel, Introduction, Illicit Flows and Criminal Things, pp.1-37.

Naím, Illicit, pp. 1-37.

### **September 21 Week 3 The Facilitators of Illicit Trade (criminals, banks, corrupt officials, corporations, countries)**

**Read:** Global Witness, Undue Diligence How Banks do Business with Corrupt Regimes March 2009, pp. 3-39, 105-110  
[http://www.globalwitness.org/media\\_library\\_detail.php/735/en/undue\\_diligence\\_how\\_banks\\_do\\_business\\_with\\_corrupt](http://www.globalwitness.org/media_library_detail.php/735/en/undue_diligence_how_banks_do_business_with_corrupt)

Liana Sun Wyler and Dick.K, Nanto, “North Korea Crime-for-Profit Activities” August 25, 2008, Summary, pp.1-4. <http://www.fas.org/sgp/crs/row/RL33885.pdf>

Carolyn Nordstrom, ch. 15 “The Cultures of Cops”, Global Outlaws: Crime, Money and Power in the Contemporary World Berkeley: University of California Press, 2007, pp. 149-55 (e-reserves).

### **September 28 Week 4 Borderlands and Crossroads: Their Role in Illicit Trade**

**Read:** Abraham and van Schendel, ch. 1 (van Schendel) , pp.38-68, ch. 2 (Wong), 69-100

## **October 5 Week 5 Illicit Trade and Conflict Regions**

**Read:** Vanda Felbab-Brown, ch. 11: "From Sanctuaries to Protostates." Denial of sanctuary: understanding terrorist safe havens edited by Michael A. Innes; Westport, Conn: Praeger Security International, 2007, pp.152-66 (see e-reserves)

William Reno, "Illicit Commerce in Peripheral States" in Crime and the global political economy ed. By H. Richard Friman Boulder: Lynne Rienner, 2009, pp.67-84 (e-reserves)

Global Witness, Undue Diligence: How Banks do Business with Corrupt Regimes, March 2009, pp.68-82 (Citibank, Fortis and Liberia's logs of war)  
[http://www.globalwitness.org/media\\_library\\_detail.php/735/en/undue\\_diligence\\_how\\_banks\\_do\\_business\\_with\\_corrupt](http://www.globalwitness.org/media_library_detail.php/735/en/undue_diligence_how_banks_do_business_with_corrupt)

Global Witness, Faced with A Gun What can you do? , pp.1-14, 25-37.  
[http://www.globalwitness.org/media\\_library\\_detail.php/786/en/global\\_witness\\_report\\_faced\\_with\\_a\\_gun\\_what\\_can\\_you](http://www.globalwitness.org/media_library_detail.php/786/en/global_witness_report_faced_with_a_gun_what_can_you)

See website of Global Witness <http://www.globalwitness.org/>

## **October 13 (note class is on Tuesday) Week 6 Illicit Trade in Natural Resources**

**Read:** Naím, Illicit, pp.157-74.

Van Schendel and Abraham, ch.6 (Smillie), pp.177-200.

Pervaze A. Sheikh, "Illegal Logging: Background and Issues", June 9, 2008, Congressional Research Services,  
<http://ncseonline.org/NLE/CRSreports/08July/RL33932.pdf>

Liana Sun Wyler and Pervaze A. Sheikh, "International Illegal Trade in Wildlife: Threats and U.S. Policy," 2008. pp.1-40 (concentrate on the first half and look at policy suggestions) <http://fpc.state.gov/documents/organization/110404.pdf>

GTZ, "Corruption in the Forestry Sector and Illegal Logging,"  
<http://www2.gtz.de/dokumente/bib/gtz2009-0238en-policy-briefs-corruption.pdf>

Carolyn Nordstrom, "Ch.11 Diamonds and Fish" in Global Outlaws: Crime, Money and Power in the Contemporary World Berkeley: University of California Press, 2007, pp.105-113 (e-reserves)

Look at website of Traffic <http://www.traffic.org>

## **October 19 and 26 Weeks 7 and 8 Drugs**

**Read:** Naím, Illicit, pp.65-86.

Abraham, ch. 4, pp.128-152

Paul Gootenberg, Ch. 6 Birth of the Narcos, in Andean Cocaine: The Making of a Global Drug Chapel Hill:University of North Carolina Press, pp.245-289 (E-reserves)

Stephen E. Flynn, ch.7 “The Global Drug Trade vs. The Nation State: Why the Thugs Keep Winning in Beyond Sovereignty: Issues for a Global Agenda ed. Mary Cusimano Love Belmont:Calif:Thomson/Wadsworth, 2007, pp.161-185. (e-reserves)

### **November 2 Week 9 Trade in Humans, Illegal Migration**

**Read:** Naím, Illicit, pp.86-108

Abraham, ch. 2(Wong), 69-100; ch.5 (Kyle and Siracusa), 153-176

### **November 9 Week 10 MIDTERM EXAM**

### **November 16 Week 11 Intellectual Property Crime and Counterfeiting**

**Read:** Naím, Illicit, pp. 109-130

Gregory Treverton et.al. Film Piracy, Organized Crime and Terrorism, Rand Publication, 2009 (e-reserves)

### **November 23 Week 12 The Illicit Trade in Arts and Antiquities, Guest speaker: Julia Brennan**

**Read:** Neil Brodie, ch.6 The Western Market in Iraqi Antiquities,” in Antiquities under Siege:Cultural Heritage Protection after the Iraq War ed Lawrence Rothfeld, Lanham, Md:AltaMira Press, 2008, pp.63-73. (e-reserves)

Matthew Bogdanos with William Patrick, Thieves of Baghdad New York:Bloomsbury, 2005, pp.243-264 (e-reserves)

### **November 30 and Dec. 7 Weeks 13 and 14 Responding to Illicit Trade**

**Read:** Naím, Illicit, pp.175-281

Global Witness, Undue Diligence: How Banks do Business with Corrupt Regimes [http://www.globalwitness.org/media\\_library\\_detail.php/735/en/undue\\_diligence\\_how\\_banks\\_do\\_business\\_with\\_corrupt](http://www.globalwitness.org/media_library_detail.php/735/en/undue_diligence_how_banks_do_business_with_corrupt) pp. pp.110-23.

### **December 14 Final Paper Due**

## **Academic Accommodation for a Disability**

If you are a student with a disability and you need academic accommodations, please see me and contact the Disability Resource Center (DRC) at 703-993-2474. All academic accommodations must be arranged through the DRC.