PSC 285/385
Diamonds, Drugs and Guns: The Illicit Global Economy
Fall 2015

Class Location, Time: EB 131; MWF 12:20-13:10
Instructor: Prof. Robert Blanton
Office: HHB 423
Office Hours: MW 9:00-10:00; 13:15-2:15 and by appointment.
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Course Objectives:
For as long as the global economy has existed, it has had a “dark side.” Trade in such things as illegal drugs, conflict diamonds, global money laundering, and trafficking in human beings (or their organs) are pervasive and persistent features of the global economy. Yet for most of us, our actual knowledge of these phenomena is limited to their portrayal in popular culture or local news reports. The purpose of this course is to introduce you to the systematic analysis of the illicit global economy. Specifically, you should be able to

1. Outline the causes of these markets. Why do they exist, and what underlying economic, historical, political and cultural factors contribute to their persistence?
2. Interpret scholarly analysis of these markets, and evaluate the key concepts used by these approaches. How are illicit markets defined and assessed? What concepts help us to better understand their nature and operation?
3. Define and assess the economic organization of these markets. How are these economic networks structured, and how specifically are they organized to meet the unique demands of their respective industries?
4. Critically evaluate policy responses to the illicit global economy. How do governments, at the international, country, state and local levels, respond to these markets? Which policies have proven more (or less) effective? Should current policies be reformed and how?

The overall goal of this course is to provide you with a deeper understanding of how the illicit global economy works, as well as the ability to critically evaluate policies aimed at stopping (or at least diminishing) these perennial threats to societies throughout the world.

Required Texts:

Texts are available for purchase at the UAB Bookstore. Unless indicated otherwise, all other readings are available on the Canvas page for the course.
Course Requirements:

PSC 285 Students:

Class Participation (10%)
The learning process is very much a “two-way street” requiring the active participation of both instructor and student, and keeping up with the required readings is a necessity for both enjoyment of class meetings and successful completion of this course. To this end, you will be evaluated on the level of preparation that you demonstrate in class discussions. I will regularly call on you in class discussion, and reserve the right to give pop quizzes! You should be able to provide the following information:

- For textbook chapters:
  - What are the main perspectives offered, and what are the main arguments that constitute these perspectives?
  - What are the primary assumptions underlying these perspectives?
  - How do the perspectives differ in terms their assumptions, units of analysis, and/or policy prescriptions?

- For articles:
  - What is the author's argument/thesis?
  - What evidence does the author use to support his or her argument?
  - What are the strengths and weaknesses of the author's argument?
  - How does the argument compare with related concepts and readings?

Short Writing Assignments/Home (15%)
Write a 250-350 word response to a question based on the class reading(s). The question will be sent to you in advance, either in class or through Canvas. They are due before or at the beginning of class on the same day as the specific reading(s) will be covered. These assignments will not require any outside research, but are intended to facilitate comprehension of course concepts and preparation for the class meetings. You will get about 12 opportunities to complete these assignments, and are required to do 10.

Research Paper and Presentation (35%)
Each of you will write a ten-page paper on a topic of your choosing. A full explanation of the assignment is at the end of the syllabus. The primary components of the project, as well as the due dates for each, are:

- **Project Proposal** (due Sept 9; 3% of final grade)
- **First Draft** (due Nov 2; 10% of final grade).
- **Final draft** of the policy brief will be turned in on December 4 (15% of final grade).
- **Presentations** will take place at the end of the semester (7% of final grade).
Mid-term (20%)
Final (20%)
Exams will be administered on the dates listed on the syllabus. They may be either take-home or in-class.

PSC 385 Students:
Note: unless indicated otherwise instructions are the same as those listed for PSC 285.

Class Participation (8%)
Weekly Assignments (12%)

Book Review (5%)
Write an analytical review that deals with the topic of HT and/or some type of modern slavery. Reviews should be approximately 800-1,000 words in length, and must contain (a) a summary of the book as well as (b) at least two paragraphs that critically assess the book in light of the course concepts. For example, if the book is more of the memoir variety, you can show how the protagonist was influenced by some of the push/pull factors covered in the other readings. Book choices will need to be approved by me. The book review is due no later than November 16.

Research Project (35%)
Mid-term (20%)
Final (20%)

Course Policies:

Grading:
Grades will be awarded on a 10-point scale (90-100 for an A and so forth).

Makeup/Late Assignments:
Make-up exams will be allowed ONLY in the case of a documented medical emergency. Papers turned in after the beginning of class on the due date will be assessed a ten-point penalty. Five points will be deducted for each additional day.

Attendance:
Attendance is necessary for successful completion of the course. Given the nature of the course schedule you will be allowed up to three absences without penalty. However, you are responsible for all material covered during each class (whether they are present or not) and any assignments due that day. Each unexcused absence over the third will result in a one-point reduction in your final grade.

Academic Dishonesty:
Any type of academic dishonesty will result in severe disciplinary action on the part of the instructor. Cheating and plagiarism will be grounds for receiving an “F” on the
assignment/examination or an “F” for the course, depending on the severity of the offense. UAB policy regarding academic dishonesty is outlined in https://www.uab.edu/students/academics/honor-code (Links to an external site.)

Students with Disabilities:  
If you are registered with Disability Support Services, please make an appointment with me as soon as possible to discuss accommodations that may be necessary. If you have a disability but have not contacted Disability Support Services, please call 205-934-4205 or visit DSS at 1701 9th Ave. South.

Course Topics and Readings  
(May be subject to change)

Week 1  
Dates: August 24-28  
Topic: Background and General Overview

Readings:
- Naim, ch. 1 (“The Wars We are Losing”)  
- Naim, ch. 2 (“Global Smugglers are Changing Your World”)  
- Gilman et al, “Introduction”  

Week 2  
Dates: August 31-September 1  
Topic: Analyzing the Illicit Global Economy

Historical Perspectives and Lessons:  

“New” Actors – Criminal Organizations
- Papachristos, Andrew V. “Gang World,” Foreign Policy  
- Gilman, ch. 16 (“Future Conflict”)
Political Approaches – The State (or lack of it) and the Illicit Economy


Weeks 3 and 4

Paper Proposals Due Sept. 9

Dates: Sept 9-11, Sept 14-18

Topics: Analyzing Illicit Global Economy II

Political Approaches Part II – Global Actors

- Naim, ch. 10 ("Citizens versus Criminals")

Economics and Management Approaches


Other Social Sciences:


Week 5

Dates: Sept 21-25

Topic: Tools of the Illicit Economy -- Finance

Readings:

- Naim, ch. 7 (“The Money Washers”)
• Gilman et al, ch. 14 (“Illicit Money: Can it be Stopped?”)

**Week 6**
Dates: Sept 28-Oct 2
Topic: Tools of the Illicit Economy II -- Cybercrime and the Dark Web

Readings:
• Gilman et al, ch. 13 (“Inside the Global Hacker Service Economy”)

*Introductions/Explanations – TOR and the bitcoin:*
http://www.hongkiat.com/blog/introductions-to-bitcoins-tor-network/

• Greenemeir, Larry. 2015. “Human Traffickers Caught on Hidden Internet” *Scientific American*
• DeVera, Aaron. “A Beginner’s Guide to Buying Guns and Drugs on the Web.”
  http://fordhampoliticalreview.org/a-beginners-guide-to-buying-drugs-and-guns-on-the-web/
  http://www.wired.com/2015/06/dark-web-drug-lords-got-away/
• Bearman, Joshua. 2015. “The Rise and Fall of the Silk Road,” *Wired.* Available at
  http://www.wired.com/2015/04/silk-road-1/
  http://www.wired.com/2015/05/silk-road-2/

**Weeks 7-8**
Topic: The Drug Trade
Dates: Oct 5-16
Readings:
• Naim, ch. 4
• Gilman et al, ch. 6 (“Smuggling Made Easy”)
• Gilman et al, ch. 7 (“West Africa’s International Drug Trade”)
• Gilman et al, ch. 8 (“The Island Empire”)

**Mid-Term Examination – October 19**

**Weeks 9 and 10**
Topics: The Weapons Trade; Human Trafficking Part I  
Dates: Oct 21-30  
Readings:  
• Naim, ch. 3  
• Gilman et al, ch. 15 (“Weapons for Warlords”)  
• Gilman et al, ch. 17 (“Brave New War”)  
• Zanini, M., & Edwards, S. J. (2001). The networking of terror in the information age. *Networks and netwars: The future of terror, crime, and militancy*

**WMDs:**  

**Human Trafficking:**  
• Naim, ch. 5

**Week 11**  
**Paper Draft Due November 2**  
Dates: Nov 2-6  
Topic: Human Trafficking Part II  
• Gilman et al, ch. 1 (“Snakeheads and Smuggling”)  
• Gilman et al, ch. 2 (“The Sex Trade”)  
• Gilman et al, ch. 3 (“Global Sex Trafficking”)  
• Gilman et al, ch. 5 (“The Dark Side of Dubai”)  

Week 12
Dates: Nov 9-13
Topic: Natural Resources, Art, and Assorted Products

Readings:
- Naim, ch. 8
- Gilman et al, ch. 4 (“Black Market in Human Organs”)
- Gilman et al, ch. 9 (“The Illicit Abalone Trade”)
- Gilman et al, ch. 10 (“Toxic Exports…”)  
- Gilman et al, ch. 11 (“The Stolen Forests”)
- Gilman et al, ch. 12 (“Blood Oil”)

Week 13
Dates: Nov 16-20
Topics: Conflict Diamonds; Policy Responses
- Naim, chs. 11-13
- Gilman et al, conclusion

Week 14
Final Paper Due December 4
Dates: Nov 30-Dec 4
Presentations and Review

Final Examination – Wed, December 9, 10:45-1:15

Research Paper and Presentation Assignment
You will write a ten page paper (normal fonts and margins) on a topic of interest within the illicit global economy, and make a brief presentation of your research to the class at the end of the semester. This assignment will give you the opportunity to further develop your research skills, and to allow you to examine an aspect of the illicit global economy more fully. Topics will be worked out with me, though they should address one of the following areas:

1. **State and local aspects of the illicit economy** – examine a specific aspect that is of particular relevance to our area. Examples can include (a) the increased usage of heroin in this area, (b)
the prevalence of “pill mills” or meth in the region, (c) human trafficking in the area/region, (d) the use of forced labor in such areas as agriculture.

2. “off the beaten path” – examine an area of the illicit global economy not covered in this course.
   Though we touch upon a wide range of products and markets here, there are many more in existence, including such broadly-ranging goods as electronics waste, cigarettes, bootleg movies, ivory, whales, tigers, and even butterflies!

3. Policy recommendations – stopping these markets is a very contentious policy issue, as there are no shortage of ideas for how to either stop many of these markets or to offset their negative impacts upon societies. These solutions range from increased enforcement and penalties (i.e. human trafficking) to legalization or decriminalization of related activities (i.e. consumption of certain drugs; prostitution), and can be targeted at actors at various stages of the illicit supply chain. In this paper you would thus present a policy prescription for how to deal with a specific facet of the illicit economy. An effective paper here should include an explanation of the policy as well as a convincing argument on (a) how it is preferable to the status quo and (b) how it will work in practice.

Whatever the topic chosen, your paper will be graded on the clarity of the writing, coherence of the argument, as well as the extent that you successful utilize relevant course concepts. The papers will be turned in over the course of the semester. Specific due dates are as follows:

- **Project Proposal** (due xxx; 3% of final grade): includes a one-page statement of the specific problem, your intended audience, and at least ten sources.
- **First Draft** (due xx; 10% of final grade). This should be a complete draft of your paper.
- The **final draft** of the policy brief will be turned in on (15% of final grade).
- **Presentations** will take place at the end of the semester (7% of final grade).

A few things to note:

- **Please clear the topic with me before writing the proposal.** This is for two reasons (1) in terms of logistics I want to have papers split up more or less evenly across the three areas and more obviously (2) I don’t want multiple papers on the exact same topic!
- **Proper documentation and citations should be used.** I highly recommend the APA format as it’s the easiest to use, but pick something and be consistent with it.
- Presentations will be in the form of **panels**, in which the papers will be grouped according to the similarities of the specific topic. This is helpful in terms of stimulating a good research and getting an idea for how the different areas of the illicit economy may be linked.
- The presentations will be very brief (**5-6 minutes**). Please be conscious of the time constraints.