KASARINLAN VOL 16 NO 2 2001

Legal to Illegal: Southeast Asia's Illegal Arms Trade

KATHERINE KRAMER

Southeast Asia is a region beset with instability, communal and social violence and insurgency. Fueling this volatile state of affairs is a thriving illegal arms trade with Thailand as major arms source and transit route. The bulk of the arms sold on the black market come from legal sources, either from government arsenals or commercial traders. Unlicensed arms trade and/or production also take place in Burma, Indonesia, the Philippines, Vietnam, Cambodia and Malaysia. Insurgents produce their own landmines, as in the case of Burma and the Philippines. The system of transforming legal arms to illegal ones is difficult to counter due to the institutionalized involvement of the military, the police and customs officials. Interested parties need only to bribe their way into the system. Countries must resolve conflict within the region in order to slow down the demand from both government and non-government forces for arms.

Southeast Asia has a thriving black market in arms that feeds criminal activity, communal and social violence, and insurgency in the region. The resulting instability is a threat to regional and domestic state and human security, not to mention the growth of democracy and development. To understand the dynamics of any illicit arms market and to set up any control regime, it is necessary to first identify the source of the arms, who the traffickers are, the methods and routes taken to transport the arms, and the final destination or end-users of the arms. In Southeast Asia, it is evident that the large majority of arms available on the black market and circulating illegally throughout the region came from legal sources, either government arsenals, commercial trade, or covert arms transfers.

Thailand is one of the most important centres for arms trafficking in Southeast Asia, and many illicit weapons originate and/or pass through here en route to other countries. This is partly due to Thailand's history as well as its central geographical location in the region. The arms tend to come from stockpiles left over from Cambodia's war. Other sources include the legal arms trade and Thai military stockpiles, as well as illicit arms from China, Vietnam, Laos, and Pakistan, some of which transit through Thailand on their way to fuelling further instability in the region.[1]

The current dynamics of Southeast Asia's arms market had its beginnings in the political conflicts that occurred in the region from the

1960s to the early 1990s. What occurred in Pakistan as a result of its history as a US conduit for covert arms transfers to the Mujahideen in Afghanistan, a similar scenario evolved in Thailand. Thailand became the preferred transit route to Cambodia for sending Chinese arms to the Khmer Rouge, and US arms to the two other anti-Vietnamese factions, the Sihanouk and Son San groups in the 1980s and early 1990s. This was in accordance with Thailand's policy of creating buffer zones against neighbouring countries that were perceived as a threat. Therefore, the Thai military became involved in overseeing the transfers. The arms in question were sent to Thai military officers who acted as middlemen to deliver them to the Khmer factions.[2] As there was no official record keeping track of the arms, officers were able to divert them for sale along another buffer zone, Thailand's western border with Burma.[3] Thus, an arms supply network, also involving Thai businessmen and members of the Thai police, was established that ran from warehouses along the Thai-Cambodian border to Burmese insurgent groups operating on the Thai-Burmese border.[4] The lingering Thai socio-political structure of patronage, and the facility in which traffickers can buy cooperation and silence, have allowed this network of arms trafficking to continue, though the individual actors have changed.[5] The only requirement to be an actor is to be able to pay the military and police for protection, thus, traffickers tend to be military officers, politicians, businessmen, and gangsters.[6] This network of arms traffickers is involved in the majority of today's black-market arms trade in Southeast Asia.

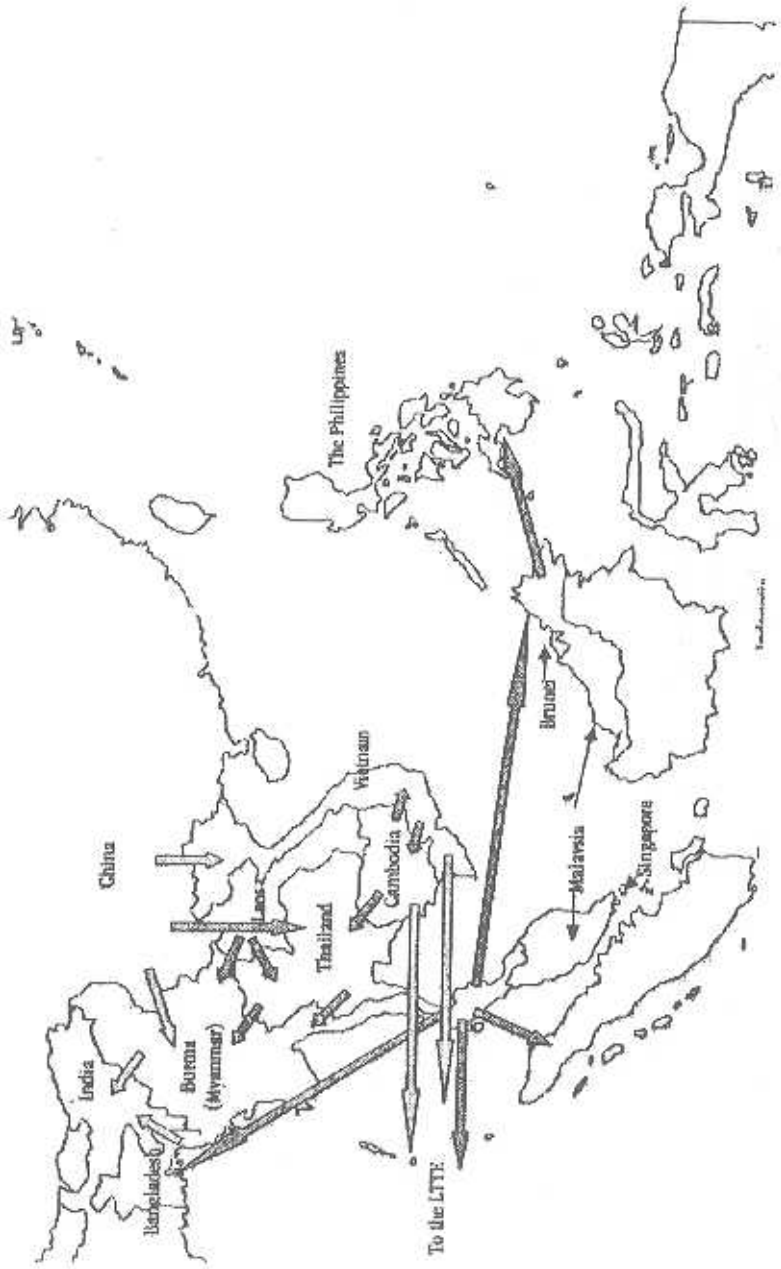
As the Cambodian conflict came to a close, arms formerly in the Khmer Rouge stockpiles began making their way from Cambodia back to Thailand to be sold in the black market.[7] These arms were smuggled back into Thailand by Khmer Rouge guerrilla forces, Cambodian government soldiers, and militia.[8] These supplies were augmented by weapons stolen from Thai military stocks, weapons seized by the police, as well as arms legally brought into the country by arms dealers, but then diverted into the illegal market.[9] The same diversion of arms from legal sources continues today. Gun dealers have an agreement with the Ministry of Interior to import arms for the government. They use this permit to import more than they sell to the government, and sell the surplus in the black market.[10] In 2001, three military officers were arrested, one for raiding an airport warehouse to snatch a shipment of small arms and two others for attempting to deliver two truckloads of stolen military weapons to an arms dealer.[11] This illustrates the fact that Thai military stocks are

insecure, and that possibly large portions are diverted into the illegal market each year.

With the changing conditions along Thailand's borders (mainly the fall of the Karen stronghold of Manerplaw and the alienation of the Khmer Rouge), political factors seem to have been replaced by economic ones in driving the Southeast Asian illicit arms trade. Burmese groups who profit from heroin and amphetamine production, such as the Wa, are replacing groups who receive most of their profits from logging concessions, such as the Karen.[12] In turn, the Wa are smuggling arms to the Indo-Burmese border in exchange for the chemicals to process amphetamines.[13] Northeast Indian insurgents also receive arms from Thailand, via Bangladesh, as do Burmese insurgents operating along Burma's Western border.[14] Occasionally, other armed groups, such as the Karen National Liberation Army, the Chin National Front Army, and the Arakan Revolutionary Front, assist insurgent groups operating on the Bangladesh-Burma border or in North-eastern India with arms procurements.[15] Other recipients of arms from Thailand include the Liberation Tigers of Tamil Eelam (LTTE), the Free Aceh Movement (GAM), the Moro Islamic Liberation Front (MILF), and Abu Sayyaf Group (ASG).[16]

Thailand is not the only source for illegal weapons in the region. Some transactions have bypassed Thai traffickers altogether. The LTTE's procurement officer, Sevarajah Pathmanathan, also known as KP, was seen in Phnom Penh as early as 1996. It is suspected that he was arranging a direct arms supply line from Cambodia, rather than going through traditional Thai middlemen.[17] Vietnamese sources have also been reported as directly supplying the LTTE with a shipment of North Korean-made Igla SA-16/18 man portable surface-to-air missiles sold to Hanoi in 1997.[18] The Wa, one of Burma's ethnic minorities, has been reported as purchasing weapons from along the Burma-Laos border, as well as from local Chinese People's Liberation Army (PLA) units.[19] Allegations that Malaysian supporters have supplied arms to GAM seem unlikely according to at least one activist, though financial support for arms from overseas Acehnese living in Malaysia was always strong before the Asian financial crisis.[20] It has also been suggested that Malaysian sources supply arms to the MILF, though, as Malaysia is not considered as a source country, it is more likely that arms were transhipped through the outlining province of Sabah.[21] There also seems to be evidence that

Map of Illegal Arms Transfers in Southeast Asia



the MILF and the ASG have received arms from Libya, Afghanistan, and Pakistan.[22]

Besides the black market, there are other sources of weapons within Southeast Asia that fuel the present day conflicts. A primary source is government stockpiles; either acquired from defectors, purchased from soldiers or corrupt officials, stolen from government arsenals, or procured during insurgent operations. Both GAM and the MILF have stated that their primary sources for weapons are government sources, through all of the four methods mentioned above.[23] In 2000, a large weapons shipment bound for the GAM was intercepted. The weapons confiscated bore the mark PINDAD, and included AK-47 and M16 rifles and ammunition, as well as FN and colt pistols. PT Pindad is Indonesia's sole defence company. This seems to confirm GAM's claim that they have 'friends' in the military who supply weapons.[24] There have also been a number of cases where policemen and soldiers have sold their weapons to insurgents. In January 2000, there was a well-publicized case involving an Indonesian military private who stole six M16 rifles and two handguns from the military, which he then sold to GAM.[25] The private subsequently died in custody, reportedly after having been lynched by local residents.[26] In 1999, Ustadz Shariff Mohsin Julabbi, a spokesperson for MILF, admitted that Philippine soldiers were still among the major suppliers of firearms to the MILF. Those involved include 'military officials, soldiers in the field whose salaries were delayed, those assigned in the logistics command and those picked up after encounters."[27]

Unlicensed arms production also takes place in Burma, Indonesia, and the Philippines. This production feeds the armed conflicts in the region, and also supplies criminal elements within Southeast Asia and in other regions. The Landmine Monitor 1999 reported that almost all Burmese insurgents were capable of manufacturing their own landmines.[28] The MILF has admitted to limited production capabilities of ammunition, mortars and RPG-2s, as well as being able to convert old Garand rifles into automatic M-14s.[29] These weapons have been effectively used against armoured vehicles of the Armed Forces of the Philippines.[30] GAM has also been said to produce some arms, but few details are available.[31]

Of great concern as well are arms that the governments of both Indonesia and the Philippines have provided to local militia to augment military forces in troubled zones within their borders. Not only are these

arms often used in cases of human rights violations, but they also exacerbate the proliferation problem, especially since little central control is exercised over these groups. For example, it has been reported that the pro-Jakarta militia members of West Timor sold their arms to elements fighting in the Moluccas. 'According to an Ambonese Christian...the militia collected the guns from refugee camps on the border with East Timor in December when they were ordered to disarm. A small portion of these were handed in to Indonesian police, but the rest were taken back to Kupang to sell."[32]

The majority of arms available on SE Asia's black market have been diverted from legal sources, including government stockpiles or from the legal trade. Those in charge of countering the illicit trade, whether members of the military, police, or customs officials, are often involved in this illicit trade. Legal transfers to countries such as Thailand, Indonesia, and the Philippines should be carefully considered, as they have the potential to feed instability at home as well as abroad. Efforts by Southeast Asian countries to address the illegal trade have begun, but are still in the infancy stage. Without the resolution of conflicts in the region, the demand for arms by both government and non-government forces will continue. ✪

Endnotes

1 Sxehan, 1999; Chalk, 2001; *Bangkok Post*, 1989a.
2 Phongpaichit, Priyarangsan, and Treerat, 1998.
3 Phongpaichit, Priyarangsan, and Treerat, 1998; *Bangkok Post*, 1989a and 1996.
4 Phongpaichit, Priyarangsan, and Treerat, 1998; *Bangkok Post*, 1990, 1993, 1996, 1989a and 1989b.
5 Discussion with Yeshua Moser-Puangsuwan, Bangkok, Thailand, June 2001; Chalk, 2001; *Bangkok Post*, 1989a.
6 Discussion with Bertil Lintner, Chiang Mai, Thailand, June 2001.
7 Ibid.
8 Discussion with Luke Shori, NHK, Kuala Lumpur, 2000; Lintner, 1998; *Bangkok Post*, 1994a; Phongpaichit, Priyarangsan, and Treerat, 1989.
9 *Bangkok Post*, 1994b; Phongpaichit, Priyarangsan, and Treerat, 1989.
10 Interview with Thai Provincial Prosecuting Attorney, March 2000; Phongpaichit, Priyarangsan, and Treerat, 1989; *The Nation*, 2001a.
11 Tang, 2001; *The Nation*, 2001b and 2001c.
12 Skehan, 1999.
13 *Far Eastern Economic Review*, 2000.
14 *Far Eastern Economic Review*, 2000 and 2001; Reuters, 2000; al Islam, 2001.
15 Sharma, 1999; al Islam, 2001.

16 *Far Eastern Economic Review*, 1992, *Jane's Intelligence Review*, 1995.
17 Lintner, 1996.
18 Davis, 1999.
19 *Far Eastern Economic Review*, 2000.
20 Gunaratna, 2001.
21 Oxfam, 2001; Chalk, 2001, Davis, 1998.
22 Makinano and Lubang, 2000; Oxfam, 2000; Chalk, 2001.
23 Alipala-Inot and Arguillas, 1999; Gunaratna, 2001.
24 Gunaratna, 2001.
25 Australian Boradcasting Corporation, 2000.
26 BBC Worldwide Monitoring, 2000.
27 Alipala-Inot and Arguillas, 1999.
28 Moser-Puangsuwan and Kramer, 1999.
29 Interview with MILF representative, March 2000; Alipala-Inot and Arguillas, 1999; Davis 1998.
30 Davis, 1998.
31 Interview with Acehnese activist, December 2000.
32 Jolly, 2000.

References

Alipala-Inot, Julie and Carolyn O. Arguillas (1999) 'Philippine Muslim Rebels Admit Having Firearms Factory.' *Manila Philippine Daily Inquirer*, 12 January.

Australian Broadcasting Corporation (2000) 'Indonesian soldier arrested for Aceh weapons sale,' 6 January.

Bangkok Post (1989a) 'Why the Weapons War May be Unwinnable,' 1 July.

_____(1989b) 'Huge Arms Cache Uncovered in Korat,' 1 November.

_____(1990) 'Man Held With War Weapons,' 1 July.

_____(1993) 'Weapons Trader 'Has Millions,'' 25 February.

_____(1994a) 'Police Seize Weapons,' 8 April.

_____(1994b) 'Seized 'RTA' Ammunition Downplayed by Ministry,' 1 June.

_____(1996) 'Police Seize Truck Carrying Ammunition,' 4 June.

BBC Worldwide Monitoring (2000) 'Indonesia: Military policeman dies in custody following lynching,' 7 January.

Chalk, Peter (2001) 'Light arms trading in SE Asia.' *Jane's Intelligence Review*, 1 March.

Davis, Anthony (1998) 'Islamic guerrillas threaten the fragile peace on Midanao,' *Jane's Intelligence Review*, 1 May.

_____(1999) 'Thailand champions joint action against arms and drug smuggling,' *Jane's Intelligence Review*, 1 May.

Far Eastern Economic Review (1992) 'Arms Trail,' 12 November.

_____(2000) 'Burma's Wa Run Guns,' 10 August.

Gunaratna, Rohan (2001) 'The structure and nature of GAM.' *Jane's Intelligence Review*, 1 April.

al Islam, Rafique (2001) 'Illicit Transfers in Bangladesh.' Background paper. Geneva: Small Arms Survey.

Jane's Intelligence Review (1995) 'The Drug Trade in Southeast Asia,' 1 February.

Jolly, Joanna (2000) "Militia sells arms to Ambon fighters." *South China Morning Post*, 9 February.

Lintner, Berti (1996) "LTTE purchases, a link with Cambodia," *Jane's Intelligence Review*, 1 December.

Moser-Puangsuwan, Yeshua and Katherine Kramer (1999) "Burma (Myanmar)," *Landmine Monitor 1999: Toward a Mine-Free World*. New York: Human Rights Watch.

Makinano, Merliza M. and Alfredo Lubang (2000) "Disarmament, Demobilization and Reintegration: The Midanao Experience." ed. Dipankar Banerjee. *South Asia at Gun Point: Small Arms and Light Weapons Proliferation*. Colombo: Regional Centre for Strategic Studies.

The Nation (2001a) "Light Thrown on Arms Scams in the Military," 18 April.

_____(2001b) "Army officers to be held liable for men's crimes," 20 April.

_____(2001c) "Police Seize Weapons Cache," 11 May.

Oxfam (2001) *Reaching for the Gun: The Human Cost of Small Arms in Central Midanao, Philippines*, February.

Phongpaichit, Pasuk, Sungsidh Piriyarangsan, and Nualnoi Treerat (1998) Guns, Girls, Gambling, Ganja: Thailand's Illegal Economy and Public Policy. Chiang Mai: Silkworm Books.

Reuters (2000) "India on alert for rebel arms shipment," 12 December.

Sharma, Dinesh (1999) "Indian rebels rely on Thai weapons." *Bangkok Post*, 7 October.

Skehan, Craig (1999) "Thais run huge arms trade." *The Sidney Morning Herald*, 14 August.

Tang, Edward (2001) "Military Rogues," *The Strait Times Interactive*, 18 May.