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## **Fighting the Hydra: The Security Context of Transnational Crime<sup>1</sup>**

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At the Sixth China-ASEAN Summit on 4 November 2002, the leaders of the ASEAN-member countries and China issued a joint declaration committing their states to cooperation on combating non-traditional security concerns facing their countries. The joint declaration specifically noted that there was great concern over trafficking in illegal drugs, people smuggling including trafficking in women and children, sea piracy, terrorism, arms smuggling, money laundering, international economic crime and cyber crime, and the extent to which these have become “important factors of uncertainty affecting regional and international security” and pose “new challenges to regional and international peace and stability.” It is not difficult to note that this joint declaration to cooperate on *non-traditional security* is for the most part a joint declaration to cooperate on *transnational crime*. Clearly, it shows the extent to which the latter issue has gained recognition as a security threat by the governments of the ASEAN states, as well as by China.

As presented in the website of NTS-Asia, non-traditional security issues are defined by two principal considerations. First, these are issues that “arise primarily out of non-military sources.” Hence, a military response is deemed not to be the most appropriate for a non-traditional security concern – even though it might play an important ancillary role. Second, these dangers are often transnational in scope, defying unilateral remedies and requiring comprehensive - political, economic, social, even military - responses, as well as a *cooperative approach*. In this context, transnational crime is perhaps the most extensive and most widespread of all non-traditional security issue worldwide. It is directly and indirectly a security concern to the lives of people and their communities. More importantly, these issues are more often than not interrelated and interconnected, and involve extensive networks of criminals and criminal groups who profit from these activities. This is, perhaps, the challenge posed by transnational crime as a security issue – it is a threat directly to persons, or to a community of persons, not to the state as security has traditionally been taken. The state, however, is still primarily responsible for addressing these concerns, a presumption that comes out of the idea that the primary *raison d’être* of the state is to protect its citizens from those that seek to harm them – whether the source of the potential harm comes from outside the boundaries of the state or within it.

This paper takes a general look at the state of transnational crime with the Philippines as a focal point. The Philippines has established a Center for Transnational Crime to basically monitor transnational criminal activity and coordinate with line agencies responsible for the implementation of counter-transnational crime policies. The Center has done its job within the limits of its capability, and there have been successes in different fields to illustrate this. At the same time, transnational criminal

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activity involves a certain degree of organization, and the extensiveness of these activities linking different groups (from small family operations to extensively-organized international criminal groups) from different countries make it difficult to determine the degree of success. The task of countering transnational criminal groups and protecting people from their activities is truly Herculean in scope.

For purposes of this paper, the discussion will survey developments in three main areas of concern – trafficking in small arms, drugs, and people.

### **Small Arms**

In a comparative study made of Southeast Asian societies, the Philippines was described as “a heavily armed society” with a level of civilian gun ownership which is close to that of the United States.<sup>i</sup> According to the Philippine National Police (PNP), a total of around 946, 291 firearms were currently registered to organizations or individuals in their datafiles as of 2005. These included the arsenals of both the AFP and the PNP. It also includes, however, those weapons which are privately owned. Data available from 2003 show that of the total of registered firearms in the country, 63% are in the name of security agencies and other private individuals or organizations. This does not include arms that are part of the government arsenal which are memorandum receipted to groups or individuals acting as agents of the state without being part of the state’s regular armed forces or police forces, such as the CAFGU, CVOs, close-in security to local politicians, and some militia groups which are aligned with the government and the AFP in counter-insurgency.

PNP datafiles also indicate that in 2005 there were 321, 685 loose firearms in the country, or those that had never been registered (including firearms that were illegally manufactured, illegally purchased, or smuggled into the country), not re-registered, declared lost by their owners, or in the hands of insurgent groups or criminal organizations.<sup>ii</sup> It has been the argument of those who support regulated gun ownership in the Philippines (as opposed to those who are in favor of a gunless society) that the problem of firearms proliferation in the country is in the inability of the state to properly regulate local production, ownership and use. The prevalence of unlicensed firearms in criminal activities involving small arms supports this case. Statistics made available by the Arms Corporation of the Philippines (ArmsCor) show that only 10% of all crimes involve firearms. Of these, 93.7% involved unlicensed firearms.<sup>iii</sup> There has been, however, a large increase in the number of criminal cases filed in court involving licensed firearms since 2001.<sup>iv</sup> More importantly, perhaps, is the fact that most cases of human rights violations that implicate armed groups legalized as auxiliaries of the military or acting as agents of the state in some way involve registered firearms for the most part.

In the case of the Philippines, the permissive environment that allows the widespread use of firearms has created a cycle of violence that is fed by the prevailing political conditions, especially of conflict borne out of the Communist insurgency and the Muslim secessionist movement. The evident lack of trust in the capacity of the state to provide security has become the justification for the large number of private purchases of firearms in the country. The resort to self-protection is a response to the weakness of the Philippine state in providing security. On the other hand, small arms

proliferation has been a major factor in intensifying existing conflicts as well as the escalation in the level of violence involved in crimes. Yet, even as the emphasis on the issue of proliferation seems to focus on the case of unlicensed and unregistered firearms, the line between licit and illicit use do not make a fine distinction between registered and unregistered firearms. The increasing incidence of criminal acts involving licensed firearms show how even legally purchased and owned firearms can be used for illegal purposes. Overall, small arms have had a debilitating effect on Philippine society despite the claims that they increase personal safety. The mere presence of small arms in any situation creates the possibility that they will be used and can therefore be the instrument which causes an escalation in the level of violence.

What must be emphasized here, however, the fundamentally different nature of arms in the hands of insurgent groups and criminal elements on one hand, and arms in the hands of groups and individuals that act as extensions of state power and authority. The fact that they are armed and act with the authority of the state behind them create conditions where the abuse of that authority is likely to happen. There are generally two ways in which this abuse of authority takes form. Both involve violations of human rights. One is those cases where violations of human rights take place in the context of counter-insurgency operations. The killings of political activists by unknown gunmen fall into this category. There is a certain attitude within the military officer corps (and undoubtedly within the rank and file as well) that these kinds of operations are both militarily and politically necessary if the war against the communist insurgency is to be won.<sup>v</sup> The other involves cases where the pursuit of private interests is justified in the context of counter-insurgency. These include land disputes, inter-clan and even intra-clan conflicts, and political (particularly electoral) violence.

Armed groups that are privately raised and provisioned, i.e. they do not have to rely on the AFP or the PNP for weapons, also possess tremendous firepower. The estimated number of these groups varies but as much as 70% of their personnel carry high-powered weapons.<sup>vi</sup> This demand for firearms in the Philippines is met by both imports and local production. The Philippines is a net importer of firearms since there is very little surplus production in the country. Interestingly, however, most of the firearms produced in the Philippines go into exports. Discussions with arms producers indicate that Filipino gun enthusiasts tend to prefer imported firearms because of the status it conveys. There is a considerable entry of arms in the Philippines through legal channels. The United States is the main source of imported arms, but Europe and South America have also over the years sent considerable volumes of arms to the Philippines. Indicative of what kinds of arms are in the possession of private groups are the types of firearms that the PNP has confiscated or captured in the course of their operations against these groups. Aside from the ubiquitous M16 and AK 47, these include Belgian FN-FALs and Israeli Galils.

Imported firearms on a year to year basis only contribute part of the annual number of arms for which licenses are issued. Local production accounts for the balance. It has been estimated that there are around 45 firearms manufacturers, 522 authorized dealers and 133 gun repair shops in the Philippines. The most important among these is ArmsCor which has its main plant in Marikina in Metro Manila. It dominates the

arms industry in the Philippines with one estimate giving them at least an 80% share of the country's production. At least 70% of this goes to exports.<sup>vii</sup> Their products, aside from a variety of pistols, include less powerful copies of the M16 and AK47 assault rifles and 11 types of bolt-action rifles.<sup>viii</sup> On the other hand, illegal manufacturers have provided many of the "loose firearms" which are accessed by both criminal elements and some of the private armed groups across the country. For the most part, the quality of firearms from these producers is of exceedingly low quality, but some have copies of military-type weapons have proven to be of high quality.<sup>ix</sup>

## **Drugs**

The Philippines continues to serve as the source and port for transshipment of drug traffickers. Since January, a total of P9.31 billion worth of illegal drugs, precursors in making drugs and laboratory equipment were seized by police authorities; dismantled nine (9) clandestine laboratories; discovered six (6) warehouses and neutralized two (2) suspected "big fish" drug lords namely Benito Sy and Jackson Dy. There were four (4) critical entry and exit points of illegal drugs in the country namely seaports, airports, mail and parcel system and the shoreline. Detected modus operandi of drug traffickers are the following: For street level pushers, cash to cash or direct swap/selling (Kaliwaan), for inter-island couriers, use of different concealment methods; for middle level couriers, advanced concealment techniques are employed such as, false button of luggage, cut-off portion of hardbound book covers and others. In its effort to enhance our national capacity to control the problem on illicit trafficking of drugs, the Center attended a workshop on "Coordinating and Integrating the Criminal Justice System (CSJ) Towards Effective Drug Prevention and Control". This was in response to the growing difficulties of the law enforcement body to implement the laws and to handle efficiently drug-related cases. The Philippine Center on Transnational Crime (PCTC) pursued its campaign against drug traffickers by monitoring the significant developments of the cases related to illegal drug trade. In line with this, the Center has requested the Western Mindanao Police Office to furnish the agency with the list of currently active drug pushers victimizing a huge number of people, engaging these individuals in the dirty game of selling prohibited drugs. It further participated in international conference on "Organized Crime and Drug Trafficking" held in Lyon, France to enhance its global and regional coordination with other foreign countries. Its adherence to its mission was also manifested in the Center's participation in the recently-concluded Drug Enforcement Education Specialist Training aiming to improve the basic knowledge of its personnel in matters related to illegal drug trade.

## **Trafficking in Persons**

Philippines is still tagged as the major transshipment point for illegally trafficked persons. There had been an increasing demand for manual labor in foreign countries, thus the Filipino work force gained in number as a result of illegally processed documents and unlawful travel of our nationals to other land. The trend does not constitute only the recruitment of humans for menial work but various other forms as well. Lately, the newest schemes include smuggling of babies, and human organs (e.g. kidneys and skin). It has not been established yet but evidences proved that the suspected link between Al-Qaeda's terror-financing activities and the recent reports

on illicit trafficking in humans is becoming more visible. The intelligence community asserted that terrorists are likely to engage in this venture to facilitate their movement in other countries, as implied by the increasing number of illegal migrants especially in Europe. Human smugglers found new havens in European and South East Asian countries.

Compared to last year's record, cases of illegal recruitment in the Philippines had increased particularly in Region 1. Efforts to stem down the cases of human trafficking had already taken place. The POEA and Bureau of Immigration (BI) issued several warnings and guidelines to the public regarding this. The local government addressed the problem through lateral cooperation among police forces, comprehensive gathering and exchange of intelligence information to tighten border securities and control the entrance and the exit of Filipino nationals as well as foreigners. The issuance of the Anti-Trafficking in Persons Act of 2003, otherwise known as Republic Act 9208, an act to which the PCTC has greatly contributed efforts, seemingly served as one of the most effective responses of the administration to address the threat of human smuggling. Mostly, illegal recruitment for employment abroad comprised the Philippine problem on trafficking in humans. Records showed that the usual victims of these illegal recruiters were those applying as Overseas Filipino Workers (OFW) but land on a different job (e.g. prostitution den) upon arrival in another territory. Chinese, Malaysian and other nationals were commonly discovered as illegal recruiters. Lawful actions and possible arrangements with their respective countries had already been done by the Philippines. Continuous coordination with our foreign counterparts is also being done by the Center especially in the monitoring of cases related to human trafficking.

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<sup>i</sup> David Capie. "Small Arms Production and Transfers in Southeast Asia," *Canberra Papers on Strategy and Defence* 146 (2002): 67.

<sup>ii</sup> This is considered to be on the low side. A Philippine Action Network on Small Arms (PhilANSA) briefing indicated that the number could be at least 1,200,000 firearms loose in the country. The briefing was given at the Linden Suites in Pasig on 17 April 2007.

<sup>iii</sup> Cited in Herman Joseph S. Kraft, "Small Arms Proliferation in the Philippines," in Philips Josario Vermonte, ed. *Small is (Not) Beautiful: The Problem of Small Arms in Southeast Asia* (Jakarta: Centre for Strategic and International Studies, 2004): 75

<sup>iv</sup> *Ibid.*

<sup>v</sup> Gloria, "Free for all," *op. cit.*, p. 19.

<sup>vi</sup> Jeffrey Riedinger, "The Philippines in 1993: Halting steps towards liberalization," *Asian Survey* 84:2 (February 1994).

<sup>vii</sup> Kraft, *op. cit.*, pp. 79-81

<sup>viii</sup> Capie, *op. cit.*, p. 71.

<sup>ix</sup> Capie, *op. cit.*, p. 72.