

FORMER SOVIET BLOC LOCALES IN AFRICA'S ILLICIT ARMS TRADE NETWORK

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Abstract

Small arms and light weapons are the primary cause of death in the violent conflicts raging today, but the small arms trade is difficult to track, and the illicit trade in small arms is doubly so. Nevertheless, information is available and research institutes like the Small Arms Survey and the Norwegian Initiative on Small Arms Transfers are at the forefront of efforts to collect and distribute this information. This paper focuses on the illicit arms trade and draws on a database I am developing, the Illicit Arms Transfer Database, which systematizes information contained in journalistic reports on illicit small arms transfers. This and previous studies, which employ some basic tools of social network analysis (SNA), reveal high profile positions occupied by former Soviet bloc countries in the illicit arms trade network. I set up this analysis with discussion of the features of social networks that allow them to facilitate the transfer of illicit weaponry, and follow the presentation of my findings with some explanations for the prominence of Russia and other post-communist countries in this trade.

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Despite the downward trend in the total dollar value of the arms trade since the end of the cold war, there is no such trend in the international transfer of small arms and light weapons (SALW). Comprehensive and reliable longitudinal data on the volume of the SALW trade are only now becoming available, but developments over the past two decades point to an increase in the flow of this type of weaponry. The proliferation of low-intensity warfare, conflicts in which SALW figure prominently, is a source of increased demand, while stocks of military surplus created by the dissolution of the Warsaw Pact and the collapse of the Soviet Union vastly increased supply. Light weaponry continues to be produced—by an expanding number of manufacturers, many of them driven to export in order to achieve economies of scale—and some of this is added to the second-hand equipment circulating in today's war zones.

Of this trade in SALW, the value of which has been estimated at roughly \$4 billion per year, probably 10-20 percent occurs in the black and gray markets.¹ Information about the illicit arms trade abounds, particularly in the form of investigative journalism and reports on the field activities of nongovernmental organizations involved in small arms control and disarmament. Although much of this information has been gathered, collated, and examined by researchers in the academic and activist communities, systematic data collection and analysis has yet to proceed very far. Data collection itself is a formidable task. Aside from the obvious difficulty deriving from the efforts of black marketeers to keep their activities out of view, the variety of actors, locales, equipment, and forms of transaction involved in the illicit arms trade presents a major challenge for any attempt to catalog them in a systematic way. Nevertheless, some progress is

being made and it is not too early to begin mapping the structure of black market transfers of SALW.

I do three things in this paper. First, I discuss illicit arms trafficking in the context of social networks. Scholars who have examined social networks as distinctive forms of organization offer insights that I find useful for understanding the illicit arms trade, the role of social capital in the functioning of these trafficking networks, and their resiliency despite the efforts of militaries and law enforcement to curtail this lethal trade. Second, I make use of some descriptive procedures, from among a set of quantitative and visual tools known as social network analysis (SNA), to illuminate some of the structural features of the illicit arms trade to Africa. For this purpose, I employ data drawn from an evolving database I have been assembling on illicit arms transfers worldwide. Finally, because former Soviet bloc countries appear to be prominent in the illicit arms trade, I consider some of the explanations that have been offered to account for this and other transnational criminal activity. I also offer some concluding observations on the challenges of data collection for systematic research on the illicit arms trade.

Supply of Illicit Arms

Virtually all illicit arms transfers are SALW, and in this category of armament researchers generally include pistols, rifles, assault rifles, carbines, machine guns, hand-held and mounted grenade launchers, portable anti-tank and anti-aircraft guns, portable missile launchers, and small caliber mortars. In any given geographic space, the stock of illicitly acquired weaponry may come from three basic sources: government stocks, local manufacture, and imports.²

Weapons may leak from government stocks because they are either stolen and sold. In the context of domestic unrest, armories and ammunition depots are often the target of raids by rebel fighters.³ Government arms shipments are susceptible to interception in transit as well. Of course, the vulnerability of government stocks to theft is a function of the regime's capacity to guard weapons facilities and its legitimacy in the eyes of the guardians. Not all theft is the consequence of overwhelming force deployed by raiding parties; military or security personnel may offer various levels of assistance, even by simply looking the other way, when their allegiances or sympathies begin to lean away from the sitting government. Soldiers, police, or other officials may be similarly motivated to sell the arms at their disposal, but typically these illicit sales are driven by personal gain, or just necessity borne of dire economic circumstances. Lastly, because taking up arms against the government is illegal, weapons captured from government forces during the course of battle are also gotten illegally.

Most illicit weaponry was legally produced; it is only later that laws are broken by virtue of the manner in which possession has been transferred from one party to another. However, in areas of persistent conflict, illicit local production may emerge to help meet the high demand for small arms and explosives. Much of this takes place in private workshops or residences and is best characterized as craft production. As governments almost never sanction this sort of local manufacture, these arms add to a region's illicit stocks as soon as they leave the gunsmith's workbench.⁴

Illegally obtained weapons are often shipped across state borders. But not all illicit arms transfers start as leakages from the government arsenals of the exporting state. Governments themselves may covertly supply anti-government forces in other states; these transfers are illegal

from the standpoint of domestic laws operating in the destination country and, arguably, international law as well.⁵ Clearer violations of international law are arms transfers undertaken, authorized, or otherwise facilitated by governments that nevertheless contravene UN-imposed arms embargoes. These, along with sanctions-busting arms shipments by nonstate actors, whether motivated by political or economic considerations, add to the stock of illicit weaponry within a geographic locale.⁶

For an illicit arms transfer to be completed, three types of actions must occur. First, the arms must become available for transfer, through any of the sources mentioned above (leakage from government arsenals, illicit craft production, etc.). Second, they must be transported from one state locale to another. And third, they must be collected by the recipient. An actual sequence of events may be (and typically is) complicated in various ways—for example, by the involvement of multiple brokers, transporters, and transshipment points—but these are the most basic components. The failure of any one of these components will thwart the transfer, and each is the target of those wanting to address the problem of illicit arms transfers from the supply side.

Against this seeming vulnerability is the fact that there are multiple sources and parallel transfer channels available to arms traffickers, which makes supply-side approaches to arms control extraordinarily difficult, not least because transfers move through two or more state jurisdictions, as well as possibly ungoverned areas like the high seas or territories of failed states. As Markowski et al. conclude, “The odds are clearly in favor of illicit arms users and suppliers who, given the scope for channel redundancy, can easily tie the sources of supplies to their illicit destination. [T]o be effective, governments would have to cut/disable a large number of active

and dormant channels. To achieve this would require both superior intelligence and massive resources.”⁷

Illicit Arms Trafficking

Small arms transfers may be, essentially, economic transactions, but they are often transactions governed by more than market forces. State-sanctioned transfers are typically elements in an ongoing military relationship between governments. Illicit transfers, while also driven on the supply side by both economic and political consideration, may further require a degree of trust and shared commitment to an underground system of exchange. It is, of course, common to refer to the trade in illicit weapons as a black market, but the transnational flow of these goods is affected by a wider range of political, ideological, and/or ethnic factors than other illicit flows, like narcotics. It is useful, therefore, to contrast pure market transactions with transactions in other organizational contexts, namely, social networks.

Markets and Social Networks

A market is a social entity that governs transactions between producers and consumers by way of a price mechanism, and economists typically locate pure markets at one end of a range of possible arrangements for the exchange of goods and services. This is the anarchic end. No authority is exercised in a pure market; economic production is governed by prices, which result from individual decisions affecting supply and demand. At the hierarchical end are organized social entities like firms. Within a firm, economic production is governed by an entrepreneur, whether an individual or a collective, who directs the allocation of resources within the

organization. One of the questions that has occupied economists is: under what circumstances do markets give rise to hierarchical organizations as a means of coordinating economic exchange?

The classic treatment of this issue is by Coase, who maintained that “the operation of a market costs something and that, by forming an organization and allowing some authority (the ‘entrepreneur’) to direct the resources, certain marketing costs are saved.”⁸ In contemporary scholarship, these sorts of costs are termed “transaction costs,” and they generally derive from the inefficiencies associated with incomplete information.⁹ Some economic transactions involve uncertainties—e.g., about continued access to specialized inputs into the production process—and although these might be handled by entering into contracts, the continual negotiation and renegotiation of contracts is costly. Such transaction costs, at least some of them, can be eliminated if the parties enter into an exchange relationship governed according to the bylaws of a hierarchical organization. Under these circumstances, firms will realize efficiencies not available in the open market and economic production and exchange will become more profitable.

Patterns of economic exchange governed by more than market forces but by less than hierarchical organizations have been of considerable interest to sociologists. Granovetter, for instance, has echoed the common criticism of the neoclassical economic approach to organization as offering a utilitarian and “undersocialized” conception of human action in which little allowance is made for the impact of social relations on economic exchange (except as a drag on the efficient allocation of resources). At the same time, early sociological correctives tended to propose “oversocialized” conceptions of behavior whereby individuals simply, and somewhat robotically, internalize societal norms, also leaving little room for the impact of

ongoing social relations.¹⁰ For Granovetter and others, economic behavior is governed not only by institutional arrangements designed to discourage malfeasance and reduce transaction costs, or by a “generalized morality” instilled through the socialization process, but also by trust. Economic action is embedded in ongoing social interaction and more emphasis needs to be placed on “the role of concrete personal relations and structures (or ‘networks’) of such relations in generating trust and discouraging malfeasance.”¹¹

Much of the sociological research that has been done on interpersonal relations in economic life focuses on the creation and maintenance of social networks. Less anarchic than markets, networks of actors are at the same time not hierarchically organized. Where price serves as a control mechanism in markets and authority serves that function within a vertically integrated firm, personal relationships, typically characterized by trust and a norm of reciprocity, are the glue that binds a social network together. Under conditions more conducive to social networks, hierarchically organized social entities may not be required as a means of reducing uncertainty and managing transaction costs.¹² What are those conditions? To what extent can they be explained by the social, cultural, and political practices that embed economic interaction? Alternatively, to what extent can they be explained by the nature of particular forms of economic exchange?

Powell addresses the last of these questions, maintaining that some forms of exchange are inherently more social than others. They depend not so much on formal authority, but on shared interests and ongoing relationships. In network forms of exchange, “the entangling of obligation and reputation reaches a point that the actions of the parties are interdependent.” The pattern of interaction “looks more like a marriage than a one-night stand, but there is no marriage license,

no common household, no pooling of assets.”¹³ Whereas market transactions are undertaken to maximize returns in the short and medium term, network exchanges are sequential and contribute to an overall pattern of enduring interaction. When the exchange of goods or services is facilitated by trust or a sense of obligation, network forms of organization function well when composed of homogenous groups of actors. The opportunism and guile contributing to high transaction costs in the impersonal market setting is less common among those sharing professional, ethnic, or ideological backgrounds, and thus hierarchical governance structures are less likely to emerge.

Trafficking and Illegal Markets

The social network concept is proving useful in the analysis of “dark networks”—adversarial networks, like terrorists organizations or insurgencies, and criminal networks engaged in various forms of illicit trafficking. Law enforcement and national security policymakers, in particular, have been interested in understanding the features of these dark networks that allow them to adapt to a changing environment, including efforts by police and military forces to defeat their activities and dismantle their organizations. Scholarship in sociology, economics, criminology, and political science is contributing to this understanding and providing a set of analytic tools to describe social networks, both their resiliencies and vulnerabilities.¹⁴

Social capital—which I will define here as resources residing in the interaction of multiple actors that enable the creation of either private or collective goods—is as important to the goals of those comprising a criminal network as it is to members of Rotary International, a microfinance cooperative, or the local bowling league.¹⁵ Social networks, then, are the

organizational forms most conducive to the generation and distribution of social capital. Indeed, social networks would seem to be most important to those engaged in activities that must remain underground and beyond the reach of legal contracts and other regulatory mechanisms that attach to open market exchange. Family ties, personal friendships, shared ethnicity and religious belief—these give rise to interpersonal loyalties and the trust that reduce transaction costs when the rule of law is unavailable. While this sort of social capital is not absent from commerce in open markets, it becomes rather more essential to the movement of illicit goods.¹⁶ If nothing else, suppliers, traffickers, and consumers must instill confidence among themselves that they share a commitment to keeping the joint enterprise hidden from scrutiny by the agencies of government. About the illicit arms trade, Naylor says that “discretion is a proverb, not only with respect to one’s own business but with respect to everyone else’s as well. By an unwritten code, gunrunners, however anxious to cut each other’s commercial throats, rarely rat out each other.”¹⁷

Bruinsma and Bernasco have examined three criminal groups whose activities have two important features in common with illicit arms trafficking other than the need to operate underground. Heroin smuggling, human trafficking, and the transnational trade in stolen cars (i) serve a market and (ii) involve the movement of illegal goods and services across long distances. One of the preliminary conclusions of the study was that activities characterized by higher levels of criminal and financial risk require collaboration grounded on substantial mutual trust, which is most likely to be a feature of cohesive social networks. In the case of heroin smuggling, the riskiest of the three criminal enterprises examined, that cohesion derive from ethnic homogeneity; Turkish groups figure prominently in the heroin trade (at least destined for the

Netherlands) and those that work most closely together at the different stages of the process further tend to be of similar age and social class, and hail from the same regions of the country.¹⁸

It is hard to say whether, in terms of risk, the illicit arms trade has more in common with heroin smuggling or less-risky trafficking in humans or stolen automobiles. Nor are my data sufficiently fine-grained to allow me to illuminate the degree of ethnic, religious, or ideological cohesion—and, by extension, trust—present in illicit arms trade networks. But, as a hypothesis, it is reasonable to posit that illicit arms networks that operate in higher risk environments—for example, in geographic locales with a robust police and/or military presence, or spanning long distances with multiple sites of potential vulnerability—are composed of a more socially homogeneous membership. The social cohesion created by ethnic, religious, or ideological bonds reduces the likelihood of defection and thus the risks of exposure in an extralegal setting.¹⁹

Mapping the Illicit Arms Trade

Curwen's examination of illicit arms transfers to Liberia provides a good illustration of the application of social network analysis (SNA) in an effort to identify key actors and their placement in these underground networks.²⁰ Based on UN reports documenting arms embargo violations, Curwen identifies the individuals and transactions involved in four arms-transfer events occurring between 1999 and 2002. All together, 38 individuals comprise the nodes of this network—brokers, transportation agents, buyers (including Liberian President Charles Taylor himself and his son, Chuckie), and so on. The 78 ties between the nodes are operationalized as the presence of contractual, business, or employer-employee relationships between individuals. This illicit arms transfer network is depicted in Figure 1.²¹ From the mapping of actors (clustered

according to role) and ties—called a “sociogram” or “network graph”—we get a good sense of network structure and the most connected individuals.

[Figure 1 about here]

Social network data are arranged as a square “sociomatrix” in which there is both a row and a column for each node in the network. A cell in the matrix contains a 1 if the actor represented by row i , designated n_i , had a relationship with the actor represented by column j , designated n_j , in which case $x_{ij} = 1$; otherwise $x_{ij} = 0$. Curwen’s data are nondirectional in that a tie between two nodes represents a relationship rather than a sent or received communication or other exchange; thus, $x_{ij} = x_{ji}$. But in other SNA applications to the study of illicit arms transfers, it may be useful to consider directional ties. In this case, an actor’s *outdegree*, $d(n_i)$, is the number of other actors to whom that actor has directed some form of communication or exchange (for example, delivered weapons); *indegree*, $d(n_j)$, is the number of actors from whom a communication or exchange has been received. That is,

$$d(n_i) = \sum_{\forall j \neq i} x_{ij} \quad \text{and} \quad d(n_j) = \sum_{\forall i \neq j} x_{ji}, \quad (1)$$

which are, respectively, the row i and column j totals of the sociomatrix. If there are s actors in the network, the maximum number of directed ties between them is $s(s - 1)$.

In most social networks, certain actors are more prominent than others and the evidence of their prominence is often the number and type of social ties they maintain with other actors. The *centrality* of a network actor is sometimes indexed as its outdegree or indegree (or both), but since these measures are greatly affected by the number of actors in a network, it is useful to normalize the index. Thus, the normalized outdegree and indegree centrality indexes can be computed as

$$C'_D(n_i) = \frac{\sum_{\forall j \neq i} x_{ij}}{s-1} \quad \text{and} \quad C'_D(n_j) = \frac{\sum_{\forall i \neq j} x_{ji}}{s-1}. \quad (2)$$

Again, because Curwen's data are nondirectional—the sociomatrix is symmetric—the formulas in (2) give the same result. Figure 2 arranges the nodes so that the actors with the highest centrality measures are positioned nearer the center of five concentric rings, while those with lower scores are positioned nearer the periphery. Not surprisingly, the most central actors in the network examined by Curwen are Charles Taylor, whose three-and-a-half year trial before the Special Court for Sierra Leone has just concluded, and Viktor Bout, the high-profile Russian arms broker and transporter now in U.S. custody on conspiracy charges. Also centrally located in the social network are Pavel Popov (Russian) and Sanjivan Ruprah (Kenyan), both involved in Bout's air transport operations.

[Figure 2 about here]

Visual inspection of Figures 1 and 2 suggest that nodes in a network may also be important to the extent that they are positioned between two other nodes. In the case of the illicit arms trade, when one actor, n_i , has links to two others, n_j and n_k , which are not linked directly, n_i may serve as a conduit for the transfer of arms from n_j to n_k . Such actors are located on the shortest paths, or geodesics, connecting n_j and n_k . Thus, another measure of centrality, *betweenness* centrality, starts with the number of geodesics, g_{jk} , linking nodes j and k , and the number of these that contain node i , $g_{jk}(n_i)$. Betweenness can be measured as the sum of the probabilities that node i will be pivotal in transactions between j and k :

$$C_B = \sum_{\forall j < k, j \neq i \neq k} \frac{g_{jk}(n_i)}{g_{jk}}. \quad (3)$$

This measure is at its maximum when node i is located on all geodesics in the network. Not including node i , there are $(s - 1)(s - 2)$ possible directional links, and half that number of possible nondirectional links. C_B can therefore be normalized as:

$$C'_B = C_B \left(\frac{(s-1)(s-2)}{2} \right)^{-1}. \quad (4)$$

Not surprisingly, in the illicit arms network serving Liberia, Viktor Bout has the highest betweenness centrality score, based on Curwen's data. As is evident in Figure 3, except for Charles Taylor, all of those with the highest betweenness scores are either brokers or transport agents, which is what we would expect this measure to show.

[Figure 3 about here]

A closely related SNA concept useful for the study of illicit arms trade networks is “brokerage.” Brokers, in network analytic terms, are nodes positioned on a directional path between nonadjacent nodes. Naturally, they tend to have high betweenness scores. Social network analysts have gone on to specify particular brokerage roles based on the actors' membership in groups or other attribute categories. For instance, a node occupies a “coordinator” role when it is interposed between nodes within its same group or organization; when the three nodes are members of different groups, the broker acts as a “liaison.” Other brokerage roles are defined when the broker and one actor are members of one group and the other actor is a member of a second group: brokers that mediate inflows into their group are “gatekeepers”; those that mediate outflows from their own group are “representatives.” Identifying important brokers in a social network involves counting the number of triads in which that node is positioned as an intermediary. Of the ten actors in the Liberian network with the highest brokerage scores, all but

two are coded (a priori) by Curwen as either arms brokers or transportation agents.²² These are precisely the sort of intermediaries we want the analysis to identify.

Illicit Arms Transfers Database

The Illicit Arms Transfers Database (IATD) is an evolving dataset consisting of information gleaned from news and other reports of illegal arms shipments crossing interstate borders. The goal is to systematize the large amount of information that exists about the international black market in armaments so that some of these data might be subjected to social scientific analysis.

The Norwegian Initiative on Small Arms Transfers (NISAT), affiliated with the International Peace Research Institute in Oslo, maintains an Internet database consisting of tallies of state-to-state transfers of small arms and light weapons. The primary focus of NISAT's data collection efforts is the legal trade in SALW. But NISAT also maintains a "Black Market File Archive," a collection of news stories and investigative reports on the illicit arms trade. These accounts, which range widely in content and format, are collated into country folders based on the locale of the events described therein. NISAT obtains reports from multiple news organizations, as well as other organizations providing information on the black market arms trade. These reports provide the raw information upon which the IATD is built.

The unit of observation in the IATD is an illicit arms transfer "event," defined as coterminous with a particular arms shipment's journey from source to recipient, possibly intercepted along the way. Each record in the database consists of data describing that event, including the actors and locations involved in the shipment's journey from originator to recipient (or interceptor), as well as the information source. Most variables in the database are event

descriptors and can be grouped as they pertain to (a) the *source* of the arms shipment, (b) those involved in the arms *deal*, (c) the *characteristics* of the arms shipped, (d) the *journey* that the shipment took after leaving the source, and (e) the shipment's *destination*. Table 1 shows the categories of variables in the database and summarizes the type of information collected in each category. The table does not list every variable in each category—for example, actors like originators, recipients, dealers, etc., are also accompanied by information regarding their location and type—but it does indicate the range of information that the IATD must incorporate in order to capture the complexity of many illicit arms-transfer events. At present, there are over 60 variables in the database used to describe characteristics of different types of illicit transfers, although most records are missing data for many of these variables simply due to the paucity of information on black market transactions.²³

[Table 1 about here]

The stories and reports collected by NISAT vary widely in the amount of useful information they contain. Some articles include detailed accounts of arms shipments from manufacturer to purchaser, including any number of participating intermediate dealers, brokers, and shipping agents.²⁴ Other reports include no codable event information at all. Some reports provide a wealth of background information, like previous events in ongoing arms-supply relationships. Others pick up a particular shipment's journey midstream, as when one military organization supplies another organization, without any indication of where the first group acquired the weaponry. Even when reports contain complete information, the events themselves exhibit a wide range of forms. There is substantial variation in the number and type of intermediaries engaged in illicit transfers, the nature of the illegalities involved (forged end-user

certificates, arsenal theft, etc.), and whether transfers were intercepted by state authorities or someone else other than the intended recipient. The appendix provides an example of the way events described in an article from NISAT's Black Market File Archive are coded for purposes of inclusion in the IATD.

A major aim of the IATD Project to this point, one that has largely been achieved, has been to develop a data structure that can accommodate the variety of forms that an illicit arms transfer event may take. The set of coding rules has evolved over the course of the Project's lifespan (about four years) and has proven workable as a methodology for processing thousands of articles to date. So far, the Project has examined about 6,800 articles from NISAT's Black Market File Archive, retrieving about 3,300 events.

Illicit Arms Transfers to Africa

The informational requirements for the present analysis are minimal. Nodes in this network are operationalized as the *state locales* from which, to which, or through which illicit weapons shipments have moved. Once the IATD is cleaned and cross-checked, the database will allow researchers to operationalize network nodes as *actors*—suppliers, recipients, brokers, etc.—involved in these transactions, with locale simply being one of their attributes, but a more refined analysis along these lines is not advisable given the IATD's present state of development. Here state locales are shown as nodes in the network if they were involved in at least one illegal arms transfer during the 1995–2005 period, the time span for which data have been coded, and if there is sufficient information to identify the state locale at both ends of the transfer. Although the

database does contain a large number of additional descriptors, no other information is used for present purposes.

Figure 4 maps state locales (grouped by geographic region) involved in illicit arms transfers ultimately arriving in Africa. This network consists of 80 nodes (labeled with three-letter country codes) and 270 links. As with the network of individuals involved in illicit arms transfers to Liberia, the most prominent state locales in Africa's illicit arms trade can be identified by examining centrality scores. Figure 5, like Figure 2 above, places the most connected nodes at the center, but in this case the data are directional and the positioning is based on outdegree centrality scores. Thus, the figure identifies the most prominent exporter locales.²⁵ It is noteworthy that several former Soviet bloc countries appear rather central in Africa's illicit arms trade: Russia (RUS), Ukraine (UKR), Bulgaria (BGR) and, to a somewhat lesser extent, Romania (ROM), the Czech Republic (CZE), Belarus (BLR), and Slovakia (SVK). The next section considers some explanations for their centrality. South Africa (ZAF) is also central in the illicit arms trade to other African countries, and West European countries—Belgium (BEL), Britain (GBR), and France (FRA)—are important locales as well. The United States (USA) is also a significant locale, but perhaps not as central as we might expect given its predominance in the international arms trade generally.

[Figures 4 and 5 about here]

Illicit Arms Transfers and the Former Soviet Bloc

Several factors have conspired to make individuals and organizations in Russia and other former Soviet bloc locales active participants in illicit arms transfer networks. The most common

explanations focus on the role of Russian military and security forces, especially the incentives and opportunities associated with the political-economic transition that accompanied the end of the cold war. The dismantling of the formidable Soviet-era military-industrial complex was remarkable, and attendant dislocations have been documented by both insiders and outside observers.²⁶ Among the outcomes were decommissioned weapons stocks, mothballed or underutilized military production facilities, and an uncertain future for many military and security personnel. Whether motivated by economic desperation or opportunism, many of the latter had access to post-cold war arms surpluses. They also had access to military transport facilities or found common cause with others who had logistical expertise and experience moving cargo surreptitiously. As Turbiville observed, “crime and corruption in the wake of Soviet dissolution quickly began to shape and influence every dimension of state and private life. Military establishments in the region—shrinking, impoverished, and demoralized—were far from immune to these pressures, and in the case of the Russian armed forces in particular, have become major participants in the illegal diversion of weapons as well as being profoundly affected by crime in other ways.” Illicit arms trafficking and other crime had become institutionalized within the Russian military, argued Turbiville, which was, in essence, a “mafia in uniform.”²⁷

The former-Soviet arsenal was also hemorrhaging in the periphery. The phased withdrawal of Soviet armed forces from central and eastern Europe and the Baltic states in the early 1990s was, given the immense scale and logistical challenges, generally well managed, but huge volumes of weapons were moved rather quickly and inevitable leakages probably left large numbers of SALW in the wake.²⁸ The eruption of ethnic conflicts in the Caucasus—both inside

Russia (namely, Chechnya) and in the post-Soviet states of Georgia, Armenia, and Azerbaijan—increased the demand for arms and presented Russian soldiers, whether deployed to put down rebellions or as peacekeepers, with opportunities to acquire much-needed cash. Violent conflicts elsewhere, like Moldova and Tajikistan, witnessed similar patterns. And it is well to note that this did not start with post-cold war deployments; Soviet military personnel returning from Afghanistan in the 1980s also sold arms and ammunition to make ends meet.²⁹

Although research on the illicit arms trade has devoted more attention to Russia than to other former Soviet bloc countries, the analysis presented in this paper also highlights the prominence of eastern Europe. Phythian suggests that the same factors were at work: “Post-communist eastern Europe remains the prime source for black market small arms. Controls are weak and easily evaded, corruption is rife, and financial rewards are far in excess of the meagre salaries of most east European munitions workers or officials.”³⁰ In the case of the Balkans, however, where the Yugoslav wars were fed by both the import and internal trafficking of illicit weapons, Arsovska and Kostakos suggest that the outflow of arms, even with the end of the conflicts, has been less pronounced than we might expect given the volume of illicit stocks circulating in the Balkans. They attribute this in part to the very high internal demand for arms driven by cultural factors and a historical distrust of state institutions; these social forces seem to trump an economic logic that would otherwise point to a substantial post-conflict expansion of arms exports in the face of excess supply.³¹ I note here that my analysis of illicit arms transfers to Africa suggests that former Yugoslav states are not as prominent as Russia and other eastern European locales (see Figure 5).

In addition to the factors already discussed relating to the post-cold war dislocations experienced by militaries defense-industrial institutions in former Soviet-bloc countries, part of the explanation for their role in the illicit arms trade probably connects to their communist legacy. The inadequacies of central planning to direct resources so as to meet consumer demand were apparent long before the end of the cold war. Thus, “economies of favors” developed whereby needs were satisfied by way of personal connections and informal networks of exchange.³² Such transactions were not at all rare and were not limited to party functionaries or other members of the political elite, nor were they regarded as illegal or illicit by the many rank and file who participated in them. Starting with this description of behavior under communism, we might hypothesize that post-communist illicit arms trade was able to draw participants from a population not unaccustomed to satisfying demand through social networks operating in the shadows of officially sanctioned practice. The argument has been put forth by Cheloukhine about Russian organized crime generally: “The growth of the shadow economy was the main catalyst forming organized crime. Racketeering, robbery, and other crimes were dangerous but predominantly secondary [during the Soviet era]. The roots of the Russian mafia lie in the innermost depths of the Russian shadow economy.”³³ This is not to suggest that everyone who participated in the shadow economy is a potential arms trafficker, only that command economies nurtured individuals and networks that were well-positioned to take advantage of the forces of arms supply and demand unleashed by the end of the cold war and the collapse of communism.

Conclusion

The illicit arms trade shares some important properties with networked forms of organization studied by sociologists. The complex and convoluted nature of black market arms transfers suits this realm of the arms trade especially well to investigation as a social network. Like any underground activity involving the exchange and transport of contraband (drugs, counterfeit currency, humans), the illicit arms trade operates within an informal organizational environment. The forces of supply and demand are mediated by the forces of trust, loyalty, and mutual commitment that govern the flow of information and material within a social network.

Since my dataset on the illicit arms trade are still at an early stage of development, the analysis in this paper employs only descriptive methods designed to explore the main structural features of social networks. The results are not definitive, but they are suggestive. The black arms market appears to be structured as a scale-free network, even when the network nodes are operationalized fairly crudely as state locales. The locales occupying central position in the network readily stand out. Among the countries where illicit arms shipments originate, former members of the Soviet bloc appear central, whether as weapons sources or as conduits linking other locales in the network. One explanation for their prominence in Africa's illicit arms trade might be found in the availability of cold war surplus and a black market infrastructure nurtured originally by their communist economic systems. This, at least, is a reasonable working hypothesis for subsequent empirical research.

The utility of SNA methods (or any other quantitative methods) for illuminating the illicit arms trade obviously hinges on the quality of data that can be collected. Mapping the structure of the black market is hampered by the secrecy with which deals are concluded and the duplicity of

the actors involved. What we do know about it is due mainly to the perseverance of enterprising activists and investigative reporters and, as with any data source, this information is subject to measurement error and selection bias. The analysis of network dynamics often requires fairly complete information about nodes and links, particularly if the aim is to model network vulnerabilities. If the lack of information makes it necessary to restrict analysis to sampled data, important elements of the network structure may be missed. However, this danger should be less pronounced when examining scale-free networks because even incomplete information is likely to identify the most prominent nodes.³⁴ That is, the same feature that makes these networks robust in the face of random failure also makes them more visible in the face of systematic efforts to reveal them. If I am right that the illicit arms trade is a scale-free network, then the fact that some of it remains hidden from view need not prevent us from mapping its basic structure.

More sophisticated SNA methods will become useful as our data collections improve. Rather than simply identifying actors and locales in the illicit arms trade, it will become possible to model the linkages among them as a function of factors on both the supply and demand side. The role of ongoing conflict, social and economic deprivation, weapons surpluses, criminal networks, and other conditions conducive to proliferation have been highlighted by small arms researchers and activists. The cause of arms control will be advanced to the extent that we can identify the most important forces driving proliferation, especially those that are most subject to policy intervention and manipulation, and the actors and locales that figure prominently as hubs in the arms supply network. When resources are scarce and attentions divided, efforts must be focused where they will do the most good.

Appendix: Coding Example

Coding text-based accounts of illicit arms transfers is a labor intensive task. Researchers have made considerable progress in the development of automated coding algorithms for the creation of events data in other areas of international relations research, which has drastically reduced the time and labor required to generate reliable data suitable for analysis. However, descriptions of arms-transfer events are typically too complex to parse with the software available at this time. But as further progress is made on the machine coding of international events, new opportunities may become available for automated coding of these events as well.

What follows is an example of an article appearing in NISAT's Black Market File Archive, and descriptors for two arms-transfer events identified from this account and entered into the IATD. The article is from *Haarretz*, the Israeli daily, and was distributed by the U.S. government's Foreign Broadcast Information Service (FBIS).

Israeli Businessmen Suspected of Selling Arms to Angolan Rebels

The United Nations is checking suspicions that Israeli firms and businessmen traded in arms and diamonds with UNITA rebels in Angola, in violation of the sanctions imposed by the UN Security Council. The impression of UN officials is that the Israeli Government is not very keen to cooperate in the investigation and is making no efforts to track down the suspects. A special monitoring committee set up by the Security Council in recent weeks approached the Foreign Ministry in Jerusalem via Israel's UN Ambassador Yehuda Lancry.

At the center of the investigation is Starco Investment and Trade of 13 Martin Buber St. in Haifa. The firm is suspected of having bought weapons for \$156,000 from Romtechnica, Romania's government arms company, in March 1996. According to the end-user certificates obtained by Ha'aretz, the final destination of the shipment was Togo's armed forces in the capital of Lome.

The shipment, flown aboard a cargo plane of the Bulgarian airline Avia-Service, consisted of 2,000 Kalashnikovs and pistols. However, the bill of goods stated that the shipment consisted of "technical equipment." A larger arms shipment from Romania to Togo three years later was again described as "technical equipment." This shipment included 40 RPG launchers and huge quantities of ammunition. The deal totaling \$0.5 million was mediated by East European Shipping Corporation, a firm based in the Bahamas and represented in Europe by Trade Investment International Limited, with an address in Britain. This shipment was transported aboard Coraca, a ship flying a Panamanian flag and headed for Lome. A check by the UN investigators, assisted by forensic experts, revealed that the end-user certificates of both shipments were forgeries.

Event 1

Originator: Romtechnica

locale: Romania

type: state manufacturer

Recipient: UNITA

locale: Angola

type: insurgent group

Dealer: Starco Investment & Trade

locale: Haifa, Israel

type: private company

Illegality

sanctions violation: UN

license violation: end-user certificate

Arms Shipped

type: Kalashnikovs, pistols

price: \$156,000

Date: March 1996

Event 2

Originator: Romtechnica

locale: Romania

type: state manufacturer

Recipient: UNITA

locale: Angola

type: insurgent group

Dealer: Starco Investment & Trade

locale: Haifa, Israel

type: private company

Shipping Agent

East European Shipping Corp.

locale: Bahamas

type: private company

Trade Investment International Ltd.

locale: Great Britain

type: private corporation

Transporter: Coraca

home: Panama

Illegality

sanctions violation: UN

Arms Shipped

type: RPG launchers

price: \$0.5 million

Date: 1999

Notes

¹ On the SALW trade, see Small Arms Survey, *Small Arms Survey 2006: Unfinished Business* (Oxford: Oxford University Press, 2006); Rachel Stohl, Matt Schroeder, and Dan Smith, *The Small Arms Trade* (Oxford: Oneworld, 2007). The estimate of the illicit portion is reported in Nicholas Marsh, "Two Sides of the Same Coin? The Legal and Illegal Trade in Small Arms," *Brown Journal of World Affairs* 9 (2002), pp. 217-28. Although one might want to distinguish between illicit and illegal arms, I do not do so in this paper. See, for example, Itty Abraham and Willem van Schendel, "The Making of Illicitness," in Willem van Schendel and Itty Abraham, eds., *Illicit Flow and Criminal Things: States, Borders, and the Other Side of Globalization* (Bloomington: Indiana University Press, 2005).

² This discussion follows Stefan Markowski, Stephanie Koorley, Peter Hall, and Jurgen Brauer, "Multi-Channel Supply Chains for Illicit Small Arms," *Defence and Peace Economics* 20 (2009), pp. 171-91.

³ Thomas Jackson, "From Under Their Noses: Rebel Groups' Arms Acquisition and the Importance of Leakages from State Stockpiles," *International Studies Perspectives* 11 (2010), pp. 131-47; Nicholas Marsh, "Conflict Specific Capital: The Role of Weapons Acquisition in Civil War," *International Studies Perspectives* 8 (2007), pp. 54-72.

⁴ Eric G. Berman and Jonah Leff, "Light Weapons: Products, Producers, and Proliferation," *Small Arms Survey 2008: Risk and Resilience* (Cambridge: Cambridge University Press, 2008), pp. 7-41.

⁵ Relevant international law may include the "Friendly Relations Declaration" (UN General Assembly Resolution 2625, October 1970), which states that "no State shall organize, assist, foment, finance, incite or tolerate subversive, terrorist or armed activities directed towards the violent overthrow of the regime of another State, or interfere in civil strife in another State." This probably ought to be considered "soft law," however. Covert arms transfers may also violate the exporting state's law, as did U.S. shipments to Iran during what became known as the Iran-Contra Affair.

⁶ For an analysis of the relative importance of political over economic interests in exporters' violation of arms embargoes, see Matthew Moore, "Arming the Embargoed: A Supply-Side Understanding of Arms Embargo Violations," *Journal of Conflict Resolution* 45 (2010), pp. 593-615.

⁷ Markowski et al., "Multi-Channel Supply Chains," p. 188.

⁸ R. H. Coase, "The Nature of the Firm," *Economica* 4 (1937), p. 392; see also Charles E. Lindblom, *Politics and Markets: The World's Political Economic Systems* (New York: Basic Books, 1977), esp. chap. 3.

⁹ For example, see Oliver E. Williamson, "The Economics of Organization: The Transaction Cost Approach," *American Journal of Sociology* 87 (1981), pp. 548-77.

¹⁰ Mark Granovetter, "Economic Action and Social Structure: The Problem of Embeddedness," *American Journal of Sociology* 91 (1985), pp. 481-510; see also Dennis Wrong, "The Oversocialized Conception of Man in Modern Sociology," *American Sociological Review* 26 (1961), pp. 183-93.

¹¹ Granovetter, "Economic Action and Social Structure," p. 490.

¹² Grahame F. Thompson, *Between Hierarchies and Markets: The Logic and Limits of Network Forms of Organization* (Oxford: Oxford University Press, 2003); P. R. Beije and J. Groenewegen, "A Network Analysis of Markets," *Journal of Economic Issues* 26 (1992), pp. 87-114; Jeffrey L. Bradach and Robert G. Eccles, "Price, Authority, and Trust: From Ideal Types to Plural Forms," *Annual Review of Sociology* 15 (1989), pp. 97-118.

¹³ Walter W. Powell, "Neither Market nor Hierarchy: Network Forms of Organization," *Research in Organizational Behavior* 12 (1990), p. 301.

¹⁴ Jörg Raab and H. Brinton Milward, "Dark Networks as Problems," *Journal of Public Administration Research and Theory* 13 (2003), pp. 413-39; Arie Perliger and Ami Pedahzur, "Social Network Analysis in the Study of Terrorism and Political Violence," *PS: Political Science and Politics* 44 (2011), pp.45-50; Stuart Koschade, "A Social Network Analysis of Jemaah Islamiyah: The Applications to Counterterrorism and Intelligence," *Studies in Conflict and Terrorism* 29 (2006), pp. 559-75; August Hämmerli, Regula Gattiker, and Reto Wayermann, "Conflict and Cooperation in an Actors' Network of Chechnya Based Events Data," *Journal of Conflict Resolution* 50 (2006), pp. 159-75; Renée C. van der Hulst, "Introduction to Social Network Analysis (SNA) as an Investigative Tool," *Trends in Organized Crime* 12 (2009), pp. 101-21; Carlo Morselli, Cynthia Giguère, Katia Petit, "The Efficiency-Security Trade-off in Criminal Networks," *Social Networks* 29 (2006), pp. 143-53; *The U.S. Army-Marine Corps Counterinsurgency Field Manual* (Chicago: University of Chicago Press, 2007), Appendix B: "Social Network Analysis and Other Analytic Tools."

¹⁵ The concept of social capital is the subject of a large and growing social scientific literature. See, for example, James S. Coleman, "Social Capital in the Creation of Human Capital," *American Journal of Sociology* 94 (1988, supplement), pp. S95-S120; Pierre Bourdieu, "The Forms of Capital," in J. Richardson, ed., *Handbook of Theory and Research for the Sociology of Education* (Westport, Conn.: Greenwood); Robert Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon and Schuster, 2000).

¹⁶ Edward Kleemans and Henk G. van de Bunt, "The Social Embeddedness of Organized Crime," *Transnational Organized Crime* 5(1999), pp. 19-36; Klaus von Lampe and Per Ole Johansen, "Organized Crime and Trust: On the Conceptualization and Empirical Relevance of Trust in the Context of Criminal Networks," *Global Crime* 6 (2004), pp. 159-84.

¹⁷ R. T. Naylor, *Wages of Crime: Black Markets, Illegal Finance, and the Underworld Economy*, revised edition (Ithaca, N.Y.: Cornell University Press, 2004), p. 129.

¹⁸ Gerben Bruinsma and Wim Bernasco, "Criminal Groups and Transnational Illegal Markets: A More Detailed Examination on the Basis of Social Network Theory," *Crime, Law, and Social Change* 41 (2004), pp. 79-94.

¹⁹ Economic theories of rebellion posit similar social dynamics. See, for example, Paul Collier, "Rebellion as a Quasi-Criminal Activity," *Journal of Conflict Resolution* 44 (2000), pp. 839-53.

²⁰ Philip A. Curwen, "The Social Networks of Small Arms Proliferation: Mapping an Aviation Enabled Supply Chain." Master's thesis, Naval Postgraduate School. The figures and analysis discussed in the following paragraphs were generated from the raw data assembled by Curwen.

²¹ Clearly, there were more than 38 individuals involved in these four events, so the network that Curwen reconstructs is represents only the most visible (to UN experts) of the real-world network. The study of illicit networks must therefore contend with questions of sampling. See Richard B. Rothenberg, "Commentary: Sampling in Social Networks," *Connections* 18 (1995), pp. 104-110; Ove Frank, "Network Sampling and Model Fitting," in Peter J. Carrington, John Scott, and Stanley Wasserman (eds.), *Models and Methods in Social Network Analysis* (Cambridge: Cambridge University Press).

²² These results are available upon request.

²³ For a full description of IATD coding procedures, including a complete list of variables and definitions, see David Kinsella, "Illicit Arms Transfers Database: Coding Manual" 7 November 2008; available at web.pdx.edu/~kinsella/iatcode.pdf. The database itself is not yet available to the wider research community. See also Jason E. Strakes, "Illicit arms Transfers: Linking Weapons Characteristics and Strategic Applications," *Defense and Security Analysis* 24 (2008), pp. 61-64.

²⁴ Dealers are those middlemen who buy and sell the arms, in effect taking temporary ownership of the weapons along the way. Brokers are those who facilitate the arms deals. They bring parties together, perhaps helping with

financing, and they usually profit from their brokerage, but they do not take possession or ownership of the arms shipment in route. Shipping agents are those who help arrange transportation of the arms, but who do not do the actual shipping. See Brian Wood and Johan Peleman, *The Arms Fixers: Controlling the Brokers and Shipping Agents* (Oslo: International Peace Research Institute, 1999).

²⁵ Here, “exporter” means the state locale serving as the starting point for a shipment of illicit weaponry arriving in an African country, not necessarily the country that manufactured the weaponry. Also, I am using the terms “prominent” and “central” to describe state locales that served as starting points for shipments of arms to the largest number of the other countries, not necessarily starting points for the largest volume of transferred weaponry. However, I suspect that there is a correlation.

²⁶ For example, David Holloway and Michael McFaul, “Demilitarization and Defense Conversion,” in Gail W. Lapidus (ed.), *The New Russia: Troubled Transformation* (Boulder, Colo.: Westview, 1995); Mikhail I. Gerashev and Viktor M. Surikov, “The Crisis in the Russian Defense Industry: Implications for Arms Exports,” in Andrew J. Pierre and Dmitri V. Trenin (eds.), *Russia in the World Arms Trade* (Washington, D.C.: Carnegie Endowment for International Peace, 1997).

²⁷ Graham H. Turbiville, Jr., “Weapons Proliferation and Organized Crime: The Russian Military Dimensions,” *Airpower Journal* 10, special edition (1996), p. 18; Turbiville, *Mafia in Uniform: The “Criminalization” of the Russian Armed Forces* (Fort Leavenworth, Kan.: Foreign Military Studies Office, 1995). Viktor Bout is a good example, although certainly not representative in terms of business acumen and success. Bout served as an officer in the Soviet Armed Forces—different sources place him in the Air Forces, military intelligence (the GRU), and the KGB (unlikely)—and, after being discharged at the end of the cold war, got his start in arms trafficking by acquiring transport planes. Douglas Farah and Stephen Braun, *Merchant of Death: Money, Guns, Planes, and the Man Who Makes War Possible* (Hoboken, N.J.: John Wiley and Sons, 2007).

²⁸ Ian Anthony, “Illicit Arms Transfers,” in Ian Anthony (ed.), *Russia and the Arms Trade* (Oxford: Oxford University Press, 1998).

²⁹ For a comprehensive overview of Russia’s role in illicit arms transfers throughout the 1990s, see John Berryman, “Russia and the Illicit Arms Trade,” *Crime, Law and Social Change* 33 (2000), pp. 85-104. In addition to the Russian military, Berryman also considers the role of Russian arms manufacturers, but this is considerably less documented. See also Anthony, “Illicit Arms Transfers.”

³⁰ Mark Phythian, “The Illicit Arms Trade: Cold War and Post-Cold War,” *Crime, Law and Social Change* 33 (2000), p. 30.

³¹ Jana Arsovska and Panos A. Kostakos, “Illicit Arms Trafficking and the Limits of Rational Choice Theory: The Case of the Balkans,” *Trends in Organized Crime* 11 (2008), pp. 352-78.

³² See, for example, Alena V. Ledeneva, *Russia’s Economy of Favours: Blat, Networking and Informal Exchange* (Cambridge: Cambridge University Press, 1998).

³³ Serguei Cheloukhine, “The Roots of Russian Organized Crime: From Old-fashioned Professionals to the Organized Criminal Groups of Today,” *Crime, Law and Social Change* 50 (2008), p. 363. The “Soviet inheritance” has also been used to explain organized crime in former Soviet republics. See Lada L. Roslycky, “Organized Transnational Crime in the Black Sea Region: A Geopolitical Dilemma?,” *Trends in Organized Crime* 12 (2009), pp. 21-29; Louise I. Shelley, “Russia and Ukraine: Transition or Tragedy?,” in Roy Godson (ed.), *Menace to Society: Political-Criminal Collaboration Around the World* (London: Transaction, 2003).

³⁴ On scale-free networks, see Albert-László Barabási and Eric Bonabeau, “Scale-Free Networks,” *Scientific American* 288 (2003), pp. 60-69; Barabási and Reka Albert, “Emergence of Scaling in Random Networks,” *Science* 286 (1999), pp. 509-512.

Table 1 Information Contained in the Illicit Arms Transfers Database

<i>source</i>	<i>deal</i>	<i>characteristics</i>	<i>journey</i>	<i>destination</i>
originator	dealer broker shipping agent	type model manufacturer price quantity illegality	transporter transshipment point interception	recipient

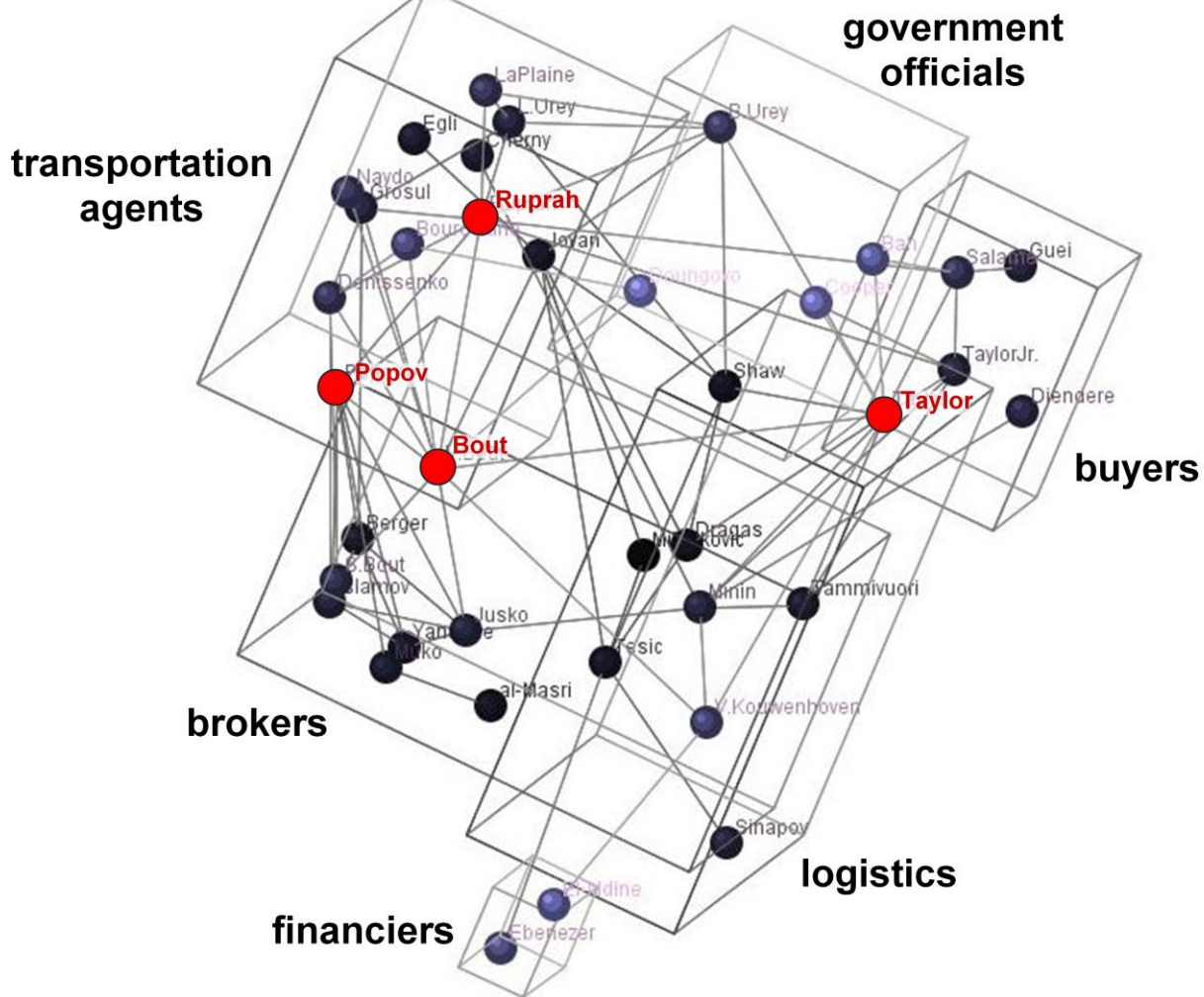


Figure 1 Actors in the Illicit Arms Trade with Liberia

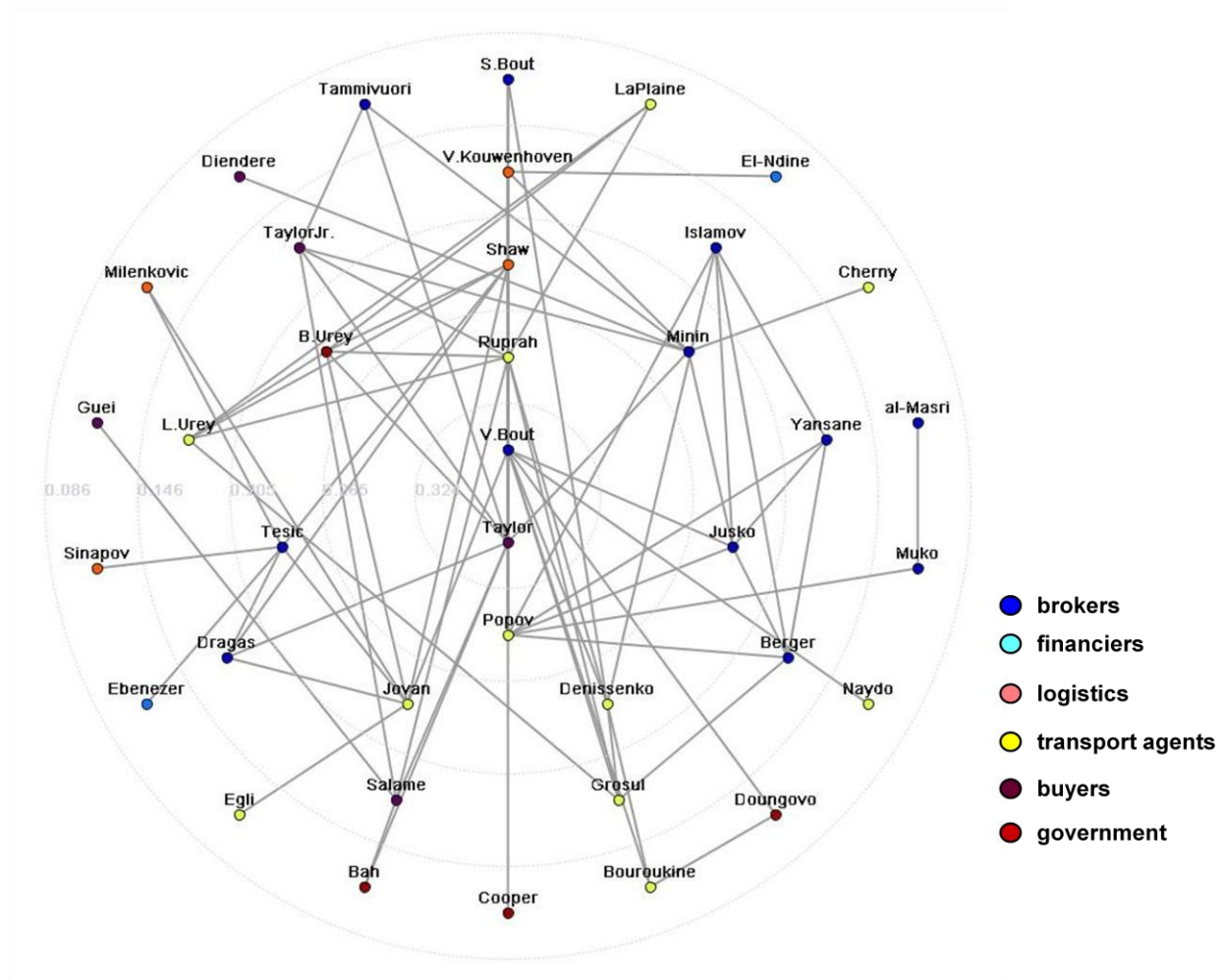


Figure 2 Liberia's Illicit Arms Trade: Actor Centrality

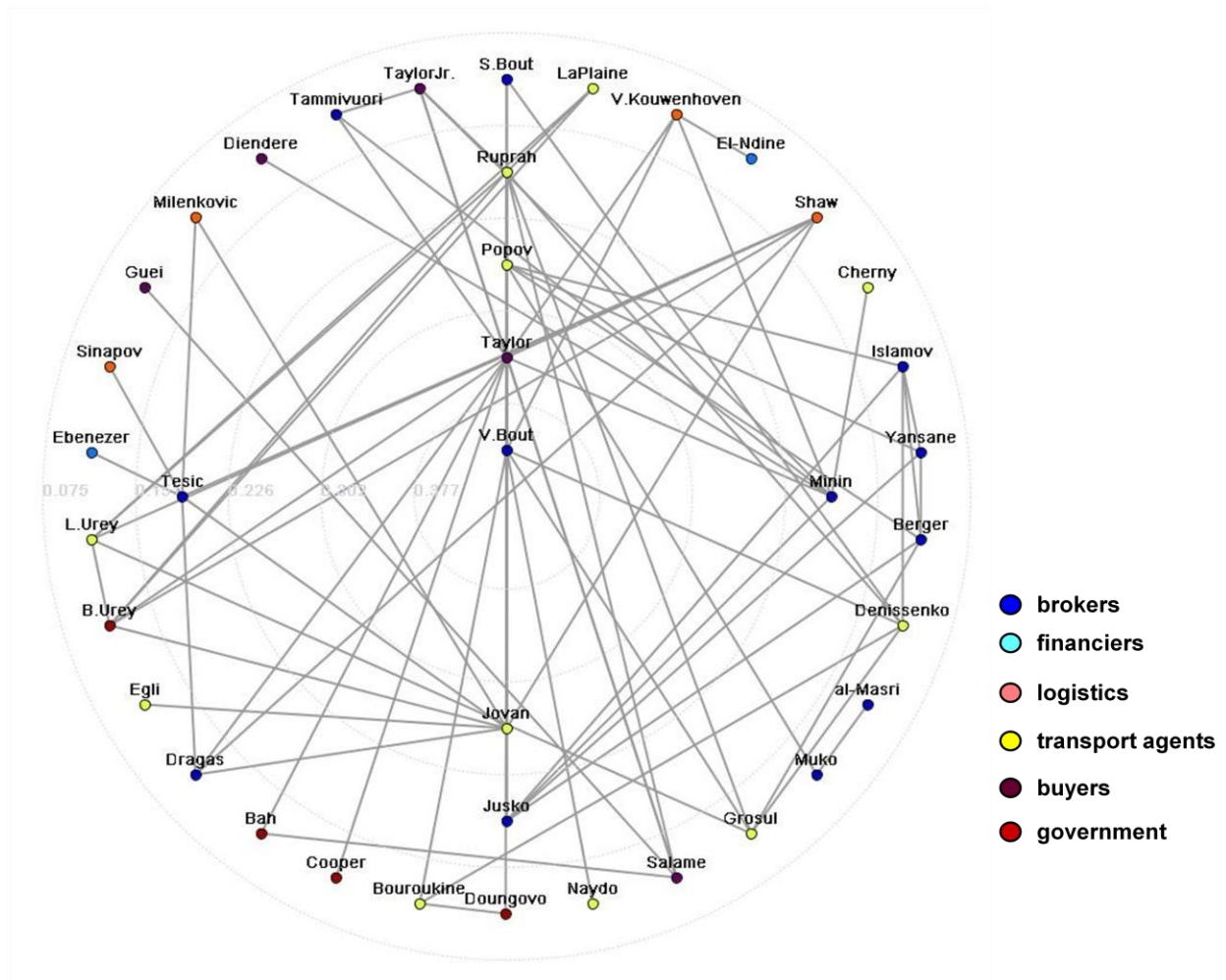


Figure 3 Liberia's Illicit Arms Trade: Betweenness Centrality

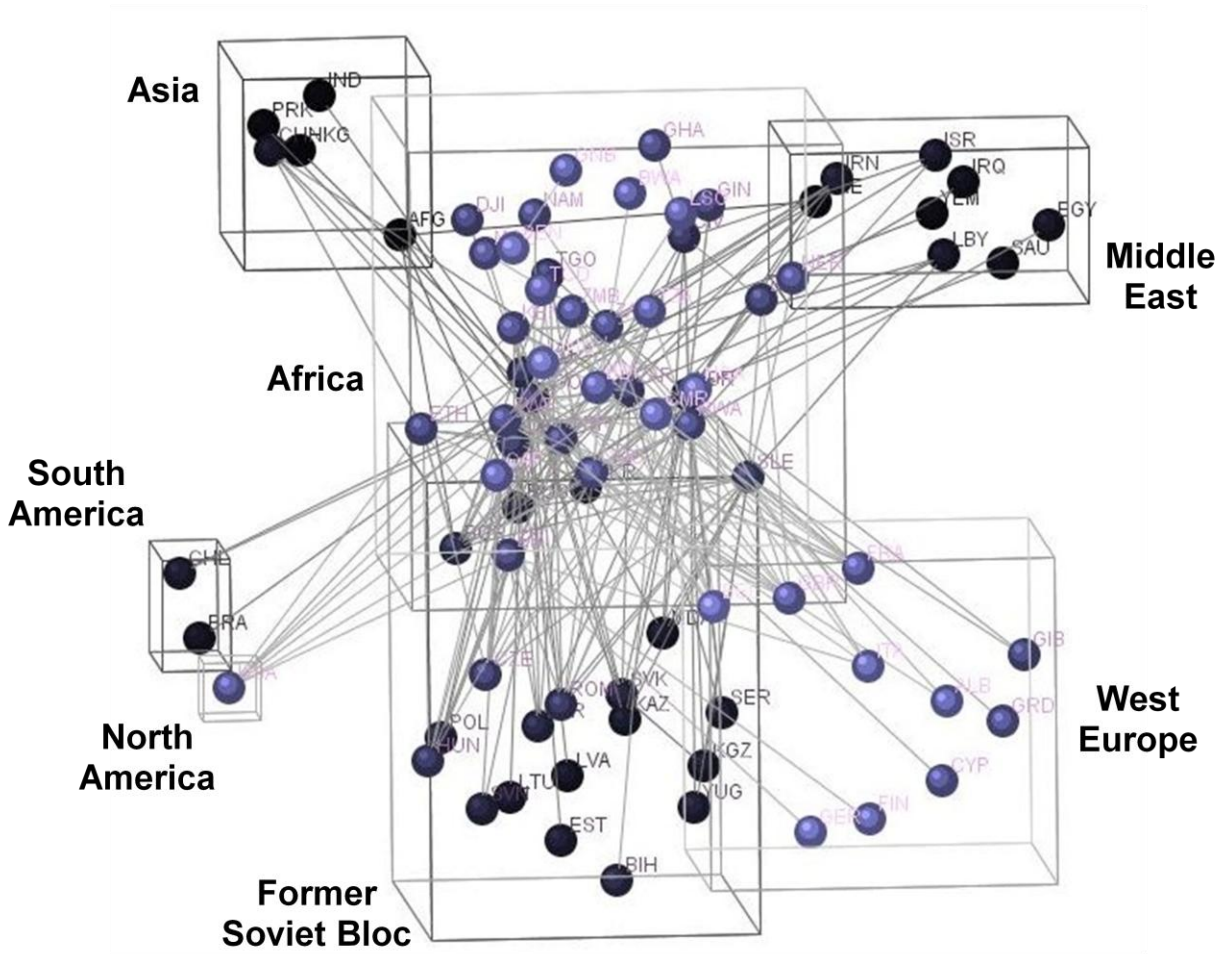


Figure 4 Locales in the Illicit Arms Trade with Africa

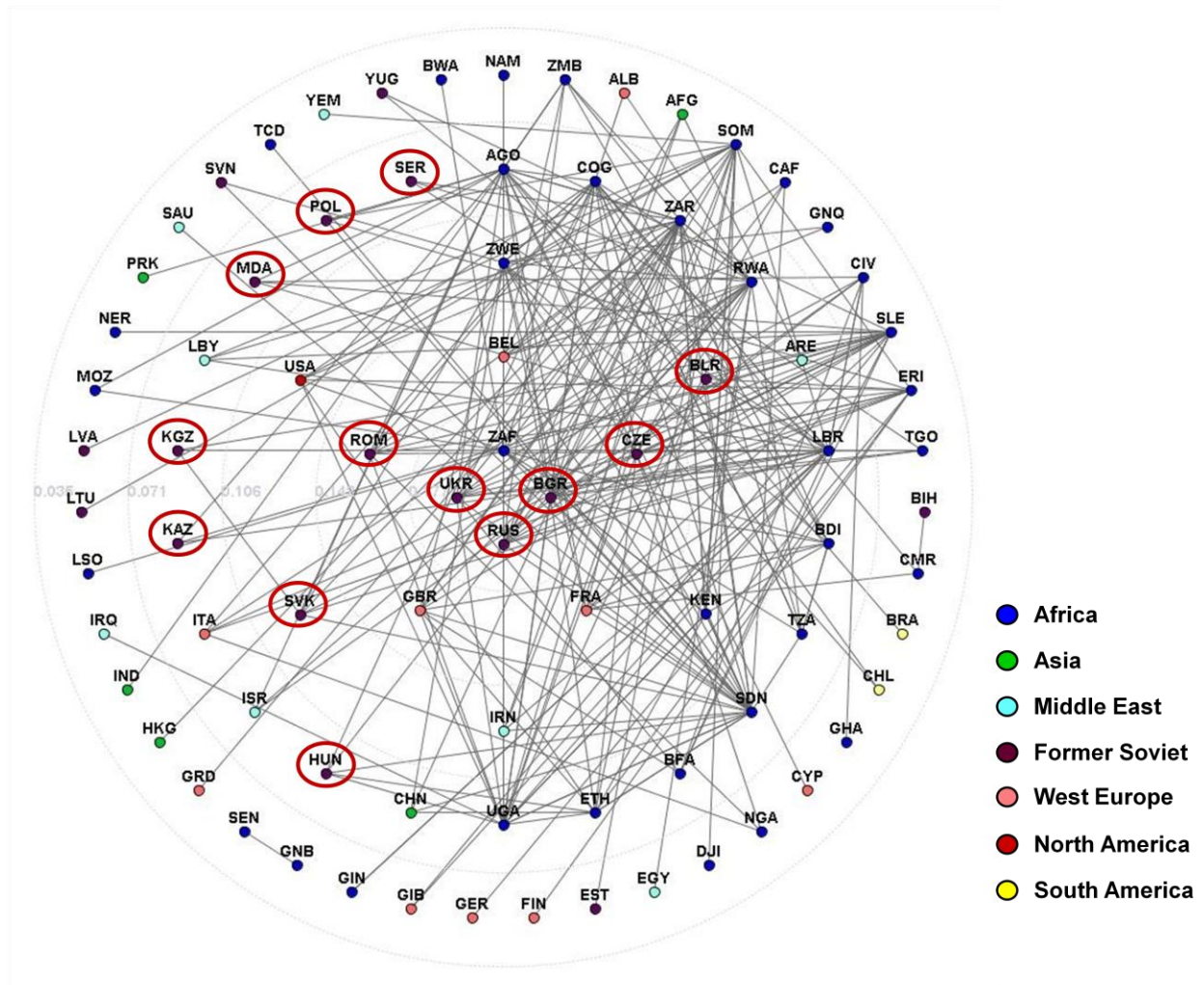


Figure 5 Africa's Illicit Arms Trade: Exporter Centrality