1. Introduction

‘This is where we take the drugs across’, the smuggler explained, pointing at a spot at the narrow river called Golok that separates Thailand from Malaysia. It was getting dark but I could make out small boats crossing the river, transporting all kinds of goods: drugs, but also big bundles of t-shirts, canisters of petrol, cigarettes, migrant workers, and local people who just want to have a drink after work on the other side. The border is almost invisible and the cross-border economy is vibrant.

Armed soldiers sitting on plastic chairs languidly watched the bustle on both sides of the river. We were in Thailand’s Narathiwat Province, the country’s ‘Deep South’, an area with an active armed independence movement that is subject to frequent attacks. Not far from the tourist destination Phuket, the Thai army appears to be at war. Here there are checkpoints every few kilometres on the road and heavily armed soldiers wearing balaclavas and dressed all in black roam around. Since 2004, more than 7,000 people have been killed in Thailand’s Deep South.

Transnational crime and armed conflict seem to be a good match. They often make headlines together: ‘Congolese blood diamonds’, ‘Afghan opium’ and ‘made-in-Myanmar meth’. Such reports depict conflict zones as ‘ungoverned’ spaces where insurgents and criminals cannot be distinguished. Scholars and policy-makers extensively discuss what they call the ‘conflict–crime nexus’. Prominently, Collier and Hoeffler (2000; 2004) claim that most armed groups are driven by greed rather than grievance, making them similar to organised criminal groups. Meanwhile, studies on ‘terrorism’ describe the phenomenon as deeply intertwined with transnational crime (e.g. Shelley, 2014). However, the empirical basis for such discussions remains thin, not least because of the difficulties of collecting data in such areas.

We have limited knowledge of how armed conflict and transnational crime connect and affect one another. In particular, we know little about the role insurgents play in the smuggling economies of conflict zones. In the case of Thailand’s Deep South, for example, state authorities commonly accuse the insurgency of driving the drug trade. But do conflict

zones really attract transnational crime? And do non-state armed groups¹ actually finance their activities by smuggling goods such as drugs?

Driven by such questions, this book sets out to explore the links between armed conflict and transnational crime through an analysis of the smuggling economy in borderlands that are characterised by armed conflicts. Smuggling takes place in borderlands, and also armed conflict is widespread in these areas, which often appear to be remote and far away from the central state. This book investigates whether crime and conflict gather in such areas simply because of conditions that draw them both, or whether their relationship is more symbiotic.

Drawing on extensive field research, the chapters that follow will investigate and compare the dynamics of four border areas in Southeast Asia: the borders of Thailand and Malaysia, Myanmar and China, Bangladesh and Myanmar, and the maritime border region of Indonesia, Malaysia and the Philippines. It explores the perspectives of the various involved actors, including the armed groups, the smugglers and the victims of the conflict. While policy-makers are particularly concerned with the smuggling of drugs and other illicit goods, this book considers the smuggling of all types of goods, including ordinary consumption goods such as rice that matter much for the local economy and the communities in the borderlands. It also pays close attention to the smuggling of people.

This book's findings challenge common views on the conflict–crime nexus. While, for instance, a common narrative states that insurgents and rebels largely drive smuggling activities in conflict zones, state actors often play a much more prominent role in the smuggling networks that operate in Southeast Asia's borderlands. The book offers a nuanced understanding of armed groups and their involvement in the smuggling economy that goes beyond the narrow focus on their economic motives.

Just like states, non-state armed groups are political authorities, actors that exercise social control and have a structuring influence on societies.² Political authorities, states and non-state armed groups alike have to consider and balance a number of factors that will ultimately shape their involvement in the smuggling economy. Particularly important are the extent of territory an authority controls and the sources of its legitimacy. An authority that controls the monopoly of force in a certain territory and can therefore protect smugglers is a more attractive business partner for transnational criminal networks than one that operates underground and has limited opportunities. Meanwhile, an authority that wants to build local legitimacy and support is likely to limit its involvement in smug-

gling activities to those that are not considered to be harmful locally. Non-state armed groups often lack territorial control and rely on local legitimacy. Not only does this make them less attractive to smuggling networks; being concerned about how they are perceived locally, they may well want to limit their involvement in smuggling activities. State authorities, which usually control territory and are often less dependent on local legitimacy, are less constrained.

SMUGGLING ECONOMIES

We often associate smuggling with ungoverned spaces and conflict zones, deserts and remote mountain paths. But smuggling can occur anywhere; in 2019, two Australian farmers were sentenced to several years in prison for smuggling pig semen from Denmark to Australia in shampoo bottles. Danish pigs produce considerably more piglets a year than Australian ones, but biodiversity guidelines prohibit the use of foreign semen to breed livestock in Australia.

Whether it is tunnels, holes in border fences or shampoo bottles, we think of smuggling as activities that are intended to avoid detection through states at their borders. The idea of smuggling is closely tied to the concept of the nation state, which is defined by its territory and the borders that demarcate it. Smuggling needs the state and is defined in its opposition. Without states and its borders there would be no smuggling. Drawing on Andreas's (2009) definition, smuggling can be viewed as 'all cross-border economic activity that is unauthorised by either the sending or receiving country' (p.15). Indeed, border divisions and state guidelines about what can cross them, as well as what goods that do cross carry customs duties, turn trade into smuggling. People who avoid these custom duties or, like the Australian pig farmers, bring goods across the border that are declared to be illegal, are considered to be smugglers or traffickers.

Historically, the concept of smuggling evolved and flourished together with nation states around the world. The first known written instance of the word 'smuggler' refers to activities undertaken in the context of the English civil wars 1642–49 (*ibid.*), at the same time when Europe was being divided into nation states through the Treaty of Westphalia in 1648. Today, in a world that is defined by nation states and borders, smuggling is an important part of the global economy. Anything may be smuggled, from cooking oil to methamphetamines, from refugees to human trafficking victims. However, what is legal or illegal, licit or illicit – and, hence,

what is considered to be trade or smuggling – can vary substantially from country to country. For instance, in a time when many countries are relaxing their laws around drugs, in many Southeast Asian countries drug traffickers still face the death penalty.

Andreas's (2009) exploration of the US–Mexico border concludes that the main drivers of which goods are smuggled are 'laws and consumer demand' (p.17). Specifically, he finds that tariffs and taxes play a key role for smuggling activities as they determine their profit margin. If tariffs are high, smugglers prefer smuggling legal commodities, trying to evade the tariffs. If tariffs are low and there is little money to be made from smuggling legal goods, smugglers instead prefer to smuggle goods that are considered to be illegal. However, even when tariffs are low, legal goods with high taxes, such as alcohol and cigarettes, are profitable commodities for smugglers (*ibid.*).

Looking at smuggling beyond the borders of Europe and the US, Meagher's (2014) work on smuggling in West Africa shows that ideologies rather than empirical research have shaped our understanding of smuggling, criminalising ordinary cross-border trade that is usually peaceful. The empirical research on smuggling that has been conducted in North and West Africa illustrates that these practices can be best explained by looking at them as ordinary trade, rather than as criminal or subversive activities. For instance, Scheele (2012) describes the somewhat democratic nature of smuggling networks in Algeria and Mali, where trucks transport all types of licit and illicit goods across the Sahara. According to her analysis 'anybody with a four-by-four, some initial capital, and enough cousins along the road can become a carrier or else trade on his own account' (p.107). Gallien's (2019) analysis of smuggling routes in North Africa demonstrates that smuggling is not 'unregulated'. He finds a 'dense network of informal institutions' that determine which goods, at what cost, and in what quantity travel particular routes (p.1). Soto Bermant (2015) concludes that such common informal economic practices should not be mistaken for anti-state resistance, arguing that it is 'only from the point of view of the state that economic activities outside its control appear inevitably subversive' (p.264).

Smuggling is often associated with 'big business' and famous drug traffickers like Pablo Escobar or Joaquín 'El Chapo' Guzmán. But smuggling is often not organised in a centralised manner. Individual smugglers and smuggling businesses are part of the wider smuggling economy, being connected through institutions and networks of people, just like in a formal economy. Smugglers follow the demands of the

market and structure their business like legal companies do and thus may compete with each other (see Andreas, 2009, p.21). The level of organisation in the smuggling economies varies considerably, depending especially on a state's enforcement practices and the type of 'commodity' that is smuggled (ibid., p.20). 'Tough enforcement' policies on a certain good or at a certain border make the smuggling business more difficult. However, the reduced supply also increases the profit margin for smugglers, making the business more attractive. Hence, such policies tend to increase the level of organisation and monopolisation of the smuggling economy, pushing smaller smugglers out of the market and increasing the opportunity for more organised and powerful groups.

It is not just goods that are smuggled. At a time when more and more states become closed off and hostile to migrants, borders have become increasingly difficult for people to cross legally. According to estimates of the United Nations Office on Drugs and Crime (UNODC, 2018a), more than 2.5 million migrants were smuggled in 2016. Some become victims of human trafficking, which is based on threat, the use of force or other forms of coercion, fraud or deception (ibid.).³ As Feingold states, trafficking is 'often migration gone terribly wrong' (2013, p.214). Large numbers of people get killed every year while trying to cross borders. For instance, the International Organization for Migration (2019) estimates that more than 11,500 people alone died in the Mediterranean between 2014 and 2018, trying to get to Europe.

The need to be 'permitted' to cross an international border is a fairly recent phenomenon. While the first travel documents in Europe were probably issued during medieval times, passports and visas only became a widespread and enforced policy on the European continent at the beginning of the First World War. Torpey's (2000) work demonstrates how the administrative use of passports and identification papers enabled states to monopolise the legitimate means of movement. In his autobiography *The World of Yesterday*, the Austrian writer Stefan Zweig (1943, p.410) describes this as an enormous loss, an 'immense relapse' and 'diminution' of 'civil rights', lamenting, 'Before 1914 the earth had belonged to all'. He explained:

[I]t always gives me pleasure to astonish the young by telling them that before 1914 I traveled from Europe to India and to America without a passport and without ever having seen one. One embarked and alighted without questioning or being questioned, one did not have to fill out a single of the many papers which are required today. The frontiers which, with their customs officers, police and militia, have become wire barriers thanks to the patholog-

ical suspicion of everyone against everyone else, were nothing but symbolic lines which one crossed with as little thought as one crosses the Meridian of Greenwich.

But it was even more recently that the idea of ‘illegal migration’ rose to prominence. According to Andersson (2014), who investigates how the people smuggling industry at Europe’s borders functions, it was not until the 1970s oil crisis and the following economic stagnation, which reduced the demand for labour, that this terminology took on broad importance in the USA and Europe. He points out that the term ‘illegal immigration’ is not just pejorative but also incorrect, implying that migrants are criminals even though migration is not a criminal act (p.17). However, governments increasingly try to criminalise immigration, a trend that García Hernández (2014) calls ‘crimmigration’. Italy even attempted to criminalise the rescuing of drowning migrants in the Mediterranean Sea as a form of assisting illegal immigration in 2019.

This trend is not limited to the USA and Europe, but also affects other regions of the world. Brachet (2018) illustrates how attempts of European countries to fight ‘illegal immigration’ resulted in the tightening of border controls across Northwest Africa. As a consequence, the irregular but highly visible travels across borders that used to be the norm and had existed in the region for decades were replaced by ‘specialized passenger transport as a clandestine activity’. He concludes that it was ultimately EU migration policies that produced the migrant smuggling economy, increasing the travel costs for people and criminalising bus drivers by viewing them as smugglers or traffickers.

Looking at the US–Mexico border, Sanchez’s work demonstrates that most ‘smugglers’ are ordinary people, not profit-driven criminals, who ‘hope to improve the quality of their lives and that of their families’ (2015, p.6). However, just like in the context of smuggled goods, increased prosecution has resulted in a growing professionalisation of how people smuggling works. According to Slack (2019, p.159) fewer people in Mexico now rely on guides from their hometown, who take groups of friends across border once or twice a year, but instead use guides whose primary source of income is the smuggling of migrants and who cross the border on a more regular basis.

Driven by policies on ‘illegal immigration’, the business of smuggling people has become very lucrative. UNODC estimates that it created an income of US\$5.5 to 7 billion for smugglers in 2016 (2018a, pp.22–3). But it is not just the smugglers who benefit. Andersson’s (2014) work on

migration from Mali and Senegal to Spanish enclaves in North Africa shows how governments, security forces, aid organisations, and private companies profit from the funds that flow into the management of irregular migration.

In this book we will encounter a wide range of smuggling practices, of licit and illicit goods, of people smuggling and human trafficking. Most of the smuggling activities in Southeast Asia are best understood as ordinary economic activities of border communities. People use irregular border crossings to get to work, to find a new job or to meet friends; rice that is cheaper on one side of the border is smuggled to the other side. These local transnational dynamics are paralleled by the flows of goods and people across multiple countries and borders. Cigarettes from the Philippines are smuggled to Thailand; methamphetamines from Myanmar's Shan State are distributed across the region; Rohingya refugees from Rakhine State are smuggled via Bangladesh and Thailand to Malaysia and often end up being trafficked. Often borders are porous so that the level of monopolisation is low in many sectors of the smuggling economy, particularly with regard to the smuggling of daily consumption goods. Nonetheless, smuggling is not only a source of income for the smugglers; the authorities in Southeast Asia also benefit in many ways from these activities.

WAR ECONOMIES

As states are the ones setting the scene for the smuggling economy – providing smugglers with opportunities by declaring goods illegal, by imposing high tariffs or by charging high taxes while attempting to limit their activities through law enforcement and border control – conflict zones could be wonderlands for smugglers. Armed conflicts tend to reduce local production and increase the prices for goods while weakening the state and limiting its capability to control its territories and borders. Hence, conflict zones seem to create the space for a flourishing smuggling economy.

While this is partly true, it has to be seen in the context of a generally different type of 'order' that characterises conflict zones. Wars are commonly viewed as a transition phase in which one party wins against another and establishes a new political order. And, indeed, wars played an important role in the formation of nation states in Europe, a process of monopolising force, legitimacy and economic means in a certain territory that ultimately resulted in what we would describe as a state today (see

e.g. Elias, 1982 [1939] and Tilly, 1992). However, today's armed conflicts often are stable political and economic orders in themselves. Different political authorities – such as, most prominently, the state and non-state armed groups that oppose the state – compete over control and influence. But despite the competition on the surface-level, these conflicts are often underpinned by vested interests. Scholars such as Kaldor (2012) and Keen (2008) illustrate how many wars and conflicts appear to have become 'endless' because they provide economic opportunities and therefore incentives to continue the war. While Collier and Hoeffler (2000; 2004) argue that conflicts are driven by greedy rebels, Keen (2012) points out that also state actors' greed is an important driver of conflict.

Kaldor shows the range of opportunities for armed actors during conflicts, including not just looting but all kinds of 'taxes' and 'fees', for instance on humanitarian aid, at checkpoints and on various forms of illegal trade (2012, pp.107–13). Such a war economy or 'clandestine political economy of the war' (Andreas, 2004, p.30) can become fairly stable. It turns wars into what Kaldor (2012) calls 'mutual enterprises' between the conflict parties, where the goal is not winning but continuing violence in order to maintain the established war economy that benefits primarily the armed political authorities.

In such a context, ordinary people are often pushed into what Goodhand (2003, pp.3–4) describes as a 'coping economy', requiring them to diversify their economic activities in order to survive. We have gained a particularly detailed understanding of how war economies function through research on Afghanistan. For instance, Goodhand's analysis shows that while the international community tends to focus on drug smuggling, the smuggling of other commodities in Afghanistan generated much more revenue in the 1990s (2005, p.199).

A strand of literature has evolved that investigates governance in territories that are characterised by a low degree of monopolisation of force, the politics and economics of what is sometimes called 'wartime orders' and 'governance in areas of limited statehood'. Smuggling certainly is an important sector of wartime economic orders, particularly in borderlands. During wars many people rely on it to help them to escape from violence and conflict-induced instability and poverty. Smuggling affords people access to vital goods that cannot be produced locally under conflict conditions and provides them with a source of income when there are few other employment options.

In a way, the assumption of the war zone being a smugglers' paradise appears to be correct. But what role armed groups, both state actors and

non-state actors, play in the smuggling economy of conflict zones and how their activities relate to those of normal smugglers remains little understood. It is a common assumption that especially non-state armed groups generate considerable revenues from the smuggling economy. This idea has become dominant in the policy discourse, particularly the debates surrounding the conflict–crime nexus, driven *inter alia* by studies of terrorist groups and networks. For instance, Shelley (2014) describes how ‘entangled’ terrorism and transnational crime are, with terrorist groups generating revenue through criminal activities such as kidnappings, the smuggling of drugs, human trafficking and arms trade. But global terrorist networks that want to create instability are a very different type of actor to local non-state armed groups in conflict zones that want to govern and establish control.

A rising field of research is concerned with how such non-state armed groups govern (see e.g. Ahmad, 2017; Arjona, 2016; Bojicic-Dzelilovic and Turkmani, 2018; Brenner, 2019; Idler, 2019; Jackson, 2018; Mampilly, 2011; Thakur and Venugopal, 2018). Their work shows that non-state armed groups differ from criminal groups, as they are a form of political authority, often with sophisticated state-like governance structures, providing services, collecting taxes and maintaining international relations. Nonetheless, there is evidence that some non-state armed groups do benefit, at least indirectly, from the smuggling economy. For example, Jackson’s (2018) work on Afghanistan’s Taliban shows that the group generates a considerable amount of revenue through local taxes, which also includes a tax on the production of opium that is later smuggled out of the country. Similarly, the Revolutionary Armed Forces of Colombia (FARC) charged a tax on coca production in areas they controlled. In the Democratic Republic of the Congo (DRC), non-state armed groups more directly finance some of their activities through cigarette smuggling (Titeca et al., 2011).⁴

So what does the conflict–crime nexus actually look like? Do political authorities follow the same business-minded rationale as smugglers? Do non-state armed groups benefit substantially from the smuggling economy? And what affects an authority’s level of involvement and the type of smuggling they become involved in? Responding to such questions, this book sets out to gain a more systematic understanding of the role political authorities, state actors, and non-state armed groups play in the smuggling economy of conflict zones. It does so through a comparative study of borderlands in Southeast Asia that are characterised by armed conflict.

Southeast Asia is well suited for this kind of analysis. Not only are long-standing armed conflicts widespread in the region, there also are numerous armed groups. In Myanmar alone, various non-state armed groups are at war with the military. Some conflicts and episodes of violence in Southeast Asia have gained broad international attention, such as the large-scale displacement of Rohingya in 2017. Other conflicts take place outside of the limelight, such as the violence in the south of Thailand. The analysis shows that non-state armed groups are not a homogeneous type of actor. For example, the Kachin Independence Army (KIA) in Myanmar is fighting the production and smuggling of drugs while generating substantial revenue from taxing the extraction and export of national resources. Meanwhile, Barisan Revolusi Nasional (BRN) in Thailand appears to play almost no role in the smuggling economy at all. However, the analysis also illustrates that it is often state actors who benefit from the smuggling economy much more than supposedly greedy non-state armed groups.

CONCEPTUAL FRAMEWORK AND FINDINGS

The empirical chapters of the book illustrate that there are three key factors that shape the consideration of political authorities – both as groups or organisations and as individuals who are part of these organisations – whether and in what role to get involved in the transnational smuggling economy of conflict zones.

1. Incentive to Smuggle: Funds & Supply

The first factor is the economic incentive to smuggle. The most obvious incentive for an authority to get involved in the smuggling economy is to make money. Smuggling is a way to garner funds, for groups in the form of revenue, and for individual members as a source of personal income. This is done either through direct involvement or, more indirectly, from taxing smugglers or charging them fees. Groups with other sources of revenue, such as external financial support, may have a lower incentive to earn money this way.

Beyond access to funds, participating in the smuggling economy may also be necessary to ensure access to vital funds and supplies, goods that are difficult to obtain otherwise. This is particularly the case for non-state armed groups – simply due to their lack of international recognition. While states can legally import goods, most of the cross-border economic

activities of non-state armed groups may be considered ‘illegal’ and categorised as smuggling, even when such groups control territory and are *de facto* states. But non-state armed groups, like states, still need supplies, including weapons, which cannot be sourced locally. Beyond weapons, non-state armed groups may, for instance, also have to smuggle their own fighters across international borders, either because they control the borderlands themselves and cannot acquire the necessary documents from the state that they are fighting or because they have to avoid detection from the state actors that are in control.

2. Ability to Smuggle: Territorial Control

The second factor is the ability to get involved in the smuggling economy, which ultimately depends on an authority’s power and influence, most importantly manifested in its territorial control. While there are incentives for almost all authorities to get involved in the smuggling economy, those authorities that control territory in borderlands and parts of a border, or at least important bottlenecks on the way to the border, have the opportunity to be involved in the smuggling business on a considerably larger scale than those that do not. They can easily transport, or facilitate the transportation, of goods or people across the border to or from neighbouring countries. Similarly, on the individual level, employees or fighters of a political authority that controls territory have more opportunities to get involved in smuggling than those who support authorities with less control.

This, in turn, makes authorities that control territory in borderlands attractive partners to smuggling networks. Furthermore, working with such an authority reduces the risk involved in smuggling as it has the capability to protect smugglers and provide them safe passage. Conversely, political authorities that do not control territory and operate underground have to avoid detection from the authority that is actually in control, limiting their ability to smuggle goods or be valuable partners in smuggling networks.

3. Obstacle to Smuggling: Legitimacy & Accountability

The third and final factor is political. Authorities may need to construct local legitimacy, which usually limits their involvement in the smuggling economy. Drawing on Weber, legitimacy can be seen as a source of authority. It ensures voluntary obedience to social control and can be con-

trusted with coercion, the second main source of authority (see Weigand, 2015; 2017). People bestow legitimacy based on their own needs and values.⁵ In order to construct legitimacy, authorities have to implement measures that match people's expectations. Addressing people's needs results in instrumental legitimacy, which can offer short-term support. Meanwhile, addressing people's value-based expectations results in substantive legitimacy that offers more stable, long-term support (*ibid.*).

The need to build legitimacy can vary from authority to authority, depending, among other factors, on its resources and the extent of external support.⁶ In order, for instance, to recruit supporters for its armed forces, an authority either needs substantive legitimacy or be considered a cause worth fighting for, offering prestige and social recognition. Alternatively, an authority may be able to 'buy' support in the short term, drawing on instrumental legitimacy by providing a good salary, and it can coerce people into fighting for them.

Authorities that are not limited by legitimacy considerations can get heavily involved in the smuggling economy to generate as much revenue as possible and fund their expensive coercive rule.⁷ Authorities that seek local legitimacy have to limit their visible and locally known involvement in activities that are considered to be 'bad' or harmful locally, including in the smuggling economy. What is considered to be harmful and legitimate may vary across contexts, depending on people's needs and values. This organisational interest of a political authority translates to the individual level of employees and fighters throughout the hierarchy, which ensures accountability on the local level. For instance, drug smuggling and human trafficking are often perceived as harmful, making it difficult for an authority to be involved in it without risking its substantive legitimacy being undermined, requiring it to address cases of corruption in its own ranks that enable such activities or to hide them at a high risk. Conversely, not charging additional fees on smuggled daily consumption goods and ensuring the cheap import of goods from neighbouring countries – thereby tolerating smuggling activities – may even help to build instrumental legitimacy.

While this is by no means an all-encompassing theory, as there may be additional aspects to consider in certain cases, these factors do offer a good understanding of why different authorities play different roles in the smuggling economy. Ultimately, any political authority must consider all three factors, whether it is aware of it or not, and the balance it strikes shapes its role in the smuggling economy. This is complicated by the fact that the dimensions are dynamic and connected to each other. For

example, controlling territory enables an authority to generate revenue through other means, such as, in particular, taxes. Despite having access to the smuggling economy it lowers the incentive to enter it, potentially jeopardising local legitimacy that an authority needs to maintain control and collect taxes. Meanwhile, a lack of legitimacy can, to some extent, be compensated with money that can be generated through a more extensive involvement in the smuggling economy, which, however, further undermines the authority's legitimacy.

TYPES OF AUTHORITY

Drawing on the three factors shaping an authority's involvement in the smuggling economy we can develop four ideal types. Ideal types are a heuristic conceptual tool that over-emphasises key characteristics of complex social constructs that we want to describe, highlighting the 'extremes' to develop a black-and-white typology. Drawing on Weber, an ideal type is best understood as a utopia that 'cannot be found empirically anywhere in reality' (1949 [1904], p.90; see also Friedrichs, 2010). Nonetheless, such ideal types can help us to describe and explain empirical phenomena and, in our case, to roughly categorise authorities in the following empirical chapters.

In our given case, I consider all authorities to have an incentive to be involved in the smuggling economy – to import necessary goods and/or simply to generate funds. The two factors that are therefore crucial in determining an authority's role are its ability to be involved through its territorial control and the limiting political consideration of local legitimacy.⁸ Hence, we can distinguish four types of authority (Table 1.1), each playing a distinct role in the smuggling economy.

Table 1.1 Types of authority

	Legitimacy +	Legitimacy –
Territory +	Legitimacy-Seeking Ruler	Legitimacy-Indifferent Ruler
Territory –	Legitimacy-Seeking Rebel	Legitimacy-Indifferent Rebel

While controlling territory and therefore being able to get involved in the smuggling economy easily, the *legitimacy-seeking ruler* is concerned about its local legitimacy. Hence, this type of authority limits its involve-

ment in the smuggling economy to activities that are not considered to be harmful locally. It may be involved in smuggling activities that are locally accepted.

The *legitimacy-seeking rebel* does not control territory but wants to build, maintain or enhance its local legitimacy. Lacking the ability to have significant involvement in the smuggling economy and being further limited by legitimacy considerations, this type is a marginal player in the smuggling economy. Rebels of this type are most likely to be involved in smuggling primarily to obtain important supplies.

The *legitimacy-indifferent ruler* is in control of territory but is not concerned with its local legitimacy. Such rulers have no compunction about exploiting people and territory and can do so effortlessly. Such an authority may be involved in any type of smuggling business on a large scale, either directly or indirectly through taxes and fees.

The *legitimacy-indifferent rebel* does not control territory nor does it attempt to build local legitimacy. Its involvement in the smuggling economy is therefore only guided by economic needs and interests. Usually, driven by purely economic concerns, it focuses on exploiting people and territory as much as it can. Not aiming for social control, this type is similar to the idea of a 'greedy rebel' (e.g. Collier and Hoeffler, 2000; 2004) that is better viewed as a criminal group than a political authority.⁹

The four types are analytical ideals, and as such no authority in an empirical case will perfectly fit any of them. However, the ideal types nonetheless allow us to position authorities on a spectrum between these extremes. While the ideal types are static, empirical authorities may change their characteristics over time. Generally speaking, these ideal types can be used to categorise any political authority. Nonetheless, they are more suited to the analysis of armed groups than conventional state actors. While state actors typically (though not necessarily)¹⁰ are 'rulers' that control territory, armed groups may cover the entire spectrum of ideal types.

METHODOLOGY

I set out to gain a better understanding of the relationship between conflict and crime and the role political authorities, especially non-state armed groups, play in the smuggling economy. For that purpose, I con-

ducted comparative research in four border regions of Southeast Asia, which serve as case studies:

1. Thailand–Malaysia (land border)
2. Myanmar–China (land border)
3. Bangladesh–Myanmar (land border)
4. Indonesia–Malaysia–Philippines (maritime border)

I conducted more than 100 interviews in the borderlands of Bangladesh, Myanmar, Thailand, Malaysia, Indonesia and the Philippines in 2017/18, talking to members and supporters of non-state armed groups, smugglers, government officials, civil society activists, victims of the conflicts, and people who were smuggled or trafficked. Hence, this book provides detailed insights into the perspectives of the various parties that are involved in and affected by armed conflict and transnational crime and enables us to approach the topic from different viewpoints, including a political one set around the conflict dynamics and an economic one set around the smuggling.

The interview questions were open-ended and set around the topics ‘armed conflict’, ‘non-state armed groups’, ‘smuggling of goods’, ‘smuggling of people’, and ‘role of state officials’. Building on the statements on these topics, links, overlaps and connections between the topics were identified. To protect the interviewees their statements have been anonymised. The interviews were complemented by ethnographic observations, offering thick descriptions and detailed insights into the local dynamics. In addition, I drew on conversations with experts and on secondary sources, such as reports, media reporting, and academic publications.

It was not possible to verify or triangulate all individual claims made in interviews. It comes with the territory, research on crime and research in conflict areas, that access is often difficult and information is contested. Hence, interviewees’ perceptions as well as my own should not be uncritically viewed as objective facts and some empirical insights stated in this book may have to be revised in the future on the basis of further information. However, the comparative character and the work across four border regions support robust conceptual and theoretical conclusions.

Figure 1.1 Southeast Asia¹¹

OUTLINE

The following chapters will explore the conflict dynamics and smuggling economies in the four Southeast Asian borderlands, paying particular attention to the role of armed groups in the smuggling economy (Figure 1.1). Each chapter is structured in a similar way and can be read as an independent analysis, without requiring an understanding of the other case studies. I will first provide background information on the area's conflict dynamics, shedding light on the main conflict parties, before investigating the local smuggling economy, considering both the smuggling of goods and the smuggling of people. Then I will have a more detailed look at how smuggling and armed conflict connect, and investigate general links as well as the specific roles of state and non-state actors in the smuggling economy. Finally, I will develop conclusions on the conflict–crime nexus in each border region and, drawing on the ideal types, explain the role of armed groups.

Chapter 2 looks at the border between Thailand and Malaysia, where violent conflict has been ongoing for more than 50 years. Insurgency groups like the Barisan Revolusi Nasional (BRN) are fighting for independence. While this conflict experienced a spike in violence around 2007, hundreds of mainly small attacks continue to take place every year. In addition to the conflict, the border is home also to a vibrant smuggling economy. It is a major regional transit route for the smuggling of licit and illicit goods, including drugs.

Myanmar's northern Kachin and Shan States, in close proximity to the Chinese border, are the subject of Chapter 3. The Kachin have the Kachin Independence Army (KIA), one of the most prominent ethnic armed organisations in Myanmar, with an estimated 10,000 troops. In Shan State groups such as the Ta'ang National Liberation Army (TNLA) are active. Myanmar is also one of the main countries of origin of illegal drugs, natural resources, migrant workers, and trafficked people in the region, much of which are smuggled across the border into China.

In Chapter 4, I will examine a protracted episode of violence in August 2017 that resulted in the displacement of more than 700,000 Rohingya refugees from Myanmar, who crossed the border into Bangladesh. A number of non-state armed groups are active in the area, most prominently at the time the Rohingya insurgency group Arakan Rohingya Salvation Army (ARSA). The large number of refugees who wanted to cross the Naf river from Myanmar to Bangladesh was an opportunity

for people smugglers. The river is also a major smuggling route for licit goods, including daily consumption goods such as instant coffee, as well as illicit goods. Drugs, which are produced on a large scale in Myanmar's Shan State, are smuggled across the river into Bangladesh.

Different types of non-state armed actors are also active in the maritime border region of Indonesia, Malaysia and the Philippines, the subject of Chapter 5. In Mindanao, in the south of the Philippines, organised non-state armed groups fight for more regional autonomy of the Moro people. Meanwhile, other non-state armed groups, particularly the Abu Sayyaf Group (ASG), have more criminal motives. In Indonesia, more extremist networks, some linked to the Islamic State, conduct attacks that are often directed against civilians. But the area is also home to a flourishing smuggling economy. Because of its maritime character and large size, including many small islands, the area is difficult to patrol, rendering it a popular smuggling route for all goods as well as many migrant workers who try to find work in Malaysia.

In the concluding chapter I will compare the findings from the four empirical chapters, identifying general trends and overarching themes. I will show that even though there is a conflict–crime nexus, there is also a striking conflict–crime disconnect. Finally, drawing on the outlined conceptual framework and ideal types, I will explain the involvement of different political authorities in the smuggling economies of conflict zones, particularly the dominance of state actors over non-state actors.

NOTES

1. Non-state armed groups are also often called rebels or insurgents. I use the terminology interchangeably in this book as different labels are commonly applied to these actors in different countries across Southeast Asia. There are certain drawbacks with all three terms. The term 'insurgency' is commonly associated with military language and 'counter-insurgency' measures, implying that the group is illegitimate. The word 'rebellion' does not capture all contexts as not all groups fight against the state; for instance, a group may be primarily driven by monetary considerations, nor is a rebellion necessarily violent. Describing these actors as 'non-state' might also be considered unsuitable by many, including the groups themselves, as they usually aspire to gain independence and to be states. Furthermore, they often already control territory and govern populations, hence, *de facto*, are states. However, as they lack international recognition as *de jure* states we can nonetheless consider them to be 'non-state' actors.
2. My understanding of authority rests on Weber's work who defines it as 'the chance of a specific (or: of all) command(s) being obeyed by a specifiable

group of people' (1980 [1921], p.122). Drawing on this definition I view authority as the ability to achieve obedience. Authority does not require territorial control and competing authorities may exist in one territory. In a political context, typical authorities are the state as well as non-state armed groups. However, also elders or religious figures can be political authorities (see Weigand, 2017).

3. According to the *Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime*, Article 3, Paragraph a, "“Trafficking in persons” shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.’
4. The role non-state armed groups play in the economy is important for how they are perceived locally. For example, Ahmad’s (2017) work on views and preferences of business communities in conflict zones shows that these communities often support Islamist groups over other armed groups, assuming that their governance would result in lower costs and taxes.
5. This empirical understanding of legitimacy is based on the needs and values of the local population, not on the understanding of what I or other outsiders think is right or wrong.
6. An authority’s relationship with the local population – both in terms of revenue generation and legitimacy – vis-à-vis its ability to draw on external funding and legitimacy is particularly important.
7. While most authorities combine substantive and instrumental sources of legitimacy, others may exercise social control almost exclusively through coercion and/or instrumental legitimacy, for example, offering money to some and suppressing the rest. However, such a strategy does usually not offer stable governance and is expensive to maintain. It requires sufficient financial resources or a high degree of external legitimacy resulting in extensive financial and/or military support from another authority.
8. When considering legitimacy in this context I am not measuring the extent of an authority’s political control (see e.g. Thakur & Mampilly, forthcoming) or an authority’s public perception. Instead, I am looking at the need to build legitimacy from the authority’s point of view as something it has to be concerned about – or not (see Weigand, 2015, for a discussion of the different dimensions of legitimacy).
9. At the same time, externally funded groups may limit their involvement in the smuggling economy. For example, this could be small terrorist groups or networks that operate underground and have no need to generate revenue as they are externally funded through the umbrella organisation. In addition, they usually lack human resources and want to avoid unnecessary risks.

Instead of trying to gain territorial control or building local legitimacy, they aim at creating instability through violence. Their role in the smuggling economy will be shaped by their needs only, such as the smuggling of weapons that are necessary for attacks. Such actors are not connected to the wider local population. They have neither the need to generate additional revenue, nor an interest in controlling territory, nor a concern about local legitimacy.

10. State actors are usually rulers; however, in a given borderland they may not have local control of territory. Hence, the ideal types can also be used for the analysis of state actors.
11. All maps by Grace Fussell.