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Coordinating a Global Strategy for the International Arms Trade

Globalization has allowed the international arms trade to circumvent state-based arms transfer controls and put more weapons into more hands than ever before. To mitigate these challenges, Rachel Stohl thinks the international community should develop a multi-layered strategy that tackles irresponsible and illicit arms transfers.

By Rachel Stohl for ISN

On 17 July 2014, Malaysian Airlines Flight 17 crashed while flying over eastern Ukraine. While the specific details of the crash remain unclear, it is believed that the commercial airliner was struck by a surface-to-air anti-aircraft missile of Russian origin, presumably fired by pro-Russian separatists in the conflict-stricken area near Donetsk. While the tragedy represents a considerable escalation in violence and casualties resulting from the conflict, it also highlights the fatal effects that can stem from irresponsible arms transfers.

The Malaysian Airlines disaster also exemplifies the complexities of the international trade in conventional weapons. In today's globalized environment, weapons are more accessible to a large number of different actors, through both legitimate and illegitimate means. Conventional arms include weapons used lawfully by national governments for national defense and security, by police, for sport and hunting activities, and even for personal security. As such, conventional arms, unlike nuclear weapons, are legitimately traded commodities on open markets.

Globalization has facilitated the development of weapons systems that are increasingly comprised of components acquired from all over the globe, involving multi-national companies operating in multiple countries, using resources and capacities of even more countries just as with other trafficked goods, such as weapons of mass destruction, wildlife, or people. This globalized arms development, procurement and transfer process has moved faster than traditional, state-based arms transfer controls have been able to adapt, making it easier to circumvent diverging national controls and readily putting more weapons in more hands than ever before. To mitigate these challenges, the international community – which includes governments, international and regional organizations, civil society, and private industry – must employ a multi-layered strategy to combat the irresponsible and illicit conventional arms trade.

A global arms trade

Every country is involved in some aspect of the roughly \$85 billion (in 2011) and growing

international conventional arms trade – from tanks and aircraft, to guns and mortars – be it as an exporter, importer, transshipment state, or final destination. Three distinct aspects of the global trade complicate the regulation and control of conventional arms.

- **Linkages between legal and illicit:** The legal trade of conventional weapons is inextricably linked to illicit arms transfers. Although legal ambiguities and intentional or unintentional loopholes in national legislation may make it difficult to categorize a sale as purely legal or illicit, nearly all illegal arms sales begin as legal transactions. Further complicating control efforts, some arms sales may be legal under one country's national laws but violate international standards or even humanitarian or human rights law. Often these weak or unclear national laws and practices – which contribute to increased risk of diversion, theft, looting, and corruption – allow legal arms to move quickly and easily to the illicit market, using the tools of globalization to circumvent controls.
- **Compliance challenges:** The lack of consistent controls also creates compliance challenges for the legal defense industry engaging in the global arms trade. Without knowing the specific rules and regulations for all countries involved in various aspects of the international trade, companies may inadvertently violate national laws and find it challenging to ensure compliance with the myriad regulations in place. These challenges may then lead defense industries to support, wittingly or unwittingly, illicit arms flows.
- **National regulation vs. international control:** Although the arms trade is increasingly more global, conventional arms regulation mechanisms tend to be more national in nature. These incongruous control mechanisms can contribute to the ease with which violent actors can attain weapons at the global level.

Both irresponsible (though legal) and illicit weapons transfers negatively impact international security by facilitating armed conflict and violence, which contributes to instability and ultimately impinges the development of many of the world's countries. Around the world, the unchecked flow of conventional arms causes untold devastation on the lives of countless individuals. In addition to the political and security implications, the uncontrolled proliferation of conventional arms also impedes economic development. A civil war in a low-income country can cost the international economy an estimated \$50 billion annually. In the worst cases, businesses are unable to open and operate effectively, and foreign investment plummets, as armed violence and persistent insecurity increase the costs of conducting business while reducing profits.

In general, a lack of global accountability for arms transfers – both for arms security and accountability – contributes to long-lasting challenges and a deadly legacy for many conventional arms stockpiles. Indeed, some governments do not have processes to regulate exports or control imports, while others have no controls over the transit or transshipment of weapons through their territories. In some cases, the lack of regulatory processes can contribute to the diversion of arms from legal to illicit markets, increasing the number of unregulated arms, all to the benefit of illicit actors working on the margins of legally traded commodities. Libya's continuing instability exemplifies such weak control mechanisms, where stockpile mismanagement has led to a deadly legacy of Libyan weapons years after the fall of Gaddafi. Now unintended end-users such as Boko Haram militants use Libyan-origin weapons to conduct deadly campaigns. Potential danger can also be anticipated in Afghanistan, where the recent Special Inspector General for Afghanistan Reconstruction (SIGAR) report found discrepancies between various arms tracking methods used by the United States and Afghan governments that could result in tens of thousands of US weapons being unaccounted for in Afghanistan and increasing the likelihood that they might make their way into the hands of unintended end-users.

Coordinated global action for a global trade

For decades, governments routinely struggled with balancing responsible arms trade practices with security interests and human rights principles. A significant advance to the global control regime took place in 2013, when the United Nations adopted the Arms Trade Treaty (ATT), the first international legally binding agreement that regulates the global trade in conventional arms. The Treaty contains criteria for states to apply when deciding whether to transfer conventional weapons and provides common standards for governing aspects of the international conventional arms trade. Although the ATT received the support of more than 150 states at the United Nations, significant challenges remain for successful implementation and ensuring that potentially dangerous arms sales are constrained. Indeed, throughout history, balancing responsible arms trade practices with security and human rights has always been challenging and has had implications on how the international arms trade is controlled and managed.

But, if states were to adopt and successfully implement common standards for arms transfer decisions as established in the ATT, not only will human security be strengthened, the various regulatory approaches that exist in today's increasingly globalized world will be harmonized. Broad implementation of common standards will help "level the playing field." It is not in the interests of responsible exporters to see their irresponsible promoting instability. Less well-regulated suppliers entering the market destabilizes countries and regions and adversely affects industry that complies with the current international security framework. Moreover, the global defense industry's reliance on the global supply chain yields great opportunities, whereas divergent national regulatory regimes can complicate business by increasing the burden held by industry and making arms transfer processes more cumbersome and expensive.

The ATT is a formidable first step, but not a panacea to the challenges wrought by the international trade in conventional arms. Ultimately, more standardization is required, based on global norms, to promote changes in state behavior. There are four aspects of these standards that can and should be employed around the world.

- **Transparency:** Greater understanding at a global level of who is selling what to whom and why can help increase security of the international arms trade. Such knowledge allows for better weapons tracking and identification of potential circumvention of controls already in place. Transparency also provides important assurances that weapons are being used as intended and, in turn, enhances accountability for individual arms transfers.
- **Export Controls:** At a national level, governments must establish procedures that identify the rules about who can get what, when, and how. Such controls assist industry in ascertaining the requirements for specific arms transfers and create accountability for governments to follow specific procedures when making arms transfer decisions.
- **Limits and/or Bans:** Countries must develop appropriate limits and/or bans for arms transfers that can prevent abusive end-users from obtaining weapons technologies or relevant parts and components. Putting clear limits on state provision of conventional arms makes clear what behaviors and uses will not be tolerated.
- **Punitive Measures:** Naming and shaming isn't enough. In order to deal with violations of any national, regional, or international standards, states must employ punitive measures for irresponsible or illegal arms transfers. Without clear enforcement and civil, criminal, and administrative punishments, violators will continue to act with impunity.

All of these efforts should be strengthened with confidence and security building measures that have at their core focus on the protection of civilians and adherence to international humanitarian and human rights principles, norms, and laws. Economic tools such as development assistance and trade,

investment, and technology transfers can also be used as enticements when pursuing higher arms trade standards. The protection of human rights, reform of the security sector, enhancement of the rule of law and good governance must also be highlighted by national, regional, and international initiatives in developing safer and more secure environments.

Multiple stakeholders – from the private sector to civil society – should be engaged in order to ensure that standards are comprehensive and widely adopted. NGOs, industry, international and regional organizations, and national governments must work together to develop coordinated responses towards achieving more unified, globally accepted and implemented standards to mitigate risks posed by irresponsible arms transfers.

And, as technology advances, controlling these new weapons systems should be considered in advance of their proliferation and use, rather than retrospectively. As with any type of technological innovation, the creation of new weapons outpaces their regulation and poses a number of new challenges to the international security environment. Thus, the international community should look at existing regimes for inspiration as well as more rigorous control of the global supply chain.

In short, controlling and regulating the global trade in conventional arms requires global action, utilizing knowledge and resources of multiple stakeholders, including governments, private sector, and civil society. Such global action will be to the benefit of international security, a global economy, and the furtherance of humanitarian goals and ideals. Ultimately, a global response to the challenges posed by the international arms trade requires flexibility, creativity and innovation to develop national, regional, and international conventional arms laws and regulations that do not impede the legitimate arms trade, but adequately prevent illicit and irresponsible transfers.

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