

PIRATE LANDS: GOVERNANCE AND MARITIME PIRACY

Ursula Daxecker
University of Amsterdam

&

Brandon Prins
University of Tennessee

Puzzle and Argument in Brief

Maritime piracy nearly disappeared in the 19th and 20th centuries. Attacks occurred sporadically in Indonesia and the Philippines, but were generally rare and not particularly sophisticated. The U.S. National Geospatial Intelligence Agency (USNGIA), which started collecting data on piracy incidents in the late 1970s, recorded 90 incidents from 1980-1989, and only 6% of these were hijackings or kidnappings. Yet when the Cold War ended, piracy incidents reemerged in Indonesia, Malaysia, the Philippines, India, Bangladesh, and later also in the Gulf of Aden and off Nigeria's coast, increasing in numbers and intensity over the 1990s and the 2000s. Data collected by the USNGIA show 555 incidents from 1990-1999, 11% of which were hijackings. This rise in the number and sophistication of piracy is linked to the end of the Cold War for several reasons. First, the withdrawal of military, economic, and ideological support provided to developing countries significantly weakened states that now had to rely on their own domestic military, bureaucratic, and economic capacity. Second, coinciding trends of democratization and economic liberalization made it more difficult for national regimes to retain control of state power, while simultaneously producing large increases in trade volumes. Transported primarily on ships, increasing inter-state commerce provided pirates with lucrative targets. Hence, developing countries previously dependent on superpower support were struggling to retain coercive power, control society, and police territory. For these very reasons, state weakness and lack of control over territory are often mentioned as prime explanations for the reemergence of maritime piracy.

The argument developed in this book agrees with the general notion that piracy, like civil war, terrorism, and other organized crime, is a problem of weak and fragile states. At the national level, our research therefore posits, and empirically corroborates, that state weakness is associated with piracy. Yet while helpful in identifying the countries most affected by maritime piracy, focusing on the weakness of entire countries cannot help us understand why piracy clusters close to some coastal communities but not others. In Indonesia, for example, coastal areas of Sumatra, Kalimantan, and the Riau islands share similarly favorable geographic conditions and proximity to busy shipping lanes, yet pirate organizations are found only in some places. Similarly, there are more than 15 ports or anchorages on the Indonesian island of Java, but little piracy, while the eastern side of Kalimantan possesses an equivalent number of harbors but experiences significantly more commerce raiding and armed robbery. Zooming in further, among the many islands that are part of the Riau Archipelago, some, such as Bintan, Batam, Karimun, are especially known for harboring pirates despite similarly favorable geographic and strategic conditions. We argue that local governance and infrastructural development help explain pirate location. Pirate operations require substantial upfront investments that are helped by proximity to markets and infrastructure. For sophisticated attacks, a group leader or boss provides pirates with a boat, fuel, equipment such as hooks, and money to bribe officials.¹ Proximity to economic activity also matters for recruitment, since freelance pirates are recruited from cafes and bars where they are known to hang out, such as some neighborhoods of Batam or Tanjung

¹ Information from original interviews, corroborated in other research, such as Frecon 2006, 2014; Biggs 2016; van Hoesslin 2016.

Pinang.² In the aftermath of a successful attack, access to black markets is important to resell stolen fuel and other goods. According to one former Indonesian pirate, “stolen diesel is sold to dealers serving Batam’s dozens of ports and shipyards for use in trucks, boats or generators, or to black marketeers in Singapore where legal fuel is more expensive.”³

Our argument helps address this puzzling variation in piracy by connecting the capacity of the central state to its local configurations, arguing that variation in the local governance patterns combined with the strength of the central regime has important consequences for the incidence and organization of maritime piracy. In failed and weak states, the absence or relative weakness of the central state means that the permissive conditions for piracy are present, yet organized piracy emerges sub-nationally as a function of particular local governance configurations. We argue that local conditions that provide opportunities for collusion with local stakeholders but also provide pirates with the markets and infrastructure required to sustain predation are most likely to produce favorable conditions for piracy. We therefore expect that in weak or failed states, pirates will operate in coastal areas where local governance is weak enough to facilitate and incentivize collusion among pirates and authorities, yet strong enough to ensure that infrastructure and markets are also sufficiently developed to permit the organization of sustained piracy. In weak states, sophisticated pirate groups are most likely to emerge in proximity to areas with intermediate local capacity, i.e. those that are neither strong nor weak. Piracy may occur in locally weaker or stronger areas within those states, but is expected to be less common and remain less organized. In contrast, piracy in strong states occurs only sporadically because even in areas where the central state is less present, it can intervene and prevent the rise of criminal organizations and the incentives that produce collusion tend not to exist. Our argument thus highlights how national and local governance interact to produce the conditions for piracy.

We examine these arguments empirically with a variety of methods. We use quantitative methods to establish general patterns between governance and piracy in a global sample, and in subnational analyses of national and local governance configurations and piracy in Indonesia. These analyses employ current and archival data on governance and piracy, including fine-grained, micro level data on nighttime lights and colonial era governance data from the Dutch Indies. We complement these quantitative analyses with evidence from interviews conducted in Singapore and Indonesia’s Riau Islands.

² See fn. 2.

³ Quoted in Andrew Marshall, “Petro Pirates Plague Busy Southeast Asia Shipping Lanes,” Reuters, July 9 2014, <https://www.reuters.com/article/indonesia-pirates/petro-pirates-plague-busy-southeast-asia-shipping-lanes-idUSL4N0PK2U920140709>