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# **The Challenges of Piracy in Southeast Asia and the Role of Australia**

## **Introduction**

Carolyn Liss of Murdoch University examines “the national and international responses to piracy in this region and discusses why, despite these efforts, piracy remains a security concern, suggesting that present anti-piracy measures target merely the symptoms but do not address the root causes of piracy: over-fishing, lax maritime regulations, the existence of organised crime syndicates, the presence of radical politically motivated groups in the region, and widespread poverty.” Liss argues that “combating piracy can consequently not be achieved only by those states in which pirate attacks actually occur. Indeed, countries like Australia with an interest in maritime security in Southeast Asia, can, and need to, support these broader anti-piracy measures.”

## **Essay: The Challenges of Piracy in Southeast Asia and the Role of Australia**

Since the early 1990s, Southeast Asia has been identified as one of the global ‘hot spots’ of pirate attacks on merchant vessels and fishing boats. This paper examines the national and international responses to piracy in this region and discusses why, despite these efforts, piracy remains a security concern, suggesting that present anti-piracy measures target merely the symptoms but do not address the root causes of piracy.

Pirate attacks occur in different parts of Southeast Asia and attacks include simple hit-and-run robberies, in which nothing but a length of rope or a can of paint is stolen, as well as hijackings of

merchant or fishing vessels and the abduction of crew. Pirates are able to operate successfully in Southeast Asia because they exploit security shortcomings in the maritime environment and benefit from political, social, and economic developments which are conducive to the occurrence of such attacks. As has been discussed in an earlier Policy Forum essay, five factors and shortcomings play a particularly important role in shaping the nature of pirate attacks conducted in the region. These are over-fishing, lax maritime regulations, the existence of organised crime syndicates, the presence of radical politically motivated groups in the region and widespread poverty.[1]

## **Combating Piracy: Current Efforts**

Regardless of the nature of pirate attacks, piracy in Southeast Asia has become a major concern for ship owners, international organisations, insurance companies and governments. These interest groups have consequently responded to the threat of piracy within their own limits. International organisations, most notably the International Maritime Bureau (IMB) and the International Maritime Organization (IMO), have raised the awareness of modern day piracy and have initiated and promoted a number of counter-measures, including international anti-piracy programs and agreements. However, states are of particular importance in actively combating piracy in Southeast Asia because the vast majority of attacks occur in national waters. The strengths and capabilities of national navies and law enforcement agencies in different countries are therefore of importance.

Due to their economic success, particularly since the 1980s, Southeast Asian countries were able to strengthen and modernise their defence forces, including their navies which play an important role in securing national waters. In 1997, the expansion and modernisation of the military forces in Southeast Asia slowed due to the Asian financial crisis, particularly in Indonesia, Thailand, and the Philippines. Consequently, equipment procurement plans were delayed, postponed or, in rare cases, entirely suspended. However, most local economies, together with military spending, recovered within a few years. Indeed, growing concerns about the political stability of Indonesia, unresolved boundary disputes accelerated amidst increasing demand for natural resources, and concern about the presence of foreign powers in the region, led local governments to increase military spending.[2] In addition, after September 11, 2001, some countries in the region, including the Philippines and Indonesia, received substantial financial assistance and training from the USA to strengthen the capacities of their militaries and police forces to combat terrorism.[3] While military forces play an important role in safeguarding national waters and responding to criminal activities, they increasingly share these tasks with government agencies such as the marine police and the coast guards, many of which were established after the end of the Cold War.[4]

Given the differences in resources available to military and law enforcement agencies in the various Southeast Asian countries, their capabilities to protect their respective national waters vary. Singapore, for example, has invested heavily in its naval forces, including the coast guard, and the limited size of the country's national waters makes them easier to secure than those of neighbouring countries. Consequently, Singapore waters enjoy the reputation of being safe, with very few criminal incidents reported there. Malaysia has also substantially increased its naval capabilities in recent years.[5] Yet, despite the modernisation of maritime agencies, it remains difficult to secure Malaysian waters, and corruption is a problem among some Malaysian officers. Local fisherman along the Malacca Straits and Sabah, for example, claim that Malaysian Marine Police officers regularly harass local fishers and demand money or fish.[6] Even senior Malaysian police officers working along the Malacca Straits acknowledge that some officers may be corrupt or involved in illegal activities, stating that a number of pirate victims do not report attacks, as they are "afraid of acts of revenge because they believe, or know, that law enforcement agencies are themselves involved in illegal activities." [7] However, compared to the situation in Thailand, the Philippines and Indonesia, corruption is a less serious concern in Malaysia.

Indeed, the naval authorities of Thailand, the Philippines and Indonesia face more substantial problems. In the wake of the 1997 Asian financial crisis, the Thai navy is still struggling to address security requirements in its national waters. Furthermore, members of the military and police in Thailand are actively involved in illegal activities such as the trade in illegal drugs and in the sale of arms to criminals and minority groups in Myanmar.[8] The Philippine naval authorities encounter similar problems. Despite some modernisation, the Philippine navy is considered the weakest in Southeast Asia.[9] The lack of resources also affects all other maritime law enforcement agencies in the country and the Philippine's maritime authorities are not able to secure the country's waters effectively, as demonstrated by the following statement by the Philippine National Security Advisor, Noberto Gonzales, made in 2006:

“We cannot watch and check every boat that travels between Indonesia and Mindanao. Over 26,000 trips are made by these boats and it is impossible to monitor each of them given the government's meagre resources [...] How do you expect government to tightly watch its territorial waters when we lack the necessary equipment and vessels to patrol our borders with Indonesia?”[10]

This lack of effective patrol craft and other technological resources also affects all other waters under Philippine jurisdiction.

The naval authorities of Indonesia are particularly important. The country's national waters are not only the largest in Southeast Asia, but Indonesian waters are also the most pirate-infested in the region. Since 1999, the Indonesian military is, in theory, primarily responsible for national security, while the police (in conjunction with other agencies) are in charge of law enforcement within Indonesia. In practice, however, these divisions are less clear-cut, and the navy is still largely responsible for law enforcement at sea. Yet the navy has only limited resources available to secure Indonesian waters and ports, with the Indonesian fleet consisting of around 115 boats of different sizes, of which only about 25 are operational at any given time.[11] The Indonesian marine police face similar problems, with an insufficient number of operational vessels available. The comparatively low military budget (and funding for the police), particularly in the aftermath of the Asian financial crisis, is largely responsible for the lack of resources available. Government officials have claimed that in the past only 25 to 30 per cent of the military's expenditure was covered by the military budget, while in 2005 an estimated 50 per cent of military costs were provided. To compensate for the lack of government funding, the Indonesian military and police are involved in commercial ventures, own their own businesses and are partners in, and provide services for, private enterprises. Other funding is derived from illegal activities, allegedly including pirate attacks. [12]

Overall, many navies and other law enforcement agencies in some Southeast Asian countries do not have the necessary resources to combat piracy successfully. In fact, a lack of funding and equipment is prevalent in all regional countries plagued by piracy. Further increasing the problem is that in those countries, government personnel are involved in illegal activities, and rampant corruption of military and law enforcement personnel is a concern, seriously undermining efforts to combat piracy.

## **Cooperation**

Given that piracy is often a transnational crime, with pirates operating across national borders, the level of cooperation between governments, militaries and law enforcement agencies in Southeast

Asia also plays a role.

In Southeast Asia, a range of multilateral and bilateral agreements and other cooperative efforts to enhance maritime security have been implemented and discussed since 1992. In recent years ASEAN has played a leading role in these efforts, with ASEAN leaders, for example, pledging in October 2003 to increase cooperation in order to create a 'security community' to combat piracy, terrorism and other transnational crimes in the region. ASEAN efforts to increase security have, however, been limited by ASEAN's consensus model and its policy of non-interference in domestic affairs.[13]

Emphasis has also been placed on bilateral cooperation and agreements among Southeast Asian nations. Bilateral efforts to combat maritime crime include a series of bilateral agreements among Singapore, Indonesia and Malaysia to conduct joint exercises at sea and to coordinate naval patrols in the Malacca Straits. However, initiatives such as the coordinated patrols have been criticised as consisting of little more than an exchange of schedules.[14] In 2004, a trilateral agreement between Singapore, Malaysia and Indonesia was reached to conduct coordinated patrols (named MALSINDO) in the Malacca Straits. India and Thailand have both expressed interest in joining the patrols, an offer which has so far not been taken up. However, two years later combined coordinated air patrols over the Malacca Straits, named Eye in the Sky (EiS), were introduced. In April 2006, the MALSINDO and EiS initiatives were brought together under the umbrella of the Malacca Straits Patrol Network. Yet, despite some success, these coordinated air and sea patrols have so far failed to eradicate criminal activity in the straits. Indeed, particularly the EiS program has been widely criticised for the low number of actual flights taking place and the limited resources available to respond to incidents spotted from the surveillance planes.[15]

The level and the nature of cooperation between the countries concerned is one important factor determining the outcome of the sea and air patrols. Concerns over national sovereignty, and the question of allowing law enforcement agencies from neighbouring countries access to national waters, has so far prevented closer cooperation in the region. Indeed, while the surveillance planes are allowed to fly for up to three nautical miles into the territorial waters of the participating states, the naval patrols remain 'coordinated patrols', rather than 'joint patrols', meaning that hot-pursuit into, or patrolling of waters of neighbouring countries, is not permitted.[16]

Furthermore, most anti-piracy initiatives have so far focused on the Malacca Straits, even though attacks in this area have in most years accounted for only about 10 per cent of all attacks reported in Southeast Asia.[17] Consequently, additional joint efforts have to be undertaken to address piracy in other areas in Southeast Asia, as pirates can otherwise shift their operations to these less protected waters.

Also, countries from outside Southeast Asia, such as the USA, Japan, China, India and Australia, which have an interest in the security of the Malacca Straits and other Southeast Asian shipping lanes, have offered assistance to complement indigenous security efforts to fight piracy. Australia, for example, has an interest in combating piracy in the region because vessels carrying goods from and to Australia travel through Southeast Asian waters and pass through piracy hot-spots such as the Malacca Straits and the waters between the southern Philippines and east Malaysia. Also, the September 2001 terrorist attacks and other more recent terrorist acts have clearly demonstrated the threat posed by non-state actors and further strengthened Australia's interest in combating piracy and other non-traditional security threats in the region. Australia therefore increased its contributions to enhance maritime security in Southeast Asia. Current Australian initiatives have, for example, included the funding of measures to increase security in ports and to improve sea surveillance systems in the Philippines.

Furthermore, as a member of the Five Power Defence Arrangement, Australia has participated in exercises structured towards anti-piracy and anti-terrorism activities with the other member states, Malaysia, New Zealand, Singapore and the United Kingdom.[18] However, in 2004, Australia reacted sceptically to US plans to become directly involved in patrolling the Malacca Straits, stating that the littoral states are responsibility for securing the waterway.[19] On the other hand, in 2005 Australian involvement in the air patrols over the Malacca Straits were discussed, with the idea given only “guarded support” by Indonesia.[20] Indeed, overall, Indonesia and Malaysia have been sceptical of active foreign involvement in securing the Malacca Straits and have so far rejected the idea of foreign military forces patrolling or being stationed in their country’s waters. Sensitivities about sovereignty are often cited as the main reason behind this refusal.[21] Other factors include fear that military cooperation may expose domestic inadequacies, the increased importance of offshore economic resources, and overlapping claims of ownership of islands or sea areas which are located in strategic places or are believed to be resource rich.[22] Additionally, rivalry between external countries such as the USA and China, or China and India, has had an impact on the level of cooperation.

All these factors have so far prevented Southeast Asian countries from cooperating more closely together and with nations from outside the region. Overall, the limited resources of some local law enforcement agencies in Southeast Asia, combined with corruption and other problems within some law enforcement agencies in the region, as well as limited cooperation among states, are conducive to the occurrence of piracy.

## **The Way Forward - A Conclusion**

Measures to combat piracy by states have mostly focused on military and law enforcement efforts, particularly the introduction of sea and air patrols in the Malacca Straits area. However, some of the very agencies responsible for combating piracy are involved in illegal activities themselves and/or have inadequate resources available to respond to piracy. Also, current cooperation between countries to address piracy in the region is often not sufficient to make a significant difference. However, while the level of cooperation and the lack of government resources certainly play a role, the most important reason why current efforts had only limited success is that they addressed only the symptoms but not the root causes of piracy.

In order to be successful, responses to piracy have to address most, if not all, of the problems and issues giving rise to piracy. These include the impact of ecological degradation and over-fishing on the occurrence of piracy; loop-holes and shortcomings in maritime laws and regulations that are conducive to the operations of pirates; the involvement of transnational crime syndicates and radical politically motivated groups in piracy; as well as the problems with state responses to pirate attacks. [23]

Combating piracy is consequently a difficult and complex task, requiring more than the patrolling of piracy-prone waters. Indeed, in order to significantly reduce the number of pirate attacks in Southeast Asia, maritime rules and regulations have to be tightened and their implementation assured. In this regard, it is of particular importance to address the shortcomings in the flag of convenience (FOC) system and to support initiatives of international bodies that aim to increase security and safety standards of vessels, ports, and crews, including the International Trade Workers’ Federation, the International Maritime Organisation, and the International Labour Organization.

Furthermore, to prevent fishers from turning to piracy or falling victim to pirates while fishing

illegally in foreign country's waters, efforts have to be made to protect the marine environment and combat illegal fishing activities. Further steps have also to be taken to reduce the scale of operations, power, and influence of organised crime syndicates and radical politically motivated groups. Here, more than just continuous military force and/or operations by law enforcement agencies are needed to successfully combat organised crime and to 'pacify' and integrate areas in which separatists, guerrillas, or terrorists operate. In fact, it is crucial to address the root causes of such violence, which include poverty, the marginalisation of certain geographic areas or ethnic groups, and government efforts in the form of military violence that exacerbate, rather than solve, existing problems and tensions.

Furthermore, problems within local militaries and law enforcement agencies have to be addressed, with the eradication of rampant corruption being of crucial importance. Sufficient equipment suitable for combating non-traditional security threats such as piracy is also needed in order for militaries and law enforcement agencies to succeed.

It is therefore crucial to understand that combating piracy cannot be achieved in isolation but has to be linked to a wider security strategy and framework. In order to establish such a wider framework the interconnectedness of these diverse security threats has to be accepted.

However, it has to be acknowledged that it is a daunting task to address these issues discussed above. Yet, even though these problems are difficult to address, the potential benefits for individuals, nations, and the international community are immense. For example, better maritime laws and regulations could improve both the working conditions of seafarers and the environment by preventing substandard vessels from operating. The maritime environment (and with it the human population) would also benefit from measures to combat the continued overexploitation of the oceans and illegal fishing activities. Furthermore, reducing the influence and activities of transnational crime syndicates, would be advantageous for the legal economy and violence and intimidation would decrease. By effectively addressing politically motivated violence in Southeast Asia and beyond, the number of terrorist attacks could be reduced and fewer people may join or support such organisations. Clearly, by providing sufficient equipment and salaries to personnel of government forces, and by reducing their direct involvement in politics, corruption may cease to be a major concern in countries such as Indonesia. This could not only reduce the involvement of government personnel in illegal activities but may also increase the confidence of the population in these institutions. To successfully address issues such as non-traditional security threats, governments from different countries and regions will have to cooperate more closely than in the past. This intergovernmental (as well as military) cooperation, in turn, could build trust between governments and reduce the risk of armed conflict between states.

Given the broad range of issues which need to be addressed, local, national and international efforts are required to be successful. Combating piracy can consequently not be achieved only by those states in which pirate attacks actually occur. Indeed, countries like Australia with an interest in maritime security in Southeast Asia, can, and need to, support these broader anti-piracy measures, by, for example, addressing shortcomings in maritime laws and regulations and by supporting efforts to protect the (maritime) environment. Critics may point out that the idea to address piracy in such a 'holistic way' is impractical. Yet, such an approach has clear advantages. For example, it offers an alternative to current initiatives, such as increased patrolling of waters, which have not been successful. Furthermore, it may allow states from outside the region, which have voiced their aspirations to actively participate in the 'fight against piracy', to play a larger role. The ongoing debate over direct involvement of foreign countries in patrolling the Malacca Straits, which, in all likelihood will not be resolved in the near future, could, for instance, be put aside in favour of other initiatives, such as the protection of the environment, the integration of marginalised parts of

populations and the altering of lax maritime rules and regulations. While some steps in this direction have already been taken, more international (and national) efforts are needed to address these issues.

## Biography

Carolyn Liss is a PhD candidate at Murdoch University. (c.liss@murdoch.edu.au) This paper is based on research conducted for her recently submitted PhD thesis: Maritime Piracy in Southeast Asia and Bangladesh, 1992-2006: A Prismatic Interpretation of Security. A longer version of this paper was presented at: Australia and Asia: Issues of Global Security, University of Western Australia, 17 August 2007.

## Footnotes

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