

5

BLACK-MARKET TRANSFERS

EXISTING ALONGSIDE the overt, legal trade in weapons is a parallel network of covert, illegal methods for the transfer of arms. These black-market channels constitute the principal source of munitions for insurgents, drug traffickers, street gangs, and other criminal or underground organizations. Black-market sales entail the transfer of arms in knowing violation of the supplying and/or receiving country's laws and regulations, and normally mean some risk of punishment for those caught engaging in such activities. By definition, black-market transactions are conducted in secret and typically involve weapons that have been stolen or improperly obtained from government arsenals or legitimate dealers.

In the past, illicit weapons have entered Latin America through two channels: first, the commercial black market in arms; and second, covert arms-supply operations conducted by or on behalf of governments. The former involves profit-making activities by dealers who seek to reap higher rewards than would be available with sales conducted through legal channels, or who seek to exploit a unique market opportunity not otherwise available (by selling to illicit buyers); the latter involves transfers by government agencies (or their representatives) to insurgent forces in another country for ideological or strategic purposes. (Transfers of the latter type are discussed in chapter 6.)

The commercial black-market trade usually operates in tandem with other threats to regional peace and security. As noted in a recent report of the U.N. Disarmament Commission, "wherever there is violence, terrorism, subversion, drug trafficking, common and organized crime and other criminal actions, their link to illegal acquisition of arms has been demonstrated."¹ But despite the obvious impact of black-market arms trafficking on regional security, there exists little information on or analysis of the subject in the academic or professional literature.² While there is little

doubt that the U.S. Central Intelligence Agency and other intelligence services compile data on this subject, none of the public sources of information on the arms trade—the Arms Control and Disarmament Agency's *World Military Expenditures and Arms Transfers*, the annual statistics published by the Congressional Research Service, and the *SIPRI Yearbook*—provide detailed information on black-market sales.

Given the paucity of published information, students of the topic must begin virtually from scratch, building an analysis based on transactions that, for whatever reason, have been intercepted by government officials or have otherwise come to public attention. Our ability to reach an understanding of the black-market trade requires us to rely on people's mistakes; since we do not know the ratio of successful to unsuccessful transactions, it is impossible to know the full extent of illegal gun-running. Selected case studies do, however, provide us with a picture of the methods and channels of illicit trade, and the types of weapons being bought and sold.

Black-market dealers, whether they are smuggling weapons, illegal narcotics, precious gems, or any other contraband, use common methods of concealment, mislabeling, laundering of payment, and phony documentation. According to R.T. Naylor of McGill University, black-market arms transfers have three distinguishing characteristics: first, arms deals are conducted in a clandestine way so as to conceal the identity of some or all of the participants; second, much of the expense of the transaction is accounted for in the covert (and often circuitous) shipment of goods to the ultimate end-user; third, payment for the arms has to be laundered in order to hide its origin.³ The cases described below represent but a small sampling of illegal arms transactions, but do provide valuable insight into how the black market actually functions.

Origins and Characteristics of the Modern Black Market

There has long been an illicit arms trade of some sort in Latin America, but the contemporary black market developed largely in response to the civil wars that plagued Central America in the 1970s and 1980s. Alongside the thousands of weapons that were sent to the region by the superpowers and their allies (through overt and covert channels), a large quantity of arms were purchased by the parties to these conflicts from black-market dealers.

According to a 1981 State Department memo published by the Foreign

Broadcast Information Service, leaders of El Salvador's Farabundo Martí National Liberation Front (FMLN) claimed that all of their weapons were purchased on the black market (notably in Miami), and that they possessed sufficient financial resources to purchase large numbers of weapons in this fashion. One guerrilla leader was quoted as saying, "a grenade costs \$1.50, an anti-tank projectile costs \$9, an *Uzi* submachine gun costs \$110, and a Browning machine gun costs \$350."⁴ Another member of the FMLN, Enrique Guatemala, said, "We buy these weapons on the international black market, and it is no secret that such market exists and that it is supplied by the weapons manufacturers of the United States, and other Western countries."⁵ Guerrilla sources also indicated that weapons were purchased from members of the Salvadoran army and from military personnel of neighboring countries, particularly Honduras. FMLN spokesman Juan Ramon Medrano was reported as saying that these purchases were made through Salvadoran "third parties," namely arms dealers with contacts in Honduras. He also indicated that they "purchased weapons...not only from the Salvadoran Armed Forces but also from the Honduran Armed Forces."⁶ These reports were, of course, denied by Salvadoran and Honduran officials.⁷

In fact, the guns used by Salvadoran rebel forces in the 1980s came from a number of sources. As one secret State Department memorandum put it, "Arms supplies continue to reach the insurgents, and the systems used to transport the arms are cheap, efficient, and difficult to interdict." The traffickers involved were professionals—traveling as fully documented businessmen, avoiding such attention-grabbing acts as offering bribes or carrying sidearms, and diverting the attention of customs agents from hidden arms shipments by leaving copies of *Playboy* in plain view for seizure.⁸ (The Salvadoran guerrillas also received arms from friendly foreign governments, as noted in chapter 6.)

Today, surviving insurgent groups possess large quantities of highly lethal weaponry. Colombian guerrillas, for example, are equipped with German G3 rifles, Israeli *Galils* and *Uzis*, and U.S. M-16s that were either captured from the Colombian army and police, stolen from government arsenals, or purchased from unscrupulous military officers. Recently, Belgian-made FAL assault rifles and Soviet-type AK-47 rifles have also been appearing in rebel hands. Colombian authorities believe that the Belgian rifles were bought from corrupt Venezuelan soldiers while the AK-47s were acquired via the Central American black market.⁹

Indeed, Colombian insurgents and drug traffickers appear to have several methods for acquiring arms on the black market. One entails the shipment by sea of Soviet-bloc weapons obtained in Nicaragua and El Salvador, where large numbers of such arms remain in circulation following the conclusion of the civil wars there.¹⁰ In August 1995, for instance, Colombian authorities intercepted a shipment of 16 rifles and 600 rounds of ammunition in the port of Turbo on Colombia's Atlantic coast; subsequent investigation revealed that the arms—believed destined for Colombia's Guerrilla Coordinating Committee—had been acquired from ex-FMLN soldiers in Nicaragua and carried on a Panamanian vessel based in Colon.¹¹ Another method involves the shipment by air (usually in small planes used for the surreptitious delivery of cocaine) of firearms bought from commercial gun dealers in the United States.¹² Colombian authorities also believe that insurgents operating along the Brazilian border have obtained arms from the *Sendero Luminoso* (Shining Path) guerrillas of Peru.¹³

In many cases, illegal arms transfers are negotiated by professional smugglers. This was the case with British mercenary Charles Mosley. From his base in Brazil, Mosley reportedly served as a major supplier of light weaponry to the Colombian and Peruvian rebel movements. He was also responsible for the shipment of 3,000 Brazilian-made *Uru* M-1 submachine guns and \$150,000 worth of ammunition, explosives, medicine, and vehicle parts to nationalist guerrillas in Suriname in the early 1990s.¹⁴

With the large quantities of weapons that are now circulating in Central America, many remaining from the civil wars of the 1980s, smuggling operations have proliferated, with some becoming less professional. Newspapers in the region often report that small quantities of guns and ammunition left over from these wars are being transferred (usually in small vans or trucks) across borders to new areas of conflict. For example, in December 1993 the Guatemalan army seized a shipment of AK-47 rifles, RPG-2 rocket launchers, pistols, and other weapons supposedly being sent to guerrillas of the National Revolutionary Unity of Guatemala in an automobile trailer.¹⁵ In another case, police in Honduras arrested a 27-year old businessman, a 30-year old laborer, and a 17-year old student for transporting a load of munitions (including AK-47s, explosives, and ammunition) in a Volkswagen van across the Honduran-Nicaraguan border.¹⁶

American-style street gangs in El Salvador have also become involved in gun smuggling. The *Washington Post* reported in 1995 that most of the more than 50 gangs currently operating in El Salvador were founded by young Salvadorans who had fled with their families to the United States during the civil war and have now returned home. While in the United States, these Salvadoran youths joined such notorious Los Angeles gangs as *Calle 18* and *Mara Salvatrucha*, and have now established offshoots of these gangs in their home country. In El Salvador, these transplanted gangs are finding a ready source of both firepower and manpower in demobilized soldiers. Guns left over from the civil war are also being smuggled north to affiliated gang members in the United States. One 17-year-old member of the *Mara Salvatrucha* in San Salvador was quoted as saying, "If a homeboy sends money, we can get him anything. I can buy an M-16 for \$225, an AK-47 for the same price. They can send me stolen cars and I can sell them in no time. With money, everything is possible in this country."¹⁷

Today, black-market arms trafficking is heavily linked to the illicit drug trade. Gun smugglers and drug traffickers often combine operations and use the same routes and transportation systems for both arms and drugs. These routes and systems change frequently as they are discovered by law enforcement agencies. For example, after two metric tons of weapons and drugs were seized at the Galeao Airport in Rio de Janeiro, drug traffickers in Brazil were forced to alter their smuggling routes. When security was tightened at ports and airports throughout the country, smugglers began to import drugs and guns by land. One route involved shipping the contraband from Bolivia and Paraguay in lumber trucks, and then moving it to Sao Paulo and Rio de Janeiro in other vehicles. Sao Paulo police seized one such shipment in 1995 containing 130 kilograms of cocaine and 53 weapons, including AR-15 and .223 cal. Ruger rifles.¹⁸

Many drug smugglers rely on the saturated Central American market for their arms supplies. In Nicaragua, the current government has attempted to confiscate the thousands of weapons left over from the war between the Sandanistas and the American-backed contras. By 1993, some 53,000 weapons and 147,789 explosive devices had been collected as part of this effort. However, with so many guns still in circulation, Nicaragua remains a major source for the illegal trade in arms.¹⁹ Panama also serves as a major transit point for illicit arms shipments, which are often exchanged for drugs. In February 1995, a large explosion occurred in Panama City, killing three people and injuring 26, when Panamanian police used a

welding torch to open a steam roller containing arms and ammunition. On the same day, other caches of arms were seized in Panama City. These weapons were reportedly destined for narcotraffickers in various South American countries, including Colombia and Ecuador.²⁰

The 1994 uprising in Chiapas has also generated a demand for black-market arms. According to Comandante Marcos, one of the top leaders of the Zapatista Army of National Liberation (EZLN), the guerrillas have been able to acquire arms through a number of routes. The most common of these, he said, is the *hormiga* (ant) run. This route involves buying weapons from gun stores in El Paso and other American cities, and then smuggling them into Mexico.²¹ Another major source of arms for the EZLN is the thriving black market in El Salvador and Nicaragua, with Honduras often serving as a transshipment point.²² In addition, the EZLN has been able to buy confiscated narco-weapons from Mexican anti-narcotics police and army troops, and M-16 rifles from the "White Guards" (the ranchers' private militia). Mostly, however, the EZLN are armed with single-shot .22 cal. rifles—the traditional firearm of the Mexican farmer.²³

In Peru, the Tupac Amaru Revolutionary Movement (MRTA) recently invested several million dollars to obtain light weapons. With money obtained from "fees" charged to drug trafficking rings operating in Peru's Upper Huallaga Valley, the MRTA bought four shipments of arms from Panamanian arms trafficker Gustavo Lopez. These arms were reportedly obtained in El Salvador from the dismantled FMLN, and smuggled into Peru across the Brazilian border. The fourth shipment, which never reached its destination, included AK-47 rifles, RPG-7 rocket launchers, antitank grenades, and mortars.²⁴

Arms for the Cartels: The Antigua and Barbuda Connection

On December 15, 1989, Colombian police raided the home of Jose Gonzalo Rodriguez Gacha, who, along with Pablo Escobar, was one of the top leaders of the Medellin drug cartel. Rodriguez Gacha and his son Freddy were killed in the raid. Colombian police then discovered large arms caches on Rodriguez Gacha's property, containing 232 Israeli-made *Galil* assault rifles. These rifles were subsequently found to be part of an arms shipment made to the Caribbean nation of Antigua and Barbuda by Israeli Military Industries (IMI). The discovery of this cache led to an investigation of how a supposedly legitimate arms shipment to Antigua was

diverted to a Colombian drug cartel—an investigation that revealed, in great detail, the manner in which arms dealers manipulate legal channels in order to transfer arms to insurgents, criminals, and terrorists.

According to a study prepared by a U.S. Senate subcommittee, the series of events that eventually led to the shipment of rifles from Israel to Antigua and then on to Colombia began in the fall of 1988. At that time Yair Klein, a former official of Spearhead (a military and security training company based in Israel), began negotiations to establish a "survival school" in Antigua. Klein had attempted on several prior occasions to set up a training camp in Colombia, to be financed by Rodriguez Gacha and used by the cartel's private armies, but had been dissuaded by the threat of recurring police raids. However, a site on Antigua would allow him to train not only Colombian gunmen, but other clients as well.²⁵ Although the survival school never materialized, the mechanisms and contacts needed for transferring arms through Antigua to Rodriguez Gacha did. Geoffrey Robertson, a British lawyer involved in the case, later revealed that Klein's original intention was for the arms to be acquired by the survival school's "quartermaster general," and then sold to the trainees at a "pro-shop" on the property, where "you learn to use the weapons during your stay at school and you take a few back home with you."²⁶

When making plans for his survival school, Klein met Maurice Sarfati in Miami. Sarfati, a failed Antiguan melon farmer with close ties to several government officials—including cabinet minister Vere Bird, Jr., the son of Prime Minister Vere Bird, Sr.—assured Klein that he could find Antiguan investors for his survival school and agreed to serve as an equal partner in the enterprise. Soon thereafter, he helped to arrange meetings between Klein and Antiguan officials. Sarfati then contacted Pinchas Shachar, the Miami representative of IMI and a mutual friend of both Klein and Sarfati, to tell him that the Antiguan government might be interested in buying weapons from IMI. According to the Senate study, Shachar indicated that the commanding officer of the Antiguan Defense Forces, Lt. Col. Clyde Walker, met with him in Miami on October 5, 1988 and expressed a desire to purchase 500 weapons from IMI—400 *Galil* rifles and 100 *Uzi* submachine guns—for the 220-member military and Antigua's 300 policemen.²⁷

On November 9, 1988, several documents were sent to Shachar by Sarfati, including: a letter from Vere Bird, Jr. authorizing Sarfati to represent the Antiguan government for the weapons transaction; a letter

ordering the 500 weapons plus ammunition and supplies from IMI; and an "end-user certificate" purportedly signed by Vere Bird, Jr. stating that the arms would be used solely by Antiguan military and police personnel.²⁸ (Bird later denied ever signing the end-user certificate, claiming forgery.) Assuming that the signature on the end-user certificate was valid, and the weapons were truly destined for the Antiguan armed forces, the transaction—up to this point—was perfectly legal. One might question why a security apparatus of 520 people on a small West Indian island needed 500 automatic weapons, but the transaction would not be any less legal. However, the Antiguan armed forces never received the shipment; instead, the weapons were clandestinely diverted to Rodriguez Gacha and the Medellin cartel.

The IMI weapons shipment left Haifa, Israel, aboard the Danish ship *Else Thuesen* on March 28, 1989, and arrived in Antigua on April 22. Once in Antigua, a large container, presumably filled with the IMI arms order, was unloaded from the *Else Thuesen* and reloaded onto the *Seapoint*, a ship flying under the Panamanian flag and supposedly bound for Panama. After the container was removed, the *Else Thuesen* continued to Santa Marta, Colombia, where it delivered military equipment ordered by the Colombian government. Although the precise route of the *Seapoint* after it received the illegal container of arms is not known, Colombian investigators believe that the arms were later transferred onto a private yacht at Isla Fuerte, Colombia, not far from the Panamanian border; the arms then made their way to Rodriguez Gacha in Medellin.²⁹ (See Table 5.1 for a complete list of the munitions shipped to Rodriguez Gacha.)

Table 5.1

Invoice for Weapons Purchased for Rodriguez Gacha (in U.S. dollars)		
<i>Items Ordered</i>	<i>Cost Per Item</i>	<i>Total Cost</i>
100 Mini Uzis (9 mm)	\$400.50	\$40,050
200 Galils (5.56 mm)	\$609.30	\$121,860
200 Galils (7.62 mm)	\$609.30	\$121,860
150,000 5.56 mm cartridges	\$0.17	\$26,352
50,000 9 mm cartridges	\$0.16	\$8,235
100 Uzi magazines	\$17.50	\$1,750

Invoice for Weapons Purchased for Rodriguez Gacha

(in U.S. dollars)

100 <i>Galil</i> 5.56 mm magazines	\$21.65	\$2,165
100 <i>Galil</i> 7.62 mm magazines	\$19.60	<u>\$1,960</u>
		\$324,205

Source: March 28, 1989 invoice from IMI provided by the Government of Israel to the Permanent Subcommittee on Investigations of the Senate Governmental Affairs Committee.

This case provides a clear example of how illicit arms buyers are able to use "legitimate" arms suppliers, corruptible or gullible government officials, and seemingly official documents to obtain arms that would otherwise be denied to them.

Nor was this transaction an isolated event. British mercenary David Tomkins, who was involved in training the same Colombian gunmen as Yair Klein, testified before the Senate Subcommittee on Investigations as to the ready availability of illicit arms, and the procedures by which those arms are obtained and delivered to various buyers. Tomkins, who had participated in paramilitary operations in Colombia in 1988 and 1989, said that his employers—presumably members of the Cali drug cartel—supplied him and his associates with AR-15 rifles, .357 cal. Magnum pistols, shot-guns, 66 mm rockets and launchers, a machine gun, and a large supply of explosives. These arms, he indicated, had been purchased from American arms dealers and smuggled into Colombia in home appliances.³⁰ Tomkins testified that obtaining such weaponry was so easy that if he "requested something specific it usually arrived within a week."³¹ According to Tomkins' testimony, narco-terrorist and mercenary groups in Colombia generally obtained weapons in a manner similar to the Antiguan transaction. "They are ordered and placed in the normal commercial manner," he said, "but there are misuses and abuses of the end-user certificate system that governs the control of those weapons and where they go."³²

The Trade in Fake End-User Certificates

As suggested by Tomkins, a key element in any black-market arms deal is the acquisition of a seemingly genuine "end-user certificate" attesting to the legitimacy of the transaction. Such a document, which must be signed

by a responsible government official in the receiving country, indicates to customs officials in the supplying country (and in any transit nation) that the weapons involved are being imported in accordance with local laws and regulations, and are intended for a legitimate end-user. To get around these procedures, black-market dealers often buy blank end-user certificates that have been signed by corrupt officials and write in a "dummy" corporation or agency in an allowable destination as the intended recipient; once possessed with such documents, these dealers can openly ship arms to the ostensible recipient and then surreptitiously retransfer them to the ultimate, illicit recipient. (In the case described above, Maurice Sarfati reportedly obtained such documents from Vere Bird, Jr. or one of his associates, giving Antigua as the ostensible destination of the Israeli arms.) Given the key role played by end-user certificates in international arms trafficking, it is not surprising that the black-market trade in arms is accompanied by a similar traffic in fake end-user certificates.

Perhaps the most extensive operation of this sort to come to light in recent years was based in Bolivia. In October 1993, the Attorney General of La Paz charged ten civilians and three high-ranking generals, including the General Manager and former General Manager of the Armed Forces Development Corporation (Cofadena), with selling fraudulent end-user certificates to arms dealers in Europe and the Middle East for use in illicit arms transfers to belligerents in the former Yugoslavia. According to investigators, the documents (which reportedly sold for \$300 each) listed Bolivia as the intended destination for thousands of rifles, pistols, grenades, and other weapons that instead were delivered to Croatia and other former Yugoslav republics.³³

Similar schemes have been uncovered in other Latin American countries. In 1995, for instance, Paraguayan officials reported that a large shipment of automatic rifles discovered at the Asunción airport had not been ordered by the armed forces, as indicated on accompanying documents, but was in all likelihood intended for illicit dealers with links to other countries. According to press reports, this was but one of a number of illicit arms shipments involving fraudulent certificates of this sort.³⁴ Such documents were also used by Argentinian suppliers to ship arms to Ecuador during its 1995 border clash with Peru.³⁵

These manifestations of the illicit trade in end-user certificates should be a matter of great concern for all governments engaged in the export of arms, suggesting the need for careful screening of all transactions involving

sales to or from countries like Argentina and Bolivia that have a history of fraudulent operations. However, such screening appears to be inadequate in many countries. In the United States, for instance, officials of the State Department's Office of Defense Trade Controls performed "end-user checks" (involving the verification of submitted documents) of only 21 license applications out of the 1,632 they received for the export of small arms to Argentina, Brazil, Colombia, and five other Latin American countries in 1989-1993.³⁶

U.S. Participation in the Latin American Black Market

The United States has been, and continues to be, a major source of small arms and light weapons for illicit buyers around the world. Currently, there are an estimated 200 million firearms circulating in the United States, and over 245,000 federally-licensed firearms dealers selling guns to the general public. Of the five or six million firearms purchased annually in the United States by private buyers, a certain percentage is acquired by middlemen working on behalf of arms smugglers who ship the weapons abroad for resale to insurgents, terrorists, and criminals.

Weak gun control laws and inadequate law enforcement have made the United States one of Latin America's main sources of black-market arms. Federal law in the United States poses few obstacles for those individuals wishing to buy a firearm. Currently only two states—Virginia and South Carolina—have laws that prevent people from buying more than one gun per month. (Maryland is also considering adoption of such a law.) In other states, it is common for "straw men" hired by illicit arms dealers to purchase significant quantities of guns and ammunition from commercial gun dealers and to pass them on to smugglers for clandestine shipment to Latin America. An example of this can be seen in a 1993 case in which a large arms cache seized from Colombian drug lord Ivan Urdinola was found to contain nearly 200 firearms that had been purchased "legally" in the United States and then smuggled to Colombia. Before their seizure by Colombian police, these weapons were used to commit a series of murders by right-wing paramilitary hit men financed by the drug cartels.³⁷

A large number of similar cases are reported in a Justice Department list of "Significant Export Control Cases, January 1, 1981 to May 31, 1995," obtained through the Freedom of Information Act. This list includes all major cases of illegal arms and technology smuggling that have been prosecuted by Justice Department attorneys. Among the cases are: conspiracy to export 190 AK-47 assault weapons and a large quantity of ammunition to Mexico (1989); conspiracy to purchase and export a large quantity of weapons, including M-16 rifles, grenades, and antitank rockets, for use by drug traffickers in Mexico (1990); conspiracy and an attempt to purchase and export 120 Stinger anti-aircraft missiles to a drug cartel in Colombia (1990); the exportation of over 100 assault rifles, shotguns, and ammunition used in a coup attempt against the government of Trinidad (1990); and conspiracy for the exportation of a large quantity of weapons

to Honduras (1995).³⁸ (See Table 5.2 for additional cases.)

Additional information on the illegal export of arms from the United States to Latin America is provided by annual reports on the International Traffic in Arms program of the Bureau of Alcohol, Tobacco, and Firearms (BATF). In its report for fiscal year 1993, BATF reported that 6,238 unlawfully acquired U.S.-origin firearms were reported to the Bureau by foreign governments. Over half of these firearms—3,376—were discovered in Mexico. Other countries reporting a significant number of confiscated U.S.-origin firearms included Colombia (604), Jamaica (210), and Canada (167).³⁹

The Mechanics of Gun Smuggling from the United States

The reports provided by the BATF to Congress on illegal gun trafficking represent a major source of information on the methods by which arms are smuggled from the United States to countries in Latin America. The most common method of illegally obtaining firearms in the United States, according to the BATF, is through a "straw purchase"—a method by which the smuggler pays a relative or associate to legally purchase guns from a licensed dealer (or dealers) and then hand them over to the smuggler for clandestine shipment to the intended destination. The 1991 BATF report describes a number of such transactions, including a 1989 case in which three Arizona residents purchased 93 assault rifles and 22 handguns for a well known Mexican narcotics trafficker, who subsequently smuggled them into Mexico.⁴⁰

Once obtained, these arms are shipped to their respective destinations in a number of ways. According to the BATF, the most simple means of transporting firearms across the U.S. border is to simply walk them across. Because Mexican customs officials have a general policy of not checking people who enter their country on foot, many Mexican smugglers will hide guns in suitcases, backpacks, or duffle bags. Other gun runners, according to the BATF, hide the firearms in the trunks of their cars or under their seats and then drive through the Mexican points of entry with relatively little risk. Others have been known to use false compartments in their automobiles or trucks to hide the firearms; such compartments have been found in gasoline tanks, side panels of automobile campers, and the cabs of trucks.⁴¹

A significant amount of firearms are also smuggled from the United

States to Mexico on commercial flights. According to a U.S. Customs survey conducted at the Los Angeles International Airport (LAX), gun runners often wrap the firearms in foil and then put them in their checked baggage. Smugglers also hide weapons in television sets, stereos, stereo speakers, and so on, and ship them either as air freight or as personal luggage. In 1989, U.S. Customs officers recovered 463 firearms at LAX.⁴² This may seem insignificant, but it should be assumed that many more guns escaped detection at that airport, and that large numbers of guns were exported in a similar manner from Dallas, Houston, Miami, and other American cities.

Black-market arms dealers are also able to obtain guns and gun parts that have been stolen from U.S. military facilities. In 1993, the General Accounting Office (GAO) reported that "the Department of Defense has systematic problems in accounting for and securing inventories in its military supply system." The GAO found that small arms parts were systematically being stolen from a number of military repair shops and warehouses. These stolen parts were then sold to gun dealers or to walk-in customers at gun shows around the United States. GAO investigators were able to purchase military small arms parts at 13 of 15 gun shows they visited. In some cases, the parts were still in government packaging, despite Defense Department regulations forbidding such sales. In particular, the investigators were able to purchase all of the parts needed to convert a semiautomatic AR-15 rifle into a fully automatic M-16, as well as 30-round M-16 magazine clips still in their original packages.⁴³

Table 5.2

Selected Export Control Cases Involving Light Weapons Destined for Latin America, 1980-1995		
<i>Date</i>	<i>Case</i>	<i>Charge</i>
12/83	U.S. v. Taish Tribhowian, <i>et al.</i>	Conspiracy to export M-16 rifles, grenades, and other weapons to be used to overthrow the government of Guyana.
7/84	U.S. v. Hubert Legros, <i>et al.</i>	Conspiracy to launch a military expedition against Haiti and to export arms.
1/85	U.S. v. Theodore Sansbury, <i>et al.</i>	Scheme to export automatic weapons to Belize in exchange for marijuana.
5/22/86	U.S. v. John T. Straiton, <i>et al.</i>	Export of Yugoslavian ammunition to El Salvador in scheme to defraud the U.S. government.
9/9/87	U.S. v. Oswaldo P. Zarabia, <i>et al.</i>	Conspiracy to export 1,000 shotguns through Peru to South Africa in 1987.
10/30/87	U.S. v. Timothy E. Fyten	Attempt to export a small quantity of machine guns to Brazil in October 1987 for resale on the black market.
4/12/88	U.S. v. Hector B. Regalado, <i>et al.</i>	Drug smuggling enterprise attempted to export grenades, rockets, and weapons to El Salvador in 1988.
11/8/88	U.S. v. Jose Checchini	Attempt to export to Cali, Colombia hand grenades, automatic rifles, and bullet-proof vests.
6/9/89	U.S. v. David Candiotti, <i>et al.</i>	Conspiracy, attempted export, and export of weapons and explosives to Colombia in 1988 and 1989.
8/8/89	U.S. v. Adam D. Hahn, <i>et al.</i>	Conspiracy to export 190 AK47 assault weapons and a large quantity of ammunition to Mexico.
12/9/89	U.S. v. Philippe Hadid, <i>et al.</i>	Conspiracy and attempt to export a large quantity of handguns to Haiti in 1989.

72/ A SCOURGE OF GUNS

12/12/89	U.S. v. August V. Topar, <i>et al.</i>	Conspiracy to export a large quantity of handguns to Chile.
1/24/90	U.S. v. Arturo Vega, <i>et al.</i>	Conspiracy to purchase and export a large quantity of weapons to drug traffickers in Mexico in 1989. The shopping list included M-16 rifles, grenades, and antitank rockets.
2/23/90	U.S. v. Francisco Estrada, <i>et al.</i>	Large scale arms smuggling operation involving shipment of arms to Ecuador in 1989-1990. Sixty shotguns seized in Miami.
5/5/90	U.S. v. Luis Arcila Giraldo, <i>et al.</i>	Conspiracy and attempt to purchase and export 120 Stinger anti-aircraft missiles to drug cartel in Colombia for use against government helicopters.
9/20/90	U.S. v. Louis A. Haneef, <i>et al.</i>	Defendants exported over 100 assault rifles, shotguns, and ammunition used in coup attempt against the Government of Trinidad in April 1990.
3/12/93	U.S. v. Hugo B. Esquivel, <i>et al.</i>	Attempted exports of small firearms to Costa Rica.
6/10/94	U.S. v. Rodolfo Frometa, <i>et al.</i>	Scheme to purchase and use weapons and explosives in an attack on Cuba and to destroy vessels docked in Havana harbor. Defendants paid \$5,000 to undercover agents for a Stinger anti-aircraft missile, lightweight anti-armor weapons, and C-4 explosives.
3/31/95	U.S. v. Milton Hernandez, <i>et al.</i>	Exportation of a large quantity of weapons to Honduras.
Source: U.S. Department of Justice, "Significant Export Control Cases, January 1981 to May 31, 1995"		

Endnotes for Chapter 5

1. U.N. General Assembly, "Report of the Disarmament Commission," Official Records, 49th Session, Supplement No. 42 (Document A/49/42), 1994, p. 13.
2. See, for example, Michael Klare, "The Thriving Black Market for Weapons," *Bulletin of the Atomic Scientists*, April 1988, pp. 16-24; Edward J. Laurance, "The New Gunrunning," *Orbis*, Spring 1989, pp. 225-37; and Laurance, "The Political Implications of Illegal Arms Exports from the United States," *Political Science Quarterly*, vol. 107, no. 103 (Fall 1992), pp. 109-40.
3. R.T. Naylor, "The Structure and Operation of the Modern Arms Black Market," in Boutwell, *et al.*, *Lethal Commerce*, p. 45.
4. Foreign Broadcast Information Service, "Havana: Salvadoran Guerrillas to Testify at IPU," September 20, 1981, from unclassified U.S. Department of State cable #201317, accessed at the National Security Archive, *El Salvador Document Set*, document no. 02054.
5. Foreign Broadcast Information Service, "FMLN Weapons Purchased on 'International Black Market'," from unclassified Department of State Cable #080116, accessed at National Security Archive, *El Salvador Document Set*, document no. 01545.
6. "FMLN Spokesman Charges Army Sold Weapons to Ex-Rebel Group," from Tegucigalpa *El Heraldo*, August 7, 1993, as translated in FBIS-LAT-93-152, August 10, 1993, p. 8.
7. "Armed Forces Deny Report of Selling Weapons to FMLN," from Tegucigalpa *El Heraldo*, August 7, 1993, as translated in FBIS-LAT-93-152, August 10, 1993, p. 9.
8. U.S. Department of State, Bureau of Intelligence Research, "Arms Smuggling to Salvadoran Guerrillas," Secret Memorandum by Hugh Montgomery, October 1, 1982, accessed at the National Security Archive, *El Salvador Document Set*, document no. 03468.
9. García-Peña, "Light Weapons and Internal Conflict in Colombia," p. 111.
10. "Info Bites," *Small Arms World Report*, Fall 1994/Winter 1994-95, p. 30.
11. "Colombia Accuses Country of Supplying Arms to Rebels," from Managua *La Prensa*, April 24, 1995, as translated in FBIS-LAT-95-080, April 26, 1995, p. 24.
12. See Douglas Farah, "Colombia: U.S. Arming Traffickers," *Washington Post*, June 12, 1990; "Security Department: Rebels Receiving Weapons Via U.S.," from Madrid EFE, November 24, 1993, as translated in FBIS-LAT-93-226, November 26, 1993, pp. 31-32.
13. "Info Bites," *Small Arms World Report*, December 1993, p. 23.
14. "Arms Trafficker's Regional Activities Reported," from Sao Paulo *O Estado de Sao Paulo*, May 20, 1990, as translated in FBIS-LAT-90-102, May 25, 1990, p. 16.
15. "Army Seizes FMLN Weapons Reportedly Bound for URNG," from Mexico City Notimex, December 21, 1993, as translated in FBIS-LAT-93-244, December 22, 1993, p. 23.
16. "Authorities Seize Arms Shipment on Border," from Tegucigalpa *Voz de Honduras Network*, March 4, 1992, as translated in FBIS-LAT-92-044, 5 March 1992, p. 11.

74/ A SCOURGE OF GUNS

17. Douglas Farah and Tod Robberson, "U.S.-Style Gangs Build Free Trade in Crime," *Washington Post*, August 28, 1995.
18. "Traffickers Change Weapon Smuggling Routes," from Rio de Janeiro *Jornal Do Brasil*, August 6, 1995, as translated in FBIS-LAT-95-156, August 14, 1995, p. 36.
19. "Army Admits Existence of Illegal Weapons Market," from Panama City ACAN, November 25, 1993, as translated in FBIS-LAT-93-227, November 29, 1993, p. 52.
20. "Nation Said Transit Point for Illegal Weapons Trade," from Panama City *La Prensa*, December 9, 1995, as translated in FBIS-LAT-95-245, December 21, 1995, p. 25.
21. John Ross, *Rebellion from the Roots: Indian Uprising in Chiapas* (Monroe, ME: Common Courage Press, 1995), pp. 283-84.
22. "Info Bites," *Small Arms World Report*, Spring 1995, p. 16.
23. Ross, *Rebellion from the Roots*, p. 284.
24. "Reports Address MRTA Activities, Arms Acquisitions: Documents Reveal Reorganization Plans," from Lima *La Republica*, December 4, 1995, as translated in FBIS-LAT-95-246, December 22, 1995, p. 65.
25. "Antigua: Conduit for an Illegal Arms Shipment to Drug Cartels," Exhibit No. 2 in, U.S. Congress, Senate Committee on Governmental Affairs, Permanent Subcommittee on Investigations, *Arms Trafficking, Mercenaries and Drug Cartels*, Hearings, 102nd Cong., 1st Ses., 1991, pp. 117-18, 125.
26. "Part Two of Inquiry Into Arms Shipment Begins," from Bridgetown CANA, August 27, 1990, as translated in FBIS-LAT-90-167, August 28, 1990, p. 1.
27. "Antigua: Conduit for an Illegal Arms Shipment to Drug Cartels," p. 118.
28. *Ibid.*, p. 119.
29. *Ibid.*, p. 122.
30. "Foreign Mercenaries Abet Violence of Drug Cartels," U.S. Congress, Senate Committee on Governmental Affairs, Permanent Subcommittee on Investigations, *Arms Trafficking, Mercenaries and Drug Cartels*, Hearings, 102nd Cong., 1st Ses., 1991, p. 47.
31. *Ibid.*, p. 35.
32. *Ibid.*, p. 31.
33. "Three Generals, Ten Civilians Charged With Arms Trafficking," from Cochabamba *Los Tiempos*, October 8, 1993, as translated in FBIS-LAT-93-202, October 21, 1993, pp. 36-37. See also "Info Bites," *Small Arms World Report*, August 1993, pp. 27-28.
34. "Government Denies Purchase of Weapons Seized at Airport," from Asunción *ABC Color*, May 25, 1995, as translated in FBIS-LAT-95-103, May 30, 1995, pp. 55-56. See also "Info Bites," *Small Arms World Report*, Summer 1995, pp. 28-29.
35. "Info Bites," *Small Arms World Report*, Spring 1995, p. 16.

36. Senate Committee on Governmental Affairs, *A Review of Arms Export Licensing*, p. 37.
37. García-Peña, "Light Weapons and Internal Conflict in Colombia," 111.
38. U.S. Department of Justice, Export Control Enforcement Unit, Internal Security Section, Criminal Division, printout of "Significant Export Control Cases, January 1981 to May 31, 1995," obtained by the Federation of American Scientists under the Freedom of Information Act.
39. U.S. Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms (BATF), *ITAR: International Traffic in Arms*, Annual Report, FY93 (Washington: BATF, n.d.), p. 22.
40. U.S. Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, Firearms Division, *International Traffic in Arms*, Report to Congress (Washington: BATF, 1991), p. 132.
41. *Ibid.*, pp. 122-23.
42. *Ibid.*, pp. 123-24.
43. U.S. General Accounting Office (GAO), *Small Arms Parts: Poor Controls Invite Widespread Theft*, Report GAO/NSIAD-94-21 (Washington: GAO, 1993).