

## Strategic Insight

### The War on Terrorism in Southeast Asia: Searching for Partners, Delimiting Targets

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**March 2002**

#### Introduction

President Bush came to office with the intent to strengthen U.S. involvement and engagement in Southeast Asia. He was particularly concerned over the emergence of East Asian regionalism (ASEAN +3) that excluded the United States. Economically, ASEAN was important to the United States as its third largest overseas market for U.S. exports, absorbing three times the U.S. exports that China does.

Despite this economic interdependence, politically the United States and ASEAN had been drifting apart. September 11 and the U.S. war on terrorism provided an opportunity for U.S.-ASEAN collaboration, but also proved to be a further wedge as thousands of Muslim protestors took to the streets chanting anti-U.S. slogans in Malaysia, Indonesia, and southern Thailand as the war in Afghanistan began. When Undersecretary of Defense Paul Wolfowitz stated that the United States would be "going after al-Qaeda in Indonesia" as the next target after Afghanistan, this added further tension in U.S.-ASEAN relations. Indonesia's borders are porous, militant Islamic groups are numerous, and the state has a limited capacity to control them.

The test of U.S.-ASEAN relations will be how ASEAN countries respond to the U.S. war on terrorism. All of ASEAN condemned the terrorist attacks but practical responses varied. In November 2001, ASEAN signed a declaration for joint action against terrorism, but it was mainly a declaration to exchange information with no operational coordination. In December 2001, the Philippines, Indonesia, and Malaysia warned the United States against sending troops to Southeast Asia in its war on terrorism, which they claimed would be an affront to their national sovereignty.

#### The Philippines' Response

Abu Sayyaf (Arabic for "Sword of God") claims it fights for an Islamic state but is better known for criminal activities and taking hostages for ransom. Small in size -- approximately 500 members -- the group is accused of receiving funding from al-Qaeda and training in Afghanistan. The evidence on this is murky. A decade ago, Osama bin Laden's brother-in-law, Mohammed Jamal Khalifa, funneled money to Abu through Islamic charities.

After initially declining President Bush's offer to send U.S. soldiers to fight Abu Sayyaf rebels in the southern Philippines, Philippines President Arroyo eventually did accept training, equipment, and maintenance support. Manila received \$92 million of military equipment. U.S. soldiers did go to the southern Philippines for the Balikatan war games, a six-month joint training military exercise begun in January 2002, while U.S. Special Forces advised the Philippine military on Abu Sayyaf. There was a great deal of confusion in Filipino public opinion regarding both their missions and whether they violated the constitution. Their presence remained controversial.

The Moro Islamic Liberation Front (MILF), the largest Islamic separatist group in the Philippines with 15,000 members, is linked to al-Qaeda with members that have trained in Afghanistan. The MILF has itself trained Jemaah Islamiah members from neighboring countries in its camps. In 2000, MILF had declared jihad against former President Estrada's government, but after taking office, President Arroyo negotiated a cease-fire. Filipinos were concerned that the war on Abu Sayyaf would provoke the MILF into an expanded war in Mindanao where they are both based. The MILF had threatened hit and run attacks against Americans and Filipinos during the war games. The Abu and MILF groups are not clearly delineated with members switching back and forth.

Some elements in the Philippines military had raised the possibility of widening the war to include the MILF, claiming it had attacked military outposts. However, President Arroyo was opposed, stating it was "not fair to put the MILF on the terrorists list of the United States," since the MILF was not engaged in terrorist activities and peace talks with Manila were doing very well.

Military corruption is said to be a major impediment in tracking Abu. In early February 2001, the Philippines army had the entire Abu Sayyaf leadership with their two American hostages under siege for 17 hours, but somehow, the Muslim group managed to slip out the back door. Questions were raised about whether the Philippine army had once again been bribed by Abu Sayyaf.

### **Assessment**

The U.S. fight against terrorism in the Philippines has been clearly delimited to focus only on a relatively small group of terrorists. U.S. Special Forces have an "advise and assist" mission. The Philippines has become the model for additional fronts in the global war on terrorism. The Bush Administration indicated it wanted to implement the Philippines model in Indonesia even though it knew the Indonesian government was very unlikely to cooperate with the United States on the same scale as in the Philippines.

The Arroyo government felt that it had gained much in economic and military aid (approximately \$4.6 billion) by supporting the war on terrorism. Mindanao would receive a \$55 million aid package. The United States would also help the Philippines reschedule its very large \$50 billion debt. The political opposition would try to use the issue of U.S. troops on Filipino soil to destabilize her government but as long as the joint operation was limited to Abu Sayyaf, Arroyo expected no negative long-term effects. The Philippines both cooperates with the United States and supports the ASEAN position that it can manage terrorism independently.

### **References and Resources**

[The Philippines and the War on Terrorism](#), *WashingtonPost.com* feature  
[In the Spotlight: Moro Islamic Liberation Front](#), Center for Defense Information Terrorism Project, February 15, 2002  
[Reaping the Rewards](#), Ann Bernadette S. Corvera, *Philippine Star*

### **Indonesia's Response**

Indonesia continued to demand that the United States not target the country in its war on terrorism, hinting that U.S. investments would be adversely affected. Militant Muslim groups suspected of links to al-Qaeda were Laskar Jihad, the Indonesia Mujahidin Council, and Jemaah Islamiah. Indonesian government officials knew cooperation with the United States would alienate the Muslim political parties that make up President Megawati Sukarnoputri's fragile government coalition.

The Indonesian army had created numerous militia and paramilitary groups, now estimated to number 1.5 million in membership, as tools to manage a very fragmented Indonesian society. Laskar Jihad was only a small fraction of this larger paramilitary force that had militarized Indonesian society with militia spread

out across the archipelago. Some Indonesian government officials saw U.S. intervention as a way to control the militia groups whether they had links to al-Qaeda or not.

Created secretly by one faction of army hard-line generals in 2000, Laskar Jihad was meant to be a tool for them to undermine and destabilize former President Wahid's government, thus blocking his policies to establish civilian control over the military. The army financed Laskar Jihad with money embezzled from its defense budget, estimated to be about \$9.3 million. Laskar Jihad's commander, Jafar Umar Thalib, led the group against Christians in the Mulukus, killing thousands. He had met Osama bin Laden in Afghanistan but unconvincingly downplayed connections with al-Qaeda.

The Indonesian military in October 2001 had uncovered a Jemaah Islamiah 15-page document, titled "Jihad Operation in Asia," but kept it secret because the military faction that found it was opposed to intelligence cooperation with Washington. The plan was to carry out synchronized attacks on American embassies and installations in December 2001 in Singapore, Malaysia, and Indonesia. Yemenis planning to blow up the U.S. embassy had stayed with Laskar Jihad members. The Indonesian police stalled in the investigation of the Yemenis, thus allowing them time to escape.

Jakarta would neither confirm nor deny that Indonesian citizens had gone to Afghanistan to train with al-Qaeda although it knew Laskar Jihad had ties to the Taliban. Many of its members, including its founder, had trained and fought in Afghanistan. About 1500 young men, militia that had committed barbarities in East Timor, had gone to Afghanistan to train. While Jakarta was vague on where 500 of them had disappeared to, neighboring countries worried.

Foreign governments wondered why Jakarta was so passive toward these violent Islamic militants and so uninterested in hunting down al-Qaeda terrorists. Nationalist sentiment and anti-Americanism had been aroused by the U.S. war on terrorism. The Indonesian Mujahidin Council had warned Megawati that she was "playing with fire" if she tried to round up Muslim radicals as was being done in Malaysia and Singapore, promising major turmoil if security forces targeted the Muslim community.

The U.S. Ambassador to Singapore demanded that Jakarta do more to track down those local Indonesian groups and do more to combat Islamic militancy. The militarization of Indonesian society had spillover effects into neighboring countries Singapore, Malaysia, and the Philippines. Indonesia claimed, rather disingenuously, that it did not have an Internal Security Act, as Singapore and Malaysia did, that would allow for arrest without evidence and detention without trial.

While Jakarta was attempting to downplay links to al-Qaeda, an Indonesian Muslim cleric, Abu Bakar Bashir, praised the al-Qaeda network and called Osama bin Laden a "true Islamic warrior." Bashir is a leader of Jemaah Islamiah and head of the Indonesian Mujahidin Council. Singapore had arrested 13 members of this group and Malaysia 23 members. In January, the Jakarta police brought Bashir in for questioning but he later said that the police never asked him about links to al-Qaeda. The same month, an Indonesian member of Jemaah Islamiah, Fathur Rohman al-Ghozi, was arrested in the Philippines. He had trained in Afghanistan, worked with the MILF, and confessed to financing the bombings in Manila that had killed 22 people in December 2000 and the Christmas Eve 2000 bombings in Indonesia. He claimed that Hambali also was in Manila in December 2000. He led authorities to a cache of explosives and weapons.

## **Assessment**

This link between hard-line army faction, Muslim militia, and al-Qaeda meant Indonesia's army became both a major facilitator of terrorism and a key to tracking the elusive network. The army did not want the war on terrorism to focus on the radical Muslim militias they had organized, trained, and financed. The dilemma for the Indonesian army was how to be a partner in the war on terrorism without being considered a target, and how to use the war to re-establish military relations with the United States.

Before the war on terrorism, Indonesia had faced the threat of becoming a "failed state" as Afghanistan had become. Jakarta worried that U.S. involvement in Indonesia would follow the Afghanistan model rather than the Philippine model. The radical Muslim militias, 1.5 million strong, contributed to the militarization of Indonesian society and provided fertile ground for al-Qaeda to establish links with two of them, Laskar Jihad and Jemaah Islamiah.

CINCPAC Admiral Blair in his trip through Asia in January 2002 to discuss terrorist links did not stop in Indonesia, instead stopping in Malaysia, Vietnam, Japan, and South Korea. The United States had a "continuing policy review" on U.S.-Indonesian military relations as it considered ways to engage the Indonesian military in counter-terrorism efforts. Intelligence sharing would be the most important proposed activity, as it appears that the Indonesian army has the only database on Islamic extremists. The United States will have to choose carefully which army faction it would cooperate with, and which faction it should hold responsible for militia activities. And the United States would be expected to delimit its war on terrorism to Laskar Jihad and Jemaah Islamiah, not expanding beyond them to the larger community of Muslim militia members in Indonesia.

## References and Resources

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[Al-Qaeda in Southeast Asia: Evidence and Response](#), Center for Defense Information Terrorism Project, February 8, 2002

## Malaysia, Thailand, and Singapore's Response

The United States is a major trade and investment partner with Malaysia, yet U.S.-Malaysian relations can generate friction. The U.S. war on terrorism has exacerbated this. The American FBI identified Malaysia, the image of moderate Islam, as being a "primary operational launch pad for the Sept. 11 attacks." Prime Minister Mahathir, critical of U.S. regional efforts, has been resolute in cracking down domestically on suspected terrorists, and demonstrating internationally that Malaysia can manage terrorism independently.

Malaysia supports ASEAN taking a more active role against terrorists and avoiding a U.S.-led war in the region. In December 2001, a Malaysian defense official claimed that "We have training with U.S. forces...But having American troops on Malaysian soil on a much more permanent basis, I think, is quite out of the question. It would be inconsistent with our policy."

The government arrested Nurjaman Riduan Isamuddin, known as Hambali, leader of Kumpulan Militan/Mujahideen Malaysia (KMM) and a student of Indonesian cleric Abu Bakar Bashir. Hambali is directly linked to September 11 terrorists. The KMM seeks an Islamic state that would cover Malaysia, Indonesia and southern Philippines. Both KMM and Jemaah Islamiah are known to have Afghan-trained members and to have cells throughout the Southeast Asian region. Malaysian police have arrested dozens of KMM members and are searching for 200 more. In cracking down, Mahathir has discredited his largest opposition group, the Pan-Malaysian Islamic Party (PAS). Those arrested, under the Internal Security Act, are being re-educated. By March 2002, Malaysian forces rounded up nearly 8,000 illegal immigrants in Sabah state to deport them, primarily Indonesians and Filipinos, some of whom they suspected were terrorists.

Thailand was the most ambivalent member of ASEAN, vague on whether the United States could use Thai military facilities in the war on terrorism. Predominantly a Buddhist country, with a Muslim minority of 6 million in the south, Bangkok was worried that its relatively peaceful Muslim minority would be stirred up. Thais were concerned that the U.S. war on drugs, with which Thailand does cooperate, would be integrated with the U.S. war on terrorism, thus displacing Bangkok's priority on the drug war. In October 2001, Bangkok refused a U.S. request to station supply ships in the Gulf of Thailand. At the November

ASEAN meeting on terrorism, Prime Minister Thaksin asserted, "we have no problems, we can look after ourselves." In an effort to be cooperative, the Cobra Gold U.S.-Thai joint exercise in 2002 will include counter-terrorism activities, which most of ASEAN will attend. Thailand put primary emphasis on ASEAN as the mechanism to combat regional terrorism.

The Singapore government gave full support to U.S. counter-terrorism activities. The Singaporean defense ministry has created a new national security secretariat to manage counter-terrorism activities. Although Singapore has had no indigenous terrorist organizations, it was alarmed to find the regional network extended into its territory. After 13 Indonesian Jemaah Islamiah suspects were arrested in Singapore, accused of planning to bomb the U.S. embassy, Senior Minister Lee Kuan Yew accused Indonesia of harboring terrorists, naming Abu Bakar Bashir as the leader. Lee infuriated Jakarta and initiated a diplomatic row between the two countries.

### **Assessment**

For some states, the war on terrorism was an inconvenience and distraction that could displace their priority areas of economic development through agreements such as the U.S.-ASEAN free trade area. The image of Southeast Asia as a haven for terrorism was hurting tourism and foreign investment. Although economically interdependent with the United States, these states resisted greater security cooperation, instead preferring regional autonomy through ASEAN efforts to counter terrorism.

### **References and Resources**

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### **Overall Assessment of Southeast Asia's Response to Terrorism**

The dilemma in countering terrorist organizations in Southeast Asia is the fact that ASEAN unity is more important to Southeast Asian countries than the war on terrorism. Although ASEAN members were concerned about not dividing along Muslim/non-Muslim lines, there is a division among member countries in terms of state capacity to monitor, track down, and arrest suspected terrorists. Strong states seemed like potential partners in the war on terrorism but were more likely to manage terrorism independently.

The ASEAN meeting at Phuket, Thailand in February 2002 focused on terrorism and tried to counter the image that Southeast Asia was a haven for terrorists. The Malaysian Foreign Minister wanted arrests of terrorists to be viewed as "a credit, not a debit," i.e., he wanted ASEAN states to be seen as partners in the war on terrorism, not targets. The Philippines, Indonesia, and Malaysia drafted an agreement for intelligence sharing, synchronization of investigation methods, and extradition, to strengthen each other's capacity to arrest suspected terrorists. Thailand wanted to examine the details before it would sign it. But no agreement was signed, no formal statement issued except to declare a "New Era" in the War on Terrorism.

Malaysia and Singapore would address the Commonwealth leaders when they met in Australia in March 2002. The Commonwealth group agreed it would expel any member state that financed, aided, or harbored terrorists. Malaysia urged the grouping not to link terrorism with Islam and not dwell on al-Qaeda and Sept. 11, but rather broaden its focus to other types of terrorism such as ethnic cleansing in Europe. Singapore urged that the war on terrorism not create a rift between Muslim and non-Muslim states.

There was a consensus in the U.S. government that the Southeast Asian al-Qaeda affiliate, the Jemaah Islamiah group, was far larger and more sophisticated than U.S. analysts had thought with networks

spanning Indonesia, Malaysia, Singapore, and the Philippines. The terrorist network was transnational in nature but U.S. counter-terrorist efforts would be organized on a state-by-state basis. This meant success would depend on the willingness and capacity of individual states to cooperate. There was also recognition that not every Southeast Asian militant Muslim group was necessarily an al-Qaeda cell, but that it could affiliate with and subscribe to the larger organization's goal of killing Americans. It was imperative to not motivate these potential affiliates to join the al-Qaeda cause.

The Pacific Command has established a Directorate for Counter-Terrorism and deployed personnel to U.S. embassies in the Philippines, Indonesia, and Malaysia. Congress has expressed concern that the war on terrorism had an expanding agenda. Admiral Blair testified before Congress on February 27, 2002, stating that U.S. assistance to the Philippines military against Abu Sayyaf would not expand to targeting the Moro Islamic Liberation Front.

Admiral Blair assured Congress there would be "no Afghanistans," no sanctuaries for al-Qaeda or other terrorist organizations. This was also assurance for Jakarta that it would not be considered a "failed state," and thus potentially another target on the Afghan model. Admiral Blair has requested that restrictions based on the 1999 Leahy Amendment, which prevents resumption of U.S.-Indonesian military-to-military relations, be lifted. The United States already has limited anti-terrorist training of Indonesian policemen, approved last year. A security dialogue between senior civilian defense ministries will begin April 2002, focusing on terrorism and piracy.

ASEAN states with greater capacity to govern their territories, Malaysia and Thailand, resisted a U.S. leadership role in the region, preferring greater autonomy and reliance on ASEAN measures, an effort to delimit perceptions of the extent of the threat and prevent the war from expanding in the region. ASEAN states with weaker capacity for governance of their territories, the Philippines and Indonesia, considered how to benefit economically and materially from the war on terrorism, while also delimiting its scope to a relatively small number of suspected terrorists.

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