



Islamist Terrorism
in Southeast Asia

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Based in Honolulu, Pacific Forum CSIS operates as the autonomous Asia-Pacific arm of the Center for Strategic and International Studies in Washington, D.C. The Forum's programs encompass current and emerging political, security, economic/business, and oceans policy issues through analysis and dialogue undertaken with the region's leaders in the academic, government, and corporate areas. Founded in 1975, it collaborates with a broad network of research institutes from around the Pacific Rim, drawing on Asian perspectives and disseminating project findings and recommendations to opinion leaders, governments, and members of the public throughout the region.

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Executive Summary

Pacific Forum CSIS inaugurates this year's *Issues & Insights* series with a transcript of the speech given by Philippine Ambassador to the United Nations Alfonso Yuchengco. Ambassador Yuchengco is a Pacific Forum board member and delivered the following address at a meeting of the Honolulu International Forum on Jan. 14, 2003.

Ambassador Yuchengco argues that the Bali bombings of Oct. 12, 2002 were a wake-up call to Southeast Asia, similar to the one received by the United States and the West on Sept. 11, 2001. The Bali bombings have forced regional governments to acknowledge the threat posed by Islamist terrorism in Southeast Asia, a danger that had been minimized in the past.

In response, Southeast Asia governments have intensified security and intelligence cooperation. In the process, they have discovered that Islamic extremist groups in the region have formed networks and cooperate in raising money, training, and the execution of missions. Links to al-Qaeda are widespread. One group, *Jemaah Islamiyah*, wants to establish "one great Islamic state" that would incorporate Malaysia, Indonesia, Singapore, Brunei, and the Mindanao-Sulu region of the Philippines.

Despite the growing concern about Islamic extremists, Southeast Asian governments continue to treat this threat cautiously. They fear that aggressive prosecution would radicalize more members of the Muslim community and render them susceptible to charges of knuckling under to the U.S.

Ambassador Yuchengco argues that the Muslim situation in the Philippines is a special one, requiring a broad-based strategy to combat the social conditions that breed Islamic extremism and separatism in the country. He calls for affirmative action programs and concrete and measurable goals that will benefit ordinary people.

Islamist Terrorism In Southeast Asia

Ambassador Alfonso T. Yuchengco

Southeast Asia Awakens to the Terrorist Threat

For us in Southeast Asia, Oct. 12, 2002, was what Sept. 11, in 2001, had been for America and the West. The bombings in Bali – which killed nearly 200 young tourists – have awakened Southeast Asia to the threat of Islamist terrorism, which our leaders had tended to minimize because our variety of Islam had seemed more moderate than the Middle Eastern kind.

Introduced not by Arab armies but by Sufi mystics, starting in the middle of the 14th century, Southeast Asian Islam has adapted not only to Hinduism and Buddhism but to even older magical and animist practices. For instance, while Indonesia is commonly said to be the largest Muslim country, its variety of Islam is really a mixture of many dissimilar elements.

Because of this heterogeneity, Southeast Asian Islam had adapted to modernity more easily than the orthodox Islam of the Middle East and of North Africa. So that while in, say, Egypt and Algeria, secular nationalists of the post-colonial period, such as Egypt's Gamal Nasser and Algerian Ahmed Ben Bella, had failed to deliver on their promises of bread and freedom, Mahathir bin Mohamed in Malaysia and Suharto in Indonesia have brought their peoples significant material benefits.

Of course economic growth in Southeast Asia, as elsewhere, has also generated grievances among groups whom development has left behind. In both Indonesia and Malaysia, as well as in Singapore, the southern Philippines, and southern Thailand, where there are sizeable Muslim minorities, these grievances have all produced Islamist

movements. Some of these radical movements seek to separate themselves from exploitative secular governments – or to overthrow them. Others express in religious terms what are in reality worldly disputes with non-Muslim communities – such as rivalries over land rights and access to jobs and livelihood.

Ultimately all these movements seek to found states governed by Koranic law – Islamic states strong enough to resist the invasion of Western influences that is being promoted by cultural globalization.

For all of these movements, the “holy war” against the atheistic Soviet Union in Afghanistan was a formative influence. Southeast Asian *mujahedeen* – some of them recruited, ironically enough, by the CIA – returned home from their victorious Afghan War to stiffen the spine of the region’s Islamist rebellions and to head its terrorist groupings.

Islamist Movements in Southeast Asia

State terror too has helped to form the character of Southeast Asia’s Islamist movements. In Indonesia under authoritarian rule, repression of those who opposed the regime radicalized religious leaders such as the cleric Abu Bakar Ba’asyir, who has become notorious as the spiritual leader of the terrorist network *Jemaah Islamiyah* or “Islamic Community.”

Ba’asyir – who runs a religious boarding school in Central Java and heads a federation urging an Islamic state on Indonesia – was detained by the Suharto regime from 1978 until 1982. Fleeing to Malaysia three years later, he and his followers spread their influence among Malaysian Islamists already confirmed in their opposition to the secularist United Malay National Organization (UMNO) by veterans of the Afghan War and by students returning home from religious schools in India and Pakistan.

Malaysia during that period was apparently a gathering place of Islamist groups from all over the world. (Two of the terrorists who attacked the World Trade Center were sighted there in early 2000.) It may have been during this period that the Southeast Asian Islamists started linking up their local groupings.

Ba'asyir returned home sometime after Suharto had been overthrown, but some of his followers remained to tie together the Indonesian and Malaysian networks.

The Muslim Problem in the Philippines

In the Philippines, the proclamation of martial law in 1972 by the strongman Ferdinand Marcos confirmed our Muslim communities of Mindanao and Sulu in their resistance to the imperial – and “Christian” – Philippine state they had been fighting, off and on, for four centuries.

Under authoritarian rule, local quarrels over land rights between Muslim peoples and “Christian” migrants – similar to those even now raging in eastern Indonesia – became outright secessionist rebellions, led initially by the secularist MNLF, or Moro National Liberation Front, and then (after the MNLF had exhausted itself) by the Islamist MILF, or Moro Islamic Liberation Front, of which the Abu Sayyaf terrorists are a splinter group.

Southeast Asian governments are trying to conciliate these scattered rebellions with generous grants of autonomy. For instance, the “special autonomy” Jakarta is offering Aceh Province – where a peace agreement has just ended a separatist rebellion that has raged since 1953 – a redistribution in Aceh’s favor of royalties from its oil-and-natural-gas resources – four-fifths of which the central government used to appropriate.

In Mindanao a tenuous peace agreement the Ramos administration signed in 1996 with the MNLF still holds; and President Gloria Macapagal-Arroyo is negotiating one

with the MILF. An Autonomous Region for Muslim Mindanao is in place; and Manila is channeling all the money it could spare into public health, education, and infrastructure for the Muslim provinces.

Decades of neglect – not only by the central government but by their own chiefly families – have made our Muslim regions among the poorest in the Philippines. President Arroyo’s efforts for peace in the southern Philippines center on integrating them into the national community – as part of her vision of a “strong Philippine Republic.”

Our Muslim minority has become increasingly self-aware and increasingly assertive. Dealing justly with this kind of ethnic nationalism will – I think – call for some degree of compensatory justice for historical discrimination and neglect by Philippine governments.

Al-Qaeda Comes into the Picture

The separatist rebellions in Indonesia, the Southern Philippines, and in Southern Thailand, and the Christian-Muslim land conflicts in the Moluccas – if not the Islamist agitations in Malaysia – were all well established before al-Qaeda began expanding into Southeast Asia in the late 1980s. But since then, there has been evidence of more than casual cross-border cooperation among these local Islamist groups – even of some central intelligence coordinating their activities.

Intensified activity in the aftermath of Sept. 11 by intelligence agencies in Singapore, Malaysia, the Philippines, Indonesia – and, more recently, Australia – has uncovered a regional terrorist network more extensive than the region’s governments had thought existed. As a measure of how closely-knit these networks are, religious tithes on the incomes of Singapore Islamists have apparently funded terrorist activities in neighboring states.

Only now are the Southeast Asian governments beginning to put together the whole picture. Malaysian Islamists have apparently been training Singaporeans and carrying out terrorist activities in Indonesia, while their Filipino brethren have provided training facilities for Indonesians and al-Qaeda recruits in camps the MILF ran in various parts of western Mindanao. The Philippine government dismantled these camps in the middle of 1999.

It now turns out that it was Indonesians who bombed the Philippine Embassy in Jakarta and who helped bomb a Manila commuter train in late 1999 – in retaliation for the Philippine government’s assault on the MILF camps.

A Terrorist Religious Community?

Terrorist suspects who have admitted to membership in *Jemaah Islamiyah* have been arrested in Singapore, Malaysia, and the Philippines. Close to 100 suspects are being held in Singapore and Malaysia alone – under Internal Security Acts held over from colonial rule.

Jemaah Islamiyah apparently envisions one great Islamic state – embracing Malaysia, Indonesia, Singapore, Brunei, and the Mindanao-Sulu region of the Philippines – emerging out of the racial, religious, and ethnic conflicts they are stirring up. Singapore and Malaysian authorities accuse the 65-year-old cleric Abu Bakar Ba’asyir of heading the *Jemaah Islamiyah* network.

A central committee made up of representatives of the national groups – said to include the Mindanao MILF and the Muslim separatist group in the “Pattani Republic” of southern Thailand – apparently ensures cross-border cooperation in raising arms and money, training militants, and carrying out terrorist attacks.

A younger Indonesian Islamist cleric, Ruidan Isamuddin, also known as Hambali, is reputed to have linked *Jemaah Islamiyah* to al-Qaeda in the 1990s. Singapore intelligence says Hambali, an Afghan war veteran, was accepted into al-Qaeda's inner circle – apparently a rare honor accorded a non-Arab. Singapore's founding father, Lee Kuan Yew, describes Hambali as “Ba'asyir's right-hand man.” Believed responsible for several bombing attacks in Southeast Asia – including the one in Bali – Hambali is wanted in several states but has yet to be found.

Before the Bali bombing, the Indonesian authorities had refused even to question Ba'asyir, fearing they may merely be creating a Muslim “martyr.” But Jakarta has now named him a “terrorist suspect” and held him for questioning. President Megawati Sukarnoputri has also issued a decree allowing the detention of terrorist suspects for as much as six months.

Al-Qaeda in Southeast Asia

A study by the International Crisis Group – a nongovernment and organization based in Brussels – suggests that students of Ba'asyir's religious school may compose the core of Southeast Asia's Islamist network.

Washington itself is apparently convinced al-Qaeda is using *Jemaah Islamiyah* to foment terrorism in Southeast Asia. The Bali bombings – which for the first time were aimed at Australian and other Western tourists – bear out this hypothesis. Until Bali, disturbances traced to Islamist groupings have all been on behalf of local grievances. Indonesian military officials themselves now acknowledge the al-Qaeda network has been active in their country.

Certainly Southeast Asia's local cells must have welcomed al-Qaeda's help in raising funds, acquiring explosives and weapons, training militants, and widening regional contacts. In turn, the region has become of primary importance to al-Qaeda – as

an alternative base and training ground, now that its Middle East cells have been scattered. Al-Qaeda apparently relies more and more on national and regional groups to carry out its strategic goals.

In 1988, according to U.S. intelligence, Osama bin Laden sent his brother-in-law, Muhammad Jamal Khalifa, to the Philippines to recruit volunteers for the Afghan war. Passing himself off as a businessman and philanthropist, Khalifa started recruiting Filipino *mujahedeen*, some of whom joined the Abu Sayyaf on returning home.

As early as 1995, al-Qaeda was apparently running its own training camp inside the MILF's Camp Abubakar in Mindanao's Maguindanao Province. During 1996-98, over 1,000 Indonesian *mujahedeen* are said to have trained there. A second al-Qaeda camp was located elsewhere in the same area of Mindanao.

In February 1999, Western intelligence apparently intercepted phone conversations during which bin Laden asked MILF leader Hashim Salamat to set up more training camps for his operatives. At the time, al-Qaeda was hard-pressed in the Middle East, after having bombed American embassies in Kenya and Tanzania.

The MILF has denied linkages with al-Qaeda, but has admitted receiving "foreign visitors" at its base in Mindanao. But Philippine intelligence say MILF links with al-Qaeda date back to the late 1980s, when the MILF sent an estimated 1,000 *mujahedeen* to Afghanistan.

Omar al Faruq, an Iraqi al-Qaeda agent the Indonesians handed over to the Americans, has admitted al-Qaeda's responsibility for a series of church bombings in Indonesia – which it set off to trigger a religious civil war and transform the country into a militant Islamic state. Since 1999, at least 7,000 people have been killed in Muslim-Christian clashes in the Moluccas islands and in Central Sulawesi province alone.

A Southeast Asian Antiterrorist Pact

Almost as soon as President George W. Bush began organizing his global antiterrorist coalition, the three Malay states of Indonesia, Malaysia, and the Philippines (on Manila's initiative) agreed to share antiterrorist intelligence and to tighten up border controls. Thailand and Cambodia have since acceded to the treaty.

The five partners cooperate informally with Singapore, Australia, and the United States. In Brunei in August 2002, all 18 member countries of the ASEAN Regional Forum (ARF) agreed to freeze the financial assets of terrorist groups.

But Southeast Asian governments continue to treat their homegrown Islamists cautiously. While Jakarta has allowed the proscription of *Jemaah Islamiyah*, Manila has until now prevented Washington from declaring the MILF a terrorist organization.

The common fear of the Southeast Asian governments is that too-aggressive prosecution of the antiterrorist campaign would progressively radicalize more and more of the disparate groupings that make up Southeast Asian Islam. Then too, the government that appears too susceptible to U.S. "dictation" risks alienating the nationalist urban middle class that makes up the modern basis of its rule.

Fortunately for our governments, a backlash against Islamism also appears to be building up in Southeast Asia's pluralist societies. In Malaysia, Prime Minister Mahathir has outflanked his Islamist opposition and won to his side both the country's Chinese and Indian minorities and the secularist urban Muslims. In Indonesia, the Muslim nationalist groupings – *Muhammadiyah* and the *Nahdlatul Ulama* – both of which date back to Dutch rule – have begun to speak out on behalf of traditionally tolerant Indonesian Islam. The Bali bombing – which has wrought havoc on Indonesia's once-flourishing tourist trade, on which 8 million jobs depend – is also likely to sharpen the political isolation of Southeast Asia's Islamists.

An Affirmative Action Program for Muslim Mindanao

In the Philippines, the reformist government of President Gloria Macapagal-Arroyo is contemplating an “affirmative action” program for our Muslim communities as the basis of a peace agreement with the MILF and as a way of easing the terrorist threat.

In the U.S., as we know, special consideration awarded to African Americans for welfare services, jobs, and university admissions effectively dampened the urban rebellions that were widespread in the 1960s.

For us, lifting up the common life of our Muslim communities is an urgent social as well as a political concern – for they are so far below the country’s mainstream population in every human development indicator that one wonders why they have not risen in revolt earlier. For instance, our Autonomous Region for Muslim Mindanao has the highest rate of infant and children mortality among all our 15 administrative regions. Indeed, the life expectancy of our Muslim population is nine years below the national average. The indicators suggest that many Muslim Filipino children complete only primary grades 1 and 2. On Basilan Island, the Abu Sayyaf’s stamping ground, only 48 percent of all the inhabitants are functionally literate.

And while it is true that the problems of our Muslim peoples are more complex than the delivery of social services, an affirmative action program can focus government on concrete and measurable goals – such as building health-care centers, establishing potable water sources, and initiating primary school-feeding programs – that ordinary people can quickly benefit from. An affirmative-action program also has the virtue of being a concept familiar to donor governments such as the U.S., Japan, and Western Europe, and one even the Arab states can be easily persuaded to support.

The Region can Win its War Against Terrorism

These optimistic trends in Southeast Asia – as the region wakes up to the peril that threatens it – tell us the region can win its war against terror. But the conflict will be protracted. We must assume the local networks are regrouping – and they have an abundant supply of recruits, from the batches of militants the training camps in Malaysia, the Philippines, and Indonesia had processed over this last decade.

Not only will the antiterrorist campaign be divisive for our plural societies. It will also distract our governments from the task of reform and development they must accomplish – if they are to reduce the ranks of Southeast Asia's poor that have risen since the successive financial crises that began in 1997.

On this ambiguous note, I must end: the story is far from finished. The Southeast Asian networks remain capable of carrying out other operations on the scale of the Bali blasts. And although the Southeast Asian governments have become fully engaged, they must sharpen their intelligence and police work. One can only hope the Western governments will do all they could to help – for we are all together in this twilight conflict.

About the Author

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Prior to his current appointment, Mr. Yuchengco was the Philippines' Special Envoy to Greater China, Japan, and Korea.

From 1998 to 2000, he was Presidential Assistant on matters related to the Asia-Pacific Economic Community. From 1995 to 1998, he served as Ambassador Extraordinary and Plenipotentiary to Japan and held that position for China from 1986 to 1988.