



IDSS COMMENTARIES (38/2003)

IDSS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of IDSS.

APEC Summit: Regionalizing the War on Terror

Arabinda Acharya*

3 Nov 2003

The APEC leaders summit in Bangkok last month was notable for the prominence given to counter terrorism along with economics and trade. This was largely due to the push by the US President George W. Bush to get the Asia-Pacific leaders to refocus on the war on terror launched after 11 September 2001, which was going off-track because of differences over the US invasion of Iraq. While many governments in the region had supported and joined the fight against terrorism, the Muslim populations of Indonesia and Malaysia had been inflamed by Washington's actions in Iraq. Besides the fact that in many parts of the region anti-US sentiment, now being stoked by the virulence of the new phase of Israel-Palestine conflict and instability in Iraq, continues to provide the motivational fuel to many terrorist groups and its members, has been making it difficult for the countries in the region to fight terrorism on many fronts.

Asian Leaders were no less concerned about the continued threat of terrorism despite many successes including significant disruption of Jemaah Islamiya cells in Singapore and Malaysia and arrests of key Jemaah Islamiya leaders including Hambali – Al Qaeda's chief of operations for Southeast Asia. However at Bangkok, many leaders such as then Prime Minister Mahathir Mohammad of Malaysia and officials from Indonesia and Vietnam, were concerned about discussing security and terrorism issues in a forum which was conceived as an exclusively economic grouping.

Terrorism and Economics Nexus

The terrorists were quick to grasp the significance of, and capitalize on, the economic costs of asymmetric warfare. This was what Osama bin Laden himself emphasized in his interview to Al-Jazeera TV on 21 October 2001 in which he detailed the financial losses of the 9/11 attacks for the United States. But the main issue is whether trade and economics can really be divorced from security? As the series of terrorist incidents in the US, Bali in Indonesia and Mombassa in Kenya among others have repeatedly demonstrated, economic and security issues are 'inextricably linked,' and terrorism cannot be divorced from trade. In Southeast Asia, the fall-out of the October 2002 Bali bombings had been severe in economic terms. The worst affected had been the tourism industry. The negative travel advisories by Western governments were causing significant disruptions in tourism in the region. Reductions in the level of Foreign Direct Investments and flight of capital were additional consequences causing considerable concern to the governments of the region, which also must commit substantial resources to build their capacity to combat terrorism.

The US had developed mechanisms for cooperation in combating terrorism with the ASEAN members. However, similar cooperation with other members of APEC had been lagging. In particular there was a need for better inter- governmental and inter-agency

coordination, information sharing and border and banking controls to stop the flow of funds and weapons to the terrorists. By raising the issue of counter-terrorism at the APEC summit, the US expected to give it a multi-lateral force and to obtain from the Asia-Pacific leaders greater commitment for the global anti-terrorism drive. The attempt here was not to replace economics with terrorism in APEC's agenda, but to ensure that stopping terrorism go hand in hand with 'APEC's goal of promoting economic prosperity.'

Other Asian leaders were also alive to this aspect. As Chinese President Hu Jintao said, APEC should 'give full scope to its own advantages in light of the region's situation and actual needs, deepen anti-terrorism cooperation and enhance capacity building in the members, with a view to safeguarding regional peace and stability and promoting regional development and prosperity.'

Many leaders were sensitive about the question of what security issue is relevant under APEC, spurring a distinction to emerge between commerce (economic) related security and military related security as for example the issue of man-portable air defence systems (Manpads). As revealed from the interrogation of captured militants from Thailand and elsewhere in Southeast Asia, the threat to aviation infrastructure from these systems has been considerable. Similarly in the maritime sector improving security capacity in management of shipping activity both at the ports and on the high seas could be of immense benefit for the states in the region as shipping has been the life line of much of the Southeast Asia's trade and commerce.

APEC Policies Against Terrorism

Thus, the 2003 'Bangkok Declaration' recommended a set of policies to attack terrorism, thereby signaling the 'evolution of APEC into a security as well as an economic grouping.' There was also an endorsement that both the 'symptoms and the root causes of terrorism' need to be addressed. The leaders pledged to dismantle 'without delay' transnational terrorist groups that threaten the APEC economies. To help boost global security, the summit pledged to put in place controls on trade in shoulder-fired missiles, closer cooperation in monitoring cross border movements and enhancing port security, to choke terrorist finance and a coordinated approach to the threat of bio-terrorism. There was also a commitment for counter terrorism coordination by improving cooperation and technical assistance between APEC's Counter Terrorism Task Force and its counterparts in the United Nations and the G-8 group. APEC leaders also agreed to the US proposal for setting up a new Asian Development Bank terrorism fund to help developing economies strengthen port security and combat money laundering.

Bush visits boost for regional states

President Bush's visits to some of the key countries in the region – the Philippines, Singapore and Indonesia- were of considerable significance both for the US-led global war on terror and for the governments in the region. The region, described by many observers as the 'second front' because of its large Muslim population in countries with porous borders and weak institutions, holds priority in the global anti-terrorist campaign. Southeast Asia hosts several homegrown Islamic terrorist groups with links Al-Qaeda and its network. Despite hundreds of arrests Jemaah Islamiya remains an unpredictable force with many of its determined cadres 'regrouping and rebuilding the network.' There are links between the Jemaah Islamiya and like-minded Islamists across the region- the MILF, the Abu Sayyaf Group in the Philippines, KMM in Malaysia and the Mujahideen Council of Indonesia, itself an alliance of about 100 radical and militant groups some connected to mainstream organizations.

Although terrorism is high on the list of concerns for regional governments their response has not been uniform, reflecting the differences in their respective agenda and political inhibitions. While the Philippines had been an active military partner of the US in the anti-terror campaign, Singapore and Malaysia have shown remarkable dexterity in dismantling the terrorist networks in their respective countries. Indonesia was initially reluctant to acknowledge the presence of terrorist cells for fear of a radical Muslim backlash. However both Indonesia and Thailand began to cooperate only after attacks (in Bali) and arrests of key leaders revealed the extent and the severity of the threat from the terrorist network in the region.

There has been considerable ambivalence about the US involvement in the region's anti-terrorist operations because of the political sensitivity of the issue among both 'mainstream Islamic and secular nationalist groups.' But the need for a coordinated international response has not been lost on the Southeast Asian leaders. President Bush's visit was meant to strengthen and boost the existing cooperative arrangement such as commitment of troops and equipment to the Philippines, and counter terror cooperation including intelligence sharing, joint investigations, training in border and immigration controls with Indonesia. The salient part of this initiative is to raise the bilateral arrangements to a multilateral level through the APEC mechanism. Given that terrorism needs to be fought on several fronts, President Bush's call to remain on the offensive 'to hunt a scattered and resourceful enemy' might just catalyze the required multilateral cooperative response from the region's governments.

Addressing Root Causes

The evolving attitude in the region toward the US and US foreign policy has a decisive impact on counter-terrorism cooperation. President Bush's brief stopover at Bali heightened this new attitude. President Megawati said that she attached "great importance" to Jakarta's relationship with the United States and although the US and Indonesia do not always share the same perspective, they realize it is in their mutual interest to work together. However, during a meeting with Indonesia's major Muslim leaders, President Bush was told how the US foreign policy and the perception that most Americans consider Muslims as terrorists, have been harmful to the global Muslim community and one of the root causes of terror attacks in Asia. There was much premium on Bush's leadership "to make sure that the people who are suspicious of (the US) ... understand (its) motives are pure." After listening to their criticisms Bush urged the moderate Muslim leaders to stand up against the radical elements. He recognized that in Indonesia, the vast majority of Muslims 'value democracy and want to have a peaceful life.' Their identity, Bush urged, should not be left to be 'defined by Islamic extremists,' who 'defile one of the world's greatest faiths.'

The US President disclosed that he would propose to Congress a six-year program worth \$157 million to support basic education in Indonesia to aid efforts to build a system that discourages extremism. Though it was a small sum, Bush's offer signaled the US recognition that Indonesia played an important role in the war against terrorism and that addressing the root causes while upholding the country's tradition of religious tolerance was a key component of that campaign in Southeast Asia.

*Arabinda Acharya is a Research Analyst with the Political Violence and Terrorism Programme of the Institute of Defence and Strategic Studies.