



UNISCI Discussion Papers

U.S. SECURITY POLICY AND COUNTER-TERRORISM IN SOUTHEAST ASIA

AUTHOR¹:	DAVID GARCÍA² UNISCI
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1. Introduction: Bush Administration Policy for Asia-Pacific

Northeast Asia was established as the center of the U.S. National Security Policy and U.S. Strategic Policy in the Asia-Pacific region before September 11 occurred. The 2001 Quadrennial Defense Review outlined an enhanced focus on Asia security even after its post 9/11 release. In fact, the U.S. policy responded to the following guidelines:

- a U.S.-Japan alliance renewed;
- the vision of China as a strategic competitor;
- a change in the U.S. policy on North Korea to a tougher posture;
- maintenance of an ongoing approach to India
- diminished attention to Southeast Asia.

But after 9/11, the priorities of the U.S. Asian policy changed, above all, U.S. security policies in the area. The United States focused on homeland security and terrorism after September 11. This diverted the attention from Northeast Asia toward Central and Southeast Asia.

- reinforcement of U.S.-Japan Alliance
- a halt in China policy;
- an even tougher stand on the North Korea issue;
- a halt in the approach to India because of the approach to Pakistan due to Afghanistan's operations and the War on Terror;

¹ Las opiniones expresadas en estos artículos son propias de sus autores. Estos artículos no reflejan necesariamente la opinión de UNISCI. The views expressed in these articles are those of the authors. These articles do not necessarily reflect the views of UNISCI.

² Prof. David García, Ph.D., is a UNISCI Senior Researcher.



- a greater attention to Southeast Asia and Central Asia: priority area in the War on Terrorism

The Bush Administration Asian policy's bedrock is the relationship with Japan, and, particularly, the alliance that maintains the security balance in East Asia. Before the Bush Administration took office, this position had been previously established by the final report of a INSS group, headed by the future Deputy Secretary of State Richard Armitage and the former Undersecretary of Defense Joseph Nye, the so-called Armitage/Nye Report, which called for an expanded Japanese role in this alliance, using the 1997 U.S.-Japan Defense Guidelines as the first step for further and deeper cooperation³. This position was upheld in 2001 by Secretary Powell in his confirmation hearing and by Assistant Secretary of State James Kelly some months later. This posture was reinforced by the election of Junichiro Koizumi as Prime Minister in April 2001 and it is currently making further steps with the deployment of 600 Japanese troops to Iraq.

The Bush Administration had not really articulated a vision on U.S.-China relations when it took office. The range of positions went from considering China a "strategic competitor", "competitor for influence", a "potential regional rival" to a "trading partner" and a potential partner on areas of common interest: the only clear position was the rejection of the Clinton Administration's posture of "strategic partnership". Moreover, the first months of the Bush Administration were marked by a set of actions against China related to Taiwan (arms sales, visit of president Lee Teng-hui), China's accession to WTO (delayed), deployment of NMD and plans to deploy TMD systems jointly with Japan, and finally the EP-3E incident on April 1, 2001 and the President Bush remarks on the U.S. commitment to defending Taiwan (U.S. is prepared to do "whatever it took" to help Taiwan defend itself) on April 25.

The 9/11 provoked a halt in this China policy, seeking cooperation with Beijing. Both countries took advantage of this new scenario; the Bush Administration obtaining support in the war on terrorism; China needed a stable international environment, an improved relation vis-à-vis the United States, and cooperation to fight Xingjian's Uighur Islamic separatism with links in Afghanistan. But neither the United States forgot its anxiety about Chinese missile and WMD transfers⁴ nor China its concerns about U.S. military expansion in Central Asia and improved U.S.-Russia relations.

Regarding South and Southeast Asia, September 11 had opposing consequences. Strategically, India was one of the main focuses of U.S. policy in the area for the Clinton administration, and the Bush Administration continued this approach enhancing a closer relationship. But the centrality of Pakistan in the war on terrorism and the operations in Afghanistan forced a change in this approach. However, India understood that a decisive moment had arrived and offered full military support to the U.S. war on terrorism.

Southeast Asia was soon to receive greater attention as the next battlefield against terrorism, above all due to the rise of militant Islamic fundamentalism in countries such as Indonesia (Free Aceh Movement, Lashkar Jihad and Jemaah Islamiyah), The Philippines (Abu Sayyef) or Malaysia, and their relations with Al Qaida. In fact, counter-terrorism has moved to

³ INSS Special Report. *The United States and Japan: Advancing toward a Mature Partnership*. National Defense University. Washington D.C. October 11, 2000.

⁴ See DeSutter, Paula A., Assistant Secretary of State for Verification and Compliance: "China's Record of Proliferation Activities." Testimony before the U.S.-China Commission. Washington D.C. July 24, 2003.



the top of U.S. Foreign Policy priorities in South East Asia⁵. Now, the War on Terrorism strongly points to Southeast Asia as the main front instead of the Middle East and Central Asia. Still, U.S. security policy has maintained a steady focus on Northeast Asia because North Korea has common ground for regional security and war on terrorism: rogue state, WMD proliferators and terrorist supporting country. On October 2003, National Security Advisor, Condoleezza Rice, established the Bush Administration's strategy on Asia-Pacific by referring to a strong U.S. presence and U.S. alliances with Japan, Australia, South Korea, the Philippines and Thailand as the centerpiece of the U.S. policy in Asia-Pacific⁶. Above all, Rice stressed a parallel path in U.S. policy: enhance the alliance with Japan and maintain a constructive relationship with China. This last way is being built on a pragmatic basis because of North Korea, counter-terrorism and proliferation

This article reviews U.S. security policy and counterterrorist approaches for fighting terrorism in Southeast Asia, pointing out general approaches and mechanisms, and focusing on main battlefield countries as The Philippines, Malaysia-Singapore and Thailand.

2. War on Terror and Southeast Asia

The Bush Administration considered Southeast Asia as the "second front" in the War on Terrorism after 9/11, but soon *this region has become the "main front"*. Although each country and situation in the area requires different approaches, at the same time, the efforts have to be coordinated due to the trans-national nature of terrorist groups.

From the point of view of U.S. interests, combating terrorism in the region ranks at the top of list of immediate priorities. This is inextricably linked to long-term regional stability, but it also impacts directly on each of the U.S.'s five top goals for the region:

- promoting and deepening democracy;
- improving sustainable economic development;
- countering proliferation and weapons of mass destruction;
- countering international crime in the region;
- promoting open markets⁷.

Terrorist networks are a direct threat to U.S. national security and to the security of U.S. allies and friends in the region. Terrorism carries enormous potential to disrupt regional trends toward peace, prosperity, and democracy. However, there are problems in defining and fighting terrorism because a set of different groups coexists in the area. There are terrorist

⁵ See Daley, Mathew P., Deputy Assistant Secretary of State for East Asia and the Pacific: "U.S. Counter-Terrorism Policy for East Asia and the Pacific". Testimony before the Subcommittees on Asia and Pacific and on International Terrorism, Non-Proliferation and Human Rights. House of Representatives International Relations Committee. Washington D.C. October 29, 2003.

⁶ Rice, Condoleezza: "Our Asia Strategy". *The Wall Street Journal*. October 24, 2003.

⁷ Kelly, James A., Assistant Secretary of State for East Asian and Pacific Affairs. Statement before the Senate Foreign Relations Committee. Washington, DC. March 26, 2003



groups such as Jemaah Islamiyah with clear links to Al Qaida; separatist groups which have a radical Islamism nature such as Abu Sayyaf, but with links to Al Qaida; and other fundamentalist Muslim organizations and political parties, using violent and non-violent measures with no clear links to Al Qaida. This complexity joins to different positions in governments there: the Philippines, Singapore and Malaysia have cooperated with United States since 9/11; Indonesia was quite reluctant to recognize terrorism inside the country before the Bali bombings despite the fact of hosting Jemaah Islamiyah; Thailand is facing attacks from south Thailand Muslim minority, approaching to an insurgency situation but with no link to Al Qaida until now.

For U.S. policy, security and prosperity are inseparable. Leaders of the 21 APEC economies are committed to take all essential actions to dismantle, fully and without delay, transnational terrorist groups that threaten APEC economies. Over the past two years, the United States has also worked very closely and productively with the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum (ARF) and the Pacific Islands Forum (PIF) to develop multilateral responses and cooperation on terrorism. U.S. Government agencies, including Department of Treasury, Department of Defense, and Department of Homeland Security further enhance this reinforcing web of bilateral and multilateral relationships that foster not only a greater U.S. ability to combat terrorism in the region, but also influence growing intra-regional efforts to come to grips with terrorism. Regional stability remains the overarching strategic goal of the United States, and provides the underpinning for achievement of other key goals and objectives. For instance, Southeast Asia is a region in which democratization has proceeded at a mixed pace. Thus, in the past decade, the Philippines and Thailand have consolidated relatively young democracies⁸.

Terrorism in the Asia-Pacific region is a serious threat to U.S. national security interests, including the welfare and security of American citizens in the region and the security of friends and allies. It poses a direct and immediate threat to regional trends toward stability, democratization, and prosperity that are otherwise generally positive. To root out terrorism and address the underlying conditions, including the absence of rule of law, makes the region vulnerable to terror⁹. In Indonesia, the U.S. Department of State, for example, intend to build on the successful efforts, funded by the Non-proliferation, Anti-terrorism, De-mining, and Related Programs (NADR). They will continue training and expanding the Indonesian National Police's Counter-terrorism Task Force. And using an increase in FY 2005 Economic Support Fund (ESF) funds for Indonesia to support basic education through USAID program, this is a key element in the effort to combat terror.

The ASEAN Cooperation Plan is an essential tool for building long-term stability in Southeast Asia. To support activities under the ASEAN Cooperation Plan, the Bush Administration has requested \$2.5 million for FY 2005. The funds will be used to bolster the ability of ASEAN to play a stabilizing role in Asia, to facilitate cooperation to address transnational issues, to foster economic and political integration, to spur development and to enhance U.S. influence in a region of significant economic importance to the United States.

⁸ Daley, Matthew P., Deputy Assistant Secretary of State for East Asian and Pacific Affairs. Testimony before the House International Relations Committee, Subcommittee on East Asia and the Pacific. Washington, DC. March 26, 2003.

⁹ Keyser, Donald W., Principal Deputy Assistant Secretary for East Asian and Pacific Affairs: "FY 2005 Foreign Assistance Programs in the East Asia and Pacific Region." Remarks Before the Senate Foreign Relations Committee. Washington, D.C. March 2, 2004



The U.S. Department of State requested \$250,000 in FY 2005 for Regional Security to support U.S. efforts in the ASEAN Regional Forum to shape regional views on issues such as arms control, counter-terrorism, and maritime security through seminars, workshops, and exchanges and to promote regional stability through strengthening regional institutions in which the United States participates. The U.S. Agency for International Development (USAID) programs assisted Indonesia with support programs that advocate public tolerance and strengthen local governments, in addition to basic education initiatives.

The Asia-Pacific region is key to global economic growth. While the region has moved a long way down the path of recovery since the economic crisis of 1997-98, resumption of dynamic growth rates will require significant financial and corporate restructuring and improved economic and political governance, including an end to endemic corruption, and expanded trade and investment. The U.S. role through bilateral assistance, free trade arrangements, support for reforms and regional programs in APEC and ASEAN will be critical to the success of this transformation. Free trade arrangements with the U.S. will be an important vehicle for driving competitive trade liberalization in the region. The United States is moving ahead with the Enterprise for ASEAN Initiative (EAI), which offers the prospect of FTAs between the United States and ASEAN countries that are committed to reform and openness. The goal is to create a network of bilateral FTAs, which will increase trade and investment, tying their economies more closely together. The EAI has already resulted in an FTA with Singapore, which came into force in early 2004. In the Philippines funding through USAID will support micro-financing, anti-corruption, civil society, governance, and other programs to promote economic development in impoverished areas.

Active U.S. engagement and renewed emphasis on alliance relationships has helped keep the Asia-Pacific region generally stable. Terrorism in Asia carries the potential to destabilize friendly governments in Southeast Asia. The Bush Administration continues to reinforce ties with five regional allies, Japan, Korea, Australia, the Philippines, and Thailand, to maintain its ability to sustain a stable and secure environment in the region. U.S. strategy in this effort includes the forward deployment of military assets.

3. U.S. Counter-Terrorism Policy for Southeast Asia

In Southeast Asia, counter-terrorism moved to the top of U.S. foreign policy priorities after September 11¹⁰. Southeast Asia, home to more than 200 million Muslims, is threatened not only by Al-Qaida but also by regional terrorist organizations such as the Jemaah Islamiyah. With the murder of 202 people in the October 2002 bombing in Bali in Indonesia, Southeast Asia suffered the worst terrorist attack since September 11.

Southeast Asia was often viewed as on the fringe of the Muslim world. Thus, immediately after 9/11, Islamic-based terrorism was often portrayed as a foreign import to the region. The Bush Administration was most concerned that members of Al-Qaida would make their way from Afghanistan to Southeast Asia. But that was a misunderstanding. Southeast Asia countries as well as the United States have been forced to readjust their views, and acknowledge the extent and sophistication of indigenous terrorist organizations and networks. Moreover, *“these networks are not composed of the wretched of the earth, but often of*

¹⁰ Daley, *op. cit.* October 29, 2003



educated and well-off recruits, but with deep links that connect Southeast Asian terrorists with their counterparts inside and outside the region”¹¹.

Concentrated attention on and coordinated policies to combat terrorism have damaged terrorist networks in Southeast Asia. More than 200 terrorists have been detained or arrested by U.S. partners. Hambali – a key link between Al Qaida and the Jemaah Islamiyah – is now in custody. Malaysia has established a nascent regional CT center and regional training and cooperation is at an all time high. Nonetheless, we are well aware of the costs should complacency re-emerge, and of the long road many nations still have to travel to improve CT capabilities. Moreover, as they come under pressure in former havens in Southeast Asia, terrorists search for softer targets, in neighboring countries or potentially in piracy-infested waters, such as the Strait of Malacca.

3.1. U.S. Pacific Command Counter-Terrorist Role

The new terrorism is transnational. Thus, this demands unprecedented international cooperation. Diplomacy is the bedrock on which intelligence, law enforcement, financial and, in specific cases, military cooperation against terrorism, has expanded in Southeast Asia. The U.S. Pacific Command (USPACOM) is the main CINC in charge to develop military counter-terrorist measures and operations in the area. In fact, the highest priority for the USPACOM is sustaining and supporting the Global War on Terrorism (GWOT). In order to coordinate PACOM, the Department of Defense and other department and agencies efforts in USPACOM Area of Responsibility, AOR, a Joint Interagency Coordination Group for Counter-terrorism has been created, JIACG/CT. This group coordinates these actions, develops targets for military operations, plans USPACOM regional and counterterrorism campaigns and enhances U.S. and Southeast Asian countries CT capabilities. The Army component of PACOM, U.S. Army Pacific (USARPAC) is designed as joint command for Homeland Defense/Civil Support/Consequence Management in all PACOM AOR. Moreover, the USPACOM Counter-intelligence program links these missions with the FBI’s Joint Terrorist Task Forces and with allied agencies, including joint international training on asymmetric warfare. Through Special Operations Command-Pacific and Joint Task Force 510, USPACOM can deploy SOF and maintain relations to support allies thanks to the Joint Combined Exchange Training, JCET, and other Theatre Security Cooperation programs, TSC. USPACOM supplies intelligence, surveillance and reconnaissance, IRS, above all, SIGINT in tracking terrorists in Indonesia and the Philippines. However, the lack of HUMINT, Human Intelligence, is apparent.

3.2. Philippines

U.S.-Philippine relations have been strengthened during the past decade. President Gloria Macapagal-Arroyo has supported U.S. policies on the War on Terrorism, Iraq and North Korea, adopting an ambitious program of economic and political reform along with taking strong action against terrorists in the Philippines. She announced last December she would not run in the 2004 election so that she can focus on her agenda, including poverty alleviation, good governance, economic reform, and reconciliation between the government and insurgent groups in the southern Philippines.

The Philippines is confronting a serious threat from Communist and Muslim insurgencies and international terrorists. The United States, for example, has listed four indigenous groups

¹¹ *Ibid.* For example, a cell of Jemaah Islamiyah was dismantled in Karachi, Pakistan.



as Foreign Terrorist Organizations: the Abu Sayyaf Group (ASG), the Communist Party of the Philippines/New People's Army, Alex Boncayo Brigade, and the Pentagon Gang. Washington and Manila are concerned there could be a link between the ASG and Iraq.

The United States and the Philippines started joint counter-terrorism efforts in 2001 through the Balikatan framework. U.S. special operations forces have no combat role but are training Filipino forces and doing support operations. "Balikatan 02-1" represented a special counter-terrorism-focused exercise on Basilan, involving 1,000 U.S. forces in Mindanao. Training is carried out in Luzon for two light infantry reaction companies, four light infantry battalions and helicopters for night operations. Current programs further enhance Philippine military counter-terrorist capabilities through a Five Year program since 2002, including the Terrorist Interdiction Program, a Security Assistance program¹² and the transfer of excess military equipment and supplies under the Mutual Logistics and Supplies Agreement. Total U.S. military assistance in 2002 was \$70 million. USPACOM is implementing a Foreign Military Financing, FMF, and Maintenance Assistance Plan to sustain tactical mobility of Philippine forces including UH-1H helicopters, C-130 transport aircraft. There is also a Mutual Logistic Support Agreement to lease body armor pieces.

However, the U.S. training plan, though labeled counter-terrorist, is a counter-insurgency effort aimed at the paramilitary forces of Abu Sayyaf and the MILF. But military assistance to fight the MILF goes beyond the war on terrorism because it is larger and politically popular. Philippine military action against the MILF is a problematic situation to be involved in, because it is a domestic security problem and would be incongruent with President Arroyo's initiative to explore the possibility of peace negotiations with the separatist Moro Islamic Liberation Front (MILF) and funds to support a peace process and new educational assistance for Muslim areas from the U.S. Institute of Peace. This and other programs reflect an effort to address terrorism directly and also through programs designed to reduce its appeal to economically and politically disadvantaged populations. Philippines programs such as the Livelihood Enhancement and Peace program in Mindanao that has enabled 13,000 ex-combatants to take up peaceful pursuits such as farming, offer a good example and have been successful in developing better alternatives for populations susceptible to terrorist recruitment. This funding in Mindanao is contingent on the MILF separating itself from terrorist organizations and personnel in deed as well as word and also on a successful negotiating process. Meanwhile, the United States will continue to support the territorial integrity of the Philippines, even as the Bangsamoro people have legitimate and long-standing grievances to be addressed. Unfortunately, some factions of the MILF have maintained links with terrorists.

Another key factor is institutional reform, without which U.S. assistance will not avail. At the same time, the Philippines government has created a multiagency counter-terrorism task force chaired by the National Security Advisor and consisting of officials from 34 Philippine Government agencies representing the security, economic, and social components essential for an effective counter-terrorism strategy and a newly created cabinet-level position, Ambassador-at-Large for Counter-terrorism. The Philippines also established a task force on protection of critical infrastructure chaired by the Undersecretary of the Presidential Office of Special Concerns.

¹² Fargo, Admiral Thomas, USCINCPACOM. Statement before House International Relations Committee. June 26, 2003. p. 16.



While Philippine CT operations, involving U.S. military training and operational support, achieved significant results against the Abu Sayyaf Group, the Philippines failed to enact new antiterrorism legislation in 2003. Poor communication between Philippine law enforcement agencies and the Anti-Money Laundering Council (AMLC) remains an impediment to effective implementation of the Anti-Money Laundering Act amended in March 2003. The amendments to the Act granted Central Bank personnel unfettered access to deposit accounts. However, the Central Bank and the AMLC face logistic challenges due to the lack of information technology platforms to collect and process covered transaction reports. Although the amendments addressed international Financial Action Task Force (FATF) concerns about the Philippines legal and regulatory framework, the Philippines remains on the FATF's list of noncooperating countries and territories (NCCT). Removal from the NCCT list awaits the adoption of an anti-money laundering implementation plan and corresponding actions. In October, the Philippine Government ratified the remaining six of the 12 international conventions and protocols relating to terrorism.

3.3. Malaysia/Singapore

U.S. relations with Malaysia have historically been very good, particularly at the working level. Despite sometimes blunt and intemperate public remarks by Prime Minister Mahathir, U.S.-Malaysian cooperation has a solid record in areas as diverse as education, trade, military relations, and counter-terrorism. Malaysia hosts 15-20 U.S. Navy ship visits per year, and Malaysian military officers train at U.S. facilities under the International Military Education and Training (IMET) program. Malaysia is a staunch partner in the global war on terrorism. The Malaysian government pursues terrorists relentlessly, and currently has about 90 suspected terrorists in detention, including members of Jemaah Islamiyah, which was plotting to bomb U.S. military, diplomatic, and commercial facilities in Singapore. Some of the detainees have links to al Qaida. Malaysia's quiet, nuts-and-bolts support has proved crucial to U.S. efforts: Malaysia granted the U.S. military overflight clearance on a case-by-case basis during Operation Enduring Freedom in Afghanistan. The Malaysian government also provides superb on-the-ground law enforcement and intelligence CT cooperation. It has agreed to freeze assets identified by the UNSC Sanctions Committee, though to date it has located no terrorist assets belonging to those entities. It requires financial institutions to file suspicious transaction reports on all names listed under U.S. Executive Order 13224, but is not yet a party to the International Convention for the Suppression of the Financing of Terrorism.

Both countries signed a bilateral Declaration of Cooperation against International Terrorism. On July 1, 2003, Malaysia established a Southeast Asia Regional Center for Counter-terrorism (SEARCCT). SEARCCT is expected to focus on regional training, information sharing, and public awareness campaigns. In August 2003, SEARCCT started hosting a training program sponsored by the U.S. Treasury's financial intelligence unit, FinCEN, and Malaysia's Central Bank (Bank Negara) on combating terrorist financing. Other nations, including the United Kingdom, Germany, and Australia, are also expected to provide trainers and training materials to the center. Malaysia assisted Indonesian efforts to prosecute terrorist suspects by making video testimony from suspects in Malaysian custody available to Indonesian prosecutors.

In recent months the tone of Malaysian rhetoric regarding the United States has soured. The Bush Administration has objected to a series of public remarks made by senior Malaysian



officials criticizing America's role in the world, beginning with Prime Minister Mahathir's opening speech at the NAM Summit in Kuala Lumpur in late February.

Notwithstanding differences on Iraq and on Middle East issues, Malaysia has repeatedly made clear that it will meet its obligations to protect foreigners and related institutions. Its on-the-ground law-enforcement and intelligence cooperation against terrorism remains extremely strong, illustrating the nature of their respective national security interests.

Malaysia generally respects the human rights of its citizens although concerns remain in certain areas. The U.S. has criticized Malaysia over the years when the Internal Security Act has been used to stifle domestic opposition, although it has distinguished between that use and its current implementation in a counter-terrorism context. However, Malaysia has detained more than 100 suspected terrorists under the Internal Security Act (ISA) since May 2001.

Malaysia has responded quickly to UN Security Council requirements to prohibit terrorist financing and freeze the accounts of named entities. In November, Malaysia's Parliament amended its anti-money laundering legislation of 2001 to include terrorist activity as a predicate offense. Parliament also amended the penal and criminal procedure codes to increase penalties for terrorist acts, allow for the prosecution of individuals who provide material support for terrorists, expand the use of wiretaps and other surveillance of terrorist suspects, and permit video testimony in terrorist cases. On 24 September 2003, Malaysia deposited the instruments of ratification for two international antiterrorism conventions: the International Convention for the Suppression of Terrorist Bombings and the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons. Malaysia is a party to three additional international conventions and protocols relating to terrorism and is a signatory to the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation. It has not yet become a party to the International Convention for the Suppression of the Financing of Terrorism.

Singapore has also been among the U.S.'s strongest counter-terrorism partners and in the forefront of Southeast Asian counter-terrorism efforts. The Government of Singapore made two highly publicized major arrests of terrorists who had been planning attacks in Singapore against U.S., British, and Singaporean targets. The first, of 13 suspects, was in December 2001 and the second, of 21 suspects, was in August 2002. The majority of these suspects were members of the Jemaah Islamiyah (JI) terrorist network active in Southeast Asia, including several who had trained with al Qaida.

On October 17, following the Bali bombing, Singapore joined Australia, the U.S., and 47 other governments to designate the JI as a terrorist entity to the UN.

Since 9/11, the Government of Singapore has enhanced its anti-terrorist financing regime, ratified the UN Convention on the Suppression of Terrorist Financing, passed new legislation to permit its authorities to freeze and seize terrorist assets under UNSCR 1373, and implemented asset freeze orders for the UNSCR 1267 list. To date, no terrorist assets have been identified in Singapore. Singapore was the first Asian port to sign on to the U.S. Customs Service Container Security Initiative.

The military relationship is also very strong. Although Singapore is not a treaty ally, it supports a strong U.S. military presence in the Asia-Pacific region and has offered the U.S. increased access to its facilities since the closure of U.S. bases in the Philippines. The United



States and Singapore in 1990 signed a Memorandum of Understanding (MOU) allowing the U.S. access to Singapore facilities at Paya Lebar Airbase and the Sembawang wharves. Under the MOU, a U.S. Navy logistics unit was established in Singapore in 1992; U.S. fighter aircraft deploy periodically for exercises, and roughly 100 U.S. Navy vessels per year visit Singapore. The MOU was amended in 1999 to permit U.S. Navy ships to berth at a special deep-draft pier at the Changi Naval Base.

Both militaries have extensive contacts and participate in combined military exercises regularly, supported by approximately 150 U.S. logistics personnel stationed in Singapore. Moreover, there have been contacts between the USPACOM Joint Intelligence Center and Singapore Joint Counter-Terrorism Center, exchanging U.S. SIGINT for HUMINT coming from some countries in the area. The other main issue is the protection of the Strait of Malacca where 1100 supertankers pass eastbound annually.

3.4. Thailand

Thailand is one of five U.S. Treaty Allies in Asia. Thai troops fought alongside Americans in Korea and Vietnam. More recently, Thailand has provided critical support, including a military engineering unit currently at work in Afghanistan, for Operation Enduring Freedom. Thailand has actively cooperated with the United States on all aspects of the war on terror. It has also dispatched over 400 soldiers to Iraq and recently completed a deployment in Afghanistan

The United States holds annually the largest multilateral exercise in Southeast Asia, *Cobra Gold*. It is a counter-terrorist scenario in the jungle, without urban exercise. But there is a bilateral maritime exercise including the liberation of a ship taken by terrorists. Since 2002, this exercise includes anti-terrorist components focused on WMD and improvement of interoperability, but not following the Balikatan model in order to avoid investment problems in the country. Nevertheless, Thai officers attend Balikatan Exercises and a new U.S.-Thai exercise that has been created, *Known Warrior*, focuses on antiterrorism.

Thailand's domestic and international counterterrorism efforts, which were bolstered in the wake of the deadly bombing in Bali, Indonesia, in October 2002, intensified during 2003. Prime Minister Thaksin Shinawatra publicly expressed the will of the Royal Thai Government to cooperate closely with the United States and other nations in fighting the global war on terror. Thai authorities captured top JI leader with close ties to al-Qaida, Nurjaman Riduan bin Isomuddin (a.k.a. Hambali) in Ayutthaya, Thailand. Hambali's capture serves as a major blow to both JI and al-Qaida and represents a significant victory in the war on global terror. In August 2003, the King signed an emergency antiterrorist decree, giving the Government powerful new legal tools to fight terrorism. The executive decree was approved after nearly two years of parliamentary consideration. Although existing legislation does not cover terrorist financing, Thailand is planning to expand its Anti- Money Laundering Act to include terrorism. The Government and Thailand's central bank continued to cooperate closely with the United States on reviewing and disseminating lists of persons blocked under U.S. Executive Order 13224. Thailand is a participant in the new Southeast Asia Center for Counter-terrorism based in Malaysia. As host of the APEC Leader's Summit in October 2003, Thailand was instrumental in persuading APEC members to adopt the "Bangkok Goals," which place security concerns on an equal footing with the economic objectives that previously dominated this forum.



Thailand is a major recipient of the U.S. Anti-Terrorism Assistance program, with numerous Thai police and security officials participating in U.S.-sponsored training courses since 1995. Thailand has signed the Container Security Initiative. The U.S. Trade and Development Agency has signed a grant to start a port and supply chain project to promote secure and efficient trade between Bangkok's Laem Chabang port and Seattle. The Thai government has recently passed tough anti-terrorism legislation and amendments to its anti-money laundering law. Thailand is a party to four of the 12 international conventions and protocols relating to terrorism and is a signatory to the Convention for the Suppression of the Financing of Terrorism.

4. Conclusions

U.S. counter-terrorist strategy is to limit the ability of terrorists to carry out terrorist acts or find refuge, and eventually to eradicate terrorism. Bilaterally and multilaterally, the United States will share intelligence, provide and coordinate training, as well as other essential resources. In addition to helping U.S. allies and partners to enhance their capacity to combat terrorism, the United States supports other governments and encourages them to cooperate with each other and with the United States against terrorism. The greatest challenge is the balance between the capacity to crush terrorism while enhancing and strengthening democracy and the rule of law, and maintaining stability. Moreover, possible al Qaida attacks on the Malacca strait are a real danger due to the traditional lack of maritime security in this area, and the free movement in the Suluwesi-Mindanao corridor for Abu Sayyaf and Jemaah Islamiyah.

Stability and prosperity create good conditions for the development of democracy. In Southeast Asia, the generally stable environment has created conditions in which democratic values have gradually been incorporated into the governing structures of many regional states. In the past decade, the Philippines, South Korea, Thailand, Mongolia, and Taiwan have consolidated their relatively young democracies. Indonesia, under authoritarian rule for 30 years, remains engaged in a struggle for democratic transformation. Elsewhere in the region, the democratization process has been slower to develop.

The main terrorist organization in Southeast Asia is Jemaa Islamiyah, and its nature, and the countries where it operates, Indonesia and Malaysia above all, make law enforcement and intelligence activities the best mechanism to tackle the organization. U.S. law enforcement and intelligence assistance is low profile and provokes less anti-U.S. reactions. Nevertheless, the U.S. military profile in the area, above all in the Philippines, is a matter of concern in the GWOT. The U.S. military role in the Philippines is helpful although a low profile seems better despite the Pentagon not appearing to recognize the dangers of a participation of U.S. forces in a full combat situation. U.S. military assistance to fight the MILF that goes beyond war on terrorism is a problematic situation because it is a domestic security problem and would be incongruent with President Arroyo's initiative to explore the possibility of peace negotiations with the separatist Moro Islamic Liberation Front and funds to support a peace process. The counter-terrorist exercises need to be multilateral because Terrorist groups in Southeast Asia



operate transnationally. Moreover, this would include providing intelligence to ASEAN's counter-terrorist group¹³.

As Thailand continues to expand its government-to-government cooperation with other ASEAN states, it is becoming more difficult for members of regional terrorist organizations to move from country to country while evading national law enforcement agencies. Despite Prime Minister Thaksin Shinawatra of Thailand denying that the last attacks that happened in Muslim-dominated south had connections to international terrorism¹⁴, Thailand took terrorism as a serious challenge. This is shown by its new national security strategy, which recognizes the existence of terrorist groups in the country and calls for bilateral and multilateral intelligence cooperation.

The main rising problem, however, in U.S. counter-terrorist efforts in the area is not an operational one. It is the perception of U.S. behavior and policies, and its moral legitimacy, above all, after the situation in Iraq and the tortures scandal¹⁵.

¹³ Simon, Sheldon W. (2003): "U.S. Policy and Terrorism in Southeast Asia," in *Fighting Terrorism on the Southeast Asian Front*. Woodrow Wilson International Center, Asian Program, p. 19.

¹⁴ "Dozens killed in gunbattles in Thailand," *International Herald Tribune*, April 28, 2004.

¹⁵ In this vein, see Gunaratna, Rohan: "Al Qaeda's trajectory in 2003", in Sebastian, Leonard C.; Gunaratna, Rohan, and Emmers, Ralf (2003): *New Threats and Terrorism in Southeast Asia*. UNISCI Papers, No. 28. Madrid, UNISCI, pp. 17, 21.