

MARITIME TERRORISM IN THE STRAITS OF MALACCA : THREAT ANALYSIS AND COUNTER STRATEGY

Colonel Effendi Bin HJ Ab Karim, afdc, ndc, psc

INTRODUCTION

The Straits of Malacca lies between Peninsular Malaysia and the Sumatra Island of Indonesia. It has always figured prominently in the history of this region. The Straits, a key component of the 'spice route', that connected the earlier littoral empires of Sriwijaya (10th-13th century) and the Malacca Sultanate (14th-16th century), was once a leading maritime choke point for traders from Arab countries, China and India¹. In the 16th century, European powers were attempting to gain control of the Straits after realizing its strategic value.

The question of Security in the Straits of Malacca has recently become a major issue between littoral states and its international users. Since the safety of vessels plying the region are being increasingly threatened by piratical activities. According to the *International Maritime Organization* (IMO), at least 50,000 ships sail through the Straits every year, transporting about 30 per cent of the world's trade, especially oil, and the number is expected to increase in coming years.

The Straits of Malacca is very important strategically and economically not only to littoral states but also to Southeast Asia and the Asia-Pacific regions. The Straits has been an important Sea Lane of Communications (SLOC) connecting the East and the West for centuries. Any interference with the free flow of trade and navigation in the Straits would adversely impact not just on the littoral states but also on other trading nations who use it as the main trade route of their seaborne trade and their supply of essential goods, commodities and raw materials.

The major powers led by the United States (US) have raised their concern over the potential linkage between piracy and terrorism activities along the Straits of Malacca. To make a convincing case out of this concern, they have intelligently crafted scary scenarios. At the same time they propose to use their military might to secure the Straits, under their new agenda which they called 'The Global War on Terrorism (GWOT)'. The US often works on the assumption that any person, group, organization or state behaving against its interest is a terrorist. US President Bush has clearly said, 'Every nation in every region now has a decision to make: Either you are with us, or you are with the terrorists.'²

1. Zainal Abidin bin Abdul Wahid, Glimpses of Malaya History, Peretakan Dewan Bahasa dan Pustaka, Kuala Lumpur, 1970, Pp. 15-21
2. N.M. Ahmed, The Great Deception, Thacker's Library Sdn. Bhd. Selangor, p. 405

Threats to Sovereignty

Post-September 11, 2001 marks the expansion of the US military operations globally under the pretext of GWOT. India accepted the US Navy invitation to patrol in the Straits of Malacca.¹⁴ Since the patrol was seen as an enhancement of security measures in the Straits of Malacca, the IMB supported the efforts and believed that such co-operation would deter further piratical acts within the Straits.¹⁵

However, Malaysia and Indonesia were not consulted by either India or the US. Nevertheless, Malaysia had no objection to India-US joint cooperation due to report that the two countries would only escort merchant vessels transiting the Straits, despite the lack of mention of the two naval powers conducting patrols in the Straits of Malacca.¹⁶ However, India in a press report had stated that there would be a discussion on the joint patrol issue with the Indonesian President.¹⁷

Nevertheless, it must be observed that without any bilateral or multilateral agreement foreign warships have no enforcement jurisdiction under UNCLOS 1982 to conduct any anti-piracy patrols in the Straits of Malacca.¹⁸ Malaysia and Indonesia will not intervene with Indian and US intervention if their actions do not contravene the concept of transit passage on the "... freedom of navigation and overflight solely for the purpose of continuous and expeditious transit of the straits..."¹⁹

Threats of the Pirates

Pirate attacks in the Straits of Malacca are carried out by a variety of groups. However, small-scale petty criminals are responsible for the majority of attacks. Their attacks are not very organized and are opportunistic in nature. The other groups are professional pirates who attack bigger targets, using fast boats and modern weaponry. Such groups may have connections with local authorities to facilitate the smooth transfer of stolen goods and the repainting of stolen ships so that they can be given new identities.²⁰

14. "Russian Nuclear Subs High on India's Shopping List" http://www.dailynews.com/overseas_4.html (12 June 2008)
15. "Roudan: Tentera Laut AS, India kawal serangan lautan dalam-dangkal" <http://www.utmsida.com.my/utmsida/berita/133June2008>
16. "India and U.S. free to patrol Straits of Malacca says Nigh" <http://www.utmsida.com.my/utmsida/archive/12June2008>
17. "India, U.S. to jointly patrol Malacca Straits" <http://www.deccanherald.com/01/15.html> (13 June 2008)
18. Menefee, Samuel Pysant, Foreign Naval Intervention in Cases of Piracy: Problems and Strategies, The International Journal of Marine and Coastal Law, 1999, Vol. 14, No. 3, p. 353
19. Article 38(2) UNCLOS.
20. Piracy in Southeast Asia: New Trends, Issues and Responses <http://www.asiaquarterly.com/content/view/full/300> (12 June 2008)

Since September 11, 2001 the US has viewed extremists in Indonesia, Malaysia, the Philippines and Thailand as potential threats to world commerce flowing through Southeast Asian seaways.² The nightmare for the US is that a supertanker will be hijacked and driven into Singapore port, or some other large port, or sunk in the Malacca Straits, possibly by use of weapons from a far, thereby seriously disrupting or detouring the flow of oil to East Asia it apprehend, that such could potentially block US naval mobility and flexibility.³ This paranoia about terrorism has driven many to classify piracy as maritime terrorism.

The Importance of the Straits of Malacca to International Users

Energy Supply Line

The Straits of Malacca has been a strategic importance and a vital SLOC to international users and the littoral states. The Straits is the shortest and most preferred route for the transportation of oil for them. At least 60 percent of Asian oil is imported from the Middle East. As a result, there has been a tremendous increase in the number of tankers, Liquid Natural Gas (LNG) and Liquid Petroleum Gas (LPG) carriers plying the Straits of Malacca. As for regional economic powers like Japan, Taiwan, China and South Korea, 80 percent of their Hydrocarbon needs are shipped through the Straits of Malacca.⁴

Safety and Security Concerns in the Straits

In order to ensure uninterrupted and safe navigation in the Straits, A Traffic Separation Scheme (TSS) has been established off the One Fathom Bank and in the northern approach to the Singapore Straits. The Straits users have to follow specific routes and adopt the general direction of the traffic flow to avoid collision and grounding. Accidents frequently threaten the Straits eco-system, especially oil spills (slicks) that tend to pollute major fishing grounds and tourist beaches.⁵

The UNCLOS 1982 has, in fact, paid attention to the idea of cost and burden sharing. Article 43 of UNCLOS, dealing with the straits regime, states clearly that user states and states bordering the straits should by agreement cooperate in the establishment and maintenance in the Straits of necessary navigation and safety

1. Adam J. Young and Mark J. Valencia, Confusion of Piracy and Terrorism in Southeast Asia: Rectitude and Utility, Contemporary Southeast Asia vol. 25, No. 25, August 2003, Pp. 276-277
2. Ibid.
3. Ahmad Ramli Md Nor, The Royal Malaysian Navy: Roles, Concept and Capability, Navy Headquarters, Ministry of Defence, Kuala Lumpur, 1995, p. 1 (Working Paper delivered at the Armed Forces Defence College, Huzhou, Kuala Lumpur, 25 Oct 1995).
4. Capt (Ret) Mir Tab bin Yassin RMN, An Integrated Management Regime for the Straits of Malacca, In Ensuring Security and Safety in the Straits of Malacca, Paper presented in a seminar at the Prince Hotel, Kuala Lumpur, 13 October 2004, p.5

aids or other improvements in aids of international navigation and for the prevention, reduction and control of pollution from ships. While this Article is useful and helpful, it has not pared to be an effective mechanism in practice.

The Importance of the Straits of Malacca to the Littoral States

According to Donald B. Freeman in his book entitled The Straits of Malacca: Gateway of gauntlet, the exploitation of the Straits of Malacca for shipping continues to increase in relation to expansion of economic activities all over the world. As a result, increasing demand for transportation and maritime transportation continues to be a feature of the bulk of the world's economy.⁷ It is therefore very important to keep the Straits safe for international shipping and free from any form of pollution due to the following reasons:

Ports Services Industry

Local ports along the Straits of Malacca have been in existence since the Malacca Sultanate. Those ports were used to facilitate businesses between Middle East merchants, locals and Southeast Asians, especially Arabs, Chinese and Indians who were active in trading. From a Malaysian perspective, currently, an average of 40,000 ships enters and uses the facilities in some 22 ports.

Fishing Industry

Fish is an important source of diet and protein for all Malaysians, as well as a significant economic activity for Malaysia's coastal population. On 8 June 1999, the Malaysian Government, launched the Third National Agriculture Policy which identified this sector as one of the greatest potential vibrant industry after palm oil. The fishing industry is expected to grow between two to four percent per year.⁸ The Malaysian fishing industry has produced up to 1.6 million tons of fish and total catchments are expected to increase to 1.93 million tones by the year 2010.⁹

Maritime Tourism Industry

Maritime tourism is another important economic activity of the littoral states of the Straits of Malacca. This is especially true for Malaysia, which owns many beautiful islands and beaches along the Malacca Straits. The exotic islands of Pulau

1. Donald B. Freeman, The Straits of Malacca: Gateway of gauntlet?, Mc Gill-Queen's University Press, Montreal, 2003, p.198
2. Nix, Abd Rahuman Tuan Yaakob, Perancangan Maritim: Menuntut Kesedaran Bersama, MTL-Straat, Kementerian Perikanan, Kuala Lumpur, 2000, Pp.4-5
3. H. Mohamad, Effective Maritime Enforcement: What the Future Holds?, 2nd Malaysia National Maritime Conference Paper, Langkawi, 1997, p.3 (This Conference was held in Langkawi on 30 Nov- 1997 and hosted by RMN and HUSWAH).

cooperation such as coordinated patrols, bilateral exercises, agreements, memorandum of understanding and also in the form of forums and meetings.

Though bilateral cooperation involves only two states, it can be more productive than multilateral initiatives in producing operational maritime cooperation. While the bilateral arrangements are set to match aligned interests, this specific approach can also minimize distrust and sovereignty sensitivities. Therefore bilateral agreements are more likely to be operationalized between states that generally share security outlooks and interests.

The MALSINDO

Deep concern about maritime security in the Straits of Malacca have brought together littoral states, namely Malaysia, Singapore and Indonesia, to initiate a trilateral coordinated patrol known as MALSINDO on 21 July 2004. This coordinated patrol was launched at Batam Island of Indonesia and involved naval units from the three states. This trilateral coordinated patrol is another indication of the littoral states' effort in combating piracy and maritime terrorism in the Straits.

Eye in the Sky

Another new security initiative being introduced by the littoral states to enhance security and safety in the Straits of Malacca is called "Eye in the Sky" (EIS).²⁴ The EIS concept is to mobilize existing military assets of the three littoral states' maritime patrol aircrafts to complement the coordinated patrol arrangement under MALSINDO.²⁵ As such, the three littoral states and Thailand have come to an agreement to work together and conduct combined maritime patrols over the Straits of Malacca and Singapore without undermining the sovereignty and territorial integrity of any littoral state. Each EIS flight will involve a Combined Mission Patrol Team on board and a Mission Commander in charge of operations.

Integrated Maritime Security System

The integrated Maritime Security System (IMSS) is a comprehensive approach adopted for securing the Malacca Straits involving several components like the Malacca Straits Identification System (MSIS), the Malacca Straits Coordination Patrol (MSCP), Coordinated Maritime Patrol Operation (CMAP), hot pursuits/cross border, intelligence and information exchanges as well as public information campaigns. The introduction of IMSS is aimed at convincing the world that the littoral states, namely Indonesia, Malaysia and Singapore, together with Thailand

24. M.K. Megan 'Eye in the Sky' launched: World Community Can Join Effort to Patrol Straits, New Straits Times, 14 Sep 2004.
25. Personal interview with Staff Officer 1 of Defence Intelligence Staff Division Ministry of Defence on 12 June 2008.

Langkawi, Pulau Pinang, Pulau Pangkor, Teluk Batik, Port Dickson, Tanjung Bidara, and Morib are among the many famous tourist attractions. Therefore, any disturbance or threat to security in the Straits of Malacca, either direct or indirect, such as terrorism or pollution, will badly affect the tourism industry in Malaysia.

MANAGING SECURITY IN THE STRAITS OF MALACCA

General Security Perception

Since September, 11 2001, there has been major concern about the security of the Straits of Malacca. There is a strong possibility that the Straits of Malacca could be the next target of a terrorist attack designed to disrupt international trade or to gain financial support through ransom of hijacked ships. While the issue of terrorism has been the focus of the US and its close allies, the threat from smuggling, illegal immigrant, armed robbery at sea and other related maritime criminal acts are more real than perceived political terrorism.¹⁰

However, the acts of armed robbery and piracy have been experienced by mariners over the centuries in the seas of Southeast Asia has ultimately developed into the fear for maritime terrorism in the Straits of Malacca. There are common perceptions amongst the international users in the Straits of Malacca that some terrorist organization might work together with the pirates in committing violence against innocent people despite the fact that they have different objectives. It is known that pirates seek monetary gains, while the terrorists aim to achieve their ideological and political objectives.¹¹

The Threats

The task of defining security issues in the Straits of Malacca is complicated by many factors such as level of interests, priorities, threat perceptions and expectations. Malaysia's maritime concerns are primarily focused on the threats to sovereignty, threats to ocean environment and fisheries from oil spills, Indonesian pirates' threats to Malaysian fisherman, and threats of piracy in the Straits of Malacca.¹² Indonesia shares similar concerns with Malaysia, including arms smuggling to separatist movements in the Aceh Province. Only Singapore is in full agreement with the US, and it sees terrorism as its topmost issue in Malacca Straits. Thailand, on the other hand, is worried about its territory and ports being viewed as potential targets and bases for the illegal trade of guns and ammunition and terrorist training.¹³

10. International Maritime Bureau - Piracy Reporting Centre (RL) Citing from various IMB Annual, Quarterly and Weekly Reports from 1994 to October 2007.
11. Jeffrey Chen, Time to Evaluate the Likelihood of Terrorism at Sea, Loyds's Law, 19 July 2005.
12. Personal interview with Assistant Chief of Staff Operations and Training Division Malaysian Armed Forces Headquarters on 9 June 2008.
13. M.J. Valencia, Position on Co-operative Maritime Security Frameworks, Working Paper, East-West Centre, Honolulu, Hawaii, p. 18

Most pirates operating in the Straits of Malacca are believed to be from impoverished living by the coast of Indonesia and Thailand.²¹ Pirate attacks in the Straits of Malacca from 2004 to September 2005, however fell to eight cases compared to 15 reported in the same period in 2003.²² The decline is attributed to intensified efforts by the littoral states to patrol the Straits.

Potential Terror Groups

Based on current security perceptions championed by the US, it is no surprise that Muslim terror groups are perceived to be among the most militant and dangerous. Highest on the list is the notorious ASG, is based in the Philippines. It is followed by the Free Aceh Movement (GAM) in Aceh, Indonesia, Jemaah Islamiyah (JI), which primarily operates from Indonesia, and the MILF, based in the Philippines. All of these groups have been accused of using the maritime environment for logistical purposes, and to have developed maritime capability or have made preliminary steps toward acquiring such capability in this area.

Current Security Initiatives in the Straits of Malacca

Security cooperation refers to any cooperation between the littoral states, conducted by military or non-military institutions with the aim of improving the overall security environment in the Straits of Malacca. Generally, maritime security cooperation in Southeast Asia is now developing more quickly than in preceding decades. States have demonstrated greater commitment to expanding Maritime Confidence and Security-Building Measures (MCSBMs)²³ and operationalizing cooperation. A clear statement of renewed interest in improving cooperation includes the June 2003 "ASEAN Regional Forum (ARF) Statement of Cooperation against Piracy and Other threats to Maritime Security" and the "Work Program to Implement the ASEAN Plan of Action to Combat Transnational Crime" which was endorsed by the January 2004 ASEAN Ministerial Committee on Transnational Crime.

Security Cooperation amongst Littoral States

Since the Straits of Malacca is known to be threatened by a number of transnational threats such as piracy, pollution of maritime environment, drug smuggling and illegal immigrants, the littoral states have initiated numerous initiatives to counter these threats. These initiatives come in the form of security

21. Personal interview with Head of Center for Intelligence Science and Strategic Studies Royal Malaysian Police College on 15 June 2008.
22. ICC/IMB Piracy and Armed Robbery Report, Jan-June 2005.
23. Malcom Chalmers, "Confidence-Building in South-East Asia", Bradford Arms Register Studies 6, Boulder, Colo.: Westview, 1996, p.137

are capable of securing the Straits of Malacca. This system is intended to facilitate in combating crime in the Straits of Malacca, whereby participating countries set up an incident hotline stations in Dumai (Indonesia), Lumut (Malaysia), Phuket (Thailand), and Changi (Singapore).²⁶

Individual Counter-Measures

Another way of increasing the capacity of Southeast Asian states to deal with maritime security threats is to consolidate the existing national maritime law enforcement mechanisms in an attempt to turn them into an effective consolidated force. Malaysia, for example has established a national coast guard force known as the Malaysia Maritime Enforcement Agency (MMEA) on the 1 November 2005. The main aim of establishing the MMEA is to bring together all of the maritime enforcement agencies under one command and control so that they can operate more efficiently and effectively. The Indonesian Navy has responded by promoting a package of reforms, by modernizing its workforce to enable more coastal interdiction and by increasing patrols against illegal activities in their own waters.²⁷ The Navy has formed a Control Command Centers in Batam and Belawan fitted with necessary equipment and spear headed by hen Special Forces to respond to any attack.²⁸

Legislative Measures

David Scheffer suggests that we should put international law aside in the war against terrorism, which needs a pagan ethos, to draw upon thinkers on stagnate in waging ancient philosophers in how we wage this war against terrorism and not get too concerned about whether this complies with modern laws of war.²⁹ In concurring with the effectiveness of the Internal Security Act (ISA), Rohan Gunaratna comments that "the ISA has become extremely useful to Malaysia and Singapore; without the ISA, I do not think those two countries would have made the strides they made against terrorism".³⁰

Political Approaches

As for ISA detainees suspected of being involved in the terrorist movement as well as the general public, the Malaysian government has used a political approach known as "Psychology Operation" for its rehabilitation process. The

26. Personal interview with The Director and Planning of SEARCTC on 13 June 2008.
27. Robert Karned, Indonesian Navy to Focus on Coastal Identification, Jane's Defence Weekly, 12 November 2003.
28. Ibid.
29. Global Politics Forum, Counter-terrorism and the Law of Law: A Critic of the U.S. Approach. URL: <http://www.america'sresponse.org/terrorism/> (11 June 2008)
30. Rohan Gunaratna, Colferio Daljano and Karl Jackson, Discussion Paper on Al-Qaeda's Network in Southeast Asia, held in Washington D.C., 2003, www.opfsia.org/Programs/2003/02/2703.htm, (12 June 2008), Pp. 17-18

process starts by using repentant JI members to give a series of lectures based on their confessions which affirm the existence of JI and exposes its intentions. Through such confessions, audience are to be exposed to a lot of information on how religion is being used in order to hoodwink Muslims into supporting their causes.³¹

As an alternative, the administrator has found another means of drawing them away from radicalism by offering them jobs, and the possibility of a return to society, offering amnesty and so on.³² It is much more effective, according to Rohan Gunaratna who supports this idea, "to fight terrorists militarily, it may take many decades. Yet we have seen military weakness when the US failed to target Osama bin Laden and *Al-Qaeda*".³³ There is a need to address this issue from ideological and political perspectives and not just by military approaches.

MARITIME TERRORISM AND OTHER AGENDA

Since the current security environment in the Straits of Malacca is far from ideal, given the presence of threats such as marine environmental pollution, sea robbery and piracy, smuggling of weapons and other contraband and illegal immigrants, it is felt that the major powers have been persisting in trying to link criminal offences committed in the Straits to maritime terrorism to further justify their GWOT. However, there are also expert opinions disputing linkages between piracy and any crime committed in the Straits and terrorism. The perceived threat of maritime terrorism in the Straits of Malacca was perhaps created to fulfill other political agendas. Even the Amnesty International has announced on May 28, 2003 that US GWOT policy is non-humanitarian and has been designed for political gain and profits.³⁴

Maritime Terrorist Attack in the Straits of Malacca

According to a study published in October 2003 by Aegis Defence Services, a chemical tanker known as Dewi Madrim had been hijacked, and its crews had been tied down while the hijackers had piloted the vessel for some distance through the Straits.³⁵ Such incidents have been used by Aegis to make the situation look bad and such kidnapping without ransom and in exchange for hostages have been utilized to acquire expertise for the terrorist to carry out future maritime attack. The

31. Personal interview with ACP Dr Mohd Shah Hussain Shah, Director of Planning and Training, Southeast Asia Regional Centre for Counter-Terrorism (SEARCC/CT), Kuala Lumpur, on 12 October 2006.
32. Rohan, p. 10
33. Ibid, p. 21
34. Amnesty International, BBC One news on May 28, 2003.
35. Barry Desker, Protecting the Malacca Straits, Institute of Defence and Strategic Studies (IDSS) Commentaries, 3 March 2008 www.idss.edu.sg (visited 13 June 2008)

Pressuring Littoral States to Enhance Security in the Straits

An earlier statement by the London insurance market's Joint War Committee (JWC) was aimed at putting pressure on littoral states to take up immediate security action to ensure uninterrupted commercial shipping and safe transit of US naval ships through the Straits of Malacca. The US and its allies are worried about the safety of their investments, especially after 9/11. At the same time the US is making use of the issue into an excuse to assert pressure on the Muslim countries namely Malaysia and Indonesia which have been quite reluctant to support the US's GWOT from the very beginning. This issue has provide another good reason for the US to lead international users in sending powerful naval ships to control the Straits of Malacca.

However, the London insurance market has removed the Malacca Straits from the list of vulnerable areas according to its press release dated 11 August 2006. The Joint War Committee (JWC), which includes marine hull war underwriters from Lloyd's and company markets, has removed the Straits of Malacca from its hull, war, strikes, terrorism and related perils-listed areas.

CONCLUSION

Maritime terrorism is unlikely to affect the Straits of Malacca in the near future due to the situation existing the Straits of Malacca. This is evident from an evaluation of the capability of 'would be' maritime terrorist groups who have been identified as most likely to conduct attacks in the Straits. The possibility of any of them to conducting any 9/11 style of attack is very remote. As long as the littoral states are capable of implementing consistent measures such as the EIS, the Trilateral Coordinated Patrols and the implementation of the International Ship and Port Facility Security Code along with other domestic measures in combating local and foreign terrorist groups, most of the vulnerabilities of the maritime industry can be addressed. If this level of cooperative activity continues, the result would be a further reduction of the threat of maritime terrorism in the Straits of Malacca.

However, the littoral states should be vigilant about attempts of other foreign powers to dominate the strategic SLOCs clearly spelled out by UNCLOS 1982. They should insist on the jurisdiction and sovereignty of littoral states. As discussed earlier in this paper, many excuses could be advanced to undermine the rights of littoral states. Foreign powers however, should forgo their egos and behave as good users and allow littoral states to exercise their jurisdiction in their waters.

41. Market Removes Malacca Straits from the list http://www.lloyds.com/News_Centre/Features_from_Lloyds/Market_removes_Malacca... (18 June 2008)

Economist linked the takeover of the Dewi Madrim to "the equivalent of the Al-Qaeda hijackers who perpetrated the September 11 attacks by going to flying school in Florida."³⁶ However, the International Maritime Bureau says that its Piracy Reporting Centre in Kuala Lumpur has received confirmation from the owners of the Dewi Madrim that the attack was not what it was made to be by Aegis.³⁷

Even though the nexus between piracy and terrorism remains a worrying factor, its existence is still unproven. Thus far, there has been no hard evidence to prove its existence. While the possibility of such a link cannot be totally disregarded, there are indications that this nexus could be used as a political tool by foreign powers eagerly looking for pretexts to take over partially, if not totally, the control of another vital SLOC of the world.

Potential for Maritime Terrorism in the Straits of Malacca - Non-governmental Organizations' and Civil Society Perspective

As for maritime terrorism, there has been no case in the Malacca Straits known to be connected to any terrorist organization. Security analysts such as JAMES have suggested that there is a need to examine maritime terrorism closely and see the issue in the proper context. In a February 2006 article, has noted, "terrorists would need to overcome significant logistical obstacles in order to carry out attacks involving the use of large container ships as weapons or as a delivery device for other weapons." It goes on to suggest that LPG and LNG tankers are difficult targets and small explosive laden boats are the weapon of choice for 'would be' terrorists.³⁸

The Institute of International and Strategic Studies (IISS) had prepared a detailed report commissioned by the Singapore Maritime Foundation (SMF) in December 2005 which suggests, the trend globally suggest reduction in piracy and that the Straits of Malacca is in particular likely to show a falling in the number of piracies though its pirates are relatively better armed and organized. The IISS report summed up the situation nicely when it suggested that JWC had over-estimated the potential of terrorist threats and concurrently under-appreciated the wide range of measures undertaken by littoral states to improve security in the Malacca Straits.³⁹

36. Michael Richardson, p. 33
37. Ibid.
38. Jeffrey Chen, Reversing the Joint War Committee's (JWC) War Risk Decision in the Malacca Straits: An Interim Review. http://www.stiaonline.org/reversing_the_joint_war (10 June 2008), p. 2
39. Ibid.

The Reality - ASEAN, Japan, China and United States Views

The bulk of Middle Eastern oil to China passes through the Straits of Malacca, Lombok and Sunda. Given its importance to China's economic survival it comes as no surprise that Beijing has indicated that it is prepared to protect shipping routes indispensable to China's economy. China in fact has stated that it has strategic interests in these important sea routes and would use its naval power to ensure that these sea lanes remain open. Zhao Yunsheng, an expert from China's Institute of Contemporary International Relations has gone so far as to suggest that whoever controls the Straits of Malacca and the Indian Ocean can threaten China's oil supply route.

The initiatives of the Japanese Coast Guard (JCG) also indicates Japanese contribution to enhance maritime safety and security in this region. JCG has been strengthening regional cooperation and collaboration since it co-hosted the international conference titled: "The Regional Conference on Combating Piracy and Armed Robbery against Ships" (April 2000 in Tokyo). The variety of initiatives suggested in it for the purpose of information exchange and assistance to capacity building includes visits of JCG patrol vessels/aircraft and combined exercises among coast guard agencies; providing hands-on training aboard JCG patrol vessels; providing training courses as well as acceptance of overseas students at the JCG Academy; and holding regular experts meeting.

To deal with possible threats, the U.S. has undertaken three major unilateral initiatives, the Container Security Initiative (CSI) the Proliferation Security Initiative (PSI) and the Regional Maritime Security Initiative (RMSI) directed specifically at the Straits of Malacca. The Container Security Initiative (CSI) aims to identify "high-risk" containers and use technology to screen them according to U.S. specifications in the originating ports rather than in the destination ports in the U.S. The Proliferation Security Initiative (PSI) aims to seize "shipments of weapons of mass destruction (WMD) and missile-related equipment and technologies" by sea or air before they fall into the hands of terrorist organizations or their state sponsors.

Possible Hidden Agenda

The US's overwhelming concerns about the threats of maritime terrorism in the Straits of Malacca are believed to be linked to a hidden agenda. The US at present exercise control over many major 'choke points' in the world's sea lanes in a way that shows the superpower would like to have a firm control of global power resources, especially oil and gas from the Middle East. At the same time US would like to ensure that the rest of the SLOCs remain safe for their navy to pass through in peace as well as war time. Their ability to control all of the SLOCs in the world

will ensure its path towards absolute hegemony in line with the American 'Grand Strategy'⁴⁰

US Hegemony

According to Joseph Nye in his book entitled *The Paradox of American Power*, the US has used a number of options to go about the task of establishing power globally. Nye identified 'hard power' (military and economic power) that works because it 'makes people do what you want them to do. 'Soft power is on the other hand cultural power that is to say the power of idea and ideals that one can co-opt for one's purpose. By globalizing the war against terrorism through GWOT, the US has indirectly exercised its hegemony to the fullest".

As pointed out by the Amnesty International, the US GWOT is politically motivated. Therefore, its perception of maritime terrorism in the Malacca Straits is just another excuse to garner support from this region. If the US is really serious about safeguarding the Straits, it should have contributed to its security effort long time ago in accordance with Article 43 of UNCLOS 1982.

China Containment Policy

Another obvious issue that is more logical for continuous security concerns about the Straits of Malacca is to enhance US's China 'containment policy'. China is acknowledged as a rising power in the region economically, politically and militarily. No doubt, it is the only power that can eventually challenge US hegemony in this region. The US now is trying to flex its military muscle as well as its ability to deploy 'soft power' in its efforts to check China's growing influence in the region. That is why the US has been inviting India to join in filling up the power vacuum in Southeast Asia to forestall Chinese exerting influence in the Straits of Malacca.

The US proposed Regional Maritime Security Initiative (RMSI) in another of its attempts to place the Straits of Malacca under its total influence. China opposes the move since it sees it as a bid to present the free flow of much needed oil from the Middle East. Terrorism is just an excuse to provide an opportunity for the US and its close allies to expand its influence in Southeast Asia and control its strategic waterways. In the event of war between the US and China over Taiwan, the US could blockade and easily deny China's supply of oil and other necessary materials normally being shipped through the Straits of Malacca from suppliers in the Middle East.

40. Walter Russell Mead, *Power, Terror, Peace, and War*.

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LIST OF ABBREVIATIONS

ARF	ASEAN Regional Forum
ASG	Abu Sayaf Group
CMAP	Coordinated Maritime Patrol Operation
EIS	Eye in the Sky
GWOT	Global War on Terrorism
ISA	Internal Security Act
IISS	Institute of International and Strategic Studies
IMB	International Maritime Bureau
IMO	International Maritime Organization
IMSS	Integrated Maritime Security System
JJ	Jemaah Islamiyah
JWC	Joint War Committee
LNG	Liquid Natural Gas
LPG	Liquid Petroleum Gas
MAL-SINDO	Malaysia, Singapore and Indonesia
MCSBMs	Maritime Confidence and Security-Building Measures
MMEA	Malaysian Maritime Enforcement Agency
MMEC	Malaysia's Maritime Enforcement Coordination Center
MSIS	Malacca Straits Identification System
MSCP	Malacca Straits Coordination Patrol
PSI	Proliferation Security Initiative
RMSI	Regional Maritime Security Initiative
SLOC	Sea Line of Communications
SMF	Singapore Maritime Foundation
TSS	Traffic Separation Scheme
UNCLOS	United Nations Convention on the Law of the Sea

Author

Colonel Effendi bin Hj Abd Karim was born in Kedah, Malaysia on 18 February 1961. He started his carrier on 01 April 1979 in the Malaysia Royal Military College and commissioned as Second Lieutenant in Malaysia Special Service Regiment on 24 April 1981. Enhancing his military carrier, he attended Special Forces Young Officers Course - Special Warfare Training Centre, Malaysia in 1985, Junior Staff Officer Course - Army Management Institute, Malaysia in 1986, Company Commander Course - Army Training Centre, Malaysia in 1987, Special Forces Qualification Course, Jumpmaster, Pathfinder and Air Assault - JF Kennedy Special Warfare, USA in 1989, All Arms Tactics Course - Army Training Centre, Malaysia in 1990, Staff Course Malaysia Armed Forces Staff College, in 1992 and National Defence Course, Malaysia Armed Forces Defence College in 2001. He served in different capacities in both command and staff, some of his major appointment were: Adjutant at Special Warfare Training Centre, Squadron Commander at 21 Commando Regiment, Staff Officer Grade-2 at Special Forces Directorate, United Nation Military Observer at Angola, Commanding Officer at 22 Commando Regiment, Chief of Staff at 5th Malaysia Infantry Brigade and 21 Special Forces Group Headquarters. Prior to attending NDC in Bangladesh he served as the Director Special Forces Directorate. He has visited USA, France, England, South Africa, China, Japan, Angola and Turkey. His hobby is playing golf. He is a Muslim and the name of his wife is Norihan bin Jusoh.

consists of 11 to 13 groups of district offices each to be commanded by an Executive District Officer (EDO). A District Officer (DO) is heads sub-offices at the District Headquarters, while Deputy District Officers (DDO) are in charge of specific functions located at Tehsils (GOP, 2006). The EDOs are primarily responsible for coordinating the work of sub-offices. There is also an internal audit office under the ZN. In addition to overall coordination responsibilities of various groups of offices, the DCO has the responsibility for human resource management and civil defence. Provincial government is to post the DCO, District Police Officer (DPO) and DOs to the district.

Functions and Powers of Zila Nazim.

Fundamental functions of the ZN are as follows:

- a. Provide vision for district-wide development, and leadership and direction for efficient functioning of the DG.
- b. With the assistance of the DA develop strategies and timeframe for accomplishment of the relevant goals approved by the ZC.
- c. Perform functions relating to law and order in the district.

Functions and Powers of the Zila Council.

Legislative. The Legislative functions include:

- a. Levying of taxes as per list of district taxes given in the LGO 2000.
- b. Raising or lowering existing taxes.
- c. Making bylaws, rules and procedures applicable to DG.

Monitoring. The ZC has to monitor the DA through a specialized committee system, which entails constituting as many Monitoring Committees as the number of offices in the DA. In addition, there is an Accounts Committee, an Ethics Committee, a District Public Safety Committee (DPSC), a Sports Committee and a Cultural Committee (GOP, 2006).

Approval of Budget and Development Plans. The ZC has to approve district annual development plans as well as the budget presented by the DA under the direction of the ZN.

Functions of the District Administration.

The DA has to perform the following functions:

- a. Prepare plans and budgets for submission to the ZN, and upon approval by him or her and passage by the ZC, and implement them.

- b. Formulate district rules and regulations for approval by the ZC.
- c. Apply federal and provincial laws, rules, and regulations in areas covered by the administration.
- d. Undertake executive oversight of the execution of district policies.
- e. Provide information and co-operate with the legislative monitoring of the ZC, Tehsil and Union Monitoring Committees (TUMC) and Citizen Community Boards (CCB).
- f. Use the information collected through the information and evaluation system from all levels of monitoring.

Citizen Community Board

CCB has been created to enable the proactive elements of society to participate in community work and development-related activities in both rural and urban areas. ZC and its relevant committee have facilitated the creation of such CCB, or in some cases the citizens themselves have created them. In addition, the existing Community Based Organization (CBO) has also been continuing their work. CCBs have been able to mobilize communities and raise funds to solve local problems, (Alam, 2004). The role of CCBs has been recognized through registration at the district level. CCBs have kept their door open to new entrants to obviate negative competition and promote synergy. As voluntary organizations the CCBs have already organized themselves and have, determined their own form of functioning, creating their own leaders through the mechanism they have set. The CCBs have been seen to represent a powerful enabling environment for citizen participation Citizens of each community have taken advantage of this opportunity (Khan, 2006a). CCB has a general body of its members who elects a Chairman, an Executive Committee and a Secretary for carrying out its functions. Their term of the office is 2 years but it is extendable through election for a similar term or terms by the general body. The CCB decisions are made through its elected general body and the community. CCBs prepare their projects and after approval by the council execute them. The maximum share of the development funds for the LG cannot exceed 75% and the community share for CCBs must not be less than 25%.

Finance System

In the past, LGs used to receives 10 to 15 percent fiscal transfers from provincial sources. There was no formula for distribution of funds to districts and provincial budgets did not specify district expenditures. In order to accomplish a transparent, credible and fair system of transferring funds to the district level, a

DISTRICT LEVEL LOCAL GOVERNMENT SYSTEM IN PAKISTAN: PERSPECTIVE FOR BANGLADESH

Brigadier General Abul Muksid Md Wazed Thakur, ndc, pse

INTRODUCTION

During the last one and half decades, there has been wide scale debate and discourses on policy on the issue of decentralization and development. Theorists and practitioners combinedly argued that a truly designed decentralization policy can ensure and provide much expected public goods and services to decentralized units in an accountable, transparent and participatory way (Shotton, 2004). Decentralization will also create an institutional structure to test how policy options and procedures can be developed in creating direct partnerships with national government and policy-making bodies with the local government units at the periphery (Aminuzzaman, 2006). Researchers further argue that a well-designed decentralization scheme will further ensure growing and nascent democracies in various third world countries (Siddiquee, 2001, Aminuzzaman, 2007). However, it is unfortunate that a comprehensive model of decentralization is yet to emerge. Various international agencies like World Bank, United Nations Development Programme (UNDP), and United Nations Capital Development Fund (UNCDF) have been researching and piloting various models across continents. Pakistan is one such country where under the initiatives of the World Bank a 'Big Bang' approach of decentralization was been implemented in the early 2000. The 'Big Bang' model of Pakistan installed a radically different model and institution set-up at the district level administration and governance system. This study therefore aims to explore the experiences of Pakistan with particular emphasis to district level decentralization exercises and institutional building. The prime purpose of the study is to examine and analyze whether Bangladesh can learn about building institutions in designing her decentralization scheme with particular reference to district level administration and local government. It is to be noted that other tiers of decentralization has not been covered in this study.

Pakistan's decentralization plan addresses major issues of good governance and local democracy and introduces a model described as SDs i.e. **Devolution of Political Power, Decentralization of Administrative Authority, De-concentration of Management Functions, Diffusion of the Power-Authority Nexus and Distribution of Resources.** The new Local Government System (LGS) was installed on 14 August 2001, after holding of elections. It has a three-tier structure: District Government (DG), Tehsil Government (TG) and Union Government (UG). The new system has concentrated on moving from a bureaucracy to a political

Provincial Finance Commission (PFC) was been constituted under the new system. The principle of the formula for provincial to district transfer is that DG should generate its own resources to the extent possible.

DG has the tax collection machinery at its disposal. The specified schedule of local taxes has also come under the control of DG. A formula for provincial fiscal transfers i.e. population, under-development, fiscal efforts, areas, revenue generation capacity and expenditure requirement has been devised and implemented. The objectives of fiscal transfers are to provide baseline levels for essential services, to boost revenue generation efforts, to encourage spending in priority areas, and to provide efficient spending/expenditure. The model provincial formula has become part of the new provincial finance awards. The resultant formula developed in conjunction with the provincial government is subject to change in a similar fashion as the national finance awards (GOP, 2000, Cheema, Khwaja and Qadir, 2005). Fiscal autonomy was the critical part of devolution. Under the LGO, the ZC had the power to levy certain taxes. The council may increase, reduce, suspend, abolish or exempt the levy of any tax for such period as may be specified by it. The procedure for levying new taxes has been made transparent. No tax can be levied without inviting public objections (GOP, 2000). However, all taxes before being levied have to be vetted by provincial governments.

COMPARISON BETWEEN DISTRICT GOVERNMENT IN PAKISTAN AND ZILA PARISHAD IN BANGLADESH

Structure and Composition

Pakistan. The DG is the highest and most important tier in the new structure of LGS. The DG is composed of the ZN and ZCN, the ZC and the DA. The Union Councilors of the district elect the ZN and ZCN as joint candidates. An Union Nazim (UN) who is directly elected becomes a member of the ZC. Each union therefore, send one representative to the ZC. The number of general seats in the ZC varies depending on the number of unions in the district. In addition to the general seats, the ZC is to have 33% seats (33% of total number of Union Councils within the district) reserved for women, 5% (5% of total number of Union Councils within the district) each for workers/peasants and minorities (GOP, 2000, Ayaz, 2003). Members of the Union Councils of the entire district also serve as the Electoral College for the election of candidate to reserved seats. No ZN or NZN can hold the same office for more than two terms. The Structure of the DG is shown below in a flow-chart:

hierarchy and has been designed to reorganize polices for political culture in order to create political ownership of institutions and augment their outputs (Khan, 2006a, Cheema, Khwaja and Qadir, 2005). This has also changed the formal administrative structure by assigning responsibility and power to the elected representatives of the people and had laid the foundations of a genuine and sustainable democracy that has accountability to citizens for all their decisions.

DISTRICT GOVERNMENT IN PAKISTAN

Authority

Local Government Ordinance (LGO) has defined the authority of the DG, which comprises the operation, management and control of the offices of the departments, which have been decentralized to it. The DG exercises such authority within the district in accordance with the general policy of the Government. The DG is responsible to the people and the Government for improvement of governance and delivery of services within the ambit of the authority decentralized to it under the LGO (GOP, 2006). The Zila Nazim (ZN) as the head of the DG performs such functions and exercises such powers as have been assigned to him under the Ordinance. He has to ensure that the business of the DG is carried out in accordance with the provisions of the LGO and other laws in force for the time being.

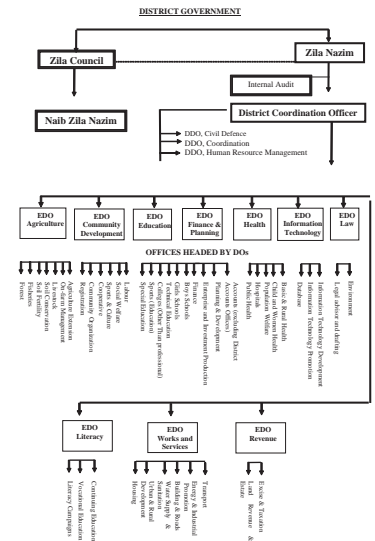
District Political Structure and System

Zila Nazim. The ZN provides political leadership for the development of the district influences the policies that can improve both the current quality of life and the future development prospects of a district. The ZN has to create a development vision for the district, integrating the roles and resources of the administration, private sector, civil society organizations and local level institutions (GOP, 2006). The vision is realized through the development plans and budget that the ZN is required to submit to the Zila Council (ZC) for approval.

Naib Zila Nazim (NZN). As the speaker of the ZC The NZN has to co-ordinate between the Council and the ZN. The NZN deputize for the ZN in his absence.

District Government Structure and Staffing.

District establishments are composed of federal and provincial civil servants, the employees of defunct ZC, and staff of all group of offices devolved to the DG. A District Coordination Officer (DCO) who is a civil servant coordinator has been coordinating the activities of the District Administration (DA). The administration



Source: http://www.decentralization.org.pk/images/figure_2.pdf, 12/2/2008