

## ***U.S. and Malaysia Now Best Friends in War on Terrorism***

By John Gershman

Malaysian Prime Minister Mahathir Mohamad arrives in the U.S. on Sunday May 12 for a three-day visit including meetings with President George W. Bush. The agenda will include progress in the war on terrorism, while Mahathir is likely to raise issues regarding Bush administration policy in the Middle East. Boeing is also expected to announce the sale of several F/A-18 Super Hornet fighter/attack jets to Malaysia's air force. The visit, the first to the U.S. by Mahathir since 1994, marks a remarkable turn-around in U.S.-Malaysian relations.

A little less than five years ago, Mahathir was the bad boy of Southeast Asia. He had denounced George Soros, hedge funds, and foreign investors as the cause of the Asian crisis; rejected IMF policy prescriptions; and imposed capital controls as a means of controlling foreign capital outflows and stabilizing the economy. His response to the Asian crisis was denounced by the Clinton administration's Treasury Department and the IMF at the time, but has since been acknowledged to have been effective and left Malaysia better off than its neighbors—which followed IMF prescriptions more closely. The Clinton administration had also occasionally criticized Mahathir's use of the government's Internal Security Act (ISA) to imprison political opponents. At the 1998 Asia Pacific Economic Cooperation (APEC) heads of state meeting in Kuala Lumpur, then Vice President Al Gore offered rhetorical support for the reformasi (pro-democratic reform) movement, in what was widely viewed as a speech aimed at the 2000 presidential election campaign. Relations ebbed to their lowest level in years.

Then came September 11th. Mahathir's administration has arrested roughly forty people since September 11th on the basis of their alleged

membership in the Malaysian Militant/Mujahadin Movement (KMM), an organization claimed to be part of the al Qaeda network. These arrests were made under the Internal Security Act, which allows for arrest and indefinite detention without charge. The post-September 11th crackdown, however, was an extension of crackdown against Islamist and secular opposition figures that began in mid-2001, and has led to roughly 100 people held under the ISA (for any reason) since then. A number of these prisoners have been identified as prisoners of conscience by Amnesty International, which has petitioned for their release. Mahathir has come under heavy criticism from the government-appointed National Human Rights Commission (SUHAKAM) as well as a broad-based coalition of Malaysian civil society organizations and NGOs under the banner of the Abolish the ISA movement.

Malaysia has developed an increasingly important profile for U.S. policy in the region for several reasons. In addition to the enthusiasm with which Mahathir has jailed alleged terrorists, he will also play a key role in the Bush administration's efforts to woo "moderate" Muslims as part of the war on terrorism. Mahathir will chair the Non-Aligned Movement and the Organization of Islamic Conference (OIC) beginning in 2003. And next year's OIC summit will be hosted by Malaysia for the first time. These factors all insure that human rights issues are unlikely to be a centerpiece of the Bush-Mahathir discussions.

There are broader regional security issues as well that weave together Bush administration security concerns, efforts to promote U.S. weapons exports, and Malaysia's military modernization program. The ten member countries of the Association of Southeast Asian Nations

(ASEAN) are expected to spend \$ 3 billion on weapons this year, with Malaysia spending the largest single amount. Prior to the Asian crisis, Southeast Asia was the world's second-largest arms market after the Middle East. Southeast Asian arms purchases represented about 20% of the world market in the mid-1990s, a substantial increase over the region's 12% market share in 1985. Malaysia plans to spend \$3-4 billion on weapons from 2002-2005 as part of a major military modernization program.

Malaysian Defense Minister Najib Razak is the driving force behind the modernization program. This program is actually the renewal of an effort begun in the early 1990s, also led by Najib, to shift the Malaysian military from an army-driven, counter-insurgency force to a structure with a more equal emphasis on all three services. That effort was derailed when Najib was moved from the defense ministry to another portfolio in 1995 and then placed on hold by the Asian economic crisis.

The shopping list includes battle tanks from Poland, Russian and British surface-to-air missiles and mobile military bridges, Austrian Steyr assault rifles, and Pakistani anti-tank missiles. Kuala Lumpur is also negotiating to buy several F/A-18s, three submarines from France, and an unspecified number of Russian Sukhoi Su-30 fighter aircraft. The decision to spread its orders around reflects Malaysia's use of arms purchases as part of its foreign policy, even though the range of equipment from so many different sources creates maintenance and logistics problems. The tanks, missiles, multiple-rocket-launcher systems, and submarines will give Malaysia an attack platform for the first time.

The military modernization program is partially aimed at narrowing the gap with neighboring Singapore, which has an annual military budget roughly twice the size of Malaysia's. There's also the mundane but important element of patronage. Many foreign arms manufacturers generally use well-connected Malaysians as their lobbyists for contracts. The commission paid to such representatives is estimated to range from 10-20%.

Several other major concerns are also driving military spending in Malaysia. One involves regional instability particularly, but not exclusively, in Indonesia. Then there is piracy in the Malacca Straits. The dramatic fall in pirate attacks in the Straits from 75 in 2000 to 17 in 2001 is largely attributable to increased patrols by the Royal Malaysian Marine Police. Finally, there is China. Malaysia is concerned about an increase of Chinese influence in the South China Sea. There is also a growing concern regarding the organizational weakness of ASEAN. This has been interpreted by policymakers in individual ASEAN countries as dictating increases in military spending as a counter-weight to China's military modernization efforts.

These dual developments—the repression of dissidents in the guise of combating terrorism and an expansion of offensive military capabilities on the part of Malaysia—portend for greater instability in Malaysia and the region. The Bush administration would do well to cement the more productive and less contentious relationship that has emerged between the two countries since September 11th. But it should not provide unqualified support to its new-found friend by reinforcing authoritarian

policies in Malaysia or underwriting an arms race in the region.

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## Related Citizen Action and Agendas

Efforts to secure the release of political prisoners detained under the Internal Security Act and for the repeal of the law are being led by the Malaysian human rights group SUARAM.

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The Abolish the ISA Movement is a coalition of 82 organizations who have endorsed a statement calling upon the Malaysian government to “repeal of the Internal Security Act 1960 and all other laws which provides for detention without trial, release all detainees held under the ISA and other similar laws or charge them in open court for any alleged offences, and conduct an Independent Inquiry on those tortured and abused and compensate them and their families accordingly. They have called upon human rights advocates worldwide to send letters to Malaysian government officials in support of their call for repeal of the ISA.