
Piracy, maritime terrorism and regional interests

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Introduction

Much has been reported in the media about the regional piracy and maritime terrorism threats. Post-9/11, these two threats have rapidly emerged to take centre stage in the maritime world. A multiplicity of data, views and assessments have been generated by these threats, even as both governments and non-government actors try to grapple with an unfamiliar security environment.

The aim of this paper is two-fold: first, to analyse just how significant the threats of piracy and the risks of maritime terrorism are to the region. Second, to analyse the interests of the major regional players in addressing these threats.

In terms of methodology, this paper addresses the issue in three parts. The first section considers the piracy threat. The second section analyses the maritime terrorism threat. The final section examines the interests of the various coastal states and regional powers, as well as outlining their responses.

THE PIRACY THREAT

Definitions

In this paper, 'region' refers to the Asia–Pacific. While we will draw on case studies from throughout the region, the focus of our analysis will centre on Southeast Asia (and South Asia to a lesser extent). Piracy incidents in Northeast Asia are less frequent in comparison.¹

The 1982 Law of the Sea Convention (LOSC) defines piracy as illegal acts of violence, detention or depredation committed on the high seas for private ends.² The International Maritime Organisation (IMO) has introduced the term 'armed robbery against ships' to cover attacks within a state's jurisdiction as well.³ Taken together, these two definitions broadly cover the term 'piracy' as it is commonly used today.

Regional piracy

Attacks in Southeast Asia have accounted for 57 per cent of those reported globally since 1991.⁴ The situation in Indonesian waters is especially serious. Since 1996, Indonesia has consistently accounted for over a quarter of international maritime assaults.⁵ The second most piracy-prone area in the Asia–Pacific is the Malacca Straits (MS). Forty-five piracy incidents were reported there in 2004, second only to the 93 incidents in Indonesian waters.⁶ In South Asia, the main hotspots are off Bangladesh, Sri Lanka and India.⁷ In Northeast Asia, piracy-prone areas include the waters off Hong Kong, Macau and Hainan Island.⁸

Piracy trends

Recent attacks appear to be escalating in *frequency*, *sophistication* and *severity*. The International Maritime Board's (IMB) annual piracy report recorded 445 incidents in 2003, compared with 370 in 2002.⁹ The figure was 325 in 2004, which was still significantly more than the 90 cases

reported ten years earlier.¹⁰ Additionally, the data reveals an increase in the number of seafarers murdered at sea. Around 23 per cent of the attacks in 2003 were conducted with firearms, four per cent more than in 2002.¹¹

Data fidelity

The above statistics and examples suggest that piracy is a significant and growing regional threat. However, it is important to question the reliability of the data.

The lack of a standard and comprehensive definition of piracy result in some subjectivity in the available statistics. The IMB's piracy definition allows almost anything to qualify as an act of piracy.¹² In reality, a significant number of those reported incidents involve thefts from ships sailing close to land, at dockside or at anchor. These may not be too significant from a cooperative regional response standpoint.

The statistical rigour in the data collection and report generation processes of piracy agencies at large is also questionable.¹³ Different agencies are likely to employ different parameters in computing their final tallies. Even if two independent agencies were to produce the same totals, the individual parameters that contribute to that final figure are likely to be quite different. Additionally, vested interests could cause agencies to skew data. For example, a risk consultancy firm (which might also be engaged to provide follow-on maritime security advice/services) would likely handle data quite differently from an official government agency (which might be trying to downplay piracy fears). Even if an effort was made to compare and aggregate data across a number of agencies, that may still not yield a statistically robust final tally, as some of the agencies may be drawing from the same raw data source!¹⁴

That said, while the available piracy data may not be too robust, it would be unwise to disregard the evidence of an increasing problem, given that anecdotal evidence seems to corroborate the data. If anything, piracy incidents are likely to be under-reported, as ship owners cannot afford delays to their shipments—official investigations take time. Moreover, making such reports could result in the accrual of higher insurance rates. Piracy incidents are therefore likely to be under-reported.¹⁵

Potential effects of piracy

Besides threatening the lives and livelihood of seafarers, piracy has other knock-on effects. Stolen cargoes and delayed trips impact shipping companies and their customers. Shipping companies may have to foot hefty ransom demands.¹⁶ Rising insurance premiums may exact its toll on businesses. Most significantly, piracy could impact on the safety of navigation.¹⁷ If left unchecked, rampant piracy could undermine the orderly flow of free-world seaborne commerce.¹⁸

In summary, the increasing frequency and severity of piracy incidents, as well as their potential knock-on effects, suggest that piracy is a significant threat regionally.

THE MARITIME TERRORISM THREAT

Definition

Jane's Intelligence Review defines maritime terrorism as 'the deliberate creation and exploitation of fear through violence or the threat of violence in the pursuit of political change, in the maritime domain'.¹⁹

Distinguishing between piracy and maritime terrorism

While there seems to be regional consensus on the significance of the piracy threat, the regional discourse on maritime terrorism has been embroiled in controversy. In order to ascertain whether maritime terrorism indeed poses a significant regional threat, there is a need to first ascertain which categories of attacks fall within its ambit.

This is not a straightforward task as the distinction between piracy and maritime terrorism is blurred in at least three dimensions—*ends*, *means* and *effects*. In terms of *ends*, piracy is usually driven by financial gain, while terrorism is usually politically motivated.²⁰ In terms of *means*, pirates are usually associated with basic tactics/capabilities.²¹ Terrorists are associated with sophisticated tactics/capabilities.²² In terms of *effects*, piracy has traditionally been confined to the tactical level. Terrorism usually aims at achieving a strategic effect.²³

The above characterisations are rather simplistic, however. In reality, piracy and maritime terrorism are not discrete; they present a **complex piracy–terrorism continuum**. (Refer to diagram.) Certain groups operate in the grey zone (or the ‘nexus’) between piracy and terrorism.²⁴

In this paper, the term ‘maritime terrorism’ describes acts that are **motivated by limited/global political ends and employ advanced tactics/capabilities**. This category of acts and actors has the potential to cause **damaging effects at the regional or even global level**. Organisations that fall within this definition of maritime terrorism include (or included) several ‘separatist-terrorist’ groups such as LTTE,²⁵ GAM²⁶ and ASG²⁷ (representing the ‘lower-order’ terrorists); as well as transnational terrorist groups such as JI²⁸ and Al Qaida (representing the ‘higher-order’ terrorists).

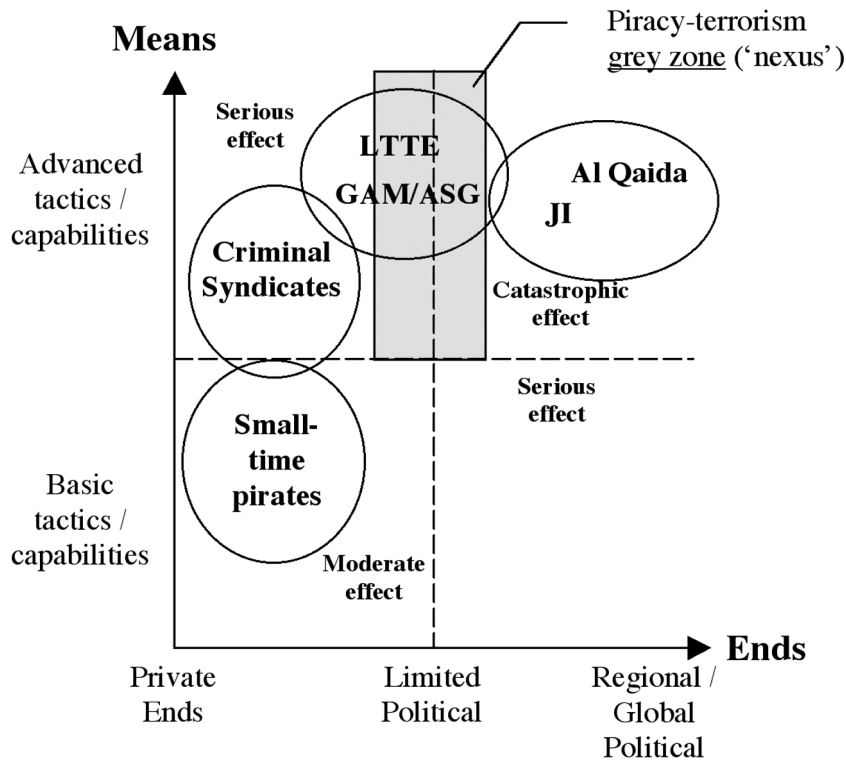


Diagram : 2D Piracy–Terrorism Continuum

With regard to lower-order maritime terrorism, there have been numerous such attacks in the region to date.²⁹ The ASG attacked *Superferry 14* in 2004, killing 116 of the 900 passengers/crew. Other high-profile attacks include the MILF bombings on board *Our Lady of Mediatrix* in 2000.³⁰ The effects of these incidents are undoubtedly serious.³¹ However, they remain fairly localised as the actors in this category do not usually aim at achieving regional/global shock. Of course, there is a chance that they might ‘over-achieve’, and unintentionally precipitate a catastrophic attack.³²

Much of the melee surrounding the maritime terrorism debate can be attributed to semantics. Party A labels acts by LTTE and GAM as maritime terrorism (given that ‘political pirates’ exist in the ‘grey zone’ and are sometimes labelled interchangeably as separatist–terrorists). Party B insists that there is no real evidence of regional maritime terrorist activity (vis-à-vis *catastrophic* maritime terrorism).³³ Both parties probably have a point.

Ultimately though, the common fear of both parties is a catastrophic act of maritime terrorism.³⁴

Likelihood of catastrophic maritime terrorism incidents

One school of thought points out that the maritime domain offers terrorists ample opportunities for strategic reach and geographical flexibility.³⁵ Additionally, the relative advantages conferred by the maritime environment may look increasingly attractive as security around key land installations is gradually hardened.

The opposing school of thought argues that highly destructive acts of maritime terrorism are beyond the reach of most groups.³⁶ Additionally, attacking land targets requires less skill and funding compared with maritime targets and may therefore present more attractive options. It is also extremely difficult to sink a ship at a particular spot.³⁷ Moreover, most tankers these days are robustly constructed and carry their cargo in inert forms.³⁸

Potential effects/consequences of maritime terrorism

One quarter of the world’s trade and half its oil flow through the Malacca and Singapore Straits. Given that the narrowest point in these Straits is about 1km-wide, blockage by mining or a sunken vessel could adversely impact the global flow of trade and oil.³⁹ Rerouting through the Sunda/Lombok Straits would add another 1000nm to voyages and raise shipping costs considerably.⁴⁰

Closure of the transshipment hub port of Singapore alone due to a catastrophic WMD or a LPG tanker attack could cost the global economy an estimated US\$200bn per year.⁴¹ These attacks could also cause widespread collateral damage to nearby population centres.⁴² Additionally, such attacks are bound to trigger spikes in global oil prices and could raise insurance premiums to prohibitive levels.⁴³

The risk calculus (likelihood x consequence)

Captured JI members have admitted to planning attacks on several vital installations in Singapore, including its oil refineries.⁴⁴ Although severely disrupted, JI cells continue to be active in the region. One of Al Qaida’s (and JI’s) key strategies in waging economic warfare against the West is to target its dependence on a secure supply of oil and access to international markets.⁴⁵ The fact that a catastrophic act has not taken place yet is certainly not for want of trying.⁴⁶

Given that a catastrophic attack cannot be ruled out, and that any fallout from just one successful attack would be catastrophic, it would be fair to say that the risk of a catastrophic maritime terrorist attack in the region is significant enough to warrant fairly robust countermeasures.

Responsible governments and law enforcement agencies see the need to achieve some form of deterrence at the very least, and to develop foundational capabilities that can be scaled up quickly in the event of imminent danger.⁴⁷ The key here is to strike a balance between maritime security and unnecessarily incurring costs and inefficiencies for businesses.⁴⁸ Of course, the significance of this threat may be contested by other parties with differing interests, such as the shipping community.

In summary, the clear and present danger posed by lower-order maritime terrorism and the risks associated with higher-order maritime terrorism are significant enough to warrant fairly robust regional governmental attention/action.

REGIONAL INTERESTS

A host of unilateral, bilateral and multilateral maritime security initiatives are being pursued regionally. In this section, we will examine the interests of key regional players in tackling maritime threats.

COASTAL STATES' INTERESTS⁴⁹

Indonesia

Indonesia has serious sovereignty concerns and is wary about the maritime terrorist threat being used as a springboard for extra-regional powers to encroach into the MS. Indonesia's initial negative response against the United States' Regional Maritime Security Initiative proposal was a case in point.⁵⁰ Indonesia has repeatedly emphasised that the littoral states are able to take care of maritime security in the MS themselves.⁵¹ Separately, commentators have observed that Indonesia may have been motivated to keep foreign forces out of the MS in the past, so as to preclude any interference in the Aceh situation.⁵²

Economically, Indonesia may have less of an impetus than Malaysia, Singapore and other interested parties to assume a tough stance on maritime security. In the event of a MS closure, Indonesia still has the Lombok and Sunda Straits to conduct its trade.⁵³ Viewing things in perspective, illegal fishing apparently costs Indonesia billions more per annum than piracy. Domestically, the government has had to tread carefully in handling maritime security and the larger terrorism situation, given certain fundamentalist Islamic elements in the political arena and society at large.

However, Indonesia is also concerned about its reputation on the world's stage. Inaction may hurt investor confidence as well as jeopardise its relations with countries like the US and Australia.⁵⁴ Indonesia has been positive about assuming lead roles in various maritime security initiatives.⁵⁵ It has also displayed considerable enthusiasm in undertaking cooperative enforcement where it perceives itself having a suitable degree of control over the cooperation agenda.⁵⁶

Malaysia

Malaysia has a clear economic interest in regional maritime security given its dependence on seaborne trade, particularly through the MS.⁵⁷ At the same time, Malaysia—like Indonesia—is concerned about any potential encroachment into its sovereignty. Malaysian officials have repeatedly stated that they will not countenance joint patrols and hot pursuit into another state's waters. Malaysia has likewise ruled out any operational role for foreign players.⁵⁸

Domestic sensitivities exert a significant influence on the Malaysian Government's response to regional maritime threats. Like Indonesia, the government has to contend with fundamentalist

Islamic factions in society and mainstream politics. US counter-terrorism forces being visibly present in the MS could backfire and fuel Islamic fundamentalism instead.

Notwithstanding the above considerations, Malaysia is keen to play a proactive and constructive role in regional affairs. Malaysia has embarked on several regional maritime security initiatives, including the establishment of SEARCCT⁵⁹ and hosting the IMB's regional piracy centre.⁶⁰ The establishment of the Malaysian Maritime Enforcement Agency will undoubtedly serve to boost the effectiveness of its maritime security efforts. In this regard, the hard work put in by Malaysian law enforcement agencies has been reflected in some favourable statistics,⁶¹ and has been commended by countries like the US and Australia.⁶²

Singapore

Singapore appears to have the most to lose if regional piracy remains unchecked or if a catastrophic maritime terrorist act takes place. The MS and the South China Sea (SCS) are Singapore's trading lifelines. As such, maintaining secure SLOCs and the freedom of navigation in regional waterways represent core national interests for Singapore.⁶³ To that end, Singapore has been proactive in drawing attention to the twin threats of piracy and maritime terrorism and the potential nexus between the two threats. Singapore has also been welcoming of foreign players to help bolster maritime security in the MS. That said, Singapore has repeatedly emphasised from the outset that the *primary responsibility* for maritime security in the MS lie with its littoral states.⁶⁴

To make up for its small size, Singapore sees the need to be proactive where regional maritime security initiatives are concerned. For example, Singapore approached Japan's ReCAAP initiative positively and was eventually chosen to host the ReCAAP information sharing centre.⁶⁵

Differing interests between coastal states and regional powers?

There appear to be some differences in underlying interests between the two groups. An external observer might get the sense that in general, some coastal states in Southeast Asia (predominantly developing countries) are being nudged down the maritime security path; and that regional powers (predominantly developed countries) are doing the nudging. Besides different threat perceptions, some of the coastal states may not be convinced that the entire gamut of maritime security measures being pushed by the developed countries (particularly by the US) is absolutely necessary. Even if they were so convinced, some of the coastal states may lack the capacity to implement the prescribed measures. Some coastal states are concerned that by implementing the prescribed measures, scarce resources would be diverted away from other priorities like poverty alleviation and economic development.⁶⁶ In this regard, Indonesia and Malaysia have called on extra-regional players to share in the burden of policing the MS through capacity-building, the provision of financial resources and technology transfer.

REGIONAL POWERS' INTERESTS

United States

Post-9/11, the threats of land and maritime terrorism have become a key focus of concern for the US. Economically, the US is the world's largest trading nation and will try to avert any serious disruption to the global trading network.⁶⁷ It is presently fostering the regional maritime security response on several fronts.⁶⁸ In particular, PACOM's RMSI has served to sponsor a holistic framework for regional maritime security (stopping short of cooperative enforcement).⁶⁹

The US has referred to Southeast Asia as the 'second front' of the War on Terror.⁷⁰ It is increasingly concerned about the region's vulnerability to terrorist networks, and is trying to harden key waterways against potential attacks. The US also has a keen interest in ensuring the uninterrupted flow of gulf oil to Japan and South Korea, its strongest East Asian allies.⁷¹

Legitimate economic and security concerns overlap with major power rivalry concerns, particularly where China is concerned. Some commentators have suggested that the US could be riding the maritime security issue so as to further enhance its regional position and entrench its influence in this part of the world (including its key strategic waterways).

Japan

Eighty per cent of Japan's oil imports is transported through the MS and up through the SCS.⁷² Oil is Japan's main energy source. This makes regional maritime security a top priority.

In November 1999, the Japanese Coast Guard (JCG) indicated its willingness to conduct joint patrols with its Southeast Asian counterparts.⁷³ Japan has gone on to broach the possibility of conducting joint patrols in the MS with Malaysia and Indonesia.⁷⁴ Japan has also been actively involved in capacity-building initiatives throughout Southeast Asia.⁷⁵

Beyond economic interests, there appears to be a desire by Japan to expand its sphere of influence and assume a leadership role (beyond economics) in the Asia-Pacific. This desire could be related to present moves by Japan to steer itself towards becoming a 'normal' country.⁷⁶ The JCG is being used as Japan's chief arm of maritime diplomacy due to the constitutional restrictions placed on the employment of Japan's military.⁷⁷ At the same time, Japan is cognisant that it must tread cautiously so as not to rekindle lingering suspicions with regard to Japan's regional intentions. The Japanese calculus is also likely to be heavily influenced by China's ascendancy as a regional power. Given the historical and current tension between the two powers, regional maritime security looks set to be one key arena in which this major power rivalry will play out.

China

China has a strong economic interest in regional maritime security. Its booming economy relies heavily on seaborne trade and energy imports. More than 80 per cent of those energy imports pass through the MS and SCS.⁷⁸ China has been a net importer of oil since 1993,⁷⁹ and this dependence has evolved to become a strategic vulnerability. It is no wonder then that Chinese officials have said that China has a vital stake in keeping regional waterways secure and free.⁸⁰

Over the past few years, China has worked hard to field a good international image and portray itself as a responsible global citizen. In line with this overarching thrust, Chinese officials have declared their support for regional maritime security cooperation at various forums.⁸¹

However, like Japan, it has to tread cautiously in offering maritime security assistance to the region, to avoid stoking suspicions of its regional ambitions. In this regard, Chinese leaders have been working hard to assure the international community that it is committed to peaceful development.⁸² China continues trying to build up trust with ASEAN over the SCS.⁸³ This concern could be one reason why China has been 'slower off the mark' (compared to the US and Japan) in pushing the regional maritime security agenda.⁸⁴ Another reason could be the constraints it currently faces where operating at extended distances from home bases for extended periods is concerned. China is evidently taking a measured approach.

Major power rivalry will undoubtedly shape China's regional maritime security response. Currently, China is trying to avoid being ring-fenced by the US and it would certainly not be in its interests to allow the US to gain sway over the MS/SCS. As for India, China regards its forays into the MS/SCS with suspicion. China's latest move has been to push for a strategic partnership with Indonesia. Unsurprisingly, one of the initiatives under its ambit addresses bilateral cooperation to improve Indonesia's maritime security.⁸⁵

India

By 2020, India's oil consumption is expected to reach 38 million barrels per day, with 80 per cent coming from the Persian Gulf through the Indian Ocean.⁸⁶ Its primary interests are therefore to tackle the maritime terrorism and piracy incidents that occur off Sri Lanka, Bangladesh and Pakistan.⁸⁷

Given that its energy supply routes do not pass through the MS, it is interesting that the Indians have shown as much interest as they have over there.⁸⁸ Indian officials have stated that it is in India's national interest to ensure that the MS remained crime-free. The Indian Navy has also expressed keenness to undertake anti-piracy patrols in the MS.⁸⁹ Since April 2002, the Indian Navy has been assisting the US Navy in escorting US commercial shipping through the MS.⁹⁰

While one might view these activities as a natural consequence of India's growing interdependence with East Asia,⁹¹ other interests are likely to be at play too. Collaboration with the US in this arena is part of the growing ties between the two powers.⁹² India is also likely to seize any opportunity that enables it to push eastwards into the MS and SCS, given that the Chinese already have staging points in the Indian Ocean (vis-à-vis Myanmar).

Like other regional powers, India wishes to portray itself as a responsible international citizen. This could be part of a larger 'soft power' contest.⁹³ One avenue to achieving this is to be seen as a cooperative and constructive regional maritime security player.⁹⁴

Conclusion

The above analysis shows that piracy poses a significant threat to the region due to the increasing frequency, sophistication and severity of regional pirate attacks, as well as their knock-on effects. The analysis of the maritime terrorism threat reveals that, on balance, the danger posed by lower-order maritime terrorism and the risks associated with higher-order maritime terrorism are significant enough to warrant fairly robust regional governmental attention/action. A balanced and measured regional response is advocated in this regard. While governments and interested parties need to do enough to ensure that they are not caught off guard by terrorists, they should also avoid over-hyping the threat unnecessarily.

The analysis revealed that economic and security interests (particularly sovereignty concerns) play a significant role in shaping countries' attitudes towards tackling the above threats. Some of these interests are strategically important, for example, bolstering SLOC security in the case of Japan. Domestic political interests also influence how countries approach regional maritime security cooperation, as in the case of Malaysia and Indonesia. Additionally, expanding one's regional influence and improving one's regional standing appear to be driving forces behind many of the regional maritime security activities taking place today. At the grand strategic level, major power rivalry dominates the decision-making calculus.

Ultimately, in the game between nations, countries act to further their interests. The initiatives that we have seen to date are just the opening moves in this maritime security 'chess game'. It will be interesting to see how the middle and end-games unfold.

Endnotes

1. The IMO piracy report for June/July 2005 lists 13 incidents of piracy and armed robbery. Out of these 13, two were in the Malacca Straits, three in the South China Sea and three in the Indian Ocean. No incidents were reported in NE Asia. (International Maritime Organisation, 'Acts reported in June 2005', Reports on Acts of Piracy and Armed Robbery Against Ships, 6 July 2005.)
2. Article 101 of LOSC provides the international legal definition for piracy.
3. In IMO resolution A.922(22), armed robbery against ships is defined as 'any unlawful act of violence or detention or any act of depredation, or threat thereof, other than an act of piracy, directed against a ship or against persons or property onboard such a ship, within a state's jurisdiction over such offences'.
4. 'Piracy re-emerges as a modern-day threat', *Jane's Navy International*, May 2002, p. 12.
5. Reportedly, Indonesia is the most piracy-prone state in the world. The other main piracy-prone state in the region is the Philippines. (ibid.)
6. International Maritime Bureau, *2004 Annual Piracy Report: Piracy and Armed Robbery Chart (1 January–31 December 2004)*, available at <<http://www.icc-ccs.org/imb/overview.php>>.
7. The most violent assaults occur close to Sri Lanka's northeast coast, which comes under the influence of the Liberation Tigers of Tamil Eelam (LTTE). ('Conference Report: The 5th Tri-annual IMB Meeting on Piracy and Maritime Security held in Malaysia from 29–30 June 2004', *Maritime Studies*, January–February 2005, p. 23.)
8. Seo-Hang Lee, 'Security of SLOCS in East Asia', *IGCC Policy Paper 33*, 1996, available at <http://www-igcc.ucsd.edu/publications/policy_papers/pp3306.html>.
9. 'Drawing the line between piracy and maritime terrorism', *Janes Intelligence Review*, September 2004, p. 30.
10. Michael Richardson, 'The Threats of Piracy and Maritime Terrorism in Southeast Asia', *Maritime Studies*, November–December 2004, p. 19.
11. In January 2004, 71 crew/passengers worldwide were listed as missing, presumably dead or captured. A total of 30 crew members were killed in 2003, up from 21 in 2002. There were no recorded fatalities a decade before in 1994. ('Drawing the line between piracy and maritime terrorism', p. 30; Richardson, 'The Threats of Piracy and Maritime Terrorism in Southeast Asia', p. 19.)
12. The IMB defines piracy as 'an act of boarding or attempting to board any ship with the apparent intent to commit theft or any other crime and with the apparent intent or capability to use force in the furtherance of that act'. ('Drawing the line between piracy and maritime terrorism', p. 31.)
13. Besides the IMB, other agencies that produce aggregated data include Aegis Defense Services, based in London, and the US National Geospatial Agency's Navigation System Safety organisation. The IMO also issues monthly reports on acts of piracy and armed robbery against ships. The IMO's reports helpfully differentiate between acts of piracy and armed robbery committed *at sea* from acts of armed robbery allegedly committed in *port areas*.
14. Reportedly, the USN's Office of Naval Intelligence (ONI) relies on IMB reports for aggregated data.
15. The single largest group of victims are likely to be local traders and fisherman who have no recourse. The larger reporting networks tend not to take up such reporting which has little bearing on the interests of the shipping community or insurers. (Richardson, 'The Threats of Piracy and Maritime Terrorism in Southeast Asia', p. 19.)
16. In March 2004, a Japanese tugboat with four Thais and one Malaysian crew, towing a barge through the Malaysian side of the MS, was seized by pirates. The pirates kidnapped the Japanese skipper and chief engineer. The Japanese company that owned the tugboat said that the final tally for ransoms, travel costs and delivery compensation, amounted to some US\$480,000. (Richardson, 'The Threats of Piracy and Maritime Terrorism in Southeast Asia', p. 20.)
17. In some cases, the ship's crew is left tied up, following the departure of the pirates. Consequently, the bridge could remain unmanned for sometime while the crew tries to free itself. This could result in groundings or environmental pollution. (Richardson, 'The Threats of Piracy and Maritime Terrorism in Southeast Asia', p. 21.)
18. Hugh W. Stephens, 1987, 'Not merely the *Achille Lauro*: The Threat of Maritime Terrorism and Piracy', *Terrorism: An International Journal*, Volume 9, Number 3, p. 286.

19. 'Drawing the line between piracy and maritime terrorism', p. 31.
20. The line in reality is blurred though, as terrorists could acquire funding for their political ends through piracy—tactically piratical, but strategically terrorists. ('Drawing the line between piracy and maritime terrorism', p. 30.)
21. Pirate tactics/capabilities include boarding, theft, use of force and violence. ('Drawing the line between piracy and maritime terrorism', p. 32.)
22. Janes lists the following as terrorist capabilities: possession of modern assault firearms, anti-armour weapons, grasp of tactical manoeuvres, willingness to inflict civilian fatalities (sometimes on a large scale), seizure and control of hostages for ransoms, high degree of command and control acumen, adaptation of familiar land-side tactics. However, the line in reality is blurred yet again. It is reported that MS pirates are able to monitor the communications of targeted vessels and execute sophisticated multiple-craft coordinated attacks. (ibid.)
23. However, pirates could end up 'over-achieving', in that ships that have been attacked by pirates could end up grounding at a chokepoint or causing severe environmental pollution in a worst-case scenario due to immobilisation of the crew. Ships could also sustain heavy damage through machine gun fire or rocket-propelled grenade attacks, leaving them less than seaworthy.
24. These groups typically conduct what is termed as 'logistical-support terrorism'. ('Drawing the line between piracy and maritime terrorism', p. 31.)
25. The LTTE has been fighting for a Tamil state within Sri Lanka. It is reported to have the best developed maritime capability amongst terrorist organisations worldwide. (B. Raman, 2004, 'Maritime Terrorism: An Indian Perspective', *International Conference on National Security in a Changing Region held in Singapore*, 28–29 October 2004.)
26. GAM's (*Gerakan Aceh Mederka*) goal was to have Aceh recognised as an independent Islamic state (separate from Indonesia). Long-drawn conflict with the Indonesian military had forced the group to secure revenue, arms and supplies through a myriad of means. Piracy presented a particularly lucrative source. GAM has since agreed to a peace settlement with Indonesian authorities, though it remains to be seen how the peace process will develop. ('Drawing the line between piracy and maritime terrorism', *Jane's Intelligence Review*, p. 31.)
27. The Abu Sayyaf Group's (ASG's) goal is to establish an Islamist state in the southern Philippine Island of Mindanao. ASG is reported to have links with JI and Al Qaida. ('Drawing the line between piracy and maritime terrorism', p. 31.)
28. JI stands for 'Jemaah Islamiyah', the Southeast Asian affiliate of Al Qaida.
29. RAND published an article in 1983 chronicling terrorist/criminal activities aimed at maritime targets since the 1960s. A substantial number of the reported incidents occurred in Southeast Asia. (Tamara Renee Shie, 'The Nexus between Counterterrorism, Counterproliferation, and Maritime Security in Southeast Asia', *CSIS Issues & Insights*, Volume 04-04, 2005, available at <http://www.csis.org/pacfor/issues/v04n04_ch3.cfm>, p. 2.)
30. MILF stands for 'Moro Islamic Liberation Front'. (Adam J. Young and Mark J. Valencia, 'Conflation of piracy and terrorism in Southeast Asia', *Contemporary Southeast Asia*, August 2003, Issue 25, No. 2, p. 274.)
31. There are other examples of separatist–terrorist attacks. In 2003, GAM guerrillas attacked Indonesian-flagged M/V *Trimanggada* using three separate boats and M-16 rifles. They robbed the vessel of VHF radio equipment and its documents, as well as kidnapped the master, chief officer and chief engineer. Later that year, GAM guerrillas attacked M/V *Penrider* in the northern Malacca Straits, seizing cash, mobile phones and crew certificates. The captain and some engineers were taken hostage and reportedly ransomed at a cost of US\$52,000. (Drawing the line between piracy and maritime terrorism', p. 33.)
32. Engaging in higher-order acts of maritime terrorism actually makes bad business sense for pirates and terrorist-separatists. Such actions could elicit a law enforcement backlash that might threaten their very survival. (Aldo Borgu, 2004, 'Maritime Terrorism: An Australian Perspective', *Workshop on Maritime CounterTerrorism of the Observer Research Foundation*, 29–30 November 2004, p. 6.)
33. Indonesian Navy chief ADM Bernard Kent Sondakh was quoted in 2004 as saying that the Indonesian Navy has thus far not found any indication of terrorist activity in Indonesian waters and the MS. ('No terrorist activity in Indonesian waters so far, says navy chief', *Antara Online*, 11 December 2004.)
34. Radical Islamic groups such as Al Qaida and JI provide the best contemporary examples of higher-order maritime terrorists that are capable of conducting catastrophic acts, if not right now, then at some future point in time.

35. Rupert Herbert Burns, 2004, 'Terrorism in the Early 21st Century: Maritime Domain', *IDSS Maritime Security Conference*, 20–21 May 2004, p. 2.
36. Examples of such acts include the detonation of a WMD device hidden in a container or a vessel carrying highly toxic/flammable goods being used as a 'guided weapon system'. (Burns, 'Terrorism in the Early 21st Century: Maritime Domain', p. 12; Raman, 'Maritime Terrorism: An Indian Perspective', p. 4.)
37. This is with reference to terrorists scuttling a ship at the narrowest/shallowest part of regional chokepoints such as the MS or Singapore Straits (SS).
38. This is with reference to terrorists blowing up tankers carrying volatile goods or using them as 'floating bombs'.
39. Burns, 'Terrorism in the Early 21st Century: Maritime Domain', p. 12.
40. If the Malacca, Sunda, Lombok and Makassar Straits were all simultaneously blocked, the extra steaming costs are estimated at US\$8bn a year. (Joshua Ho, 'Maritime Security and International Cooperation', *Journal of the Australian Naval Institute*, No. 117, Winter 2005, pp. 29–30.)
41. *ibid.*
42. Burns, 'Terrorism in the Early 21st Century: Maritime Domain', p. 12.
43. The *Limburg* attack caused the Yemeni economy to lose an estimated US\$3.8m per month in its aftermath due to the tripling of insurance premiums for vessels visiting Yemeni ports. Most ships ended up diverting to other ports. (Burns, 'Terrorism in the Early 21st Century: Maritime Domain', p. 8.)
44. Al Qaida is reported to have its own network of ships and agents. Interrogations of captured operatives have revealed that Al Qaida possesses a naval manual on maritime terror with instructions on how to employ limpet mines and turn LNG tankers into floating bombs. The head of Al Qaida's naval operations was captured in November 2002 with a 180-page dossier listing maritime targets of opportunity. (Barrett Bingley, 'Security Interests of the Influencing States: The Complexity of Malacca Straits', *The Indonesian Quarterly*, Vol. 32, No. 4, 2004, p. 358.)
45. An alleged bin Laden statement is quite revealing of Al Qaida's intention to attack Western oil interests: '...By exploding the oil tanker in Yemen, the holy warriors hit the umbilical cord and lifeline of the crusader community, reminding the enemy of the heavy cost of blood and the gravity of losses they will pay as a price to their continued aggression on our community and looting of our wealth'. (Burns, 'Terrorism in the Early 21st Century: Maritime Domain', p. 8.)
46. There is some suggestion that LTTE (with its sophisticated maritime terrorist capability) is developing links with JI. This dangerous liaison might serve to boost JI's maritime terrorism capabilities. (Borgu, 'Maritime Terrorism: An Australian Perspective'.)
47. A government's mandate (or *raison d'être*) includes the protection of national security and the lives of its citizens. If a catastrophic attack was to be successfully pulled off, and governments were found out in the post-mortem to have not taken adequate measures, they might not survive the next election.
48. Over-hyping the threat could actually be counter-productive, and could play into terrorists' hands, vis-à-vis the disruption of free-world normalcy.
49. The interests of key coastal states (where maritime security is concerned) are covered in detail in this section. Where the interests of other states like the Philippines and Thailand are concerned, both countries have been preoccupied with countering domestic land-based separatist-terrorism to date, and have traditionally subsumed domestic maritime threats under the larger umbrella of counter-insurgency. However, both countries have been steadily ramping up their regional maritime security efforts of late. In September 2005, Thailand signed up to participate in the 'eyes-in-the-skies' Malacca Straits patrol. The Philippines on its part has shown willingness to cooperate with the US and Australia's maritime security proposals (mainly in the field of capacity building).
50. In its initial reaction to the Regional Maritime Security Initiative proposal, besides hitting out at the US, Indonesia also alleged that Singapore was using the terrorist threat as a tool to justify the presence of foreign forces in the region. ('Concerns over the Straits of Malacca', *The Jakarta Post Online*, 9 June 2004.)
51. In September 2005, Indonesian Defense Minister Juwono Sudarsono announced that cooperation in the MS was optimal, now that the Air Forces of the four littoral states were involved in the 'eyes-in-the-skies' patrols, and it was *unnecessary* to invite foreign navies to maintain security in the MS. ('Indonesia says littoral states cooperation in Malacca Straits Optimal', *People's Daily Online*, 10 September 2005.)

52. This could have been the case at least before the signing of the peace treaty between GAM and the Indonesian Government in August 2005.
53. Most of its trade with North America and Europe passes these latter two Straits. (Barrett Bingley, 'Security Interests of the Influencing States: The Complexity of Malacca Straits', p. 362.)
54. Indonesia is reliant on the US and Australia in terms of counter-terrorism assistance. It is also reliant on the US for advanced military technology/equipment to upkeep the combat capability of its armed forces.
55. For example, Indonesia co-hosted a high level conference with the IMO in September 2005. The conference focused on methods for improving security in the Malacca and Singapore Straits. (Richardson, 'The Threats of Piracy and Maritime Terrorism in Southeast Asia', p. 21.)
56. Indonesia was proactive in bringing about the MALSINDO trilateral coordinated patrols in July 2004. Indonesia also took the initiative in late 2004 to invite Thailand to join the MALSINDO patrols. It also conducts coordinated patrols with the Indians in the Andaman Sea, northwest of the Malacca Strait. ('Thailand may join patrols of Malacca Straits', *Channelnewsasia Online*, 6 August 2004.)
57. Malaysia has extensive seaborne trade with countries worldwide. For example, it is the 10th largest trading partner of the US.
58. In mid 2005, Malaysian Defence Minister Najib Razak announced that Malaysia was amenable to the US and Australia providing maritime surveillance aircraft to help patrol the MS. Najib qualified his comments though by adding that the consoles within these foreign surveillance aircraft 'could be manned by officials from Malaysia, Indonesia and Singapore'. This demonstrates somewhat Malaysia's continued sensitivities over sovereignty. ('KL open to use of foreign planes to fight piracy', *The Straits Times Online*, 22 June 2005.)
59. SEARCT stands for 'Southeast Asia Regional Centre for Counter-Terrorism'.
60. Lee Cordner, 'Malaysia's Strategic Approach under Abdullah', *Defense & Foreign Affairs Strategic Policy*, Vol. 32, Iss. 10, October 2004, p. 16.
61. While the first quarter of 2004 saw piracy incidents on the Indonesian side of the MS, there were no attacks on the Malaysian side during the same period. (International Maritime Bureau, *IMB quarterly piracy report (January–March 2004)*, Essex, UK, April 2004, available at <<http://www.icc-ccs.org/imb/overview.php>>.)
62. 'Let Littoral States Ensure Safety in Melaka Straits, Says Downer', *Bernama Online*, 10 June 2004.
63. Even before 9/11, Singapore had already tried to address the piracy situation, following feedback from insurance companies. ('Pirates of the Malacca Straits unite neighbours', *Insurance Daily Online*, 22 December 2003.)
64. Ministry of Defence, *Keynote Address by Minister for Defence, Rear-Admiral Teo Chee Hean, at the opening of the 2nd Western Pacific MCMEX and DIVEX*, 26 April 2004, available at <<http://www.mindef.gov.sg>>.
65. ReCAAP stands for 'Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia'. This Japanese-sponsored anti-piracy initiative was mooted in 2001 and involves the 10 ASEAN countries and six other Asian countries (China, Japan, South Korea, India, Sri Lanka and Bangladesh).
66. Measures such as the ISPS code are costly to implement. There is a perception that the playing field is not level with the new measures and that the countries, which can afford the new measures, will gain significant comparative advantage from them. (Sam Bateman, 'International Solutions to Problems of Maritime Security—Think Globally, Act Regionally!', *Maritime Studies*, November–December 2004, p. 13.)
67. Bingley, 'Security Interests of the Influencing States: The Complexity of Malacca Straits', p. 366.
68. The US conducts three-month-long training courses for the Indonesian Coast Guard, focusing on counter-terrorism. It also conducts a regional defense counter-terrorism fellowship, which serves to train Indonesians in combating terror. The US DoD is also working with the Indonesians under the auspices of the International Military Education and Training (IMET) program. (Bingley, 'Security Interests of the Influencing States: The Complexity of Malacca Straits', p. 370.)
69. Despite the initial setback following the negative response from Malaysia and Indonesia, it looks as if the US may have achieved its strategic intent, i.e. that of fostering regional action against maritime threats. (Sam Bateman, 'International Solutions to Problems of Maritime Security—Think Globally, Act Regionally!', p. 13.)
70. Michele Piercey, 'A regional response to piracy', *Journal of the Australian Naval Institute*, No. 117, Winter 2005, p. 25.

71. Bingley, 'Security Interests of the Influencing States: The Complexity of Malacca Straits', p. 366.
72. *ibid.*
73. John Bradford, 'Japanese Anti-Piracy Initiatives in Southeast Asia: Policy Formulation and the Coastal State Responses', *Contemporary Southeast Asia*, Vol. 26, Iss. 3, December 2004, p. 485.
74. Bingley, 'Security Interests of the Influencing States: The Complexity of Malacca Straits', p. 376.
75. For example, Japan plans to present three new high-speed patrol boats to the Indonesian Government to help fight piracy.
76. Japan has indicated that it wishes to be more proactive in fulfilling its regional responsibilities and maintaining peace and stability in the Asia-Pacific. (Hiro Katsumata, 'Japan in Southeast Asia: Reviving the Greater East Asian Co-prosperity Sphere?', *IDSS Commentaries*, 9 March 2004.)
77. Jyotin Raina, 2003, 'Piracy—strategic impact and cooperative challenges', *Journal of the Australian Naval Institute*, Number 112, Autumn 2004, p. 26.
78. Additionally, 90 per cent of China's trade passes through regional waterways. (Zhao Jianhua, 'The Straits of Malacca and Challenges Ahead: China's Perspective', *Conference organised by the Maritime Institute of Malaysia*, October 2004.)
79. E. Blanche, 'Terror attacks threaten oil routes', *Jane's Intelligence Review*, December 2002, p. 9.
80. Zhao Jianhua, 'The Straits of Malacca and Challenges Ahead: China's Perspective'.
81. Chinese officials have indicated that, within international law, China 'stands ready to cooperate with other countries in the region to combat maritime security threats and build an enduring and stable regional maritime security environment'. (Zhao Jianhua, 'The Straits of Malacca and Challenges Ahead: China's Perspective'.)
82. In July 2005, Chinese Defence Minister GEN Cao Gangchuan reiterated China's commitment to peaceful development. China also released its 2004 Defence White Paper in December, detailing its new security concept of mutual trust, mutual benefit, equality and coordination. ('Minister: No expansionist aggression', *The China Daily Online*, 1 August 2005.)
83. To that end, China and ASEAN signed the Declaration on the Conduct of Parties in the South China Sea in 2002 to cooperate on a slew of measures, including the combating of piracy.
84. Another reason for being 'slower off the mark' could be because the Chinese have traditionally been more focused on the land-based terrorism threat in Xinjiang province.
85. 'China, Indonesia sign five deals to deepen ties', *People's Daily Online*, 29 July 2005.
86. Michele Piercey, 'A regional response to piracy', p. 26.
87. Raman, 'Maritime Terrorism: An Indian Perspective', pp. 5–9.
88. India obviously does not possess the same vital economic stakes in MS security as say, Japan and China.
89. Currently, India already has an ongoing series of coordinated security patrols with Indonesia, and is reportedly considering a combined invitation for joint patrolling in or just off the MS. (Sandeep Dikshit, 'Indian, Japanese warships conduct joint exercises', *The Hindu Online*, 16 September 2004.)
90. Vijay Sakhuja, 'Challenging Pirates in the Malacca Straits', *Society for the Study of Peace and Conflict*, Article No. 6, 20th September 2004, available at <<http://www:sspconline.org/prnt/article.asp?artid=art5>>.
91. 'Changing Security Dynamic in Eastern Asia', *Opening Address by External Affairs Minister Shri K. Natwar Singh at the IDSA's 7th Asian Security Conference in New Dehli*, 27 January 2005.
92. Similarly, the US sees utility in a closer relationship with Indian to balance out China's rising regional influence. (Michele Piercey, 'A regional response to piracy', p. 27.)
93. An example of India's reinvigorated approach towards Southeast Asia is the Boxing Day Tsunami relief efforts. Even though India was herself a victim, she nevertheless contributed aid packages and deployed her navy to render assistance in Indonesia and Thailand. (*Interview of Indian External Affairs Minister by Outlook*, 24th January 2005, available at <<http://meaindia.nic.in/interview/2005/17in01.htm>>.)

94. On 25 February 2005, India sentenced 14 Indonesian pirates to seven years imprisonment each for hijacking the *Alondra Rainbow*, in 1999. This was hailed by the IMB as a rare move by a national court to assume jurisdiction over a crime committed in international waters. The Indian Coast Guard had cooperated with the IMB and the Indonesian Navy in tracking down the ship and arresting the culprits. (Raman, 'Maritime Terrorism: An Indian Perspective', p. 17.)

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