

# BALI BOMBINGS, 1 OCTOBER 2005

October 2005

All of the major recent incidents in Indonesia have followed an annual cycle, falling at the end of the dry season in August, September and October each year:

- 1 October 2005: suspected JI militants attacked Bali, killing at least 22 and wounding 146;
- 9 September 2004: JI militants attacked the Australian Embassy in Jakarta, killing 10 and wounding 182;
- 5 August 2003: al-Qaeda ('AQ') militants attacked the JW Marriott Hotel in Jakarta, killing 13 and wounding 149;
- 12 October 2002: JI militants attacked tourist targets in Bali, killing 202 and wounding 300.

Islamist terrorism in Indonesia continues to pose a threat despite the government's recent successes in apprehending known militant elements, as demonstrated by the recent bombs in Bali.

The state has population centres spread across dozens of islands. This may well render the policing of radicals tricky yet important inroads have been made into the command structures of active groups. Over 250 militants have been tried and incarcerated over recent years. The groups have consequently failed to stage more than a handful of successful attacks.

Yet a number of Islamist groups – including Jemiah Islamiya ('JI'), thought to be behind both major Bali attacks – retain an operational capability. Interviews with JI suspects in the wake of the 2003 Marriott Hotel bombing in Jakarta revealed the depth of the group's command and its regenerative capabilities: its support base had previously been greatly underestimated. What has made JI even harder to police is its opportunistic approach to Jihad, meaning adherents to the movement may recruit from outside of its ranks when staging attacks. Furthermore, dissent within the organisation has led to the creation of two wings, one inserting itself into global Jihadist movements and the other adhering to more local causes.

## The investigation

Shortly after the attack Balinese police announced that they were looking for men identified as Abdullah, Abdul Ghani and Dedy Mizwar. The three were reported to have fled separately in a silver Suzuki minivan, a green Toyota minivan and a white Suzuki minivan. Apart from these details, police could give no other physical description or identifying data

regarding the men. The nearby ferry terminal at Gilimanuk is a regional hub, being an ideal entry point to Bali from Java, Indonesia's main island. Many of those implicated in the first Bali bombings took the 40 minute ferry ride from nearby East Java where they were based. Some 3,000 people enter Bali through the terminal – with the number rising to 4,000 in peak, holiday periods – making it extremely hard to police.

Evidence found at the bomb sites points to the work of the JI bomb-maker, Azahari Husin, who is thought to have constructed the bombs for the 2002 Bali attack. Amongst the debris police found items such as nine-volt batteries, electrical wires, ball bearings, black bag fragments, and – at one site – a plastic food container. Husin has been linked to the production of such 'Tupperware bombs' and is known to have trained others in their construction. Lecture notes have been found in his handwriting, proving his foresight in educating the next generation of JI militants.

Azahari Husin was educated in both Australia and the UK. He travelled to Australia to study at Adelaide University as a late teenager and went on to complete his PhD at Reading University in the UK. Upon his return to Asia, Husin became a Professor at the University of Technology in Malaysia, where his peers described him – somewhat incongruously it seems – as an 'irrepressible joker of a man.' It was at this point that he became linked with such radicals as Abu Bakar Bahir, the spiritual head of JI, and Hambali or Riduan Isamuddin, thought to be a senior AQ operative in Southeast Asia.

Husin has long evaded being apprehended, mainly due to his mastery of the art of concealment: he is dubbed 'a master of disguises'. Yet his actions have often been audaciously overt, even – for example – openly sitting in the Jakarta Marriott hotel lobby sketching its layout in the weeks previous to the fatal 2003 attack.

A second leading JI figure with AQ connections is suspected in the bombings: Muhammad Noordin Top, who is reputedly a talented recruiter and fund raiser. Like Husin, he is believed to have masterminded previous high level incidents, including the JW Marriott Hotel and the Australian Embassy bombings in Jakarta, and to have played a role in the first Bali bombings.

Three beheaded bodies at the bomb sites bear the perfect forensic footprint of suicide bombers. Photos of the men's faces have been widely distributed, as yet to no avail. It is not unusual for outside recruits to be selected for suicide missions, yet one JI defector now helping government investigations has suggested that the men belong to a small non-AQ affiliated organisation most probably directed by seasoned militants like Husin and Top.



Looking for evidence at the bomb site

### Nature of the bombings

Yet, despite these connections, there are marked differences between the latest Bali bombings and their predecessors. The first new element is the suicide nature of the attack: the previous Bali bombing involved an explosive-laden van parked outside a packed nightclub. One Western official has pointed out that this was the first example of such a bombing – involving a bomber casually entering the premises of a café or restaurant – outside of Israel. It must then be hoped that this methodology does not spread to other regions of the globe. As the recent London suicide bombings demonstrate, terrorists can and will strike soft targets precisely because they are

extremely hard to police: the London bombings may have varied operationally from the Bali attack, yet they were perpetrated with similar ease.

Further, investigators at the scene noted that the bombs were smaller, less sophisticated and less deadly than in other incidents. This could indicate that they were the work of a different bomb-maker, albeit drawing heavily on Husin's precedents. Just as post 9/11 AQ attacks have been of a lesser scale, so too have Indonesian attacks since the 2002 Bali bombing been less effective (though no-one can deny their traumatic impact). The 1 October bombing is thus illustrative not simply of a new and sustained brand of terrorism of a deadly but limited nature, but also of a new modus operandi in the Indonesian militant portfolio.

### A rise in militant Islamism in Indonesia?

Many worry that the growing conservatism of Indonesian Muslims will mean increased adherence to ultra-conservative – even militant – Islamic causes. A number of fatwas issued by the Islamic Scholars Council, the MUI, could be a signal of this rise. The fatwas were read to a meeting of 400 Islamic scholars from across the country on 29 July and condemned liberalism, secularism and pluralism, not to mention the practice of inter-faith prayers and marriages. The authors of the edicts strongly rebuked liberals who believe that the doors of interpretation of Islam remain open: they asserted that those who apply reason to the word of God to reinterpret it – the process of Ijtihad – in the name of modernization are engaging in dangerous and heathen actions.

Were the edicts not so widely received and accepted then they would not be as worrying, but they are even supported by moderates hoping to shelter Islam from the onslaught of Western ideals. Leaders of Indonesia's second largest Muslim organization, the 30-million strong Muhammadiyah, have supported them despite the organisations liberal credentials. The return of previously moderate Muslim scholars from Middle Eastern universities where sterner Islamic ideals are at times propagated has been blamed for this ideological shift. Yet conservative Islamist organisations like Dar ul Islam (a JI predecessor) have had a following in the state for over five dec-

ades so such an argument appears to be a case of displacing the blame for the phenomenon.

In theory the ideas embodied in the fatwas are not overly radical. Yet in practice at least three Indonesian Islamist groups are willing to enforce their strict Islamic ideals through bloodshed and violence. One newly formed group of vigilantes, dubbed the Anti-Apostasy Movement, has caused 23 churches to be closed in the past year through their agitation. It is members of such groups – who form a marginal minority – that pose the greatest terrorist threat to the region, particularly given the ceasefire that was signed over the summer in Aceh. The question then remains to what extent this conservatism translates into a sympathy for or – worse – a determined adherence to militant Islam.

### Indonesian political stability

From a political point of view, there are few signs of lessened stability in the state. President Susilo Bambang Yudhoyono's newly elected government so far appears to have weathered the recent attacks well as they have distracted many Indonesians from a highly unpopular fuel price hike. Though the lowering in government subsidies is set to strengthen regional security most Indonesians were naturally more worried about day to day living expenses.

Price disparities between regional states had led to a roaring smuggling trade, from which it is a small step into more general criminality. This is more worrying for regional governments than it at first appears: there is a large overlap between criminal and terrorist activities, for instance with smuggling serving to fund terrorism and criminal gangs being employed to facilitate – or even carry out – militant operations.

Opponents had hoped that the President's fuel price increases would undermine him, so in a sense Yudhoyono has benefited from the distraction that the bombs provided. Further the bombings will add added clout to his arguments for the necessity of his economic policy. As a consequence – and somewhat paradoxically – the continued threat highlighted by the latest Bali bombings has strengthened rather

than destabilized Yudhoyono's government.

However, this stabilizing effect is likely only short term: tourism looks set to suffer extreme setbacks from the repeated attacks, which in the long term could help escalate political turmoil. Though many tourists declare that they will continue to visit, others will think twice before booking trips to the area. Visitor numbers after the 2002 Bali bombings dropped by approximately 65%, only to rebound to record highs in 2004. Yet many of these returning tourists were taking advantage of radical price drops and 'special deals' offered to boost tourism. So – despite increased numbers – the economic benefits of such tourism are reduced. Other regions like the Egyptian Sinai and Tunisia – which similarly see both high levels of tourist visitors and of militant agita-



tion – have suffered from comparable economic declines following attacks. Tourism is the mainstay of the Balinese population who, again, will suffer significantly if this lifeline is cut even if decline in numbers is only short term.

Despite this short term respite, their negative economic backlash of the attacks, coupled with large fuel price hikes, is likely to disrupt political stability. It must be remembered that fuel prices issues have caused the downfall of at least three previous Indonesian presidencies. Though Yudhoyono's administration is unlikely to topple immediately, the bombings look set to exacerbate already growing economic instability and unrest. Over the coming few months the President must aim to placate both those suffering from the economic implications of his fuel price policies and with those suffering the double blows of terrorism and economics. If he does not manage this adequately, Yud-

hoyono could fall by the political wayside like so many of his predecessors. It can only help that his credentials in the war on terror – which are so much better than any of his rivals – will win him both domestic and international support in holding the state together.

### Impact on international businesses in Indonesia

The 2004 attack on the Australian Embassy killed only Indonesian citizens and was thus detrimental to the JI cause: it is difficult to justify militant action if its only victims are local innocents. Embassies across the world have tightened their security and it has become increasingly difficult to launch successful attacks against them. As a consequence attacks of a different nature – and similar to the two Bali bombings, the Sinai hotel bombings or the attack on the Turkish head office of HSBC – look set to grow in frequency.

In an era when economic diplomacy is overtaking more traditional forms of interstate relations, then multinational setups are facing growing threats abroad. For instance, the attack on HSBC in Istanbul was tantamount to an attack on a British government target both in the eyes of the terrorist perpetrators of the bombings and of the governments dealing with their consequences.

Major international institutions and operations abroad must face the fact that they are now prime targets for militant attacks and must plan accordingly. This is particularly hard given that it is against the interest of most businesses to lower their profile in their host state. Business continuity plans must be devised to balance business interests, the demands of customers and employees, and the company's reputation with essential security preoccupations.

### Conclusion

Successful terrorist campaigns in the area demonstrate a persisting militant infrastructure and serve important marketing tools to galvanise recruits behind the cause, only adding to the likelihood of further attacks. As has been illustrated by the spread of Jihad to Iraq's

neighbouring states after successful Jihadist offensives in the state, militant successes tend to spawn greater interest in the cause. Each newly triumphant strike illustrates that the end goal – in this case the establishment of a regional Caliphate spanning Indonesia, Malaysia, Singapore, Southern Thailand and the Southern Philippines – is attainable. Thus a credible though low level threat to business persists *throughout Indonesia*.

To complicate the picture further, poor living standards, porous borders, and repressive, undemocratic governments have helped to keep such movements alive *throughout the region*. JI training camps have been long established on the Philippine island of Mindanao – though recent crackdowns have weeded some of them out – and insurgency is on the rise in Southern Thailand. Indonesian fighters have fought alongside their brother Muslim Chechens against the Russian 'oppressors' and AQ has boasted that some 100 JI fighters are being trained in Karachi, Pakistan. The JI is not restricted to southern Asia and there is strong cross pollination between Jihadist groups regionally and worldwide. As a consequence, whatever the successes Indonesian security forces have had in their fight against domestic terrorism, it is likely that the threat terrorist attacks persist in the short to medium term.

**This article was written by Sarah McBrien who is an analyst at Janusian Security Risk Management. She can be contacted at [mcbrien@janusian.com](mailto:mcbrien@janusian.com)**