# Report on the SWP/USIP conference "The Challenge of Islamists"
## Washington D.C. April 27

In accordance with the new format of our project, the first meeting was mainly devoted towards discussing the framework of the second conference. This included formulating specific questions and overall goals to be answered by the second workshop in Berlin. In addition, possible participants were discussed and a draft agenda was produced.

This report consists of two parts. The first part presents short summaries of the case studies discussed at the meeting of the working group in Washington. The second part describes topics the conference in Berlin will address and gives a general framework, complete with questions that participants deemed relevant, for proceedings of the second workshop.

## I. Case studies

### a) Somalia

After the events in Somalia during the year 2006 and specifically after the Ethiopian military intervention in December 2006 the situation in the war torn stateless country of Somalia has changed dramatically.

Somalia is a *failed state* with ongoing armed conflict. Until 2006 armed conflict was mainly warlord clashes over territorial control. Basic state functions such as security, social, education and health care were carried out by private suppliers, mainly on clan basis. Conflict amongst clan-based warlords created a state of insecurity, private militias controlled small pockets of cities.

In 2004 a pro forma government was formed in Kenya after several initiatives to initiate peace and reconciliation talks amongst clans and warlords have failed. The interim government (TFI, transitional federal institutions) moved to Baidoa in 2005. In 2006 the Union of Islamic Courts (UIC) took over control in Somalia, but was ousted by Ethiopian intervention. Since the Ethiopian invasion groups within Somalia, including parts of the UIC, wage a guerilla war against the Ethiopian forces and the weak military wings of the interim government.

The main actors in the current power struggle are the Transitional Federal Government (TFG) and the UIC. The TFG was set up after a lengthy process of reconciliation meetings. According to a clan proportion (4:5) parliamentarians were appointed and the president, Abdullahi Yusuf was elected. However, the clan proportion did not reflect the real power in the clans, so the most powerful clan in Mogadishu, the Haweya were not represented, since their sub-clans were supportive of the court.

No political program has been announced so far. Although federalism is part of the program in the name of the interim government, there is no consensus in the TFG and in Somalia in general if and how a federalist Somalia should be shaped. Questions of clan based power, controversies over residency and political rights are vibrant in Somalia.

The UIC is the umbrella organization for about 11 courts founded in 2004. Whereas the spread of the Islamic courts was observed in Somalia since the 1990s, the political function as one council came almost at the same time the Transitional National Government was established in 2004. The courts united under UIC have different ideological orientations. Courts functioning as local judiciaries solving social and religious problems – mainly inside one clan cluster – are found next to radical Islamist courts with a clear political and ideological agenda (e.g. the Ifka Halane court). The UIC rejects the concept of federalism.

Underlying the whole governmental structure of Somalia are the clans. The clans and clan elders – in the absence of a centralized government – took over full functions of diplomatic envoys to neighboring clans and countries; they provide security for their clan and manage conflicts, partly with the help of Islamic courts. Because the clans are the overriding principle of governance and power in Somalia, they, their internal rivalries and the history of clan affiliations have to be looked into thoroughly.

The Somali interim government backed by the international community and militarily stabilized by

Ethiopia and the incoming AU force (AMISOM) rejects the integration of Islamist actors into a representative and inclusive government. According to President Yusuf the current government is already inclusive and the rest, such as the UIC have to be seen as terrorists and enemies of Somalia and should be dealt with militarily in counter-terrorist operations alongside the US and Ethiopia.

The TFG itself is an amalgamation of warlords and has neither the legitimacy nor the trust of the population needed to rule the country. Given the history of failed attempts in government formation, precisely because of exclusive procedures, insisting on an exclusive power position by the TFG does not seem to be sustainable.

The formation of the TFG was fully supported, financed and facilitated by the international community, including the EU. All EU statements therefore refer to the TFG as the legitimate government. The EU criticized the Ethiopian invasion, no further steps were taken however and current policy is clearly in favor of the stabilizing effect provided by the Ethiopian forces. While the EU would like President Yusuf to hold reconciliation talks and to include moderate elements of the UIC into a new Somali government there are no formal links between the EU and the UIC.

While there is agreement between EU and US administrations on the need to have an inclusive (and thereby legitimized) government in Somalia, there are vast differences in prioritizing policies towards Somalia in the US administration. Since 9/11 Somalia ranks high on the US agenda in the 'war on terror'. Somali banks as well as two UIC leaders (Aweys and Ayro) were listed as Al-Quaida supporters and provide the legitimacy for US military operations in Somalia. For the US administration Somalia's statelessness and the absence of rule of law and government structures presents a high risk for terrorism to spread and operate from Somalia. The US administration and the Pentagon see Somalia as a breeding bed for possible al Quaida operatives. Air raids and close military intelligence exchange with Ethiopia as well as the clear decision not to include the UIC as a whole into the new government are based on bilateral decisions and are not backed by the EU or by the US Assistant Secretary of State.

While Somalia is placed at a geostrategically important bridging position between the Horn of Africa and East African region and the Arab peninsula, the failed UN mission (UNMISOM II) from 1993-1995 (including the infamous Black Hawk Down incident) led to a great reluctance of US administrations to militarily engage in African countries. However, because Somalia is a failed state and all state functions are privatized, the threat of an unhindered spread of al Quaida or radical Islamists is real.

The results of outside intervention in Somalia have been mixed. The Ethiopian (US backed) invasion led to the fall of the UIC, they are however not defeated but only weakened. There has been a polarization of Somalis along clan affiliations (for or against the TFG). Nationalism increased due to the foreign interference (TFG is seen as the Trojan horse for the Ethiopians to rule over Somalia with the help of the US). Deploying AU troops without a framework could lead to civil war and insurgency attacks on the AU mission, especially since the AU mission is seen as representing the interests of Ethiopia.

To prevent a further destabilization of Somalia, the following steps should be taken:

⇨ pressuring for inclusive government building negotiations, including moderate Islamists as well as clan representatives who were sidelined because of their proximity to radical courts (Ayr)
⇨ since the TFG is fully dependent on outside financial support (tax revenues trickle in slowly from the ports) the donor community should set up a benchmarking system based on governance indicators to structure the conditions and flow of aid
⇨ AU could and should play a proactive role in facilitating negotiations with moderate members of the UICs based on their commitment to renounce the use of force

Given the current situation of a weak interim government which lacks legitimacy and credibility and is further dependent on outside financial and security support, the expectations for stability need to be realistic. Sub-national politics including and involving non state actors and authorities

would be the bottom up approach to take the existence of *governance* in Somalia serious. Classical state building – supporting institutional capacity building, judiciary, army, security and policing, social functions such as health and education – should be done parallel. However a top-down political engineered state building from outside without a legitimate counterpart in the country will fail.

b) Morocco

Conflicts/ Actors / Interaction regime-Islamists

There are no violent conflicts in Morocco even if now there are increasingly news about suicide bombers or potential Al-Qaeda outposts. These groups have no support or mobilization potential, Moroccan nationalism is strong, and as evidenced by the Casablanca attacks of May 16 attacks tend to produce Anti-Islamism in the society. Also, no relevant groups question the "legitimacy of the state" (leaving the Western Sahara aside).

Current political, non-violent conflicts are mainly about legitimacy of the regime (Al-'Adl: not accepting religious legitimacy of regime and some small secular civil society groups that would like to establish a more secularized regime). Apart from this there are conflicts between the secularists/ old opposition parties and the Islamists about influence inside the regime.

On the Islamist side the Parti de la Justice et du Développement, Party for Justice and Development (PJD) is included in the political structure while Al-'Adl is excluded, but also non-violent. There are small violent groups (transnational), but these are mainly important because a) they "legitimize" repression towards the other Islamist groups, and b) because they make the other Islamists move further to the center.

The regime mainly consists of the Palace, business elites and rural notables partly organized in political parties. "Secular" and other oppositional parties are relatively well organized, but have been co-opted by the palace during the 1990s. As they are aware of superior electoral support for the Islamists, they do not push for constitutional reform.

Until the 1990s the relationship between the Islamists and the palace was marked by exclusion, repression, and partly informal tolerance of different groups, or of the same group at different moments in time. Since the 1990s there has been a combination of different strategies and a more inclusive approach (also towards secular opposition) mainly motivated by fear of Algerian scenarios. This led to political inclusion (strongly monitored) of the smaller part of the Islamist movement, especially the PJD that had since the late 1980s pursued an appeasement strategy towards the regime. The PJD has thereafter followed a very prudent approach and aim to avoid providing a pretext for a party ban/ backlash (especially after May 16 attacks). The exclusion of Al-'Adl is in a way chosen by itself: it is not willing to acknowledge the king's religious legitimacy (which is an important pillar of rule). Al-'Adl is generally more daring and provocative than the PJD.

The regime's policy of inclusion (concerning Islamists and secularists) has decreased the potential for violent conflicts, as such conflicts are now transferred into institutional politics. Neither the included Islamists, nor Secularists challenge the regime, the Islamists because they still feel too vulnerable, the secularists because they fear the Islamists. On the other hand inclusion has strengthened the Islamists, most clearly seen in increased electoral support. The 2007 elections will probably see the Islamists permitted to run in all constituencies, which means they will have to enter government. The regime now chooses more legal ways to restrict their representation (electoral law) that makes sure that even if they get 50% of the votes, this would transform into far less seats. The question is, how long this consensus can be sustained. Especially Al-'Adl remains a problem. However, the simple fact of its existence serves to keep the PJD in check.

European/ US policies towards Islamists and regime in Morocco

EU & US tend to view the regime as "democratizing" and reform oriented, and thus as a rather positive experience in the MENA. Both channel a lot of economic support to Morocco. They differ in their approach towards the Islamists though. The EU ignores them, while the US increasingly treats PJD like any other of the oppositional actors.

European policy towards the regime is marked by Morocco's status as a preferred partner of EU and of national governments because it is comparatively less repressive than many other Muslim counties. There was a lot of praise for a supposed Moroccan democratization process, even if there was none and the regime became more repressive. Morocco received most of the funds of the EMP project. There is also strong cooperation in matters of security/ migration control. European policy towards Islamists is the same as its policy towards any Islamist group in the MENA region. All in all it could be called a policy of avoidance. Islamists are ignored, they are not explicitly excluded but have never received money in the framework of democratization and human rights programs. The consensus seems to be to to avoid the topic for as long as possible.

US policy towards the regime is very similar to European policy. Morocco is an important US partner: there has been an increase in military and economic aid since September 11th, a free trade zone has been established and Morocco has been declared a major non-Nato ally since 2004. Morocco is also the only country in the region, except for Jordan, that has qualified for Millennium challenge account. US policy towards Islamists, on the other hand, is markedly different from that of the EU. In the last years the PJD has been included in democratization programs, such as training for parties. They are treated as a legitimate oppositional party by the US and there are rumors that the US advised the regime not to ban the party in 2003

The different approaches are the result of diverging interests in the region. EU policies are mainly shaped by France and Spain. Both countries were more in the "stability camp" from the beginning and objected to democratization rhetoric and programs in EMP. While there are security interests (migration and terrorism) that lead to cooperation with the Moroccan government, economic interests are not as important, especially as Morocco has no energy resources. The primary reason the EU avoids contact with the Islamists seems to be ideologically motivated, especially France's past as a colonial power and highly secular political tradition.

It seems however, that the current US policy that combines an increase of financial aid to the regime with "support" of the Islamists is also ideologically motivated. Morocco has a twofold symbolic value: it is a "democratizing Arab regime" showing that the freedom agenda is possible and also serves as an example for an open and tolerant US attitude towards moderate Islamists.

The impact of US & EU policies on the political conflicts in Morocco is ambivalent. To the extent that these conflicts are sparked by poverty etc. aid towards employment and poverty relief are useful. The results of the US policy towards Islamists has the positive effect of forcing them to decide how much they want to cooperate with the US/ Western partners. The one sided approach by the EU on the other hand contributes to polarization in Morocco, as it only funds secularists or a regime that speak the same language. It is not clear whether there is a plan as to how to react in case of a Islamist victory in 2007 and no clear concept if such a victory would spark conflicts.

Moreover, both the US and the EU are missing key elements in their policies towards Morocco. The regime should be pressurized for legalization of Al-Adl to contribute to a further consolidation of a distinction between mainstream groups and violent Islamists. Also, pressure should be applied to enact constitutional reforms that would give parties more influence on governance.

c) Indonesia

With more than 89% of its 215 million inhabitants Muslims Indonesia is the largest Muslim country in the world. While Islam as a political and social force had effectively been marginalized for a long time, it has staged a comeback since the beginning of the 1980s. Analysts have pointed out a

general trend of „Islamization" of the cultural and social life in Indonesia, which went hand-in-hand with the "turn" of Indonesia's authoritarian president Suharto in the 1980´s and 1990´s towards political Islam in order to gain a new power base for his regime. In this context the influence of Arab organizations on Indonesian Islam, which for a long time was regarded as extremely tolerant, open and moderate, did in fact rise – analysts therefore not only pointed out to the aforementioned "Islamization" of Indonesia but also to an "Arabization" of Indonesian Islam.

The Islamization of Indonesia did, however, create a broad range of democratic Muslim activists who in the 1990s became a driving force of opposition against the authoritarian Suharto-regime and played a major role in toppling the Suharto-regime in early 1998. In fact the elections of 1999 and 2004 have not led to an "Islamization" of the parliament or the parties: in both elections Islamist parties pushing for the implementation of sharia or the creation of an Islamic state were not able to gain more than 15% of the votes.

On the other hand if we look at Indonesia´s current security problems, there seems to be an undeniable connection between phenomena like terrorism and sectarian violence between Christians and Muslims and a growing strength of some of Indonesia´s Islamist actors. One can thus conclude that the challenge that Islamists pose is felt less in parliament than it is in the streets, where some militant Islamist groups do have an impact that is far greater than their actual strength in numbers.

### The Spectrum of Islamist actors in Indonesia

There certainly are forces within the political establishment in Indonesia that struggle for the establishment of an Islamic state and therefore can not to be considered moderate or liberal Islamic parties in any way. Nevertheless in the national political arena, i.e. parliament and government, the idea of overthrowing the state and replacing it with some sort of a Negara Islam (Islamic state) are to a large extent marginalized: all political parties have at least officially distanced themselves from the use of violence and the two biggest Muslim mass organizations, Muhammadiyah and Nadthul Ulama, did so as well.

However, a small minority of radicalized elements in Indonesia have been actively engaged in either the bombings of Bali and Jakarta between 2002 and 2005 or sectarian violence between Christians and Muslims. Islamist paramilitaries have sprung up in many major cities of Indonesia, patrolling the streets to eliminate vice; whereas terrorist groups are small and clandestine by nature, Islamist paramilitaries have reached numbers between 50.000 to a 100.000 members.

The following are three examples for Islamist organizations, their goals, tactics and their attitude towards the state: a terrorist organization (Jemmah Islamiyah), a paramilitary militia (Laskar Jihad) and a legal political party (Partai Keadilan Sejahtera, Prosperous Justice Party).

Jemmah Islamiyah (JI) is Indonesia´s most well know militant Islamist group. JI is insofar unique in that it has a transnational agenda, transnational organizational structure and has specifically targeted western targets (nightclubs, hotels, embassies). JI aims to establish not only an Islamic state in Indonesia but an Islamic caliphate in South-east Asia. It is linked with various other radical groups like the Abu Sayaf and until recently the MILF in the Philippines as well as groups in Malaysia and southern Thailand; some analysts believe it has links to the Laskar Jihad militia group as well as cooperating with Al Qaeda. Since the Bali bombings the organization has come under heavy repression: so far more than 200 members of the organization have been arrested and various attacks were prevented by the police, which had ICG come to the conclusion that JI is damaged but still dangerous as some members are still at large until this day

Laskar Jihad is (as evidenced by its name: laskar = militia) more of a militia or paramilitary group than a clandestine terror network. It became known on a national and international level because of its involvement in the bloody sectarian violence between Christians and Muslims in the Moluccas from 2000 on. LJ did campaign for the implementation of sharia law but did not publicly support turning Indonesia into an Islamic state. Its main focus is defending Indonesian Muslims against Christian militias. Officially disbanded on October 7th 2002, though the reasons for this are not clear: while some sources mention internal rivalries inside LJ and a lack of funding, other sources

say the organization disbanded to avoid a crackdown by the government. There are however rumors of a re-emergence of LJ in conflict-torn Sulawesi and West-Papua since 2005.

The Partai Keadilan Sejahtera, Prosperous Justice Party (PKS), who won not even 2% of the votes in national elections in 1999, managed to gather 7% of all votes in the 2004 elections.

Ideologically influenced by the Muslim brotherhood in Egypt, from 2003 onwards the PKS has shifted gradually away from its heavily Islamic vocabulary and politics towards topics like "anti-corruption", clean government etc. – according to many analysts this shift towards more secular topics to a large part explains the success of the PKS in the 2004 elections.

Although leaders of the party have been publicly stating that there is no contradiction between democracy and Islam and that the PKS supports the secular Pancasila state ideology, some circles within the party are believed to have more radical views and support the idea of an Islamic state for Indonesia. The PKS actively campaigned for the implementation of sharia by-laws and a controversial anti-pornography bill. Sharia by-laws were, however, also supported by parties that are officially moderate or even secular.

### Relations between regime and Islamist actors

Relations between Islamist actors and the Indonesian state vary from repression (JI) to at least gradual co-optation (Laskar Jihad) by state actors to functioning as a legal political party (PKS). Especially Laskar Jihad and other paramilitaries do act in a grey zone between repression and co-optation LJ, FPI and other, smaller militant paramilitaries acted according to the political and economic interests of certain elites and thus gained significant support – as least as long as their existence and street politics were of any use.

Relations are also complicated because after the fall of Suharto the Indonesian state lost much of its cohesion and fragmented into competing groups. Various elites compete over political and economic power, which to a large extent explains the changing relationship between state and Islamists – a main exception here being JI, which faces continued repression.

### Influence of transnational Islamist organizations

There is a growing influence of transnational Islamist organizations on Indonesia, indicated for example by the of ties between JI and Al Qaeda or the increasing sponsorship of local pesantren (Muslim boarding schools) by radical Saudi organizations. However, Al Qaeda and other radical transnational organizations so far have played a secondary role in Indonesia.

Even JI's roots lie in a long history of indigenous Indonesian Islamic radicalism rather than outside influence. One therefore needs to focus on local grievances and conflict factors in order to understand the genesis and status quo of most active Indonesian militant Islamist groups.

### European and US policies towards Islamist actors and governments

For the EU Asia in general is first and foremost a trade partner – trade and economics dominate EU engagement and EU polices towards Asia – with a few exceptions. Indonesia is no different, after all the EU is Indonesia´s biggest trading partner after Japan

Since the Bali bombings the "trade-dominated" approach of the EU has been modified to a certain extent: "home affairs" like poverty reduction, conflict resolution and counter terrorism have gained political weight. New goals are the consolidation of the Indonesian democracy, promotion of good governance and political stability. Due to its non-direct military involvement in Asia, the EU contributes only indirectly to counter terrorism programs (e.g. preventing money laundering and supporting intelligence organizations).

There are also plans to increase cooperation between the EU and Muslim mass organizations in Indonesia in order to facilitate a dialogue on religious affairs and education and also inter-faith dialogues.

Contrary to the EU the U.S. does not see South-east Asia primarily as a trade partner but as a region of special geostrategic importance. Since the emergence of JI and the attacks on Bali SE Asia has become the "second front" in the U.S. led war on terror and Indonesia is America's main ally. Thus the U.S. supports the building of security and counter terrorism capabilities in Indonesia and the region. Until 2005 such efforts were mainly directed towards the Indonesian police, but in 2005 the Bush-administration resumed full military ties with Indonesia. This decision was criticized by human rights organizations, as some U.S. "allies" have strong ties to Islamist militant organizations. Focal points of military capacity building include direct military assistance through arms transfers and military training programs. Besides that USAID is running a variety of "soft" programs directed at combating the root causes of terrorism and Islamic militancy in Indonesia: especially the mitigation of Indonesia´s long running civil wars. The US agency for development also initiated dialogues with representatives of moderate Islamic organizations in Indonesia in order to bolster religious tolerance.

### EU-US coordination

Due to the differing roles of EU and USA in South-east Asia cooperation is so far limited to soft issues such as police reform, security sector reform,reform of the finance sector, bolstering the rule of law and targeting root causes.

However, while there's some agreement between the U.S. and the EU on certain issues their approach tends to differ due to differences in perception of the geostrategic importance of Indonesia. For the EU the country is first and foremost a trading partner and the EU is no power-holder in the region. The USA, however, has been the most important external power in the region since the end of World War II and thus has very clear geostrategic interests in SE Asia.

The policies of both, the U.S. as well as the EU, are marked by a lack of initiatives on religious issues (Sharia law, gender roles and Islam, religious tolerance etc.) and on reform of political parties.

## II. Framework of the second conference in Berlin

While case studies will be a part of the second conference to illustrate specific policy challenges the focus will lie on analysis of convergence/divergence of US/EU interests and policies. Participants will suggest and jointly reflect upon a shared US-EU agenda towards the Muslim world. The selection of case studies will therefore not be limited to the most discussed cases/conflicts, but will take into account broader concerns and emerging issues.

1. A first goal of the second conference will be to analyze the main elements of policy debates towards the Muslim world in the US/EU. This includes domestic factors shaping these debates and policies, but also geostrategic concerns. As to how far do threat perceptions (e.g. clash of civilization interpretations) play a role? How do the interpretation and the framing of conflicts in the region affect US/EU policies? What are the geo-strategic interests that shape policies?

2. The first set of case studies, Morocco and Egypt, has been chosen to act as a framework for discussion of one of the most important topics of the workshop: the question of Islamist political participation and the future of EU/US democracy promotion. Issues to be discussed include: the relevance of Islamist actors for peaceful transition, European and US policies towards Islamist actors and governments and the possible shape of a shared agenda. The relevance of Islamist actors depends on a variety of factors. This means that certain questions have to be answered to form a picture of the overall state of affairs within specific countries. What is the state of the state? What are the conflicts at stake? What is the spectrum of relevant actors - Islamist and others? How can the relation between government/regime and Islamist actors be described? What is the relation between militant and moderate Islamists? How does the integration of some Islamist forces (if applicable) impact on other Islamists? What role do "official" Islam and religious authorities play? What impact do transnational Islamist networks/organisations have?  Having therefore analyzed the

regional situation participants will have a look at the other side of the coin, the shape and character of EU/US influence on the region. What are European (EU or, if applicable, important member states) and US approaches and policies? What are the decisive factors  shaping these approaches and policies?

These two steps will therefore paint a rather detailed picture of the situation "as it is". This is crucial for any discussion of future policy options and in providing a framework to advise on a shared EU/US agenda. What are the repercussions of European and US policies for the peaceful transformation of political conflicts / conflict management? What other side effects do they have? What is the scope of action that external actors can have in political transition / conflict management? How could EU-US coordination, division of labor, or cooperation look like?

The first part of the conference will therefore supply a basic picture of the role of Islamist actors in the chosen regions, their interaction with the local authorities and EU/US perspective and policy towards Islamist actors. Who frames conflicts as being driven by Islam and why? To answer this the core of specific conflicts has to be analyzed. The conference participants will discuss whether different readings of the conflict in question would open up space for alternative policies. This discussion will be organized around a case study of Somalia and another case study to be determined.

3. The third session of the workshop will be tightly linked to the question of how conflicts are framed. EU/US policies are not only influenced by how conflicts are perceived, but also by how the Islamist actors in a given region are perceived. Why do the US/EU cooperate with some Islamists and isolate others? What are the determining factors? Does a different reading of actors' agendas and priorities open up space for alternative policies? Discussions will be accompanied by a case study of Indonesia and one other case study.

4. The final session of the conference will be focused on formulating sound policy advice taking into account all of the above. How could a shared agenda look like with regards to democracy promotion,  sustainable stability? and inclusive and peaceful transformation of conflicts? In which policy fields is cooperation, coordination or division of labor most promising? Moving away from the more specific discussion of case studies, participants will try to develop more generalized policy advise on how to engage Islamist actors.