

Further on Bin Ladin Aid to MILF; Mindanao Rehabilitation Fund Explained

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By Paolo Romero, with a report from Marichu Villanueva]

Saudi billionaire and international terrorist Osama Bin Laden gave \$3 million, or roughly P126 million, to the secessionist Moro Islamic Liberation Front (MILF), a senior military official said yesterday.

Lt. Gen. Jose Calimlim, chief of the Intelligence Service of the Armed Forces of the Philippines (ISAFP), said the money was received late last month by a certain Salih Balamul, a deputy of MILF vice chairman for military affairs Al Haj Murad.

"(The money) was received by an MILF emissary from a Middle East country," Calimlim said, adding that Balamul, who left for Malaysia on May 6 to receive the donation, has yet to return to the Philippines.

"We believe Bin Laden is the source of the fund because he has supported the MILF in the past through (Ramsey Ahmed) Yousef and (Omar) Khalifa," Calimlim said.

Yousef and Khalifa, who are currently imprisoned in the United States for the 1995 bombing of the World Trade Center in New York, were also suspected of plotting the assassination of Pope John Paul II while in Manila in January 1995.

Calimlim, concurrent Armed Forces vice chief, said Bin Laden gave instructions that the \$3 million should be used for food and medicines for the MILF, but the Muslim rebel group allegedly plans to use it to buy more firearms and ammunition.

The MILF boasts of some 15,000 members, but only about 8,000 were reportedly armed.

The group has also admitted having received financial support from abroad.

Earlier intelligence reports indicated that the rebels were also receiving aid from non-government organizations (NGOs) in Islamic countries such as Sudan, Syria, Saudi Arabia, Afghanistan and Libya.

Calimlim pointed out, however, that there were no reports of recent NGO assistance to the MILF.

While Bin Laden continues to support the armed struggle of the MILF, he has reportedly withdrawn assistance to the extremist Abu Sayyaf group.

The military said the Abu Sayyaf finances its own campaign through drug trafficking and kidnapping for ransom.

The Abu Sayyaf still holds 21 mostly foreign hostages in two separate hideouts in Talipao and Panamao towns in Sulu.

The kidnappers were reportedly demanding \$1 million for each of the hostages, although a government emissary said the abductors were also asking for P200 million for the release of five female captives.

The hostages, consisting of nine Malaysians, three Germans, two South Africans, two French nationals, two Finns, two Filipinos and a Lebanese, were seized last April 23 from the Malaysian resort island of Sipadan in Sabah, then taken by boat across the sea border to nearby Sulu province in southern Philippines.

P20-B not for war, Mercado clarifies

Defense Secretary Orlando Mercado clarified that the P20 billion to be spent by the government this year for Mindanao was not meant to bankroll the military's operations against the MILF and the Abu Sayyaf.

This developed as Budget Secretary Benjamin Diokno revealed that the government has urged donor countries and international financing institutions to speed up the release of financial assistance to the Philippines in view of the fighting in Mindanao.

Mercado said the amount referred to the government's "massive economic package to jump-start the development of Mindanao, not the cost of the war in the South."

"This pump-priming or rehabilitation is like a mini-Marshall plan aimed not only at rehabilitating areas affected by the war, but also at improving the economy in Mindanao," Mercado told reporters at a briefing

"This (P20 billion) is not the cost of the war. This is a program to address poverty and spur economic development in the area to stave off possible future insurgencies," Mercado stressed.

By addressing socio-economic concerns, he said the root cause of rebellion in the South would be removed.

Mercado said the planned massive infusion of funds in Mindanao is a strong indication that the government was not relying on a military solution to the secessionist rebellion being waged by the MILF.

The secretary said the plan includes the construction of farm-to-market roads and the implementation of livelihood programs.

He said the P20 billion was too big an amount for rehabilitation of areas damaged by the fighting, adding that the damage to property would run to only hundreds of millions of pesos.

Since clashes broke out anew in January, about 113,70 families were reported to have been displaced, 258 civilians killed or wounded and 648 houses destroyed.

So far, some 95,560 families, or 84 percent of the total number of families affected, have received assistance to the tune of P37,053,627 from the national and local government units, as well as non-government organizations.

Mercado said it would take P33 million to repair the damaged houses.

"The damage is not that big. Even the repair of the Narciso Ramos Highway, which is pock-marked, will not cost that much," Mercado said.

He said the military will not be a direct beneficiary of the pump-priming program, and that any additional funding will have to be coursed through Congress.

"We are not going to get anything. This will go directly to the people. As far as we are concerned, the amount for the war effort will have to be approved by Congress," Mercado said.

He admitted, though, that the defense department has asked Congress for a supplemental budget to sustain the military operations in Mindanao.

Diokno joined other key government officials in presenting to representatives of the donor countries and funding institutions, at an ongoing consultative meeting in Tagaytay City, the Estrada administration's proposed Mini-Marshall Plan for Mindanao.

"We are only asking to accelerate the projects already committed to Mindanao, and speed up their implementation by allowing us to increase our budget deficit target. But this is not for the conflict in Mindanao, but to develop and sustain the progress for Mindanao," Diokno said.

Diokno and some other members of the Cabinet were sent by President Estrada to Mindanao last June 9 to monitor government projects and projects derailed by the conflict.

For this year, at least P9.6 billion worth of foreign-assisted projects have been lined up for Mindanao, Diokno revealed.

He said the amount is expected to reach up to P16 billion next year.

Diokno also said the P20 billion earmarked for Mindanao will not be sourced out of the five percent "soft cuts" being eyed under this year's P630-billion budget.