OVERCOMING VIOLENT CONFLICT
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Volume 5

PEACE AND DEVELOPMENT ANALYSIS IN INDONESIA

Christopher Wilson
Overcoming Violent Conflict:
Volume 5, Peace and Development Analysis in Indonesia
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Executive Summary

As Indonesia embarked on a wide-reaching process of political, social and economic reform following the fall of President Soeharto in 1998, the country also experienced a peak in civil violence. Several areas of the country experienced devastating violent conflict among communal groups (horizontal conflict), most notably the provinces of Maluku, North Maluku, Central Sulawesi, and West and Central Kalimantan. Separatist conflict also continued in the provinces of Aceh and Irian Jaya (now called Papua), with a particular increase in violence in the former. A referendum leading to independence for East Timor unleashed a wave of destruction by pro-Indonesia militia forcing approximately 60,000 households across the border into West Timor.

These large conflicts have caused a great deal of human suffering: thousands died and hundreds of thousands were displaced from their homes. Violent conflict has increased poverty. In 16 districts that experienced violent conflict in the post-1998 period, real GDP declined annually by an average of 4.5 percent between 1997 and 2001, in sharp contrast to national positive annual growth of 4.2 percent. The economy in Ambon, Maluku, contracted by over 12 percent; in Aceh, 265 of 443 primary schools were burned; in Poso, 35 percent of all health clinics lacked a doctor or medicines, and only 62 percent of villages had a midwife. Violence has also caused great harm to the relationships between communities that were previously characterised by trust and cooperation. Local governments’ capacity to deliver services has been weakened by the destruction of physical infrastructure such as schools and health facilities as well as the loss of qualified staff through death or displacement.

The development community has long recognised the role development has to play in providing the conditions for sustainable peace. Assisting local communities to attain UN Millennium Development Goals can eradicate many of the conditions, such as poverty and unemployment that might lead to violent conflict. Unfortunately, many responses to conflict-affected areas still fall short and the transition from relief to development has lacked support. Key shortcomings include:

- Lack of a coherent peace-building approach to development planning and programming in post-conflict areas: Most responses by national and local governments as well as international organisations have failed to move beyond humanitarian assistance and, when they have, the responses...
have not incorporated peace building. For example, economic recovery programmes implemented should bridge divided communities, health services should include trauma counselling for victims of conflict, and schools should service divided communities by organising joint projects, classes or extra-curricular activities.

- **Inadequate security provision and law enforcement**: The lack of effective legal institutions to police and adjudicate episodes of violence (however small or large) has contributed to the escalation of violence in most conflict areas. In Poso, North Maluku and Maluku, trigger episodes of violence, which set off conflict and were not dealt with adequately led to vigilantism and the escalation of violence. The reliance on vigilantism as a means of seeking justice stemmed from disillusionment with legal institutions. In particular, partisan security forces that did not protect all members of the community as well as uneven prosecutions, in which one group was disproportionately targeted, led to cycles of revenge attacks that escalated the violence.

- **Lack of effective inter-governmental coordination and flexible central/local budgetary transfers**: When local governments have identified priority recovery programmes, typically their own local budgets are too small to implement the programmes. Instead they are reliant on central government funding that has already been earmarked by the central government agencies and that may not reflect local priorities. This disempowers local government and weakens local ownership of the recovery process. The lack of clarity in the division of labour/responsibility between different government agencies and different levels of government (national, provincial, and district) when responding to conflict emergencies such as internally displaced persons, IDPs, has resulted in inadequate data collection, varying assistance/recovery packages for victims, mixed messages from the different agencies, and the lack of coherent medium- to long-term plans to resettle uprooted communities.

In order to ascertain which development programmes will best develop sustainable peace in areas impacted by violent conflict in Indonesia, UNDP in cooperation with Indonesia’s State Planning Agency (Bappenas) has carried out a detailed process of research and analysis. The Peace and Development Analysis (PDA) project has sought to accurately identify the risks to peace (peace vulnerabilities) and potential building blocks of peace (peace capacities) in those provinces that have either recently experienced or have been directly affected by large-scale conflict.

The PDA process revealed that, despite a great deal of progress in terms of peace building, there are several peace vulnerabilities in all conflict-affected areas in Indonesia:

- **Security**: While communal violence has declined considerably, continuing mysterious shootings and bomb attacks in post-conflict areas need to be addressed promptly and transparently.

- **Internally Displaced Persons (IDP)**: Resolution of the IDP problem remains one of the greatest stumbling blocks to sustainable peace. Attempts to address the IDP situation are undercut by a host of problems: Corruption in the handling of IDP funds, the unwillingness of IDPs to return or resettle due to inadequate provision of services, lack of consultation, unwillingness of local communities to receive IDPs, and the growing resentment among those who did not flee who perceive preferential treatment for IDPs. Slow progress and the lack of political will to fast track IDP resolution is also a problem – there are still IDP camps in West Timor six years after the initial exodus of refugees.

- **Youth**: Youth clashes are the single most important trigger for group violence in Indonesia, accounting for 40 percent of all violent deaths since 1990. Youth clashes are the greatest trigger for ethno-communal violence in Indonesia and frequently occur over minor disputes during concerts, in places of entertainment, and in schools. Policies that can absorb Indonesia’s youth into more productive channels such as increasing employment and providing more channels for vocational training are vital. Schools need to provide more opportunities for inter-communal bridging via curricular and extra-curricular activities. Schools, community service organisations, and community leaders need to promote non-violent ways of mediating disputes.

- **Women**: Conflict increases the burdens placed on women, (who, in addition to their domestic responsibilities, often become principal economic agents as well as care-givers) without corresponding improvements in social and political empowerment. Women’s key roles in bridging divided communities through economic activities, or in perpetuating cycles of revenge given their influence in the raising of children, have generally been overlooked in peace and reconciliation initiatives. Women often view the presence of security forces differently than men do: as the victims of sexual harassment or violence by security forces, women often are ambivalent about whether more security forces translates into greater personal security.
Nevertheless, the PDA process also discovered that strong peace capacities exist in each region, and that the vast majority of people in conflict-affected areas strongly desire peace. People are well aware of the costs conflict poses to economic growth. Many are aware of the specific risks to peace in their regions and refuse to be provoked. A wide range of groups from civil society—representing religious groups, women and youth—has also become involved in efforts to build sustainable and equitable peace.

Perhaps the greatest potential for peace in Indonesia lies in the new national government’s proactive approach to internal conflict. Since winning the first direct presidential election, President Susilo Bambang Yudhoyono and his government have prioritised solving violent conflict, whether horizontal or separatist. If this political will is transformed into action in the near future, Indonesia will go a long way toward preventing a recurrence of the civil violence that occurred in the period of reform.

1. Conflict Overview, 1997 to 2004

1.1 Violent Conflict in Indonesia: Continuity and Change

Compared with the periodic rebellions and uprisings that punctuated Sukarno’s rule after independence, at first glance, the New Order stands out as a period of stability and development, with gross domestic product averaging a staggering 11 percent growth per year between 1967 and 1997. In comparison, East Asia and the Pacific as a region grew at around 5 percent per year over the same period, while sub-Saharan Africa registered a net decrease in GDP incomes.¹

Underneath this calm surface, however, the New Order operated through what Freek Colombijn describes as “endemic state violence”,² which extended from matters of territorial security to violence against groups and

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individuals perceived, legitimately or not, as threats to the regime. The New Order regime typically repressed violent manifestations of tensions without addressing underlying causes, most notably in East Timor and Aceh, where rebellions against the central government were met with the full force of the New Order's military might; the national government made little or no attempt to address the concerns of the local population. As a result, tensions laid dormant or simmered until the fall of the New Order in 1998, when the state, weakened by the Asian financial crisis in 1997 and undermined by the murders of the Trisakti students, no longer had the capacity or the political clout to control violent outbreaks. It is worth noting, however, that the frequency and intensity of conflict following the fall of President Soeharto often obscures the fact that the use of violence by the state and favoured elites is a thread that runs throughout Indonesian history, including the colonial period.

The ethnic conflicts occurring from 1999 to 2002, ostensibly set off by the collapse of the New Order, were a form of political violence. They fall into the same category as the violence that accompanied previous transitions: the 1965/66 onset of the New Order that claimed 500,000 lives by some estimates; the 1957 regional revolts that marked the beginning of Guided Democracy under Sukarno; and the 1945 revolution for national independence. What sets the 1999 to 2002 upheavals apart from previous political transitions in Indonesia is their ethnic and religious character.

Indonesia's travails in its transition to democracy and the persistence of routine and episodic violent conflict have led to three broad schools of thought on collective violence in Indonesia described by Varshney et al. The first view, which frequently appears in newspaper columns and is widely held by the general public, is that Indonesia under the New Order was relatively peaceful because it had the political, military and administrative mechanisms to contain social unrest. The collapse of the New Order and these institutions accounts for persistent collective violence. The second (and opposing) view argues that violence was one of the pillars on which the New Order rested and draws linkages between the major episodes of ethnic violence with the institutions and policies of the New Order. According to this school of thought, the ethno-religious exclusions of a wide variety of groups such as the Dayaks, Papuans, the Chinese, the East Timorese, and Islam on grounds of ideology could only have been sustained with coercion. When the political system came under stress, as it did toward the end of the New Order, the balance of power between existing winners and losers of the system began to change. The group-specific nature of this theory allows it to show why only some groups were the targets of attacks and why violence was concentrated in some geographical regions of Indonesia. The third school of thought takes into account episodes of mass violence throughout Indonesian history and argues that violence is culturally and historically embedded in Indonesia and that the New Order was an instance in a longer tradition of violence that includes lynching or mob violence and the violent role of local strong men operating in the shadow of the colonial government.

Drawing from this historical perspective, Colombijn and J. Thomas Lindblad identify seven characteristics of collective violence in Indonesia that relate to the context of violence, the ideology surrounding violence, the victims and perpetrators of violence:

1. The use of violence by the state or the community is perceived to be legitimate under certain circumstances.
2. Violence is only considered legitimate if it is directed against outsiders. Targets are thus defined by the in-group that is responsible for the violence.
3. When the outsider is dehumanised, as in the case of witches or dukun, violence takes on an exceptionally brutal form.
4. Violence is typically used by young men. In the Indonesian context, they present themselves in the tradition of pemuda who fought for the Indonesian Revolution, thus lending violence with an aura of heroism.
5. Violence is often conducted by gangs of strongmen or thugs who are employed by politicians or elites. The deployment of such gangs increases the level of violence compared to the military or other formal institutions.
6. Since colonial times, the state has used violence against its own citizens so much so that even the distinction between national defence and policing is blurred.
7. Communal violence is rife and manifestations of communal violence tend to be condoned.

1.2 Patterns of Violence in Indonesia

In order to compile a systematic overview of communal violence in Indonesia, UNSFIR has compiled a database of violent incidents in the period from 1990 to 2003 reported in local and national newspapers and other secondary sources. A primary conclusion of the project was that, contrary to a common perception, even during the volatile period of 1999 to 2003 collective violence was not widespread in Indonesia. During the period 1990 to 2003 96.4 percent of total deaths from collective violence occurred in just 14 provinces. In these 14 provinces, in the period 1990 to 2003, UNSFIR calculated that 10,402 deaths from collective violence were reported. The highly local and concentrated character of the violence is apparent when considering that 15 districts containing just 6.5 percent of the national population were the sites of 85.5 percent of all deaths from such violence.

<table>
<thead>
<tr>
<th>Province</th>
<th>Deaths</th>
<th>Percent</th>
<th>Incidents</th>
<th>Percents (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Maluku</td>
<td>2,794</td>
<td>25.0</td>
<td>72</td>
<td>1.7</td>
</tr>
<tr>
<td>Maluku</td>
<td>2,046</td>
<td>18.3</td>
<td>332</td>
<td>7.8</td>
</tr>
<tr>
<td>West Kalimantan</td>
<td>1,515</td>
<td>13.6</td>
<td>78</td>
<td>1.8</td>
</tr>
<tr>
<td>Jakarta</td>
<td>1,322</td>
<td>11.8</td>
<td>178</td>
<td>4.2</td>
</tr>
<tr>
<td>Central Kalimantan</td>
<td>1,284</td>
<td>11.5</td>
<td>62</td>
<td>1.5</td>
</tr>
<tr>
<td>Central Sulawesi</td>
<td>669</td>
<td>6.0</td>
<td>101</td>
<td>2.4</td>
</tr>
<tr>
<td>West Java</td>
<td>256</td>
<td>2.3</td>
<td>871</td>
<td>20.4</td>
</tr>
<tr>
<td>East Java</td>
<td>254</td>
<td>2.3</td>
<td>655</td>
<td>5.3</td>
</tr>
<tr>
<td>Central Java</td>
<td>165</td>
<td>1.5</td>
<td>506</td>
<td>11.9</td>
</tr>
<tr>
<td>South Sulawesi</td>
<td>118</td>
<td>1.1</td>
<td>223</td>
<td>5.2</td>
</tr>
<tr>
<td>West Nusa Tenggara</td>
<td>109</td>
<td>1.0</td>
<td>198</td>
<td>4.6</td>
</tr>
<tr>
<td>Riau</td>
<td>100</td>
<td>0.9</td>
<td>165</td>
<td>3.9</td>
</tr>
<tr>
<td>East Nusa Tenggara</td>
<td>89</td>
<td>0.8</td>
<td>55</td>
<td>1.3</td>
</tr>
<tr>
<td>Banten</td>
<td>37</td>
<td>0.3</td>
<td>112</td>
<td>2.6</td>
</tr>
<tr>
<td>Total 14 provinse</td>
<td>10,759</td>
<td>96.4</td>
<td>3,608</td>
<td>84.5</td>
</tr>
<tr>
<td>Other 14 provinse</td>
<td>402</td>
<td>3.6</td>
<td>662</td>
<td>15.5</td>
</tr>
<tr>
<td>Indonesia</td>
<td>11,160</td>
<td>100.0%</td>
<td>4,270</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: UNSFIR database.

Disaggregating violence by category, ethno-communal collective violence accounted for only 17 percent of all incidents of violence but claimed close to 90 percent, the highest number, of all fatalities. Within the category of ethno-communal violence, inter-religious (Muslim-Christian) violence followed by Madurese-Dayak/Malay and anti-Chinese violence accounted for the largest loss of lives. While this indicates the existence of major ethnic cleavages within Indonesia, it should be noted that
incidents of ethnic violence have been highly localized with many parts of the country demonstrating similar ethnic demographics largely unaffected by ethno-communal violence and suggesting that local-level, structural factors rather than primordial ethnic differences may better explain collective violence.\(^{11}\)

While several studies by the World Bank have shown that violence tends to be under-reported and is not restricted to a small number of provinces,\(^ {12}\) the PDA process has focused on those areas identified by the UNSFIR database to have experienced large-scale violence, since these are the areas most affected by conflict, the most at risk of further violence and the most in need of assistance to build a sustainable peace. The present report will attempt to go beyond quantitative analysis of the incidence and distribution of violence to discuss how and why large-scale violence occurred. Following is a brief overview of some of the major incidents of violent conflicts that have occurred in Indonesia since 1997.

1.3 Overview of Conflict, 1997 to 2004

1997
In December 1996 and January 1997 in West Kalimantan, Dayaks clashed with Madurese. Between 500 and 1700 were killed, primarily Madurese.\(^ {13}\)

1998
In May 1998 rioting linked to anti-government protests occurred in a number of major cities, characterised by anti-Chinese violence. In late 1998 several violent incidents occurred that appeared to be more inter-communal in character and were to have major implications for eastern Indonesia. In November, in the area of Ketapang in Jakarta, local members of Front Pembela Islam (FPI) attacked Ambonese Christians working as security guards in nightclubs. Several Ambonese were killed. Almost immediately, Jakarta Governor Sutiyoso expelled a large number of Ambonese alleged preman (thugs or criminals) from Jakarta, who returned to Ambon. Subsequently Christians began rioting in Kupang in West Timor during a demonstration protesting about the Ketapang incident. In Poso, Central Sulawesi, a stabbing incident on Christmas Eve led to rioting and the arrival of Christian and Muslim militia. Clashes occurred in the town throughout the last week of December. Throughout the year, numerous churches were destroyed, particularly on Java.

1999
The UNSFIR study of collective violence in Indonesia states that 1999 was the most violent year in terms of collective violence, with 3546 deaths.\(^ {14}\) This was also the year of Indonesia’s first full democratic election after the onset of democratic reform. Surprisingly, little violence actually occurred around the July election.

On 19 January 1999, massive rioting broke out in Ambon City in Maluku Province during the week of Idul Fitri. While the first clashes were between Christian Ambonese and migrants from South Sulawesi, the violence quickly became religious in character as Muslim Ambonese joined their co-religionists. The conflict spread throughout the island of Ambon and elsewhere in central and southeast Maluku. Throughout 1999 the conflict caused over 100,000 people to flee their homes and destroyed thousands of homes, places of worship and infrastructure. While the conflict in certain areas such as the Kei Islands was quickly arrested, the provincial capital Ambon became a divided city and experienced continued high levels of tension and conflict.

In West Kalimantan in February, fights between Malays and Madurese escalated into widespread attacks against

\(^ {11}\) Varshney et al, op.cit., 25-29.
\(^ {13}\) J.S. Davidson, “The politics of violence on an Indonesian periphery”, in South East Asia Research, 11, 1, 1.
the Madurese. Malays and Dayaks cooperated in expelling large numbers of Madurese from their homes, killing over 500 people. The violence was characterised by decapitations and other atrocities.

In August violence broke out between two ethnic groups on the island of Halmahera in the northern part of Maluku Province. The violence occurred just prior to the creation of the new province of North Maluku, but centred on the creation of a new subdistrict. When the rioting moved from Halmahera to the district capital Ternate and neighbouring Tidore, the violence became more religious in character as Muslim mobs targeted Christians in general and destroyed churches. This ostensibly religious violence sparked intense conflict throughout the new province, peaking in late December in the two subdistricts of Tobelo and Galela in the northern part of Halmahera, where large numbers of local Muslims were killed.

Following a referendum in which the East Timorese people overwhelmingly voted for independence on 30 August 1999, pro Indonesian Timorese militias destroyed large areas of Dili and elsewhere in the province. The militias killed approximately 1,000 Timorese. The violence subsided only as the UN-sponsored intervention force in East Timor (Interfet) entered the province. The chaos following the referendum forced hundreds of thousands of Timorese to flee their homes and approximately 250,000 entered the neighbouring Indonesian province of West Timor, many of them against their will.

2000
UNSFIR calculated that 2,585 people died from collective violence in the year 2000, although this does not take into account escalating violence in Aceh or Papua. In July 2000 President Wahid declared a state of civil emergency in Maluku and North Maluku, and large numbers of troops were moved to the provinces. The violence in North Maluku lessened slightly during the early part of 2000 until a local Islamic militia launched a series of offensives against the remaining Christian villages on Halmahera. The violence largely ended in June 2000 with the destruction of the village of Duma.

The conflict in Maluku Province continued, however, and was heightened by the arrival of the Java-based Islamic militia Laskar Jihad in June 2000. By May, Laskar Jihad was leading local Muslim militias in clashes with Christians and succeeded in expelling large numbers of Christians from their villages even after the implementation of civil emergency status. In April and May 2000 violence also erupted again in Central Sulawesi, after youth from local and migrant ethnic groups clashed in the town of Poso. As in Ambon, a combination of prevailing inter-religious and local-migrant tensions meant the incident triggered extensive rioting and destruction along largely religious lines. In May, Christian militia attacked Poso leading to approximately 500 deaths. Violence also broke out in nearby Morowali.

Over the year, the situation deteriorated in the province of Aceh. While the Wahid administration and representatives of GAM undertook negotiations, violence continued on the ground. Some observers suggest the Humanitarian Pause signed by GAM and the Indonesian Government allowed the former to regroup resulting in retaliatory measures by the security forces. From the signing of the Humanitarian Pause until November 2000 it is estimated that 220 people were killed. GAM and their supporters continued to reject autonomy and demanded independence which the Indonesian Government and military rejected totally. Interc communal violence also occurred in Papua. In Wamena in October 2000, some 30 people died in an attack by Papuans against migrants.

2001
In Maluku, 2001 was characterised by fewer inter-communal clashes but more frequent clashes between militias and the Indonesian security forces, particularly the newly arrived Yongab. The Indonesian police also took action during 2001 against the leaders of Islamic and Christian militia. While incidents between Christian and
Muslim communities were far less frequent in 2001, the situation was still too tense to repatriate IDPs. In North Maluku however, the longer period since the cessation of hostilities meant IDPs began returning to their home villages and towns and a gradual reconciliation process took place.

In Central Kalimantan in February 2001 Dayaks attacked Madurese (both recent migrants and long-term residents), expelling over 100,000. Several fights between Dayaks and Madurese led to escalated violence in the town of Sampit, and Dayak mobilisation rapidly spread throughout the province. Around 500 Madurese were killed in the attacks. Violence escalated further in Aceh as large numbers of military reinforcements entered the province. Hostilities forced the Exxon-Mobil natural gas plant to temporarily cease operations. A human rights monitoring organisation estimated that 256 people were killed in the province from January until April 2001 and 539 from April until August 2001.15

2002
Sporadic incidents of horizontal violence continued in Maluku and Central Sulawesi Provinces and to a lesser extent in North Maluku. In April, an attack on the village of Soya on Ambon Island led to the deaths of 13 people but failed to reignite widespread conflict. In September a bomb exploded in a sports stadium killing three schoolgirls and rioting broke out on the island of Haruku. Several bombings occurred in Poso, Central Sulawesi, and in August riots broke out in Tojo Sub-District.

In Aceh clashes between GAM and government security forces were less frequent than the previous year but still occurred on a regular basis; civilians were killed as a result. In December the government and GAM signed a ceasefire agreement.

In August, several people were killed in Papua, including two United States citizens when their vehicles were ambushed near the Grasberg goldmine.

In October two large bombs exploded in a nightclub area in Bali and another close to the American Consular office. The explosions killed 202 people, both Indonesians and foreigners. Effective investigations by Indonesian and Australian police led to the arrests of several members of the regional terrorist network Jemaah Islamiyah.

2003
Sporadic outbreaks of horizontal violence continued in 2003, mainly in Maluku and Central Sulawesi. In Poso District, radical groups attempted to destabilise the situation. A series of shootings, including of religious leaders, maintained a high level of tension in the district. In November several attacks on Christian villages brought large numbers of security personnel into the province. Police arrested several members of a local militia accused of carrying out the attacks.

In May the Indonesian military launched a major military offensive in Aceh against GAM after the ceasefire agreement collapsed. Large numbers of civilians appear to have been killed in clashes between the two armed groups. A large number of school buildings and other infrastructure were also destroyed. In August in Papua, several deaths occurred following clashes between opponents and supporters of the division of the province into two.

On 5 August a car bomb exploded in front of the Marriott Hotel in South Jakarta killing 14 people and injuring 148. Violence also marred political campaigning in Bali, with clashes between the supporters of two major parties ending in several deaths.

2004
The military offensive against GAM continued in Aceh. Throughout the year the military claimed success in operations pointing to large numbers of casualties on the

part of the separatist organisation. In December a large tsunami devastated many coastal areas of Aceh. Following the initial massive Indonesian and international relief effort, the Indonesian Government seized the opportunity to resume negotiations with GAM.

One major incident of horizontal violence occurred also. In April rioting broke out in Ambon City following a small ceremony held by the separatist group FKM and 37 people died, many from bullet wounds from sniper fire. The United Nations building was destroyed in the violence. Other incidents of violence occurred in the other conflict-affected regions. In October, inter-village rioting broke out in Mamasa, West Sulawesi over the creation of a new district. In January, a Brimob unit shot into a crowd protesting at the Gosowong mine in North Maluku, killing one man.

Presidential and parliamentary elections passed peacefully throughout the archipelago. In September a bomb exploded outside the Australian Embassy in Jakarta, killing 10 people, injuring approximately 200, and damaging nearby buildings.

2. National Context

Indonesia’s Post-authoritarian Transition

Since the collapse of the New Order, Indonesia has been undergoing a series of difficult transitions: from autocracy to democracy, from centralised rule to decentralised governance, as well as major reforms in the military, the judiciary, and corporate governance systems.

Each of these transitions would be ambitious on its own, but together, under the broad title of Reformasi, this movement represents one of the most ambitious agendas undertaken by a state in recent times. While much progress has been made, Reformasi has produced unintended consequences, particularly in the arena of security, both as it is traditionally defined and in terms of the extended concept of human security. Decentralisation, for example, has provided the opportunity and motive for unscrupulous local elites to capture state authority at the local level.16 Moves to reform the military have met with resistance.
The impact of Indonesia’s decentralisation process is crucial to understanding the dynamics of conflict and peace in the country. The Habibie administration started the decentralisation process in 1999 through two major pieces of legislation: Law 22/1999 on Local Government and Law 25/1999 on the Fiscal Balance between the Central Government and the Regions. The decentralisation process had three main objectives: to prevent disintegration, promote democratisation and provide for the division of labour. Rather than devolve powers to the provinces, the immediate sub-national level of government, legislators gave the majority of the governing and financial powers to the districts (kabupaten) and cities (kota), some 440 in all.

Decentralisation has vastly increased the opportunities for democratic participation with direct elections of district, municipality, and provincial heads as of June 2005—positions that were previously appointed by Jakarta. Regional parliaments (DPRD, or Dewan Pewakilan Rakyat Daerah) have increased oversight powers. But decentralisation has also opened the possibility for local elites, both military and civilian, to use institutions for their own benefit. Fiscal decentralisation increased the potential gains to be made by corrupt officials at the local level, where reliance on criminal networks for political purposes may increase the threat of violence, both individual and communal. In appraising the impacts of decentralisation, the Asia Foundation found that “in several regions, the monitoring function [of DPRDs] is hindered by racketeering/extortion/thugs (premanisme) and nepotism.”

In terms of actual governance, the effects of decentralisation have also varied substantially from region to region. A comprehensive equalisation formula shifted much of the cost of local services to the national government, while giving tax and other revenue-raising powers to local governments. An extensive study by the World Bank found that the system, while ensuring adequate funding for most regions, was “highly unequal... In 2001, the richest local government had 50 times more revenue per capita than the poorest one.” The provision of services has also been varied, no doubt in part due to these revenue disparities. Short-comings in local efforts to alleviate poverty have led the Asian Development Bank to recommend that certain aspects of decentralisation be rolled back, allowing the national government more power to direct local governments.

Reform—or the slow pace of reform—of other government institutions, including the judiciary and the military, has also impacted on the conflict and peace dynamics. Widespread disillusionment with the police and military and the judicial process has contributed to a nationwide upsurge in vigilante violence, which has often manifested along communal lines. Indeed, it is widely believed by Indonesians and some scholars that factions within the military played a deliberate role in instigating some of the horizontal conflicts across Indonesia, as a means of hampering the efforts of the Wahid administration to reform the military, by demonstrating the need for a strong, territorially-based security apparatus.

Last but not least, the experience of other countries undergoing the transition from authoritarian to more...
democratic or pluralist regime reinforces the importance of improving socio-economic conditions in consolidating democratic gains. Recent landmark research on the causal relationships between democracy and development by Adam Przeworski and his collaborators conclude that there is no statistical correlation between a country’s level of socio-economic development and the likelihood that it will experience an authoritarian breakdown followed by the onset of democracy. However, when it comes to the durability of a country’s transition away from authoritarianism toward greater democracy, socio-economic factors such as unemployment rates and the coverage of health and education provision are significant. For Indonesia, economic recovery to pre-crisis levels is a pre-requisite for a successful transition.

2.2 Centralised Rule

Under the New Order regime of President Soeharto, Indonesia enjoyed several decades of stability and remarkable economic growth. Levels of poverty decreased remarkably from 40 percent in 1976, to 15.1 percent in 1990 and 11.3 percent in 1996. HDI levels also rose steadily from the 1970s until the late 1990s. Rates of infant mortality, gender inequality, and education all showed major improvements across all provinces over this period. Politically, too, the country was extremely stable as the regime of President Soeharto retained power for several decades.

However, many of the long-term structures and policies of the New Order and previous authoritarian regimes created at least some of the conditions for the violence that occurred during the nation’s transition period.

These included centralised political control, systems of patronage, and the centralisation of resource revenue, large-scale internal migration and the involvement of the security forces in the economic and political affairs at the regional level.

Several characteristics of the Indonesian economy directly and indirectly established deep-seated grievances and structural inequalities that would emerge as major problems in the reformasi period. Throughout the New Order, there was a widespread perception among many regional communities that the exploitation of rich regional resources almost exclusively benefited non-local interests. This perception was, and continues to be, a major cause of anti-government sentiment in areas such as Aceh and Papua. The PDA process has demonstrated that this perception has also been prevalent among local communities in West and Central Kalimantan.

The legitimacy of such grievances can be seen when comparing the per capita output of some resource-rich areas with indicators of human welfare such as poverty and the UN’s Human Development Indicator (HDI). For example, through mineral, oil, and gas production, the per capita output of Papua Province (now divided into two provinces) is twice the national average. However, poverty levels in the province are two times higher than the national average. In Fak Fak District, the site of a large copper and gold mine operated by the US company Freeport McMoran, per capita output is 16 times greater than the national average. However, HDI for the district is 5 percent lower and per capita consumption is 18 percent lower than the national average.

26) Badan Pusat Statistik, Bappenas, UNDP, Indonesia Human Development Report 2001, Towards a New Consensus: Democracy and Human Development in Indonesia, 2001, 1, and H. Hill, “Indonesia: The strange and sudden death of a tiger economy”, in Oxford Development Studies, vol. 28, no. 2, 2000, 118. However Hill points out that Indonesian poverty levels are very conservative and BPS assessments may be sensitive to the level.
27.) For a good discussion of these improvements, see Badan Pusat Statistik, Bappenas, UNDP, Indonesia Human Development Report 2001, 2-8.

31.) Ibid., 292-293.
In addition, the authoritarian nature of the political system under President Soeharto meant that there was little space and few mechanisms for the discussion of political opposition and difference. The government maintained control through a system of surveillance and patronage and prohibited political activity at the village level in what is known as the ‘floating mass policy’. Regional political capacity was not developed. The justice sector was also closely controlled by the New Order regime and still suffers from a lack of capacity and legitimacy. A low level of trust in the official justice system has often increased the concern and insecurity felt by members of local communities, particularly those lacking in resources and political representation. There is often a perception that legal processes could be changed by either the exchange of money or by a show of force.

Corruption has affected several aspects of Indonesian society that are of relevance to the present study. Corruption appears to have been widespread within the Indonesian bureaucracy, law enforcement agencies, and judicial system. A culture of nepotism has also been widespread and has led in many cases to the dominance of political and economic structures by the members of one ethnic or religious community at the expense of others. While a pillar of the Indonesian state, the Armed Forces have faced institutional difficulties for several decades. Under the New Order, official funding for the military declined to very low levels. Even with a national average economic growth of around 7 percent, the proportion of the national budget allocated to the military declined from approximately 27 percent in 1969 to 7 percent in the 1990s. Military analysts estimate that the central government provided around 30 percent of the funding required by the military, while the remaining 70 percent was obtained by the military through affiliated businesses in most major sectors of the Indonesian economy.

While 30 percent of revenue for TNI/Poli is provided by the central government, most of this revenue remains in Jakarta. In the regions, official military salaries cannot meet the costs of accommodation, schooling, health, and other family demands. The average monthly salary of mid-ranking soldiers ranges from IDR 550,000 to IDR 900,000 (about US$55 to 90); high-ranking officers receive between IDR 2 million and IDR 6 million. This reliance on off-balance sheet activities has provided opportunities for corruption and other illegal practices in addition to weakening institutional command and institutional coherence. Over the past few decades a large process of migration within Indonesia, both government-sponsored and spontaneous has altered the population size and density and ethnic composition of numerous Indonesian provinces. The proportion of the resident population that was born outside several provinces that experienced conflict from 1997 to 2001 can be seen in Figure 1.

The loss of land because of sponsored migration, resource concessions, and other reasons has been a major source among grievance local communities. Indigenous communities, often still perceiving themselves as having customary ownership of the land in question, have been aggrieved when that territory has been declared government land to be occupied by a migrant community or leased to a large business from which they have received little revenue.

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32. In a survey carried out in early 1998, 78 percent of those polled believed that paying a bribe would be necessary in any matter involving a government office, F. Robertson Snape ‘Corruption, collusion and nepotism in Indonesia’, 590.


36. For example, the population of Central Kalimantan almost doubled in the two decades leading up to 2000, from 954,000 to 1,802,000, largely due to transmigration. By 2000, 26 percent of the Central Kalimantan population was born outside the province, excluding children and grandchildren of earlier arrivals. The same proportion of the Central Sulawesi population originated from outside the province. See International Crisis Group, ‘Communal violence in Indonesia: Lessons from Kalimantan’, Asia Report No 18, 27 June 2001, 14.

37. Customary ownership of land was legally diminished with a series of laws since 1960 which stated land ownership would be recognised only so long as it did not interfere with the national interest. Ibid., 15 – 16, discusses laws, including the Basic Agrarian Law No 5 1960, Basic Forestry Law 1967, and the Mining Law 1968.
The government has in some cases come into direct conflict with local communities. For several decades the Indonesian Armed Forces waged counter-insurgency operations against armed separatist organisations in three provinces (Gerakan Aceh Merdeka in Aceh, Organisasi Papuan Merdeka in Papua and Fretilin in East Timor). The insurgencies in these provinces have been driven by a mix of ethnic nationalism, grievances over human rights abuses, in-migration, a perceived lack of cultural and political rights, and the economic exploitation of local resources by outside interests. However, these organisations, in addition to threatening the territorial integrity of the Indonesian state, also engaged in illegal activities such as extortion and kidnapping and. Actions taken by both the security forces and the insurgents caused the deaths and abuses of large numbers of civilians. Over time, the violence in these provinces became a central cause of pro-independence sentiment.

2.3 Financial Crisis

The high growth rate, low inflation, stable currency, and massive in-flows of international capital that characterised the Indonesian economy during the New Order until the Asian Financial Crisis actually served to obscure several major structural flaws. Business and other contracts favoured the associates and family members of the president; corruption in the national bureaucracy and in business undermined governance and economic efficiency. Facing minimal regulation, many banks issued massive loans with little investigation into the borrowers, many of whom were actually affiliated with the banks. Even before the economic crisis, several incidents shook investor confidence in the Indonesian banking system.38

One major characteristic of the Indonesian economy prior to the crisis was the high mobility of capital in the country. In the decade prior to the crisis Indonesia’s public and private international debt stayed reasonably stable compared to GDP. However the state's short-term debt (less than one year) greatly increased during the 1990s. The World Bank estimated that from 1990 to 1996 short-term debt, which is far more vulnerable to withdrawal by international creditors, had trebled.39 Highly mobile international and domestic portfolio investment also greatly increased.40 In addition, many domestic and international loans taken out by large Indonesian companies held high credit risk, denominated in foreign currencies without being financially hedged. With the benefit of hindsight, some analysts also now suggest that being quasi-fixed to the US dollar, the Indonesian rupiah had become overvalued.

40. Ibid.
When the Thai baht, Malaysian ringgit, and Philippine peso were devalued, international and domestic investors withdrew capital from Indonesia, initiating a run on the Indonesian rupiah. The rupiah dramatically decreased in value against the US dollar, from 2,200 in July 1997 to 6,000 in December 1997; in January 1998, fell as low as 17,000. Indonesian debtors with loans in foreign currencies were left exposed. The IMF eventually prescribed the closure of a number of large banks swamped with non-performing loans, which in turn triggered a crisis in confidence in the banking sector.

A major factor leading to the severity of the economic crisis in Indonesia was the inability of the Soeharto regime to respond to the snowballing crisis of 1997 and early 1998. By 1997 the regime was totally dependent on the decisions of the president, and unprepared for taking charge in the absence of clear policy choices during a crisis.\(^{41}\) When he favoured policy choices more designed to protect the business interests of his family and friends, dismissed certain IMF prescriptions and fired his Central Bank Governor, he faced few personal or institutional constraints.

Combined with natural events there was a major detrimental impact on the living standards throughout the archipelago. A long running drought reduced rice production by 4 percent in 1997 adding to price rises associated with the lower value of the rupiah. Unemployment rose.

Many more jobs are considered to have been lost than were reflected in official figures. Most people who had lost their jobs tended to move into the informal sector, which was far less well paid, hence real wages fell across the board. From 1997 to 1998 the number of women with incomes below the poverty line doubled from 11 percent to 22 percent, driving many to seek work in sectors such as prostitution.\(^{42}\) Unemployed people seeking work moved from towns into rural areas, further depressing agricultural wages.

In addition, from 1997 to 1998, inflation rose from 6 percent to 78 percent.\(^{43}\) Poverty levels peaked at 27 percent in 1999. Riots over the price of fuel, food, and other necessities broke around the country.

### 2.4 Democratisation

The economic crisis triggered massive protests and pressure for governance reform by a wide range of civil society actors. Students led large protests on the streets of all major cities and—along with leaders of opposition parties, academics, and other leaders—called for Soeharto’s resignation and the withdrawal of the Armed Forces (ABRI) from political and civilian life. The political and social momentum was such that even some senior military officers and Soeharto allies supported these calls. Facing overwhelming opposition and declining support, and with his health failing, President Soeharto resigned on 21 May 1998. Vice President B. J. Habibie replaced him as president and scheduled national elections for June 1999.

In 1999 and 2005, Indonesia held free and fair presidential and parliamentary elections. In 2001 there was also a peaceful transition of power from President Wahid to President Megawati Sukarnoputri. In 2002 the Indonesian Peoples Consultative Assembly (MPR) agreed on direct election of government officials. Beginning in 2005, the elections for president, vice president, district heads and governors were direct. The direct election of government officials increases accountability as candidates are forced to target campaign policies to the people and in turn are held responsible by the people for these promises. In addition, direct elections tend to remove the possibility of vote buying or money politics that marred previous elections by national and local parliament.

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\(^{41}\) Ibid, 132.


\(^{43}\) Ibid, 1.
2.5 **Decentralisation**

In addition to a rapid process of democratisation, the Indonesian Government also initiated a dramatic decentralisation of authority to regional governments. Through two laws and associated implementing regulations, the government devolved considerable political and financial authority to the regions, particularly the district/municipality level.\(^{44}\) Many in the government and elsewhere saw the process of decentralisation as a means of addressing regional grievances, thereby maintaining national unity and territorial integrity. Decentralisation was also a primary vehicle for increased public participation in politics and government accountability, and increased provision of services. In addition, one of the laws allowed for the creation of new sub-districts, districts, and provinces through the process of pemekaran (literally ‘blossoming’, but more appropriately ‘division’). These twin processes of decentralisation and pemekaran have strongly affected inter-communal relations in the regions.

Given the enormous scale of the project, the initial decentralisation process was highly efficient. In just one year, two-thirds of bureaucratic personnel and all relevant government departments and service facilities were transferred to regional control. The process of decentralisation has certainly made progress toward increasing the democratic accountability of government officials, particularly district-heads. District heads are no longer accountable to the governor, but to the district parliament, and therefore, in essence, to the people. Now that the government has legislated for the direct election of district heads by the people a higher degree of accountability has been assured.

\(^{44}\) The process of decentralisation, formally initiated on 1 January 2001, is based on two laws signed by the president in May 1999: Law 22/1999 on Regional Government and Law 25/1999 on Fiscal Balance Between the Centre and the Regions. The central government has also passed a large number of Government Regulations (Peraturan Pemerintah) designed to implement the principles of the two laws. This report will use the English language terms for the administrative units in Indonesia. Therefore sub-district, district, municipality and province will be used for kecamatan, kabupaten, kotamadya, and provinsi respectively. When talking generally about districts and municipalities, this report will use the term district. The term region is used to refer to the collectivity of province and districts.

2.6 **Inequality**

Many regions also now operate with a high level of financial autonomy. However, there is a high degree of inequality among the regions which financial decentralisation has perhaps worsened. The richest province has 10 times the revenue available to the poorest. Even more dramatically, the World Bank illustrates that in 2001, the richest district government had 50 times the revenue of the poorest.\(^{45}\) The circunvention of the province has also presented difficulties for the provincial government in managing certain sectors that require cross-district cooperation. This role is particularly important in situations of conflict involving factors such as the widespread movement of IDPs.

Decentralisation does not appear to have quelled discontent in Aceh or Papua. In Aceh, decentralisation and special autonomy were rejected by GAM as a poor substitute for independence until the signing of the Memorandum of Understanding (MoU) on 15 August 2005 by GAM and the GoI paved the way for the current peace process. The MoU has stated that the Aceh's current special autonomy law will be reised to accommodate Acehnese desire for a greater say in the formulation of the special autonomy law - as opposed to the existing law that was drafted in Jakarta - and as a pre-condition for supporting the peace process. In Papua, the implementation of pemekaran at provincial level in direct contravention of Papuan Special Autonomy legislation has created the potential for further conflict.\(^{46}\)

Decentralisation has also caused increased political competition at the local level. District-head positions and other positions in the district-level government and bureaucracy became vastly more lucrative following the passing of Laws 22 and 25. The decentralisation laws also

\(^{45}\) World Bank, Decentralizing Indonesia: A regional public expenditure review overview report, World Bank East Asia Poverty Reduction and Economic Management Unit, 2003, 34.

\(^{46}\) Announcement of the laws also had little impact on the pro-independence sentiment in East Timor as shown by the referendum in 1999.
allowed for the creation of new sub-districts, districts, and provinces through a process of pemekaran. Through pemekaran the number of districts rose from under 300 when the laws were passed in 1999 to over 400. A number of new provinces have also been created since 1999. In some cases, the division of new districts has improved law and order, one of the intended goals of pemekaran. However, in other cases the process of pemekaran, combined with the increased value of local government positions, appears to have created the conditions for conflict and sharpened competition between groups as will be discussed below.

There is also a widespread perception among the Indonesian community that district and provincial parliaments (DPRD) are sites of corruption. This perception understandably causes intense frustration within communities, frustration that is exacerbated by the fact that there is little legal recourse against such corruption. The primary means available to those members of the community seeking to halt corruption is protest.

2.7 Security Sector Reform
As well as the twin processes of democratisation and decentralisation, Indonesia has also undertaken substantial reform of the security sector. There have been three main focuses of security sector reform. Firstly the government has worked to place both the TNI and the police more fully under civilian control. This has involved steps toward removing the military and police form the political and economic life of the nation. Steps have also been taken toward defining the different roles of the two institutions, the TNI as the principal defender of the nation from external attack, and the police taking responsibility for internal security. As will be discussed there is still work to be done in these areas.

2.8 Military Reforms
The removal of the TNI from political life has been a primary pillar of the reform movement in Indonesia and the assumption of civilian control over the military. Substantial advances have been made in this regard. In August 2002, the People’s Consultative Assembly (MPR) agreed to scrap the military’s and police’s automatic seats in both the MPR and the House by 2004. Article 39 of the recent TNI Bill states that serving military officers can no longer be members of a political party nor stand in legislative or regional executive elections. The security forces held a relatively neutral position during the 1999 and 2004 national elections.

Important steps have also been taken to withdraw the military from the economic life of the country. In April 2005, the commander of TNI stated that the military will hand over control of all military businesses to the government or to be sold to the private sector by 2007. This has major implications for increased civilian control of the military as the latter would be more accountable to the government.

2.9 New Police Role and Responsibilities
The Indonesian Government has taken several steps toward reform of the police, including a redefinition in the role of the institution. In 2000, the Indonesian Police was separated from the military. The institution was defined as a civilian agency and, like the military, was to be removed from the political arena by 2004. The police now hold primary responsibility for internal security and law and order. This includes responsibility for responding to both communal conflict and violent insurgency. The police also direct counter terrorism operations and have achieved impressive successes in this area. A great deal of funding and training has prepared several elite police units for the event of a terrorist emergency.

49.) The primary legislation regarding police reform have been MPR Decrees No. 6 and 7/2000 and the Police Bill adopted by the DPR in December 2001.
2.10 **Outstanding Issues**

The primary factor standing in the way of the creation of a professional and efficient military is the continuing shortfall in the necessary budget. The loss of income from business activities (estimated at perhaps 70 percent of its income) means the military will face even more serious budgetary shortfalls. This has major implications for the personnel, equipment, and other necessities for those times when the military is required to assist the police in matters of internal security such as conflict. In November 2004, Defence Minister Juwono Sudarsono estimated that the TNI requires US$5.06 billion (IDR 46 trillion) to maintain a professional force.\(^5\)

The police face similar funding constraints. Being integrated into ABRI and subordinated to the army was detrimental to Polri. Several ABRI Commanders during the New Order considerably reduced official funding of Polri. It is estimated that from the fall of President Soeharto to the present, the police (like the military) have received only approximately 30 percent of their required operating budget from the government. This means that, as with the military, approximately 70 percent of revenues for wages, equipment, and infrastructure must come from extra activities such as business. In some cases personnel have very low daily stipends on which to live, often relying on donations from local populations. In conflict areas, Brimob and Polri personnel are often forced to live in the ruins of houses.

Over the New Order period, the number of police personnel has declined and the institution now suffers from chronic shortage of personnel. In 2002, the ratio of police personnel to citizens was 1:1068, far lower than the UN standard of 1:400, or those of other countries in the region such as India (1:700) and Pakistan (1:600).\(^5\) Women comprise only 8,000 or 4 percent, of the entire police force. AKPOL only recruits male trainees, but the College of Police Science has started a non-degree course for female personnel which is equivalent to AKPOL training.\(^5\)

Many analysts consider the training of police to be inadequate and inappropriate. The lower and middle ranks that comprise 87 percent of the police force do not attend the Police Academy (AKPOL), but only the National Police School (Sekolah Polisi Negara). These recruits, often those most involved with the public and in fighting crime, receive only six months of basic combat training and little legal training.\(^5\) In addition a low level of police field intelligence in the more remote regions has meant the police have apparently been surprised by outbreaks of violence. This is a major problem for Polri in carrying out its responsibility for internal security.

A focus on military education and training has given many Polri officers and personnel a militaristic character. A lack of training in policing and crowd control has encouraged a militaristic response to demonstrations, inter-communal conflict, and other turmoil. This militaristic character is particularly prevalent among Brimob (Mobile Brigade) personnel.\(^5\) Brimob is also given the most dangerous among police tasks, such as assisting the TNI in the suppression of separatist insurgencies. A combination of a lack of training and capacity and a long-held militaristic character and role appear to have led to overly forceful responses, particularly to insurgencies in Aceh and Papua, and also to inter-communal conflict in Maluku and Central Sulawesi.

It is widely recognised that Polri personnel have also become involved in illegal activities, including corruption surrounding criminal cases. Given that the lack of a police response to relatively minor criminal incidents is a common trigger of rioting in Indonesia, the vulnerability of police

\(^{50.}\) The Jakarta Post, 4 November 2004.

\(^{52.}\) Ibid., 134.
\(^{53.}\) Ibid., 133.
personnel to bribes is a serious problem in conflict prone areas. More seriously, there are suspicions that due to inadequate governmental funding, police personnel, particularly Brimob, have an interest in maintaining a high level of tension between local communities. The financial benefits of conflict situations for both Polri and TNI personnel range from charges paid by evacuating IDPs to increased income from service in civil emergency situations.

The new independence and the economic interests of Polri have led to competition with TNI. After decades of Polri being a subordinate element in ABRI, the military (particularly the army) has been reluctant to accept that the police now have primacy in matters of law. The opposing interests of TNI and Polri, and an unwillingness to accede a predominance to the other, has in some cases led to violent clashes between the two institutions, even during inter-communal and separatist conflicts. This has undermined both institutions’ role in halting and preventing conflict.

The respective roles of the police and the military also remain unclear, partly due to unclear legislation. While the police now have primary responsibility for violent conflict and other matters of internal security, Polri performance is mixed: police success in headline terrorism investigations in Bali and Jakarta has not been matched by investigations of communal violence in the provinces. Therefore, the TNI is still required to assist the police in serious security situations. However, it is unclear under what circumstances the TNI will assist the police and what chain of command will apply in such situations. There remains tension between the military and police over responsibility in cases of terrorism, with each institution believing it has the best resources.

Despite reforms, the TNI’s territorial structure of command and involvement in civil and economic affairs remains intact if not strengthened following the implementation of regional autonomy. Laws 22 and 25 failed to give regional governments control over the military and police personnel stationed in the region. This has led to the establishment of new local units such as Satpol Pamong Praja, overseen by regional governments, leading to further confusion over security roles.

While military officers are no longer in the higher echelons of regional government, local officials find themselves more, not less, dependent on local military commanders to maintain power. The influence of local TNI commanders is important in district heads and governors maintaining power over local opposition. With greater revenue remaining in the regions, the TNI has been happy to accept a decreasing role in national politics while enjoying greater local influence. This has several impacts on regional politics and ethnic relations that hold the potential for causing conflict, or that preclude an effective response to conflict. Having a large stake within local economies and politics means that military units may not act impartially in the event of political protests. Elected leaders will also not necessarily have control over military units.

57.) Ibid., 6.
Some analyses of the myriad conflicts in Indonesia (and conflicts elsewhere) have tended to be reduced to a single or small number of explanatory variables. Early accounts of the conflicts in Maluku and Central Sulawesi, for instance, focused on the supposed role of provocateurs in fomenting the conflict; other accounts have tended to focus on the religious variable at the expense of other variables, such as access to resources, ethnicity, and migration patterns. Oversimplification of conflict causality results in problems. Incomplete analysis leads to incomplete or even counterproductive policy recommendations. In dealing with conflict, this report identifies a range of structural, proximate, and triggering factors that appear to have contributed to the emergence and dynamics of conflict, but does not attempt to ascribe to these a single causal relationship. The report should not be interpreted as suggesting that the presence of any of these factors was

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3. Causes of Conflict

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necessary for the outbreak of conflict, or that conflict would not have taken such a serious form had any of these factors been absent.

This report identifies three broad structural causes for the communal conflict in Indonesia: the decline of traditional structures of power; shifting inter-group horizontal inequalities in the affected areas; and the effects of three decades of rule by an authoritarian government. The first enabled conflict by removing an important historical barrier to the emergence and escalation of conflict in the province. The second was the key source of communal grievances on all sides. The third was both a cause of resentment, as the state exploited the resources of the province for the benefit of a select few, and also indirectly contributed to the escalation of conflict because of the absence of local conflict-resolution mechanisms within the context of a centralized state.

3.1 Communal Violence

In this rapidly changing national environment, many of the issues and factors that had long caused tension between communities intensified in certain regions. In almost all of the major cases of violent horizontal conflict in Indonesia in the period 1997 until 2001, unrest catalysed around tensions among members of local/indigenous and migrant communities. While the violence often spread to involve local communities, in most cases violence initially occurred between members of local and recent migrant groups. Violence often began in areas where migrants constituted a high proportion of the population. The Central Sulawesi PDA report provides a good discussion of how tensions surrounding migration led to violence.60

3.1.1 Identity issues

Much media coverage of these conflicts, as well as some academic analysis, suggests that cultural and other identity-based issues were responsible for the

outbreak of violence. It is frequently asserted that migrant groups refused to integrate or adapt to local cultures, and that migrants were ‘exclusive’. Some analyses restated a perception that migrants often brought a cultural propensity for violence and/or crime to their new province.61 For example, the PDA process has found that negative perceptions are held by local and migrant communities in West and Central Kalimantan and no doubt played a role in rising tension.62 Negative perceptions of IDPs are also present in NTT as shown in the NTT PDA report.63 Negative perceptions of others also increases solidarity among specific ethnic or religious groups as was shown in the Kalimantan and Madura PDA report.64

However, while these perceptions are important indicators of a low degree of cohesion among communities, they do not completely explain the violence. It is important not to over-emphasise the importance of negative stereotypes. In many cases stereotypes are exaggerated after conflicts in order to apportion blame. For example, as the victims of three episodes of what could be termed ‘ethnic cleansing’, Madurese may disagree with the commonly stated stereotype of them as easily disposed towards violence. Such perceptions and stereotypes often arose because of more concrete issues of everyday economic and political competition, and, in turn, exacerbated this competition.

3.1.2 Resource competition

Land issues have often been central to rising tension and the outbreak of violence. A coalition of Indonesian NGOs, the Consortium for Agrarian Reform, estimated that from 1999 to 2001 there were 376 cases of land-related

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61.) This form of explanation is particularly prevalent with regard to anti-Madurese violence in West and Central Kalimantan. Dayak leaders and some analysts suggest rising Dayak animosity toward Madurese was due to several particular characteristics of the latter and a Madurese (particularly recently arrived) refusal to integrate into Kalimantan society and accept Dayak culture.


64.) Rochman Achwan et al, op.cit., Chapter 3.
violence in Indonesia.\textsuperscript{65} Local communities have often lost traditional land, to the official transmigration programme, to concessions granted by Jakarta to large forestry or plantation businesses, or by selling lands to more wealthy migrants. This loss of land has often caused strong feelings of disenfranchisement among local communities. The Central Sulawesi PDA report demonstrates the differences in landholdings between migrants and non-migrants, the latter holding on average far greater amounts of land.\textsuperscript{66} The report also discusses the importance of the ways different conceptions of land ownership led to tension and conflict.\textsuperscript{67} Perhaps inevitably, animosity has developed against migrant communities that appeared to be benefiting from the exploitation of local forestry or other resources. In many cases, these opposing claims to land have been sharpened by the presence of lucrative natural resources within the territory in question. This tension has centred on several different issues, including employment with the business exploiting the resource, unequal funding to local communities, and dominance of the local government and bureaucracy. The presence of lucrative forestry concessions or mineral deposits has in some cases sharpened the tension surrounding the demarcation of new districts. In North Maluku the presence of a large gold deposit increased tension between the Kao and Makian communities on the island of Halmahera.\textsuperscript{68} In some cases, environmental degradation stemming from large-scale resource exploitation has caused tension among communities.

Sometimes the tensions between local and migrant communities are increased because migrants dominate certain sectors of the local economy or politics, and in some cases both. In some areas that experienced major

\textsuperscript{65} C. Thorburn, "The plot thickens: Land administration and policy in post-New Order Indonesia", in Asia Pacific Viewpoint, vol. 45, no. 1, April 2004, 41.
\textsuperscript{66} Graham Brown and Yukhi Tajima with Suprayoga Hadi, op. cit., Chapter 3.
\textsuperscript{67} Ibid., Chapter 3.

conflict, migrants dominated the agricultural or service sectors, leaving members of other communities feeling disenfranchised and economically vulnerable. Grievances on the part of local communities in several areas have also been exacerbated by growing migrant dominance in the district government and bureaucracy.

During the period of economic crisis and reform, economic hardship and everyday competition was almost universal in Indonesia, however major conflict centred on only a handful of districts. A more complete understanding of conflict in these areas must also consider the massive changes in structures of governance occurring at that time. As discussed above, in 1998 Indonesia embarked upon the twin processes of democratisation and decentralisation of political and financial authority to the regions. Across Indonesia these processes simultaneously allowed for widespread political participation and mobilisation and increased the benefits of political power at the regional level. Unsurprisingly, competition among local actors for district and provincial level political power increased.

While highly sought after during the New Order, the benefits of holding these positions and dominating the associated bureaucracy greatly increased from early 1999. The financial revenue available to district office holders substantially increased with the implementation of regional autonomy. Along with the personal influence and financial benefit of holding these positions, governors and district heads are now also responsible for all major bureaucratic appointments. The governor and district head appoints heads of all departments of the bureaucracy, as well as officials in their own (often very large) departments. For all communities, particularly those which no longer have access to land, the primary source of resources is through bureaucratic employment, a sector intimately linked to political contestation at the district level.

Candidates for major political and bureaucratic positions therefore often enjoy the support of wide networks, which in areas of strong ethno-religious identity and segregation
tend to be exclusive to one ethnic or religious group. In this way, large networks are formed along sectarian lines, each seeking to have their candidates elected.

Most detailed analyses of the main conflicts in Indonesia since 1997 suggest that competition surrounding gubernatorial and district head positions and the provincial and district bureaucracies played a major role in translating tensions among communities into conflict. The Maluku and North Maluku PDA report discusses the way in which increased competition and a connection between rival candidates and criminal elements led to the violence in Ambon. Much political competition in 1999 and 2000 reflected a lack of experience with democratic principles. Most political parties, and the candidates who represented them, were more interested in the pursuit of interests and control over patronage networks than in implementing particular political or economic programs. In addition, physical intimidation continued to play a role in political campaigning. In some areas, militias have been used to intimidate rival candidates and their supporters during election campaigns. Violent incidents that are inherently political and criminal appear communal in nature as they involve members of different ethnic and religious groups, who may be using the symbols of that group as mobilising tools.

Inequality in the government and bureaucracy has also played a role in causing conflict. In some cases, a lack of representation in local government and bureaucracy has been a major factor behind violent protests by disenfranchised communities. In other cases, a group that has long dominated the local bureaucracy has felt threatened by the increasing representation of another group.

Greater opportunities for this to happen emerged as local preparations began to divide existing sub-districts and districts into smaller units under the process of pemekaran. The Maluku and North Maluku PDA report illustrates how in North Maluku, the creation of a new province stimulated rival factions to compete for gubernatorial and district head positions. In some cases, members of the elite seeking to politically dominate a district in the new era of regional autonomy and decentralised finances sought to wrest control of income generating activities.

Conflicts in other areas of Indonesia greatly increased tensions and concerns between communities especially when those conflicts were located nearby or involved people of the same ethnicity or religion. In most outbreaks of violence, rumours and leaflets have been highly instrumental in dramatically raising tensions and even causing violence. The apparent violent actions of members of another group legitimises mobilisation and preparation for violence within a community. Belligerent young men who would usually be pressured to maintain calm are afforded a newfound respect.

While concerned about the motives of other groups, many communities often mistrusted the security forces to act impartially. A perceived or real lack of access to justice during times of insecurity has in many cases played a central role in outbreaks of violence in Indonesia. In some cases, sections of communities began arming themselves and preparing for violence following a relatively minor incident that appeared to reflect another group's aggressive intentions. In numerous cases prior to retaliatory riots, communities have demanded and waited for police action against the perpetrators of minor incidents such as thefts, vehicle accidents, or assaults. When the police have proven unwilling to take such action, the community has undertaken preparation for retribution or protection against further incidents.

69.) Ibid., Chapter 3
70.) Ibid., Chapter 3
3.2 The Resurgence of Vertical Conflict in Aceh and Papua

At the same time as communal conflict broke out in several places of Indonesia, vertical conflicts intensified in three provinces that had long held separatist ambitions: Aceh, East Timor and Irian Jaya (subsequently renamed Papua by the Indonesian Government). In all three areas, secessionist sentiment was expressed more freely than was possible during the New Order. This expression of a desire for independence met with a variety of responses from the government, from actual offers of independence (as with East Timor) or increased autonomy to military resistance.

3.2.1 Aceh

Reformasi-era governments have initiated relatively radical policies to address continuing separatist sentiment in Aceh and Papua. In Aceh, the government ended the Military Operation Area (DOM) operations in August 1998 and in September and October 1999 recognised the special status of the province through Law 44/1999. While not dramatically different from the decentralisation laws, this law gave Aceh the right to organise its own religious cultural and educational affairs within national guidelines. The situation on the ground did not improve, however, and in many areas actually appeared to deteriorate. Many senior military officers were opposed to any form of negotiations with GAM while the organisation refused to drop its demand for independence. It has been estimated that from the lifting of DOM in August 1998 until the end of 1999, 447 civilians were killed and another 144 were missing. With mounting calls for a referendum on independence, the Indonesian Government began negotiations with GAM.

Government officials and GAM representatives began meeting in preparation for negotiations to be facilitated by the Switzerland-based Henry Dunant Centre. However, there were different views within the Indonesian Government over the extent of concessions that were to be made to GAM, with many individuals including many within the military disagreeing with a diplomatic solution to the conflict. The two parties signed a ‘Humanitarian Pause’ under the auspices of the Henry Dunant Centre. However by late 2000, GAM expanded mobilisation, clashes continued between GAM and TNI / Brimob, civilian deaths mounted; eventually, the agreement collapsed. By 2001 the government began increasing military operations in Aceh.

The central government offered the province further special autonomy under law 18/2001. As well as renaming the province Nanggroe Aceh Darussalam, the law differed from the decentralisation laws in several ways: authority was devolved to the provincial level; the province received 80 percent of oil revenue; and shariah law was to be implemented in the province for Muslims. However the law did not address some of the issues important to Acehnese such as human rights abuses nor did it provide for local political parties, an important demand of GAM.

In 2002, further negotiations resulted in a Cessation of Hostilities Agreement and a decline in violence. However, disagreements soon arose and the government perceived GAM as using the ceasefire to again increase its influence in the province, establishing a parallel government structure and collecting taxes. TNI made its opposition to the ongoing peace process clear and claimed GAM had used the ceasefire to increase its strength. In May 2003 President Megawati announced a military emergency status in the province and large-scale military operations against GAM commenced.

3.2.2 Papua

As stated previously, the government has faced separatist unrest in the province of Papua. In 1999, the central government passed Law 45/1999 which provided the

authority to divide Papua (at that time named Irian Jaya) into three provinces (West Irian Jaya, Central Irian Jaya, and Irian Jaya). There was considerable opposition in Papua to the apparent ‘divide and rule’ goal of the law and it was not implemented. Violence broke out in several locations in Papua during 2000.78

A bill on special autonomy for Papua was signed into law on 21 November 2001, similar to that for Aceh.79 This law also gave a far greater share of resource revenues to the province, including 80 percent of mining, forestry, and fishing revenues and officially changed the name of the province from Irian Jaya to Papua. The law also sought to increase the traditional rights of Papuans through mandating the formation of a parallel governing assembly the Majelis Papua Rakyat (MPR) and gave the provincial government discretion over further transmigration inflows.

However, delays in the implementation of some aspects of special autonomy such as the formation of the MRP have weakened support for greater autonomy. The Papuan separatist Free Papua Organisation (Organisasi Papua Merdeka, OPM) does not have the same level of organisation, funding, or military capacity as GAM in Aceh. While independence sentiment remains high there are few violent clashes. There are, however, frequent demonstrations often involving the raising of the Papuan ‘Morning Star’ flag.

In August 2003 the central government announced the creation of the new province of Central Irian Jaya, part of the division of Papua into three provinces. In the town of Timika local Papuans protested against the law and clashed with supporters of the creation of a new province. The rioting resulted in several deaths. The government stated the division was to increase administrative efficiency and service provision. However, many in Papua perceived the law as a measure to diminish support for the OPM by dividing the Papuan population. Members of the Papuan elite argue that the creation of the two new provinces violates Papuan Special Autonomy because the Papua People’s Assembly (MRP) has as yet been established and therefore had not been in a position to oppose or agree to the law.

A key concept in the dynamics of conflict is ‘process’—a sequence of more elemental ‘mechanisms’. Most accounts of conflict stop at the identification of structural causes. Although knowledge of structural causes of conflict is crucial in the developmental planning processes, remedial policies will only have a positive impact in the longer term. For faster impact conflict management and prevention, knowing how conflict escalates can lead to timely interventions that prevent trigger incidents from developing into full-scale communal violence. Gerry van Klinken has identified five key processes in contentious politics that also illustrate conflict pathways summarised in the section.

The first process, ‘scale shifts’ trace how small conflicts escalate to involve many more actors through the attribution of similarities. Actors in different sites identify themselves as being sufficiently similar to band together.

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80) G. Van Klinken, op. cit., 80
81) Ibid 82-99
for a common cause. The second process, ‘mobilisation’ identifies how normally apathetic or disorganised people become mobs through a series of social developments. First of all, a series of broad social changes alters the balance between communities. Next, organizations are created to deal with the new threats and opportunities leading to collective action against the opposite side, and culminating in an escalation of insecurity that reinforces the earlier perceptions of threat and opportunity. The third process, ‘polarisation’ traces how the political space between rival groups widens as they gravitate towards extremes.

The fourth process, ‘identity formation’, distinguishes between the role of grass-roots actors in forging identities that are ‘particularistic’ (i.e. specifically attached to certain local groups, issues or places); and elite entrepreneurs who form identities that are large-scale, requiring political entrepreneurs and communication networks. The distinction between the modalities of grass roots versus elite entrepreneurs explains why elites who provoke violence are rarely able to contain or manage violence once it has escalated: they lack real connection with the grass-roots actors. The clear policy implication here is that grass-roots leaders rather than metropolitan elites should be intensively involved in peace building and reconciliation processes.

The fifth process, ‘actor constitution’, refers to the emergence of new political actors and is particularly pertinent in the context of decentralisation, through which ethnic identity has become a powerful instrument for political mobilisation. Elements in the process of actor constitution include the creation of appropriate organisations to promote the cause of the group. These organisations then engage in public action, which creates core supporters and opponents. Opponents react by attributing threats to the subjects while sympathisers begin to identify with them. The ensuing tensions between supporters and opponents seals the new identities.

Understanding the dynamics of conflicts and local dynamics is important in light of the distribution and concentration of collective violence highlighted in the UNSIFIR database of violent incidents in the period 1990 to 2003: 15 districts with a mere 6.5 percent of the population account for 85.5 percent of all deaths. Fatal group violence in Indonesia is highly concentrated. Accurate policy interventions can be prescribed only by understanding the ways structural causes of violence that can be found in many parts of Indonesia interacted with local dynamics, accounting for the limited distribution of large-scale communal violence.

4.1 Triggers of Violence

In the atmosphere of political uncertainty, poor law enforcement and inter-communal tension and competition that prevailed in several areas of Indonesia in the period 1997–2001, relatively minor incidents were sufficient to provoke violent conflict. Often these incidents were actual expressions of animosity between members of two communities (such as stone throwing). In other cases, however, unintended incidents (such as a traffic accident) caused a subsequent spiral of violence. Much depends on the reaction to these incidents by community leaders and how they are portrayed in the media.

The case of Sambas District, West Kalimantan in 1999 shows the manner in which a small incident can escalate into large-scale conflict. In January a Madurese man reportedly stole a motorbike from a Malay, after which a group of Malays beat the accused man. Two days later 200 Madurese attacked the Malay village of Parit Setia, killing three people. Following this attack, sections of the Malay community demanded police action, which was not forthcoming, and so they prepared for conflict. Another violent incident involving a Madurese man then triggered large-scale anti-Madurese attacks.

82.) A. Varshney et al, op. cit., 34.
83.) Ibid., 35.
84.) J. S. Davidson, op. cit. 78.
## Table 2
### Important Triggers for Ethno-communal Violence in Indonesia

<table>
<thead>
<tr>
<th>Triggers</th>
<th>Deaths</th>
<th>Incidents</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>Total</td>
<td>%</td>
</tr>
<tr>
<td>Youth clashes</td>
<td>3,856</td>
<td>147</td>
<td>25 Common in all provinces</td>
</tr>
<tr>
<td>Stoning houses</td>
<td>2,789</td>
<td>68</td>
<td>11 Refers to North Maluku</td>
</tr>
<tr>
<td>Demonstrations</td>
<td>1,225</td>
<td>12</td>
<td>2 Dominated by the May 98 riot in Jakarta with 1,188 deaths</td>
</tr>
<tr>
<td>Traffic accidents</td>
<td>928</td>
<td>208</td>
<td>35 Refers to Maluku</td>
</tr>
<tr>
<td>Destruction of clove plants</td>
<td>518</td>
<td>73</td>
<td>12 Refers to Maluku</td>
</tr>
<tr>
<td>Murder</td>
<td>192</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>155</td>
<td>120</td>
<td>20</td>
</tr>
<tr>
<td>Total (14 provinces)</td>
<td>9,612</td>
<td>599</td>
<td>100%</td>
</tr>
</tbody>
</table>


The failure of law enforcement officials to respond adequately and impartially has, in several cases such as this, helped transform minor criminal incidents into large-scale inter-communal violence. Sections of the community have made preparations either to defend their community from further violation or for actual retaliation. The Kalimantan and Madura PDA report discusses the creation of neighbourhood watch groups (siskamling) by Malays in West Kalimantan concerned over what they considered to be rising Madurese crime. It is often a lack of police action, and subsequent retaliation by sections of the community, that escalates minor incidents such as traffic accidents into widespread rioting.

### 4.2 Youth and Gangs/Militias

Youth clashes have precipitated riots that took nearly 40 per cent of all lives in violence since 1990. As a share of incidents, they also constitute the largest category and can often lead to ethno communal rioting. The disproportionate share of young men in violence itself is no surprise; it is one of the best-documented gender and age differences in behaviour and almost a universal trait. What sets Indonesia apart is the legitimacy derived from an idealized image of young revolutionaries. The pemuda, (literally meaning young man or young men) culture is a legacy from the Indonesian Revolution and the pemuda is a role model that is still followed. For example, the bands of militia who ravaged East Timor after the referendum in 1999 all dressed like pemuda, with long hair and sharp-pointed bamboo spears. The same applied to the Pasukan Pengamanan Swakarsa (Voluntary Security Guards) that began to operate in Jakarta in 1998. Youth are easily pulled into militia and violence through a combination of coercion, motivation by religious and community leaders, a lack of objective information as well as the desire to belong to a group. In all major conflicts in Indonesia, male youth, have constituted sizeable proportions of ethnic and religious militia. Youth also join gangs or militia for economic and security reasons.

### 4.3 Gender

The vast majority of combatants in conflict, both horizontal and vertical, have been male. The pressure on males, both adults and youths, to join attacks on opposing villages or to defend their own villages, is substantial. All militia leaders are also male. It is important to point out that while males constitute the majority of those connected with violence (members of the elite and militia), women are not necessarily always passive actors in outbreaks of violence. In North Maluku many women are members of the political and religious elite, particularly among the Christian community, and several played prominent roles in mobilising their communities before and during conflict.

85.) Rochman Achwan et al, op. cit., Chapter 3.
Village Alliances and Militias in Lampung: Why young Men become Members

A weak state authority coupled with strong identity divisions leads to insecurity and chauvinistic norms, respectively, which in turn fosters the mobilisation of large groups of individuals along lines of identity. These groups (vigilante groups of village alliances and militias) are further driven by security dilemma behaviour (a spiral where one group increases their security forces, causing the opposing group to increase their own) and, for militias, an emergent market for security, which builds their capacity for even larger groups. Rank-and-file members of militias are recruited from the large pool of un- and under-employed youth. Many members are former local gangsters (preman) who join either because they are coerced or because the increased clout of gang membership enhances their extortion abilities. Still others join militias to protect themselves from attacks by members of other ethnicities. The militias, which are ethnically homogenous, can appear as a means of security in the face of antagonism and perceived threats by members of other ethnicities.


4.4 Media

Local and national media have often failed to take a professional and unbiased approach to reporting in regions involved in inter-communal tension. Many local newspapers have been strongly affiliated with a particular ethnic or religious group. National media outlets have often uncritically accepted exaggerated reports of local incidents, and these reports are relayed (particularly through television) back into the region providing one of the main sources of information for local communities. The assessment of media in the conflict affected areas undertaken as part of the PDA states that this failure may be partly explained by the lack of training of staff. Much of this can be explained by the decades of strict control of media under the New Order and the rapid proliferation of media outlets in the reformasi era.

4.5 Segregation

In many areas there are few community organisations or networks that transcend communal boundaries. Ethnic and religious associations are undoubtedly often the most important institutions in the lives of many people in the regions. In most conflict areas there has been an absence of the type of influential associations that cross ethnic and religious boundaries that would be able to ameliorate rising tensions and halt violence. Exclusive ethnic or religious rhetoric is far less likely to stimulate tension and violence if strong inclusive organisations are present. The presence of such organisations will also often preclude the spread of conflict to other areas by making people less likely to believe provocative statements that violence in other areas is related to them also. In addition, most other


89.) National media coverage of the conflict in Maluku was far greater than that of Central Sulawesi and North Maluku for several reasons. However, it is important to keep in mind that the influence of media in conflict comes from coverage of issues other than that conflict itself. For instance, coverage of the destruction of places of worship or even protests in Java and elsewhere can provoke tension if those incidents are portrayed sensationaly.

in-depth interaction is also largely with members of one's own community.91

4.6 Vectors of Violence

Violence spread from one location to another due to several factors. The movement of IDPs often caused anger among local communities. Local communities of the same ethnic or religious group as the IDPs were often angered by the condition of the IDPs and their horrific stories, and subsequently attacked local members of the group held responsible. Rioting elsewhere in the province or even elsewhere in Indonesia often triggered further violence even without the arrival of IDPs. In some cases this widening of group responsibility was facilitated by the dissemination of rumours and pamphlets. For example, in North Maluku the spread of rioting from Halmahera to Ternate and Tidore was at least partly due to the dissemination of a pamphlet suggesting a previous attack was part of a strategy of Christianisation.

4.7 Subsequent Rationalisations for Violence

One major dynamic of many conflicts in Indonesia, perhaps almost all conflicts, is the development of rationalisations for violence that have consequences for future social and political relations in the region. Many such rationalisations are exaggerations of the character of the opposing community. It is possible that Dayak descriptions of Madurese as frequently involved in crime may have been exaggerated to justify violence against them. In some cases an opposing community has been portrayed as opposing the national integrity of Indonesia. For example, many local and non-local actors identified the violence in Ambon as caused by members of the 1950s separatist RMS.92 This has the example of mobilising the support of the media and more importantly the security forces against these opponents.

4.8 The Response of the Security Forces

In some cases the security forces were successful in fulfilling their role in halting and controlling the various inter-communal and vertical conflicts. For example, the central government in Jakarta responded to the intensification and spread of violence in North Maluku in late December 1999 with a massive deployment of security personnel to the province. By 14 January, there were 11 battalions of security personnel in Maluku Province and four battalions in North Maluku.

However, the response of security forces (military and police) was found to be inadequate in many areas. Lacking funding, equipment, numbers, and training, TNI and Polri struggled to cope with security issues that arose in many areas in 1999. There appears to have been a lack of police and military intelligence prior to the outbreak of rioting in most cases. International Crisis Group points out that police in Central Kalimantan lacked intelligence regarding the Dayak community probably because most intelligence officers were from outside Kalimantan and had little knowledge of or contact with the Dayak community.

In many cases security personnel appear to have been overwhelmed by the numbers of rioters and the intensity of the violence. During 1998 and 1999 the Indonesian security forces were occupied with a large number of conflicts and disturbances throughout the archipelago. In particular, in

91.) It is important to stress that communal segregation disallows the type of communication between members of opposing communities that may prevent violence, but does not explain conflict per se. Such arguments are made for example in A. Varshney, Ethnic Conflict and Civic Life: Hindus and Muslims in India, (New Haven: Yale University Press, 2002). There are numerous examples of societies in Indonesia that are characterised by low integration between ethnic and religious communities in terms of intermarriage, habitation, and other factors. Many of these societies have experienced no major intercommunal conflict. Many conflict areas were characterised by a moderate level of integration but still descended into conflict. For example, there was some intermarriage between Dayaks and long-term Madurese in Central Kalimantan. Some of the areas that experienced the most intense violence were previously characterised by high integration in at least some aspects of social relations. For example, in Tobelo and Galelu members of the same extended families took opposing sides in intra-ethnic, religious violence.

92.) To a lesser extent these claims were also made regarding Christian militia in North Maluku.
mid 1999 the Indonesian military was in East Timor during its transition to independence. With large protests in major cities on Java and unrest in Papua and Aceh, there was little thought for reinforcing regional commands in less-densely populated and previously peaceful areas such as Maluku, Sulawesi, or Kalimantan.

One major problem in the remote locations where much of Indonesia's conflict occurred is that while the ratio of police personnel to citizens might not have been particularly low, the small size of units meant that entire units were forced to move from one location to another in the event of a violent incident. This meant that in the early stages of conflict, certain locations were left unattended.

The police and military present in the sub-districts of Kao and Malifut in North Maluku were totally unprepared for the massive numbers of people involved in the first or even second attacks in August and October 1999. In the district of Kotawaringin Timur in Central Kalimantan, police personnel dispersed throughout the district in small groups and were completely incapable of halting the violence. In the town of Poso in Central Sulawesi, police did little to halt the first riot in December 1998, and stated subsequently they were afraid of the large numbers of rioters from elsewhere in the district.

In other cases, sufficient numbers of personnel were present to quash the rioting but failed to do so. In some instances this was due to a lack of morale or a lack of orders from provincial or national level commanders. Also, Brimob and other security personnel are paid very little, particularly for a role that involves risking death.

In Maluku, there were reports that military personnel demanded payment from villages they were ordered to protect. In West Kalimantan, reports suggest that local security forces did little to stop the anti-Madurese rioting in 1999 but efficiently evacuated Madurese from the province, taking care to protect their property, particularly large numbers of cows, which the security forces then sold. In almost all provinces, IDPs claimed the security forces charged exorbitant prices to evacuate them from conflict zones. The economic incentives from these types of activities that are made possible by conflict represent a major disincentive for elements within the security forces to prevent local violence occurring, and to halt it once it has begun.

As is widely known, some security personnel not only failed to prevent inter-communal violence, but actually became involved in it. There are numerous accounts of police and military personnel supporting one side or the other in attacks. This is often due to the fact that many troops are of local origin with obvious ties to one or other community, although external troops have also been complicit, perhaps due to religious sympathy.

One further obstacle to an efficient security response was the tension between the military and the police, particularly evident since the separation of the two institutions. In some cases the police, while largely lacking the capacity to meet large-scale conflict, have been unwilling to request assistance from the military, particularly the army, when faced with social unrest. At the same time, the military has been happy to delay assistance to the police in order to demonstrate that institution's inability to take responsibility for national stability.

The seriousness of the competition between the military and police, and its impact on their ability to provide security, was evident when personnel from the two institutions exchanged fire. In most cases, these clashes were caused by competition for the funds that could be extorted from victims of the conflict. Such violent clashes

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96.) J. S. Davidson, J. S., op. cit. 82.
98.) Ibid., 8.
occurred in Ambon in 2000, in Central Kalimantan in February 2001 as well as non-conflict areas such as Java.

Another failure to provide security has been the proliferation of firearms. Inter-communal conflicts in Indonesia have typically been fought with basic weapons such as machetes, spears, bows and arrows, and small numbers of bombs. However, as conflicts continued, the violence often became more ‘weaponised’ as combatants travelled outside the province to obtain firearms and external actors entered the conflict. In Ambon City, incidents involving firearms and bombs increased markedly as the conflict progressed, quadrupling from 19 in 1999 to 76 in 2001. Analysts believe that modern weapons spread in Poso District after the 1998 riot but before the more serious riots in 2000. It is likely that there remain large numbers of firearms and explosives in many conflict-affected areas, making it likely that any future outbreaks of violence will be even more deadly.

4.9 The Entry of Radical Groups

One major failing of the security forces that has directly contributed to the protracted nature of some conflicts has been the failure to prevent the entry of external militia groups into conflict areas. These groups, well armed and harbouring little sympathy for the local opposition, increased the violence in conflict areas.

The most well known group is Laskar Jihad, which entered Maluku Province in mid-2000. Despite an order from President Wahid to prevent the militia travelling to Maluku, security forces did not apprehend members of Laskar Jihad either in various camps on Java, as they departed Surabaya, or when they arrived in Ambon. Once in Maluku Province, Laskar Jihad exacerbated the violence, carrying out a campaign against Christian villages on Ambon and Seram. The leadership of Laskar Jihad urged local Muslims to continue the struggle against Christians, and urged the refusal of the conditions of the government-sponsored Malino Peace Agreement. The leader of the militia was eventually arrested in May 2001.

External radical groups have also entered Poso, and their influence appears to be the main reason for the continuing violence in that district. In late 2000, the regional terrorist network Jemaah Islamiyah (JI) and a smaller organisation Mujahidin Kompak sent small contingents of members to Poso to train local Muslim militia. The small numbers involved and the general lack of awareness of radical groups such as JI made it very difficult initially for the national government and the security forces to react to these groups. However by 2001 there were several radical groups operating in Poso. The death of a large number of Muslims in June 2001 led to the arrival of Laskar Jihad; as in Maluku, government or security forces did not stop the militia.

5. Impacts of Conflict

5.1 Loss of Life and Injury

The most immediate and apparent impact of the conflicts in question is a devastating loss of human life. UNSFIR calculates that 85.5 percent of all deaths from group-related violence occurred in just 15 districts. These districts are home to a mere 6.5 percent of the national population. More relevant to the present study, the five provinces under examination (North Maluku, Maluku, West and Central Kalimantan, and Central Sulawesi) constitute 75.5 percent of all deaths from collective violence. The percentage of conflict-related deaths from these provinces along with Jakarta, the other high area of violence, is presented in the chart below.

Mohamad Yusuf. Sama Makan Kenyang (Full Stomachs for All); etching, 18 x 12.5 cm.

103.) Ibid., 30.
In addition to deaths caused by inter-communal violence, large numbers of casualties occurred during insurgency and counter-insurgency operations. Analysts believe that approximately 10,000 people have died in the Acehnese insurgency since 1980. The characteristics of counter-insurgency operations have meant that civilians have often been caught in clashes between rebel groups, such as GAM and TNI and Brimob, or appear to have been directly targeted by the military or police for supporting rebels.

During conflict, many combatants were injured—some losing arms and legs—which subsequently made social integration and employment very difficult. Injuries have disproportionately affected youth.\(^{104}\) The traumatic experience associated with conflict has had a devastating psychological impact on many individuals and communities. The PDA process found that the violent deaths of family members have traumatised numerous children and youth in all provinces examined. The Kalimantan and Madura PDA report demonstrates how trauma has affected both youth involved in the violence in Kalimantan and the Madurese who were their primary victims.\(^{105}\) The large number of deaths and the manner of killing have had a major bearing on the psychological impact of the conflict and therefore the potential for reconciliation. The question of casualties is also highly emotive and sensitive.

### 5.2 Displacement
Conflict in Indonesia forced a large number of people to flee their homes. UNSFIR calculated that in August 2001 there were 1.3 million IDPs in Indonesia, and the World Food Programme estimated a similar number (1.34 million) remained in August 2002.\(^{106}\) By June 2003 this number had been reduced to an estimated 740,000.\(^{107}\) According to the Ministry of Social Affairs, a total of 342,000 IDPs remained displaced as of March 2005.\(^{108}\)

Conflict, therefore, had a major impact on the demographic make-up of certain provinces. For example, from 1999 until 2000, the population of Maluku Province decreased by 19 percent, from 1,476,859 to 1,200,756.\(^{109}\) Over the same period the population declined in the city of Ambon from 314,417 to 206,889 or by 34 percent. In Central Sulawesi, by the time of the Malino Peace Agreement in December 2001, 110,000 people were displaced from the province.\(^{110}\) Based on statements by the provincial Protestant Church, Human Rights

\(^{104}.\) This point is made regarding North Maluku in UNDP Youth Assessment for North Maluku, 2004, 15.

\(^{105}.\) Kalimantan and Madura PDA Report, op. cit., 22.


\(^{108}.\) Bureau of Social Assistance for Social Disaster Victims, Indonesian Ministry of Social Affairs, IDP report on social disaster in Indonesia, Jakarta: Komnas Ham, March 2005.


Watch estimates that the numbers of IDPs were similar for both major religious communities, at least among those remaining within the province. Violence displaced approximately 200,000 people from Central Kalimantan.\footnote{Rochman Achwan et al, op. cit., Chapter 4.}

The displacement of IDPs also greatly impacted upon the provinces that accepted them. In many cases, this influx of IDPs has been on a massive scale, and often over a short time period. The Kalimantan and Madura PDA report presents a good discussion of the impact of the arrival of large numbers of IDPs into Madura.\footnote{Ibid.} In just one week, 88,501 Madurese IDPs arrived in the district of Sampang on Madura.\footnote{C.Q. Smith, ‘Ethnic conflict in Indonesia: Violence and reconciliation at the local level’ 35.} By August 1999 there were an estimated 470,000 IDPs in South Sulawesi, mainly from Maluku, but also from East Timor and Irian Jaya.\footnote{The Indonesian government has estimated that from 1999 to mid-2003 approximately 25,000 families fled from Aceh into North Sumatra.\footnote{Bakornas, Government of Indonesia, ‘Follow up workshop on the management of IDPs in Indonesia’, 17.} Approximately 290,000 refugees fled the violence in East Timor following the independence ballot in September 1999, relocating into West Timor. As of 2005, approximately 28,000 remain in West Timor.}

The situation has varied for IDPs depending on the availability of housing, land, employment, health care, and the levels of sanitation in temporary settlements. Many Madurese IDPs who returned to Madura lived with members of their extended families. While the living conditions with family members may be better, these IDPs have often been denied the assistance given to IDPs living in camps.\footnote{For an excellent discussion of the condition for IDPs in Madura see Rochman Achwan et al, op. cit., Chapter 4.} Returning to the island or province from which they and their families originally migrated has not always led to an easier experience for displaced IDPs. For example, IDPs from Ambon who have returned to South Sulawesi have found it difficult to reintegrate into that society even though they are of the same ethnicity, as many had been living in Ambon for several generations.

Unsanitary conditions are often prevalent in resettlement camps leaving IDPs exposed to high levels of disease. After several months in a temporary camp in Tual, southeast Maluku, 21 IDPs had died from water-borne diseases, particularly cholera.\footnote{The Jakarta Post, ‘Sanitary conditions claim 21 Tual refugees lives ’, 15 July 1999.} Malnourishment is also a major problem among IDPs. In Poso District in Central Sulawesi, 30 percent of children were reported to be malnourished.\footnote{OCHA Central Sulawesi, Briefing Notes on Humanitarian and Development Activities.} IDPs in Indonesia have been forced to survive on very small amounts of assistance. In several cases, there has been a perception that assistance intended for IDPs has been circumvented to other projects or otherwise stolen.

The vast majority of IDPs who fled their homes in 1997 – 2001 did so with little or no opportunity to salvage belongings or protect capital or property. Almost all IDPs were therefore made destitute. The length of absence from their villages and towns means IDPs may also face further economic loss while they are displaced. Most IDPs have lost employment; some lost prized jobs in the bureaucracy and others lost businesses developed over long periods. Over time IDPs also lose professional and other skills, making it increasingly difficult to return to their home locations.\footnote{M.L. Bak, op. cit. 16.} Children are often deprived of education.

The psychological impact on IDPs is extensive. IDPs have usually been through intense conflict, often witnessing the deaths of family members and friends. In addition IDPs suffer the emotional impact of being driven from their homes and villages, and being deprived of their possessions. In some cases IDPs were forced to travel through forests and other harsh environments for weeks before reaching a relatively secure location. Many have
been shuttled from one location to another, still under physical threat, and have endured terrible living conditions, in some cases for four years. In Poso, continuing episodes of violence have repeatedly driven recent returnees from their homes, increasing the trauma experienced.

Being forced to rely on assistance for long periods also has the effect of raising stress among IDP communities. Compared to other victims of conflict who have remained in their home areas, IDPs often take a far longer time to overcome the psychological trauma of conflict. A recent study found that 54 percent of the 85,000 IDPs in Central Sulawesi suffer from psychological distress. IDPs are also in most cases deprived of their political rights. IDPs are generally unable to vote in legislative and (more recently) presidential elections outside of their home districts. IDPs also often have restricted access to government offices, the justice system, and health and other services.

A major impact of conflict that in turn creates potential for future violence is the long-term damage done to inter-communal relations. Following violent conflict, the relationship between opposing communities is often characterised by a high degree of animosity and distrust. Communities are generally far more geographically segregated than before the conflict, a factor that increases in-group cohesion at the expense of inter-group interaction and reconciliation.

The province of Maluku remains largely segregated. The LIPI study for the PDA process found that the traditionally mixed Muslim-Christian villages of the sub-district of West Seram are now religious homogenous following the conflict in 1999. Sea and land routes in the area were also largely segregated until 2004, meaning for one community a journey of normally a few hours took a whole day, including an overnight stay, for five years. A further characteristic of segregation in the area was seen in the education sector. Prior to the conflict, Christian teachers often taught Muslim children, an important form of inter-communal contact that has not to pre-conflict levels.

One major factor which precludes any meaningful improvement of inter-communal relations in some conflict-affected regions is the lack of prosecution of individuals held responsible for some of the worst atrocities. However, prosecution faces a range of difficulties including the damage done to the infrastructure of the justice system. More importantly local governments fear the risk of initiating further conflict by arresting and prosecuting community leaders.

5.3 Infrastructure

Inter-communal and vertical conflict devastated crucial infrastructure in many areas, causing great human suffering and devastating local economies and massive disruption to local governance. Destruction is often concentrated in one or two districts, meaning in some areas entire villages and the majority of some towns have been completely destroyed.

The main targets for destruction during conflict are the homes of opposing communities. Combatants destroy homes through anger and a desire to inflict more damage on enemies and to preclude the return of members of that community. Houses are also often destroyed to hide the fact that they have been looted. The conflict in Maluku Province led to the destruction of 41,000 houses. In Poso District, 16,474 houses were damaged during the conflict. In North Maluku, the conflict destroyed 23,300 homes. Conflict has also destroyed large numbers of shops and businesses. In some sub-district and district capital towns, entire main streets were destroyed.

120.) Jakarta Post article cited in ibid., 18.
122.) Bakornas, Government of Indonesia, “Follow up workshop on the management of IDPs in Indonesia”, 12, and UNDP Local Economic Development Thematic Assessment, 2004, 22 (this assessment states 39,000 houses were destroyed).
Conflict often leads to the destruction of large numbers of government buildings, affecting the provision of services and the government response to the conflict and post-conflict situation. Just prior to the signing of the Malino Accords in December 2001, the Poso District Government estimated that 510 public facilities had been destroyed. The destruction of places of worship, in particular mosques and churches, was common during conflict, even those not ostensibly religious in character. As places of worship are often the most important buildings for the community, their destruction has had strong psychological effects on many individuals or entire communities.

Numerous schools have been destroyed during conflict in Indonesia, devastating the capacity of local communities and governments to provide education to local children. For example, in Maluku Province five kindergartens, 100 primary schools (SD), 23 junior high schools (SLTP), and 11 senior high schools (SLTA) were destroyed during the conflict. In Central Sulawesi, by December 2001, 60 schools had been destroyed in the violence.

The destruction of schools, displacement, and other impacts of conflict have caused massive disruption to the education of children and youth. In addition to the large numbers of schools and materials destroyed, teachers are often among IDPs fleeing the area, and areas become unsafe for normal activities such as attending school. For example, the figure below shows the large number of school dropouts that occurred during the conflict in North Maluku, 1999 – 2000. The LIPI report commissioned for the PDA process demonstrated the great shortage of teachers in schools in Ambon and West Seram in Maluku Province. The NTT PDA report has shown that the displacement of East Timorese children to West Timor has severely disrupted the education of these children as well as placing a large burden on the education system of NTT.

In January 2004, over 70,000 students were unable to attend school due to the destruction of their schools. The majority of destroyed schools were in Pidie and Bireuen Districts. Due to conflict, affected villages in Aceh faced other serious developmental problems. In October 2004, IOM released a report into the living conditions in the war-torn province. In 66 percent of the 134 villages surveyed, health, water, and sanitation services had been disrupted.

5.3 Economic Effects

Conflict-affected areas have clearly experienced devastating economic effects in addition to the already severe impact of the economic crisis. Entire communities and businesses have been displaced; the workforce and markets have been diverted from economic activity; necessary infrastructure and property, such as roads and

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127.) Kamanto Sunarto, Melina Nathan and Suprayoga Hadi, op. cit., Chapter 4.
fishing boats, have been destroyed; and investment has been discouraged.

In Tobelo, North Halmahera, most shops and businesses were looted and destroyed as first one group controlled the town and then the opposing group. As trades people leave areas when their shops or businesses are destroyed, a large amount of capital leaves the region. In areas where sporadic violent incidents continue, it becomes difficult for traders to attend markets, and for farmers to work in their plots.

The economies of conflict-affected provinces such as Maluku, North Maluku, and Central Sulawesi have performed far worse than the national average over the period 1997 to 2000. From 1998 to 1999 the nominal Gross Regional Domestic Product (GRDP) of Maluku Province fell by 23.2 percent, with goods in and out of the main provincial port in Ternate declining significantly (by 14.5 percent in, and 38.2 percent out). In 2000 the GRDP for North Maluku (based on constant prices) was -7.89 percent. Some areas such as Kalimantan have recovered from the initial downturn. In 1999, at the height of the violence in West Kalimantan the provincial growth rate was only 0.49 percent, but by 2002 the economy had recovered to grow at a rate of 3.51 percent.

Conflict-affected districts within provinces have often fared worse than the province as a whole. From 1999 to 2000, the GRDP of Central Maluku and Southeast Maluku Districts fell by 22 percent and 40 percent, respectively. For example, the GRDP of Poso District fell by 4.3 percent in 2000 and over the period 1997 to 2001 fell by 2.07 percent. By contrast, Palu which was far less affected by the conflict grew by 1.15 percent over the same period. Almost all sectors of the Poso economy contracted, particularly agriculture (-4.9 percent) and manufacturing (-4.5 percent).

While the Human Development Index (HDI) in the country as a whole improved from 1999 to 2002, HDI decreased in many conflict-affected districts. Over that period, the HDI in 18 districts decreased. Four of these districts were in Maluku and North Maluku and seven were

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Notes: Figures reflect 1993 constant prices. The double line is Indonesian national GDP. ‘Maluku’ includes North Maluku province since 1999.


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131.) Rochman Achwan et al, op. cit., Chapter 4.
134.) G. Swisher and Suaib, Local Economic Development Assessment, Kabupaten Poso, 3.
in Papua. In Papua this was due to declines in education and income and in Maluku and North Maluku due to declines in life expectancy and incomes. The latter shows explicitly the developmental impacts of conflict. From 1999 to 2002 the national HDI ranking of Ambon City fell from 3rd to 29th.

Unemployment has been a major consequence of conflict. Unemployment has been particularly severe in urban areas, partly because rural youth (often male) move to cities seeking employment. For example, in 2002 Ternate City had an unemployment rate of 27 percent, higher than the provincial rate of 12 percent. Unemployment is particularly severe among IDPs. In 2002, 90 percent of IDPs from Central Kalimantan living in Madura were unemployed. Inflation also appears to have been substantially higher in conflict-affected areas than elsewhere in Indonesia. For example, in Ambon in June 2002 the inflation rate for that month was the highest in the country with a rate of 2.27 percent as opposed to 0.36 percent for the nation as a whole.

Conflict and the displacement of whole communities can have the effect of reversing what may have been the dominance of one group in a certain sector. As IDPs return to the area, this factor can become a risk to peace. For example, prior to the conflict in Tobelo, North Maluku, Muslim men comprised approximately 65 percent of the workforce at the port, one of the city’s major employers. Currently, however, Christians comprise almost 100 percent of the workforce. Many of these workers are IDPs from elsewhere in the province who have chosen not to return, causing further grievance among the returning Tobelo Muslim community. The same issue will be important to consider as any attempt is made to repatriate Madurese IDPs to West and Central Kalimantan.

A further economic impact of on-going conflict in several areas has been the development of what can be termed a ‘war economy’. A conflict situation provides economic opportunities that are not generally available in peacetime. These may include a trade in arms, the extortion of protection money from shop owners and tariffs for using roads and other services. The existence of such opportunities means that the principal beneficiaries will have interests in maintaining at least a moderate level of tension in the region, a factor that must be taken into account and circumvented by policy makers.

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135.) The Economics of Democracy, ibid., 10.
136.) The Economics of Democracy, ibid., 20.
140.) LIPI, 'Peace and conflict development analysis' op. cit., 179.
Responses to Conflict, 1999-2005

6.1 Challenges
Most responses by national and local government as well as international organisations have focused on humanitarian assistance but the challenge currently facing local governments is the transition from relief to development. In making this transition, local governments in post-conflict areas face three main challenges. The first challenge is dealing with residual conflict and the resolution of the IDP problem, which remains one of the greatest stumbling blocks to sustainable peace. Corruption in the handling of IDP funds, the unwillingness of IDPs to return or resettle due to inadequate service provision, lack of consultation, unwillingness of local communities to receive IDPs, and the growing resentment among those who did not flee of perceived preferential treatment for IDPs, all compound attempts to resolve the problem. Slow progress and the lack of political will to fast-track IDP resolution is also a problem: there are still IDP camps in West Timor six years after the initial exodus of refugees.
The second challenge for regional governments is responding to conflict in the midst of decentralisation. The promise of a local government that is closer to and therefore more responsive to local communities has yet to be realized in most post-conflict areas. In part this is due to the fact that many conflict areas have undergone de jure administrative splitting (pemekaran) but have not yet established functioning local governments, resulting in a governance vacuum when the presence of responsive government is most needed. However the main issue for both provincial and district governments is the inability to match authority, responsibility, and budgets. The substantial transfer of resources and autonomy to the districts has made life tough for provincial governments, and they are now struggling to identify a meaningful role in the administration of the province. Notwithstanding issues such as IDPs—which potentially could have brought district and provincial governments closer together—provincial governments seem even less knowledgeable about what is happening in the districts than they used to be. Amidst their frequent references to their important role as the representative of the central government, there is a palpable sense of frustration at their diminished power and responsibility. Paradoxically, district government frustration with decentralisation also stems from the fact that they do not have more power and control over their affairs. In instances where district governments have identified priority recovery programmes, their own local budgets are too small to implement. Instead they are reliant on funds, earmarked by central government agencies that may not reflect local priorities. This disempowers local government and weakens local ownership of the recovery process. The lack of clarity in the division of responsibility between different government agencies and different levels of government (national, provincial and district) when responding to conflict emergencies such as IDPs has resulted in inadequate data collection, different assistance/recovery packages to victims, mixed messages from the different agencies, and the lack of a coherent medium to long-term plan to resettle uprooted communities.

The third challenge is how government at all levels can adapt and modify their planning processes to respond to conflict recovery and prevention priorities. As the experience of Inpres 6 2003 illustrates, central government agencies failed to focus on recovery, rehabilitation, and reconstruction activities in their work plans and budget allocations for Maluku and North Maluku and only submitted routine development and maintenance activities. The situation is not much better at the local level. Local government officials often claim that their planning processes in the post-New Order period are solidly grounded in the aspirations of the community and describe their process as planning from bottom up. However, getting concrete examples of how community consultation has actually changed or influenced a particular government program or led to the development of a new initiative is extremely difficult. Certainly, most NGOs and other civil society organizations have little time or respect for these processes. They note that those who attend these are not representative of their communities and the events themselves are not genuinely participatory. They also note that, even if the government was serious about community consultation, they lack the capacity to do it properly. The rest of this section further develops these themes by focusing on different stages and forms of responses to conflict as well as the different actors involved.

6.2 Humanitarian Responses of the National and Local Governments

The primary task of local and central governments during and immediately following conflict has been the provision of security to vulnerable communities. While there have been some weaknesses in this response, there have also been many successes in the prevention of violence, the evacuation of IDPs, and the gathering of dangerous weapons. However, local governments have often been restricted by the destruction of infrastructure and the involvement of public servants in the violence as either combatants or IDPs, particularly in protracted, widespread conflicts such as those in Maluku, North Maluku, and Central Sulawesi.
Central and local governments provided emergency assistance to conflict-affected communities in all areas, and in particular to IDPs as they were evacuated by security personnel. Over the following months, the government provided emergency shelter and food for those displaced from their homes. Provincial governments, with the assistance of the central government, provided rice, instant noodles and other foodstuffs to riot-affected communities and IDPs immediately following the violence.

Over the period 1999 to 2001 the central government provided a great deal of assistance to the nation’s 1.34 million IDPs. Government assistance was often targeted at assisting IDPs return to their homes. For example, in addition to IDR 500,000 to 750,000 (US$50 to $75) to each IDP in Maluku and North Maluku for provisions and living costs, the government also gave between IDR 2,500,000 to 8,000,000 per family for the construction of destroyed houses. The government of Indonesia has made great strides in facilitating the return or resettlement of IDPs. By January 2002, the North Maluku Government had returned 26,275 IDPs to their homes, while 60,000 had returned independently.

In West Kalimantan, after it was ascertained that a return to Sambas was not feasible for displaced Madurese, the Indonesian Government provided housing in 12 relocation sites for almost all IDPs in the province. In addition the government has provided 5 million Indonesian rupiah to a further 1,259 families to organise their own resettlement.

Assistance to IDPs has fallen short in some areas, however. In Madura, the local government did not provide shelter to some IDPs until nine months after their arrival. A lack of assessment of the areas to which it is intended IDPs will return has meant on occasion homes built by

Table 3
Examples of International Agencies Working in Indonesia

<table>
<thead>
<tr>
<th>Province</th>
<th>Agencies</th>
<th>Programme</th>
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<tbody>
<tr>
<td>Maluku</td>
<td>UNDP, OCHA</td>
<td>• Humanitarian assistance</td>
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<td></td>
<td></td>
<td>• Economic recovery</td>
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<td>• Peace building</td>
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<td>• Governance capacity building</td>
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<tr>
<td>North Maluku</td>
<td>UNDP</td>
<td>• Humanitarian assistance</td>
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<td></td>
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<td>• Economic recovery</td>
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<td>• Governance capacity building</td>
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<tr>
<td>Central Sulawesi</td>
<td>WFP, CWS, Care, IMC, MC</td>
<td>• Humanitarian assistance</td>
</tr>
<tr>
<td>Central Kalimantan</td>
<td>IOM</td>
<td>• Economic recovery</td>
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<tr>
<td></td>
<td>CGI</td>
<td>• Peace building</td>
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<tr>
<td>NTT</td>
<td>IOM</td>
<td>• IDP repatriation</td>
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<td></td>
<td>PBI</td>
<td>• Peace building</td>
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<tr>
<td>East Java (Madura)</td>
<td>IMC, WVI, WFP</td>
<td>• Humanitarian assistance</td>
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<tr>
<td></td>
<td>CGI</td>
<td>• Peace building</td>
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<td>Aceh (pre 2005)</td>
<td>UNICEF</td>
<td>• Humanitarian assistance</td>
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<td></td>
<td>ICMC</td>
<td>• Trauma counselling</td>
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<td></td>
<td>ICMC</td>
<td>• Capacity building</td>
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<td></td>
<td>Save the Children</td>
<td>• Peace building</td>
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<tr>
<td>Papua</td>
<td>ICMC</td>
<td>• Trauma counselling</td>
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141.) LIPI, “Peace and conflict development analysis” op. cit., 124 and 160. In both provinces, the payment was made to a maximum of five members of one family but amounts varied between the two provinces as well as between districts, reflecting differential costs.
143.) C. Q. Smith, op. cit., 38.
the government have remained vacant. In addition, some homes have been constructed a great distance from infrastructure and are highly difficult to reach. A settlement built so that Madurese IDPs could move from Pontianak, West Kalimantan, where they had been since the conflict, required a journey by boat and then either ojek or a long walk.144

International organisations have also undertaken a humanitarian work in conflict-affected areas in Indonesia. UNDP has been involved in Maluku Province through several major programmes: the Ambon Emergency Operations Project (AEOP), the Community Recovery Programme (CRP), and the Kei Islands Peace Building Programme.145

AEOP began in April 1999 with the aim of providing humanitarian assistance to the people of Ambon, and continued until mid-2002.146 From April 1999, two months after the outbreak of violence in Ambon, several donors and international NGOs (INGO) were involved in the delivery of emergency humanitarian assistance to IDPs in Maluku Province. AEOP was funded by several major donors (UNDP, WFP, Ausaid, and Echo) and implemented by the INGO Action Contre La Faim (ACF). The programme delivered food assistance to IDPs in various locations throughout Maluku.147

The CRP has established 63 humanitarian coordinating posts (Posko) to provide assistance to communities in Maluku and to IDPs from Maluku located in other provinces. Through consultation with leaders from IDP communities, a Posko Coordinator assessed the project most appropriate to the needs of that community. Examples of some of the projects carried include clinics established among IDP camps, the provision of services such as medical assistance, hygienic water and electricity, and the purchase of materials necessary for economic activity, such as a fishing boat.148 By late 2002 UNDP had channelled approximately US$ 3 million into Maluku Province for humanitarian assistance and recovery to IDPs and affected communities. UNDP has also provided assistance to affected communities in the district of Poso.

In 2001, UNDP provided Medical Corps International (MCI) with US$ 500,000 to undertake humanitarian assistance. MCI has provided a range of necessary household items, such as cooking equipment, primarily to IDPs. A major component of MCI’s work was the provision of materials for emergency shelter. By June 2002 MCI had provided materials for 66 temporary houses in Saparua, 50 in West Seram, 41 in Central Seram, and 385 in Southeast Maluku.149 Emergency shelter assistance was provided to approximately 1,700 families. Having moved through the emergency phase, MCI has focussed on the development of the capacity of local NGOs.

In Madura, several INGOs provided a range of emergency assistance to IDPs arriving from the violence in Central Kalimantan in 2001. International Medical Corps (IMC) and World Vision (WVI) provided emergency water systems, and WVI established clinics to provide health assistance to both IDPs and the local host community. The World Food Programme provided emergency food assistance in the form of rice. Rice was provided either through the Indonesian Red Cross (PMI) directly to IDPs, or through local government to both IDPs and host communities. The latter means of distribution suffered from a higher level of corruption but had the advantage of minimising tensions between IDP and local communities.150

Since May 2001, the World Food Programme (WFP) and the Church World Service (CWS) have provided food

144.) M. L. Bak, op. cit., 23.
146.) In 2002 the local government assumed responsibility for humanitarian assistance to IDPs and other conflict affected communities.
148.) Ibid., 14.
149.) Ibid., 11.
assistance to IDPs in Central Sulawesi. Since June 2001 CARE International Indonesia has also provided over three thousand shelter units and agriculture and fishing-based livelihood recovery packages to IDPs in Poso District. ICMC has assisted IDPs from a large number of communities particularly in Maluku.

Several international NGOs provided medical assistance for conflict-affected communities in Indonesia. International Medical Corps (IMC) sent medical teams to eight conflict-affected provinces, providing emergency health services to 240,000 people. For example, in Poso District, IMC has rehabilitated puskesmas, distributed medical equipment, trained and supplied midwives and undertaken health service capacity building. In Poso District, IMC (mobile clinics and health programmes), Mercy Corps (education and income generation), CWS (distribution of food items and agriculture), and CARE (health and nutrition) continue to provide humanitarian assistance, despite continuing violence. UNICEF has provided assistance to IDP children in Aceh.

Some international organisations have assisted IDPs to return to their homes or to establish meaningful lives in new areas. International Office for Migration (IOM) has assisted with the documentation and repatriation of East Timorese IDPs in West Timor. IOM has also undertaken capacity building in agriculture for Madurese IDPs in Pontianak.

In July 2002 OCHA established an office in Palu, Central Sulawesi, to facilitate the provision of humanitarian assistance. OCHA’s primary goal has been to collect and distribute information on humanitarian needs in the area, and facilitate cooperation between humanitarian actors and local government.

6.3 Peace-building

The earliest peace building initiatives by the provincial government in Ambon, Maluku, were to facilitate meetings between community leaders in order to agree to cease hostilities. However, subsequent violence served to increase distrust and anger over the promises made, showing the futility of such agreements without real reconciliation.

In November 2000, the TNI Infantry Battalion 321 facilitated the Baku Dapa reconciliation initiative in North Maluku. TNI personnel facilitated meetings between community and religious leaders from Tobelo and Galela Sub-Districts, the scene of some of the most intense fighting in the conflict. In late 2001 then Coordinating Minister for People’s Welfare and the National Commission for Human Rights (Komnas HAM) initiated a major peace initiative to resolve the conflict in Poso. Representatives of the Christian and Muslim communities and government officials met in the town of Malino in South Sulawesi. The resulting agreement, known as the Malino Accord, prescribed an end to violence, the return of IDPs, and respect for the rights of all stakeholders, among other things.

After the Malino Agreement the government established several working groups (Pokja) to monitor the implementation of the agreement. In July 2000 a coalition of civil society and NGOs formed the district level Pokja RKP (Poso Conflict Resolution). The team has developed good inter-community dialogue and peace building. To a certain extent these working groups have suffered from a lack of resources. For example, the Pokja Trauma was established at the provincial level and is therefore

151.) OCHA Central Sulawesi, Briefing Notes, op. cit, 8.
152.) Ibid. 11.
154.) OCHA Central Sulawesi; Briefing Notes, op. cit., 1.
156.) UNDP Youth Assessment, op. cit., 20.
based in Palu, and many of its members work full time at the university and hospital. This team has therefore been able to achieve little in the main conflict affected districts of Poso, Morowali, and Tojo Una Una. The district-level Pokja has recently becoming more effective and more involved in local reconciliation efforts.

In February 2002, following the success of the Poso Malino Agreement, the central government facilitated a similar meeting between seventy Muslim and Christian leaders from Maluku Province. The meeting was again held in the small South Sulawesi town of Malino, and was led by then Coordinating Minister for Political and Security Affairs Gen. Susilo Bambang Yudhoyono and Coordinating Minister for Peoples Welfare Jusuf Kalla. At the end of the meeting, the ministers announced the parties had successfully reached an agreement to end the conflict. Other agreements related to respecting national law, opposing separatist organisations, and the investigation of violent incidents and militia groups such as Laskar Jihad and Peoples Sovereignty Front (FKM). The agreement became known as Malino II.

One criticism of Malino II that has emerged from the PDA process is that the agreement was designed and agreed upon by members of the elite. Research undertaken by LIPI in West Seram showed that youth and other actors at the grassroots level complained that the agreement had been reached without their consultation. The primary problem with Malino II however was a lack of commitment to its implementation. The central government showed less commitment to the implementation of the terms of Malino II than it had to bringing the parties together, and the two communities remained too hostile to implement the agreement themselves.

Another obstacle to face early reconciliation activities in Maluku such as Malino II was the continuing presence of powerful actors who either opposed reconciliation and/or had an interest in continuing violence. Unsurprisingly, given the terms of Malino II, the leadership of Laskar Jihad refused the agreement and urged Muslims not to accept it. Not long after the agreement, an attack took place against the village of Soya Atas on Ambon.

Local government officials held several meetings to resolve the question of Madurese IDPs from Kalimantan. The district and provincial governments of East Java, Madura and West and Central Kalimantan attempted two reconciliation meetings to resolve issues arising from the violence in Kalimantan. A major problem with these meetings was that little information regarding their content and their resultant agreements was disseminated to the communities. Therefore, many people believed those involved in the meetings had agreed that all governments would assist the return of the IDPs, whereas the meetings had not resolved when the IDPs could return, nor resolved continuing reluctance on the part of local Kalimantan communities regarding any return.

One notable omission on the part of local governments in most conflicts has been their failure to attempt to present a credible explanation of why the conflict occurred. This allows the numerous versions of the conflict to exist and proliferate, each blaming, and attributing horrific atrocities to, the other side. The desire to obtain revenge therefore remains strong, as does distrust of the other community. Clarifications of this kind are often difficult for governments however, as many high-ranking officials are often implicated. Participants in the PDA multi-stakeholder workshops also stated that governments had put little effort into the building of pluralism, inter-ethnic understanding and tolerance. Stakeholders identified this as a primary means of addressing continuing inter-communal tension.

158.) LIPI, ‘Peace and conflict development analysis,’ op. cit., 68.
160.) This point is made regarding North Maluku in UNDP Youth Assessment, op. cit. 14.
Some of the most successful and long-lasting peace building initiatives have been designed and implemented at the grassroots level. In North Halmahera, the peace process between local Christians and Muslims was driven almost entirely by meetings between community and religious leaders from both religious communities from Tobelo and Galela Sub-Districts. These meetings continue in the area and peace has largely been maintained until the present.

In Maluku, the Women’s Peace Movement (Gerakan Perempuan Peduli) aimed at halting the violence and then closing the gap between Christian and Muslim communities. The movement focused on the reconciliation of women through activities that have helped reduce fear and mistrust. The movement is ongoing. In Tentena, Poso District the youth group, Crisis Centre works to build peace through sporting programmes, democracy and human rights training, economic empowerment and support for victims of conflict. Other NGOs working in the district have undertaken training for community leaders on conflict prevention, and infrastructure reconstruction.

Grassroots movements such as these have often faced serious logistical obstacles and lacked the necessary capacity for achieving a sustained and widespread impact. For example, in West Seram, local officials and village representatives held a series of reconciliation meetings during 2001 designed to facilitate the peaceful return of IDPs. Destruction of roads and bridges meant that the local government faced difficulties with transport and the costs of facilitating the meetings were prohibitive.

Some Indonesian NGOs and civil society actors have also assisted with peace building in conflict-affected areas. For example, in Ambon in late 2000 and early 2001 the Jakarta-based Baku Bae reconciliation group organised meetings among Maluku community, religious, and militia leaders. Initiated by Ichsan Malik, the movement sought to empower the parties to the process and thereby give peace-building more chance of success.

The Baku Bae process did propose one initiative that appears to have had some impact in building peace between the Muslim and Christian communities. This was to establish several peace zones where members of both communities could buy and sell produce and intermix in peace. Baku Bae also proposed the meeting of academics and other professionals from each side of the confessional divide, and established the Maluku Media Centre (with AII/British Council) and Baku Bae Legal Aid Institute (LBH Baku Bae). The Jakarta-based Go-East Institute also organised a large meeting in Tual in Southeast Maluku. These meetings faced difficulties, largely caused by a refusal to agree on reconciliation unless the other side took responsibility for the violence.

Even before the Baku Bae initiative teams from Duta Wacana and Gadjah Mada Universities in Yogyakarta had formed the Independent Team for Reconciliation in Ambon (TIRA) in order to understand the conflict and develop relationships between members of the elite of both communities. After the end of UNDP funding, the TIRA team joined Mercy Corps International (MCI) in peace-building activities funded by USAID. ICMC has undertaken peace building and reconciliation in West and East Seram and Central Maluku. The NGO has also carried out advocacy for the return of local IDPs. This work has been funded by UNDP and implemented through various local NGOs. The Jesuit Refugee Service (JRS) has also carried out peace building throughout Maluku Province.

Peace-building initiatives have often, and necessarily so, focussed on facilitating the peaceful return of IDPs. One highly progressive initiative was that carried out by

6.3.2 Grassroots initiatives

161.) See the PDA Workshop Report for Maluku Province, 2004.
162.) N. Shatifan et al. Thematic Assessment on Strengthening Local Governance for Peace Building in Central Sulawesi and North Maluku.
163.) Ibid.
164.) LIPI, “Peace and conflict development analysis”, op. cit. 123.

6.3.3 Multilateral agencies and NGOs

165.) See the PDA Workshop Report for Maluku Province, 2004.
CARE in Central Sulawesi. CARE carried out a Capacity and Vulnerability Analysis in Poso District to assess the openness of local communities to accept the return of IDPs displaced during the violence. The assessment subsequently established that remaining communities were willing to welcome back the IDPs and provide land for their return.167 MCI has also undertaken peace-building efforts in conflict-affected zones in Indonesia.

Common Ground Indonesia (CGI) has undertaken some innovative initiatives in peace building. The NGO has facilitated the production of a radio drama that attempts to disseminate messages of tolerance and peace building. The drama is broadcast three hours per week nation-wide through 160 radio stations. CGI has also undertaken grassroots mediation in Kalimantan, Madura and Papua. UNICEF has also carried out several peace building exercises in Maluku and North Maluku, including a peace-oriented letter writing competition.

Mercy Corps and CWS have carried out a large number of peace building and livelihood creation programmes in Poso. To celebrate Independence Day on 17 August, Mercy Corps held a day of activities, such as volleyball and other sports, for members of both Christian and Muslim communities.

Several agencies have carried out peace training designed to build peace-building capacity within local communities. For example, CGI has carried out peace education programmes in Islamic schools in Madura, and various other dialogue based conflict transformation programmes in Madura, Kalimantan, and Papua. Many of CGI's programmes have also been designed to increase the role of women in peace building. UNICEF has also undertaken peace training for youth in national organisations such as Muhammadiyah and the teachers training institute in Bandung. Peace Brigades International (PBI) has carried out peace education workshops in West Timor and Flores. CARDI (Consortium for Assistance and Recovery toward Development in Indonesia) has undertaken programmes designed to build the capacity of youth to integrate effectively into society, providing training in communication skills and peace building.

In 2003, UNDP and UNICEF established, in conjunction with WVI, a programme of Peace Education in North Maluku. The programme is designed to teach children in such a way as to facilitate both effective learning and harmonious relationships between children of different groups. The programme was designed to reach 35 primary schools in North Halmahera. UNDP has also, through the CRP, supported reconciliation in the Kei Islands, Southeast Maluku, through rehabilitation of local infrastructure and service provision.168

The main focus of UNDP in Central Sulawesi has been providing support for the government-sponsored Malino agreement. UNDP began a preparatory assistance programme in the province in 2003 in cooperation with the Coordinating Ministry for Peoples Welfare. UNDP has focussed on building the capacity of the working groups tasked with implementing the prescriptions of the agreement. UNDP has also, at the Poso government's request, sponsored several workshops on peace education in schools. UNDP took advice on peace education from Non Violence International and from UNICEF.169

Several organisations have been involved in assisting the security forces to improve their capacity in peace building and conflict resolution. The Centre for Research on Intergroup Relations and Conflict Resolution (CERIC) has undertaken training for both police and military personnel in Jakarta on conflict resolution. IOM has provided human rights and community policing training for Indonesian police in Bogor and West Kalimantan among other areas.

167.) M. L. Bak, op. cit. 23.
Development

Presidential Instruction No. 6 (Inpres 6) was signed by President Megawati on 21 September 2003 instructing all coordinating and line ministries to prioritise recovery, rehabilitation, and reconstruction activities in their work plans and dedicated budgets for Maluku and North Maluku for a three-year period beginning in 2004 based on input and proposals from the Maluku and North Maluku governments. This was a major government recovery initiative that could be started in 2004 in a context of improved social and economic conditions as well as improved security as illustrated by the removal of the civilian emergency status in North Maluku and Maluku.

Inpres 6 failed to fully materialise in 2004 primarily because of inadequate response from the ministries who failed to focus on recovery, rehabilitation, and reconstruction activities in their 2004 work plans and budget allocations for Maluku and North Maluku and only submitted routine development and maintenance activities. A dismayed North Maluku Government in fact received lower fiscal transfers from the central government in 2004 than in 2003. In the face of mounting complaints and disappointment from both regional governments at the lack of financial support for recovery efforts, the central government eventually proposed allocating IDR 150 billion from contingency funds for IDP-related activities in 2004, constrained by the absence of supplementary budget funds for 2004.

To prevent a recurrence of inadequate support for Inpres 6-related activities from the ministries in 2005, the National Planning Agency coordinated an inter-ministerial review in August 2004 to ensure that the respective ministries’ sectoral work plans and budgets reflected both routine development and maintenance activities as well as Inpres 6-related recovery and reconstruction activities in time for the 2005 national budget. On 14 September 2004, the national parliament agreed that IDR 1,210 trillion would be allocated in 2005 in order to implement Inpres 6 in both Maluku and North Maluku and additional IDR 250 billion would be allocated to both provinces for IDP-related activities in 2005. The three main coordinating ministries will oversee preparation and implementation of Inpres 6-related activities whilst the Ministry for the Accelerated Development of Disadvantaged Areas will monitor implementation and progress in 2005. This will form the basis for the overall Inpres 6 action plan as well as individual ministerial work plans and budget allocations in 2006. In view of initial implementation and budgetary constraints, the timeframe for Inpres 6-supported activities will be extended to 2007.

Besides providing humanitarian assistance and attempting to end and resolve conflict, local and international actors have also endeavoured to stimulate local economies and undertake reconstruction. Central and local governments have focussed their efforts in infrastructure rehabilitation in conflict-affected areas on the reconstruction of houses. For example, in 2002, the government rehabilitated 22,000 houses in Maluku Province. The central government has also provided an employment training and job creation program for IDPs from Kalimantan on the island of Madura.

UNDP has been assisting in the recovery of Maluku Province since before the conflict, starting operations in 1998. Through the Community Recovery Programme (CRP), UNDP has undertaken a range of projects, most located in Ambon. The majority of these projects (60 percent) focussed on Job Creation and Income Generation, but a smaller number were designed to enhance Food Security (30 percent) and Basic Social Services (10 percent).


171.) Kalimantan and Madura PDA Report, op. cit. 30.
Table 4

<table>
<thead>
<tr>
<th>State Ministry or Institute</th>
<th>North Maluku</th>
<th>Maluku</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Department of Housing and Regional Infrastructure</td>
<td>36,850.0</td>
<td>63,056.0</td>
</tr>
<tr>
<td>2. Department of Communications</td>
<td>29,500.0</td>
<td>23,016.0</td>
</tr>
<tr>
<td>3. Department of Seas and Fisheries</td>
<td>43,500.0</td>
<td>26,000.0</td>
</tr>
<tr>
<td>4. Department of Energy and Natural Resources</td>
<td>12,500.0</td>
<td>15,000.0</td>
</tr>
<tr>
<td>5. Indonesian Institute of Knowledge Sciences</td>
<td>1,000.0</td>
<td>2,250.0</td>
</tr>
<tr>
<td>6. Department of Industry and Trade</td>
<td>6,750.0</td>
<td>20,500.0</td>
</tr>
<tr>
<td>7. State Ministry for Cooperative and Small/Medium Enterprises</td>
<td>25,000.0</td>
<td>20,450.0</td>
</tr>
<tr>
<td>8. State Ministry of Culture and Tourism</td>
<td>19,000.0</td>
<td>3,600.0</td>
</tr>
<tr>
<td>9. Department of Agriculture</td>
<td>13,400.0</td>
<td>32,000.0</td>
</tr>
<tr>
<td>10. Department of Labour and Transmigration</td>
<td>31,000.0</td>
<td>10,500.0</td>
</tr>
<tr>
<td>11. State Ministry of Communication and Information</td>
<td>2,600.0</td>
<td>8,500.0</td>
</tr>
<tr>
<td>12. Department of Social Affairs</td>
<td>106,150.0</td>
<td>254,779.0</td>
</tr>
<tr>
<td>13. Department of Religion</td>
<td>31,800.0</td>
<td>31,253.0</td>
</tr>
<tr>
<td>14. Department of Health</td>
<td>78,000.0</td>
<td>49,000.0</td>
</tr>
<tr>
<td>15. Department of State Education</td>
<td>59,750.0</td>
<td>51,248.0</td>
</tr>
<tr>
<td>16. Department of Home Affairs</td>
<td>21,750.0</td>
<td>17,702.0</td>
</tr>
<tr>
<td>17. Department of Defence</td>
<td>11,600.0</td>
<td>31,000.0</td>
</tr>
<tr>
<td>18. Department of Justice and Human Rights</td>
<td>3,600.0</td>
<td>3,000.0</td>
</tr>
<tr>
<td>19. National Land Agency</td>
<td>2,500.0</td>
<td>5,020.0</td>
</tr>
<tr>
<td>20. State Ministry of Environment</td>
<td>2,500.0</td>
<td>1,000.0</td>
</tr>
<tr>
<td>21. Investment Coordinating Board</td>
<td>1,250.0</td>
<td>1,126.0</td>
</tr>
<tr>
<td><strong>Total (Million Rupiah)</strong></td>
<td><strong>540,000.0</strong></td>
<td><strong>670,000.0</strong></td>
</tr>
</tbody>
</table>

Table 5
2005 State Budget Funding Allocation for the Finalisation of IDP Management in Maluku and North Maluku Provinces

<table>
<thead>
<tr>
<th>No</th>
<th>Planned activities under Inpres 6/2003</th>
<th>Unit</th>
<th>Cost per unit (IDR)</th>
<th>Cost per unit (IDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Maluku</td>
<td>IDP repatriation assistance</td>
<td>12,150 HH</td>
<td>2,500,000</td>
<td>30,375,000,000</td>
</tr>
<tr>
<td></td>
<td>House construction materials</td>
<td>6,900 units</td>
<td>8,000,000</td>
<td>55,200,000,000</td>
</tr>
<tr>
<td></td>
<td>Support funds</td>
<td></td>
<td></td>
<td>855,750,000</td>
</tr>
<tr>
<td></td>
<td>Reconstruction funds</td>
<td></td>
<td></td>
<td>319,250,000</td>
</tr>
<tr>
<td><strong>Total Maluku</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>86,750,000,000</strong></td>
</tr>
<tr>
<td>2 North Maluku</td>
<td>IDP repatriation assistance</td>
<td>5,300 HH</td>
<td>3,750,000</td>
<td>19,875,000,000</td>
</tr>
<tr>
<td></td>
<td>House construction materials</td>
<td>5,300 units</td>
<td>8,000,000</td>
<td>42,400,000,000</td>
</tr>
<tr>
<td></td>
<td>Support funds</td>
<td></td>
<td></td>
<td>622,750,000</td>
</tr>
<tr>
<td></td>
<td>Reconstruction funds</td>
<td></td>
<td></td>
<td>352,250,000</td>
</tr>
<tr>
<td><strong>Total North Maluku</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>63,250,000,000</strong></td>
</tr>
<tr>
<td><strong>Total Budget 2004 for the Management of IDPs through Inpres 6/2003</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>150,000,000,000</strong></td>
</tr>
</tbody>
</table>

2004. NMMRP was a multi-sectoral initiative to assist the government with post-conflict recovery, peace-building and sustainable development in Maluku and North Maluku. The main objectives of NMMRP have been fourfold: the return of IDPs within an atmosphere of reconciliation; the rehabilitation of basic community infrastructure and public services; the initiation of social and economic activity, particularly for the most vulnerable; good governance capacity building and the development of effective, transparent institutions.\(^\text{173}\) The programme was funded by the governments of Australia, the Netherlands, New Zealand, Norway, Sweden, and the United Kingdom.

NMMRP commenced in the neighbouring sub-districts of Tobelo and Galela in North Halmahera (North Maluku). The

location was chosen because of the high intensity of the conflict and the influence that building reconciliation in that area would have on the rest of the province. UNDP sought to identify priority projects through consultation with both sub-district heads (Camat) and within the framework of ‘do no harm’, seeking to ensure projects undertaken did not exacerbate tensions. UNDP also established a Community Programme Board (CPB) made up of the representatives of each local community. The CPB was designed as a local partner for NMMRP that could assess needs, undertake planning, allocate resources and recommend proposals. NMMRP has assisted the return of IDPs to the Tobelo and Galela area through housing construction. This project was specifically targeted at a highly important area that links the Tobelo (largely Christian) and Galela (largely Muslim) Sub-Districts. Along the road that links the two sub-districts are several villages (Gorua, Popilo, Luari and Mamuya) that to a large extent provide a barometer of inter-religious relations in the area.

By 2002 through NMMRP, UNDP was supporting (along with partner organisations), 20 projects designed to rehabilitate the infrastructure and service provision in the two provinces. In the Kei Islands, the Community Recovery Programme was involved in 76 projects designed to build peace. UNDP and WVI rehabilitated the SD Negeri school in the village of Togoliao in North Halmahera, a village completely destroyed by the violence in late 1999. Since January 2003, CARE has undertaken a water and sanitation project in Poso to assist in agriculture and minimise the risk of disease. CARE has also provided tools to businesses in Kota Poso.

An important component of the recovery process has been the provision of trauma counselling to people affected by the conflict. In Poso District, CWS has supported mental health rehabilitation since May 2003. The Yogyakarta based organisation PSPP has undertaken trauma counselling and training of local counsellors in North Maluku. INSIST has carried out similar programmes in West Kalimantan for Dayaks involved in the violence.

In order to stimulate economic activity and create employment, UNDP and several INGOs have undertaken micro-credit programmes. UNDP’s work in this sector has primarily been through the CRP. UNDP has also provided livelihood support in North Halmahera through re-establishing local industries disrupted by the conflict, such as support to brick-making and fisheries cooperatives and training in animal husbandry. More direct income generation programmes include providing canoes and other fishing equipment, and livestock. All of these initiatives have been designed to develop mutually supportive networks among the members of different groups within society. UNDP’s CRP also provided grants to over 90 NGOs and community-based organisations (CBOs) to provide assistance and services to, and generate economic activity within, local communities.

Governance

Most of the governance-related responses to conflict undertaken by the central Indonesian Government since 1999 have been discussed in earlier sections. The implementation of regional political and fiscal autonomy and the related process of pemekaran, or the creation of new smaller administrative units, has been designed to increase the accountability and responsiveness of local governments to the concerns of communities and their capacity to meet those concerns. Special autonomy has also been designed to address the concerns of communities in some provinces, particularly Aceh and Papua, about inequality between the funds generated by their provinces and the funds received by local governments.

174.) OCHA Central Sulawesi, Briefing Notes, op. cit. 4.
176.) OCHA Central Sulawesi, Briefing Notes, op. cit. 9.
UNDP has also undertaken capacity building in a conflict-affected area in North Maluku (North Halmahera), including the training of staff in local government departments. This assistance has been particularly targeted at those departments that are positioned to stimulate economic activity and job creation. Through NMMRP, UNDP has supported capacity building in such local departments as Fisheries and Agriculture. UNDP has also attempted to build the capacity of local governments to respond effectively to conflict. UNDP provided assistance to the local government’s emergency coordination unit Satkorlak in the form of telecommunications and office equipment and motorcycles.

Situation in 2005: Peace Vulnerabilities and Capacities

Conflict-affected areas are currently in the critical transition stage. That is, they are in the process of transitioning from relief to development. This is central to understanding the challenges faced by provincial and district governments and development agencies and donors seeking to assist them. With the exception of Poso, it has been some time since the last major period of violence. As a result, governments are now focusing less on security and social stability and more on issues of economic recovery and empowerment. Nonetheless, there are still outstanding conflict-related issues. The most obvious of these is IDPs, and the state of physical infrastructure. Less readily acknowledged, in many places Christian and Muslim communities are still divided. Thus, while governments are keen to move on and to close the chapter of violence, they are frustrated that there are issues that will not go away. Understanding the extent to which the success of longer-term development strategies is tied up with the resolution of the immediate legacies of death and destruction will be a key challenge for local governments in 2005 and beyond. The following section focuses on these outstanding issues and their

potential to derail local recovery efforts. Unresolved issues notwithstanding, the strongest guarantor of peace remains the communities themselves and their commitment to recovery and development. This is evident in the absence of communal retaliation or attacks following sporadic bomb attacks and mysterious shootings which still occur in Poso and Maluku.

7.1 Peace Vulnerabilities

Peace vulnerabilities may be broken down by such fields as ‘social’, ‘development’ and ‘governance’ such as is shown in Table 6.

<table>
<thead>
<tr>
<th>Social</th>
<th>Development</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unresolved issue of IDPs (all provinces)</td>
<td>Poverty and unemployment (all provinces)</td>
<td>Political competition (all provinces)</td>
</tr>
<tr>
<td>Continuing ethnic &amp; religious tension (all provinces)</td>
<td>Land, resource &amp; environment issues (all provinces)</td>
<td>Inequality in government and bureaucracy (North Maluku, Papua)</td>
</tr>
<tr>
<td>Presence of weapons (all provinces)</td>
<td>Lack of economic empowerment (all provinces)</td>
<td>Ambiguity of boundaries/territorial division (North Maluku, Central Sulawesi, Papua)</td>
</tr>
<tr>
<td>Provocation (Maluku, Central Sulawesi)</td>
<td>Weak coordination between government, NGOs &amp; community (all provinces)</td>
<td>Inadequate law enforcement and security apparatus (all provinces)</td>
</tr>
<tr>
<td>Crime (all provinces)</td>
<td></td>
<td>Distrust of government (all provinces)</td>
</tr>
</tbody>
</table>

The progress of reconciliation is variable between different provinces. Some provinces such as North Maluku and Central and West Kalimantan have not had serious outbreaks of violence for several years. Others such as Central Sulawesi (specifically Poso District) and Maluku continue to experience sporadic incidents of violence since the cessation of major hostilities. Even within provinces, reconciliation between communities has progressed better in some districts and sub-districts than others.

In some areas, previously warring communities remain geographically segregated. One example is the island of Tidore in North Maluku, the capital of Central Halmahera District. No Christians have yet returned to the island, precluding any real reconciliation initiatives. In Poso District, Christians, and Muslims are separated, Christians mainly living in Tentena and Muslims in Poso City. The city of Ambon remains largely segregated into Muslim and Christian communities. Villages throughout the island of Ambon and Maluku Province continue to be segregated and suspicious of individuals of the other religion and of newcomers. In West Kalimantan and Central Kalimantan only small numbers of Madurese now live in proximity to Dayak and Malay communities.

Distrust between previously combatant communities remains high in several districts. Stakeholders in several workshops stated that a lack of faith that security forces will protect communities in an effective and impartial manner has exacerbated concerns over the intentions of members of another ethnic or religious community. Destructive weapons such as automatic weapons and bombs have proliferated throughout many conflict-affected areas. As participants in the PDA workshops stated, this in itself is a major risk to peace, raising the likelihood that any incident will be far more deadly and therefore more likely to trigger widespread rioting. Criminal incidents

\[180\) In Central and West Kalimantan, calm may be due to the absence of all or most Madurese.

and provocation by parties with militant viewpoints or an interest in continuing tension raise the likelihood of further conflict.

7.1.2 Crime

In urban areas with high levels of unemployment, poverty, and population density, crime is almost inevitable. In areas where different ethnic and religious groups interact and compete for limited employment and resources, there is a high chance that criminal incidents will involve members of different communities often with a history of tension and conflict. In such situations, crime, particularly with little police action, holds great potential for igniting inter-communal conflict.

7.1.3 Provocation

In most post-conflict areas in Indonesia there continue to be individuals or groups who for one reason or another seek a return to violence. In many cases, these are militant groups who have entered the conflict area and either carried out, or provoked local groups into carrying out sporadic incidents of violence, as has been discussed above in the case of Poso. The security forces appear to continue to facilitate incidents that maintain a moderate level of tension in some conflict areas. The reasons for this have been discussed throughout this paper. Moderate to high levels of tension, if not complete conflict, may convince corporations exploiting natural resources to decide to commission security forces for protection. Tension also allows the security forces to extort much greater amounts from local communities. Security units also receive increased funding following the implementation of civil emergency status.

7.1.4 Violent outbreaks

Due to the above factors, outbreaks of violence have occurred in several districts that experienced major violent conflict. Continued inter-communal distrust means that many conflict-affected societies are still highly armed. One informant in Tobelo, North Maluku, told the LIPI research team that perhaps 90 percent of weapons remain in the community, due to concerns the other group will attack again in the future. Sporadic violence has continued in Poso District. Violence in August 2002 caused large numbers of IDPs to flee their homes. By one account there were 69 violent incidents in Poso in 2003, including numerous explosions and shootings. In one attack on a village in October, 10 people were killed. In July 2004 a female protestant priest was shot and killed inside a church, and in March a court prosecutor was assassinated. In October, three people were shot in a village in Poso District, one fatally. Villagers suggest these incidents were provoked or carried out by radical groups external to the province.

On 25 April 2004 rioting broke out again in the city of Ambon in Maluku Province. The violence appeared to have been triggered by a small ceremony to commemorate the founding of the 1950s independence organisation, the Republic of South Maluku (RMS). The violence quickly escalated as snipers shot into the crowd, killing several people. In the following violence, approximately 35 people were killed, numerous buildings were destroyed (including the UN office), and approximately 10,000 people were displaced from their homes.

The return and/or resettlement of IDPs remains a major issue with potential to cause future tension and conflict. While the vast majority of the 1.4 million people displaced by communal and vertical violence in the recent period have either returned to their homes or made new homes elsewhere, an estimated 500,000 people remain displaced. These people are unable or unwilling to return to their home areas due to ongoing violence or the refusal of local communities to accept their return, or because they perceive the conditions in their current location as better than those they would face should they return.

182.) LIPI, “Peace and conflict development analysis,” op. cit. 201.
The return of IDPs to their homes may cause tension and conflict in some areas. Perhaps the province that holds the most potential for conflict being caused by the return of IDPs is Central Kalimantan. Approximately 5,000 Madurese IDPs have already returned independently to the province, largely to the town of Sampit. The vast majority of Central Kalimantan Madurese who remain in Madura and elsewhere in East Java seek to return to Central Kalimantan. There are few jobs or other incentives to convince them to remain in East Java, and most are waiting for the government to assist their return. However, many also wish to wait to ensure the situation in Central Kalimantan is sufficiently stable. However, there remains a large amount of distrust among the Central Kalimantan Dayak community toward the Madurese, who they believe are likely to attempt revenge attacks in the future, and will again become involved in crime.

The long-term presence of large numbers of IDPs has caused tension in several areas, including North Sulawesi, West Timor, and Madura. As has been discussed above, local populations have become aggrieved that while they often endure poverty, they receive little or no assistance while the IDPs that have been placed in their district receive money and food. This was the case in Madura, where for example local villages had suffered rice shortages for at least six months before the arrival of the IDPs. The PDA report on NTT (East Nusa Tenggara) provides a good discussion of the multitude of issues around which IDPs from East Timor have come into low-level conflict with locals in West Timor. The ongoing competition by IDPs for limited employment, land and other resources has led to grievances among the local population. The PDA report on Kalimantan and Madura discusses how in 2001 tension around the continuing presence of IDPs led to a violent riot in Pontianak, Central Kalimantan.

In some areas, many IDPs refuse to return to their home areas particularly if they would constitute a minority among a community they formerly opposed during the conflict. For example, many Muslims from Tobelo now living in IDP camps in Ternate, North Maluku, do not feel the situation is sufficiently secure to return to Tobelo. Some tension has arisen between local Ternate residents and these IDPs. In June 2003 many of these IDPs from Tobelo also protested that government funding allocated to assist in their return had apparently been misappropriated by government officials. Similarly, many Muslim IDPs in Central Sulawesi refuse to return to predominantly Christian towns such as Tentena. Only a very small proportion of IDPs from Maluku now in Buton wish to return to Ambon (851 of 38,000 families). Most have integrated well into Butonese society. IDPs from North Maluku that remain in North Sulawesi face a range of hardships. While many no longer receive government assistance, they often face resentment from local communities. In 2001 members of a Protestant church in North Sulawesi forcibly evicted several dozen IDP families from the church grounds.

In some cases, these IDPs have developed businesses in local markets that were formerly dominated by communities who have left but who wish to return to their homes and livelihoods. As these communities are likely to have opposed each other in the conflict, this situation holds a strong risk to peace. The practise of corruption of humanitarian funds also holds great potential for causing further tension, particularly if the IDPs and those accused of corruption are from different and previously opposing communities.

According to OCHA 22,688 IDP families remain in Maluku Province. The provincial government has stated it needs

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186.) For a detailed discussion of the issues surrounding the return of Madurese IDPs to Central Kalimantan, see Kalimantan and Madura PDA Report, op. cit. 31-33.
188.) Kalimantan and Madura PDA Report, op. cit., 16.
US$32 million to continue to manage these IDPs. The central government has provided US$8 million in this year’s budget to assist 6,900 families. There are also many IDPs who fled from Central and West Kalimantan to Madura and elsewhere in East Java Province who have not yet returned home. Most IDPs from Central Kalimantan wish to return home when the situation becomes sufficiently secure, but many IDPs from West Kalimantan have decided not to return home. In January 2004 the Indonesian Government withdrew IDP status from those people still displaced from their homes. Responsibility for assistance to these ‘vulnerable people’ (as they are now termed) rests with the relevant provincial governments. This leaves a large funding vacuum which international agencies will be required to fill.

Despite the turmoil and disruption of conflict, the economic situation in most conflict-affected regions has rebounded to close to pre-conflict levels. For example, by 2002 the economic growth rate of West Kalimantan had recovered to 3.51 percent from a rate of 0.49 percent during the peak of the violence. Similarly in Poso District, while GDP fell marginally during 1999 and 2000, it had returned to pre-conflict levels by 2002.

However economic problems remain in many of the regions afflicted by violent conflict. In rural areas in Maluku, North Maluku, and Central Sulawesi, unemployment and underemployment remain at very high levels. Many men and women are highly frustrated at an inability to find employment and adequately pay for food, education, medicines, and other necessities. Many urban areas such as Poso, Tobelo, Ternate, and Ambon have become overcrowded with unemployed young men, many of who are from other areas and from different ethnic and religious groups. In post-conflict zones, many unemployed men are ex-combatants. Everyday interaction and competition for scarce employment and patronage between youths who may have previously opposed each other in violent conflict provides an environment in which small disputes can easily escalate. The combination of inactivity, deprivation, frustration, and a desire for meaning and status that commonly exists among unemployed young men creates a volatile social situation. This leaves large numbers of discontented people that are easily mobilised for conflict.

New administrative units created immediately after conflict have undermined the capacity of local governments to initiate regional economic recovery. The process of pemekaran has meant that, immediately following the establishment of security, many conflict-affected areas have been under the administration of newly formed governments. In many cases these governments have not been sufficiently established to adequately address the needs of economic recovery in the districts. In North Maluku, the governments of the large number of new districts have been focused on constructing new government buildings, hiring staff and other necessary aspects of establishing effective government. The government of North Halmahera District has not been empowered to issue business permits until the new district level parliament is inaugurated.

In several conflict areas, the corruption of humanitarian funds appears to have become the primary dynamic behind continuing violence. For example, while portrayed as communal violence, the beheading of the Pinedapa village chief in Central Sulawesi in October 2004 appears to have stemmed from his refusal to sign for IDP funding that had not yet actually been received by his village. Likewise, after two NGOs in Poso accused civil servants and legislators of corruption, bombs exploded outside their offices in April 2005. Thus far, local communities refuse to be provoked into further violence.

194.) Ibid.
A number of issues related to the exploitation of natural resources hold the potential for conflict. Land issues also continue to be potential sources of conflict. The coalition of Indonesian NGOs, the Consortium for Agrarian Reform, estimates that there are 1,500 major unsettled land conflicts in Indonesia. Divergent conceptions of land ownership between those based on traditional / customary claims and those based on national law continue to present difficulties for peaceful resolution of such disputes.

One area where the control of land and resources holds a high potential for future conflict is the sub-district of Malifut on Halmahera in North Maluku. As discussed in Part 3, the 1999 conflict in North Maluku started due to ethnic competition concerning this territory and the goldmine located within it. Many of the issues causing tension at that time have not been resolved. For example, the status and name of the sub-district of Malifut remain uncertain and are due to be debated by the new North Halmahera District Parliament. Changes to the sub-district hold the potential for violence as they did in 1999.

Several new issues have also emerged as potential sources of conflict in Malifut. In December 2003 approximately 2,000 people, both local and non-local, occupied the mining site operated by the Australian-Indonesian company PT NHM. Local communities were protesting over several issues: the employment by the company of non-local workers from North Maluku; the lack of compensation paid to the adjacent villages; and destruction of protected traditional forests. A large number of young men from outside the province were involved in illegal mining in the contract area of the mining company, and in January 2004, a member of a Brimob unit employed by the mining company shot and killed one of the illegal miners. Many of these issues, particularly employment and compensation to the local communities, have not been resolved. However, the latter may be more easily addressed now that Malifut is located in the smaller North Halmahera District with its capital in the relatively nearby Tobelo, as opposed to the much larger North Maluku District with the capital in Ternate as was previously the case.

The participants in the PDA workshops stated that many local communities felt a lack of economic empowerment particularly when it came to the exploitation of local natural resources. When companies and local governments take decisions concerning resource exploitation that affect the local community in a way that is not transparent, they can exacerbate local tensions, as seen recently in some areas of Papua. Environmental degradation can cause resentment not only toward the company involved but also toward members of a different community who appear to be the main beneficiaries of the resource exploitation. The use of traditional land and forest without compensation to local communities increases discontent.

Unequal access to the benefits available from local resource exploitation (employment, revenue etc) should be considered a major Peace Vulnerability. Employment can cause tension if a company gives a disproportionate number of jobs to members of one local community at the expense of another, or hires large numbers of workers from outside the local area.

The machinations that surround political competition present a major vulnerability to peace in Indonesia. With the decentralisation of financial authority to the district level, this is particularly the case for district head (bupati) elections. Few district head elections have yet taken place in the main conflict regions. Several new districts have been created but the new district heads have tended to be appointed by the governor until such time as local parliamentary and district-head elections can be held.

196) C. Wilson, ‘Decentralisation to the district level: Is it far enough?’, in Asian Analysis Newsletter, Australian National University, July 2004.
197) The district parliament in Tobelo is also more likely to be sympathetic to the local Kao community.
198) See for example International Crisis Group, ‘Resources and Conflict in Papua’, op. cit.
and governmental infrastructure can be fully established. District head elections will occur in several districts during 2005. Judging by the recent history of Indonesian local politics, these elections and the campaigns preceding them present a potential risk to peace. The Kalimantan and Madura PDA report states that there is a rising incidence of thuggery surrounding political events in West Kalimantan.

The dominance of certain groups in government, particularly the bureaucracy, can be a major peace vulnerability. This is particularly the case if this dominance causes resentment among communities that feel they are marginalized from decision-making and employment. The PDA process identified grievances caused by inequality in the local governments and bureaucracies in certain areas. A lack of transparency on the part of the government and bureaucracy continues to cause tension and fuel inter-communal resentment. For example, in Poso District, a lack of transparency in bureaucratic recruitment, and a reliance on a rotation system rather than new recruitment has increased perceptions of nepotism. Such tensions will inevitably develop along religious lines. It is worrisome that government officials still do not perceive this to be a potential cause of further conflict. In some cases, under-represented groups feel their traditional rights as the owners of land, forests and resources are being undermined by a government dominated by members of other groups. This is the case in Kao and Malifut Sub-Districts in North Halmahera, where Kao feel their rights to the proceeds from the goldmine at Toguraci are not respected by the provincial government.

As identified by stakeholders in the PDA workshops, uncertainty over the boundaries of units that have already been created holds the potential to cause conflict. The location of the capitals of districts or provinces formed during the era of pemekaran can also be a contentious issue. In North Maluku, the law creating the province stated that the permanent provincial capital would be in the village of Sofifi on Halmahera. A protest outside the inauguration ceremony for the provincial parliament (DPRD) in mid 2004 was partly motivated by demands for the relocation process to take place quickly.

The issue of the creation of new administrative units and the sometimes arbitrary demarcation of new boundaries continues to be a major potential source of conflict. In some cases tension may stem from competition for access to economic or political resources, or over the location of new district or provincial capitals. In other cases, identity issues appear to play a major role in disputes. For example, in October 2004, in Aralle District in the new province of West Sulawesi, residents of a neighbouring village attacked the village of Aralle. Members of Aralle village had refused to join the new district of Aralle, reportedly because they would be a religious minority within that district, preferring to join the adjacent district of Mamasa. The initial riot caused two deaths and displaced approximately 1,000 people.

Almost all PDA workshops identified a lack of faith in the police and military to respond effectively to crime and social disturbances such as conflict as a peace vulnerability. More importantly, with the range of issues causing tension listed above, most communities do not completely rely on the security forces to protect them in the event of further violence. This leads to communities taking measures to provide for their own security, often involving the construction and proliferation of weapons.

Peacemaking Capacities

While there still remain a large number of risks to peace in conflict-affected areas in Indonesia, there are also some foundations upon which stakeholders can build a
sustainable peace. The table below sets out those Peace Capacities as identified in the PDA process and through the analysis in this report. The following section will discuss these Peace Capacities in further detail.

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<th>Table 7 Peace Capacities</th>
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7.2.1 Desire for peace

Perhaps the most powerful peace capacity throughout conflict areas of Indonesia is an almost universal desire to avoid the massive destruction and suffering experienced during the recent conflicts. If inter-communal relations are managed properly, this desire will outweigh any desire for revenge. Research such as that carried out by LIPI in Maluku, North Maluku, and Central Sulawesi discovered a widespread recognition of the increased costs, loss of jobs, destruction, and human suffering that accompanies conflict.

As showed by the Governance Assessment of Central Sulawesi (commissioned for the PDA process), a determination not to repeat the previous conflict has led to strong support for peace building activities. Communities have responded positively to the Malino Declaration and other, more local reconciliation processes, such as the Forum Komunikasi Antar Umat Beragama, and peace-building activities (sport, arts, and traditional events).204 These initiatives, along with conflict fatigue, have strengthened the resolve of communities to resist

7.2.2 Responsive government

A strong capacity for peace includes more rapid response over the past year of the government to security issues in conflict-affected provinces. As the government and security forces take stronger action against perpetrators of bombings and killings, local communities are not provoked into renewed violence.

The central government is currently assessing the possibility of developing an extensive Early Warning System (EWS) to better predict and respond to conflict throughout Indonesia. The EWS will have three main goals: to identify the causes of conflict; to predict future occurrences of conflict; and to respond to and ameliorate conflict when it occurs. The EWS process will involve five steps.

- Units and affiliated organisations will gather data in an impartial manner.
- Special assessment teams will analyse this data and categorise the information gathered into type of incident, time, place, and information on the actors

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204.) N. Shatifan et al. ‘Thematic assessment’, op. cit.
205.) Ibid.
involved. The team will analyse the potential security impact of incidents and assess which aspects of the social situation are to be prioritised. As part of this assessment, the team will identify not only the most likely scenario but also several possible alternative scenarios developing several ‘if…then’ type conclusions to ensure effective and flexible response.

- The assessment team will develop the most appropriate action plan to respond to the situation.
- Fourth, the EWS system will transfer this plan to those actors best placed to act upon it, who will implement the response on the ground.
- Finally, assessment teams will evaluate and improve upon the response.

The government recognises that central to the success of the system is to give ownership of it to society. A preliminary goal in the development of the EWS will be building the legitimacy of all agencies. Subsequently, the EWS will be created through legislation. Through the people, NGOs, the security forces, and the government, the EWS will develop a database on the social conditions in all areas, focusing on those areas identified as having conflict potential. Units of the EWS will be established at all levels of government.

Several components of the PDA process outlined the role religious leaders can play in peace building. Research by LIPI on Ambon and Seram in Maluku Province revealed that religious leaders play a major role in convincing community members to focus on the future rather than on possibility of revenge. In North Halmahera, North Maluku Province, religious leaders (as well as community leaders) play a major role in maintaining peace through a local inter-religious dialogue forum. Participants in the PDA workshops identified the growing involvement of youth in the peace-building process as a primary capacity for peace. Given that youth are often involved in the outbreak and escalation of violence, the increasing involvement of youth in conflict prevention and peace building is a particularly encouraging development.

The influence of women and their demonstrated skills in peace building position them as a strong peace capacity in many conflict-affected areas. However, women have been, to a large extent, excluded from formal peace processes. Few women were involved in formal reconciliation meetings following conflicts in Kalimantan, Central Sulawesi, or Maluku. However, women are becoming increasingly involved in peace building at the grassroots level. If given influence by the local government over wider, better-resourced programmes, women’s organisations can play a substantial role in building sustainable peace between communities. As with all sectors of society, however, commitment to peace varies among different women and women’s organisations. For example, in Ambon, the Forum for Baguala Women protested against one of the peace building measures specified in the Malino II agreement: the closure of the Muslim radio station Suara Perjuangan Muslim Maluku.

In some areas traditional structures are able to play a role in dispute resolution between members of neighbouring communities. However it must be remembered traditional law will only hold so long as it legitimate to both parties. Reference to traditional law is unlikely to resolve disputes between the members of two communities that have different traditional structures. Therefore traditional systems such as these should only be utilised as a corollary to universal access to the national justice system for all communities, local and migrant.

7.2.3 Involvement of wider civil society

208.) See UNDP PDA Youth Assessment, op. cit., for a good discussion of the role of youth in peace building in North Maluku.
211.) This point is made in H. Crouch, ‘Indonesia: Political Transition and Communal Violence’, in Searching for Peace in Asia Pacific, op. cit., 374. For example, the Makian community is unlikely to consider the traditional structure of the Kao and Tobelo to be an impartial arbiter of disputes between the two communities. Likewise, the pela system historically prevalent between Christian and Muslim villages on Ambon Island has little relevance to long term or recent migrant communities from South Sulawesi. On Ambon see S. R. Panggabean, ‘Maluku: The challenge of peace’, op. cit. 428.
participants in the PDA workshop for Maluku Province stated that adat (for example the pela system) should not be used in urban areas where it holds little legitimacy among youth.

Just as a desire to avoid further conflict is almost universal throughout Indonesia, so too is a desire for development. All stakeholders involved in the PDA process have stated a desire for the economic, social and cultural development of their local regions. All communities in a district have common interest in the development and enhancement of the local transport, communications and economic infrastructure. Members of communities that were previously opposed in conflict depend on and use the same electricity systems, telephone cables, and water sanitation systems. In many cases these systems have not been fully rehabilitated since the conflict. The development of this infrastructure is a common interest that can be utilised to bring communities into cooperation.

Indonesia as a whole, and particularly many conflict-affected areas, possesses great natural resources, a fact which increases the potential of this peace capacity. Finding an equitable and sustainable means of exploiting the vast resources of areas such as Kalimantan, Maluku, Papua, and elsewhere to the benefit of all groups, local and migrant, is a major means of achieving sustainable peace in these regions. A sense of economic security will act as a major source of peace.

Vulnerabilities and Capacities in Aceh and Papua

The primary capacity for peace that exists in Aceh and Papua, both of which are facing separatist unrest, is the more flexible response of the new Indonesian government. The current government has clearly recognised the importance of effective policies for dealing with conflict throughout the archipelago. The president has stated that normalising the situation in conflict-affected areas such as Aceh, Maluku, and Central Kalimantan are a priority for the new government.

Most Papuans and a large number of Acehnese supported President Susilo Bambang Yudhoyono during the presidential campaign, believing he would take a more moderate approach to their provinces. The president has stated that he does not consider a security solution will be adequate to the separatist challenges in Aceh and Papua. Vice President Jusuf Kalla has stated that some policies of past administrations caused inequity and grievances in Papua. As the situation stabilises in Aceh following the signing of the Memorandum of Understanding between the Indonesian Government and GAM, the Government will put more emphasis on humanitarian, developmental, and other non-coercive measures to create sustainable peace in the province.

There appears to have been some progress towards a peace media in several conflict-affected areas of Indonesia. In North Maluku, the number of newspapers and magazines published in the main city, Ternate, has increased greatly since the conflict. Many of these newspapers appear to be far more critical and objective than the one main newspaper that existed at the time of the conflict. In Maluku Province, the Maluku Media Centre is also promoting more impartial reportage.

7.3

Vulnerabilities and Capacities in Aceh and Papua

7.3.1 The approaches of the new government

7.2.4 Desire for development

Professional media

Just as an unprofessional and sectarian media can provoke communities into violence (as it has done on occasion in Indonesia), so too can a professional and objective media help halt escalating tensions. This can be done through a refusal to print or disseminate unfounded rumours, and to investigate fully stories that are likely to inflame tensions before publishing them. Media agencies can create more pluralist notions of community by breaking down artificial barriers and increasing knowledge of members of other religious and ethnic communities. Media can also act as an early warning indicator for rising tension and conflict.

7.2.5 Professional media

See the Maluku and North Maluku PDA Report, 34.
In Papua, Papuans continue to be under represented in the local economy. Most state contracts are given to non-Papuans, and most traders and shop and business-owners are non-Papuan. Environmental destruction and disregard for traditional land rights hold the potential to cause violence. In the Sorong area of Papua, local communities are receptive to the opportunities presented by the extraction of timber but are aggrieved at the unauthorised expansion of concession areas and the destruction of their traditional forests and the lack of compensation received.

The entry of members of Laskar Jihad into Papua after the announced dissolution of the organisation has caused some concerns among the Christian Papuan community. However, few violent incidents involving Laskar Jihad members in the province have been reported, and the number of members does not appear to have reached the levels feared. One positive development has been the decision by the OPM in Papua to end armed struggle. In August 2004, members of OPM met in a remote location near the border with Papua New Guinea and declared their intention to pursue self-determination by peaceful means. The step followed pressure on the OPM following charges against a member for attacks on American civilians near the Freeport McMoran mine. Tension between local and migrant communities has continued in Papua. Violence has occurred in Puncak Jaya District where police claimed members of the OPM killed six migrant workers.

Incomplete implementation of the special autonomy laws is a source of frustration for local communities in Papua. Papuans remain aggrieved that the Papuan Peoples Council (MRP), stipulated as part of special autonomy, has not yet been created. Further, the splitting (pemekaran) of the province as discussed in Part 4 was passed by parliament without the consent of that council. In December 2004, the president signed a regulation authorising the creation of the MRP, and the Papua provincial government is seeking to create the 42-person council by September 2005. Papuan leaders have warned the government that violence may occur if direct local elections proceed in the new province of West Irian Jaya.

In late December 2004, many areas of Aceh were devastated by a large tsunami following an offshore earthquake. The destruction wrought by the earthquake and following tsunami claimed approximately 128,000 lives and caused the disappearance of a further 37,000 people. The Indonesian Government and the international community carried out a massive relief effort. The situation has also acted as the catalyst for a new opportunity for peace in the province. Soon after the tsunami, President Susilo Bambang Yudhoyono stated he was determined to find a permanent, negotiated end to violence in the region. Subsequently, in January 2005, new negotiations between GAM and the Indonesian Government have taken place in Finland under the auspices of the Crisis Management Initiative. Negotiations culminated in the signing of the Memorandum of Understanding by the Government and GAM on 15 August 2005.

The Tsunami’s Impact on Conflict in Aceh *)

When the tsunami hit Aceh in December 2004, the province was in the midst of a separatist conflict and under civil emergency. Counter-insurgency operations were being conducted and access by foreign organisations was limited. The latter experienced a total reversal as hundreds of INGOs streamed into Aceh to help the survivors. While this unprecedented outpouring of aid was of immense psychological value for the survivors and aid was more speedily delivered than any government bureaucracy is able to, it was not unproblematic. One of the main criticisms is that many INGOs treated Indonesia like Sudan or Somalia, like a failed state without a functioning government structure. Another criticism was that not all

214.) Ibid., 16.

*) Special acknowledgement is given to Kirsten Schulze who contributed this section.
aid delivered actually met the needs of the population. Some was downright unsuitable such as the Kuwaiti fishing boats, which now litter the beaches unused, as they are too shallow for Acehnese waters.

Moreover, there was a considerable amount of competition, duplication, and overlap, particularly in the health sector. Medical posts near the city of Banda Aceh rivalled each other and competed for patients. This also had a detrimental impact on the local Acehnese health infrastructure. There was at least one occasion where a foreign clinic was set up right across from a local health centre (puskesmas) with the result of putting the puskesmas out of business. Acehnese doctors complained about foreign doctors taking away their jobs as the Acehnese population rushed for free medical treatment. Overlap, duplication, and rivalry also had a geographic aspect. The vast majority of INGOs based themselves in and around Banda Aceh, not just because this was the most heavily affected area but also because it was easily accessible and provided them with access to the 'media circus' and thus the ability to promote their projects for the benefit of their donors. Indeed, some INGOs spent more time on self-promotion than on providing relief.

While relations among the INGOs was marked by competition and occasional hostility, relations among the INGO community and Indonesian NGOs, the local population, and the militaries—both foreign and Indonesian—were somewhat strained. Indonesian NGOs that did not have an INGO partner felt they could not compete with the vast resources of the INGOs and were thus being pushed out of the relief effort. They felt excluded from coordination meetings, which were in English. The local population felt marginalized in a different way. According to locals, many INGOs came around to ask people what they needed, but then never returned or delivered. Some locals even accused certain INGOs of having colonial attitudes. Resentment against INGOs was also created by Acehnese landlords who evicted their tenants in order to rent houses at 10 times the price to foreigners.

INGO-military relations bordered on outright hostility. The Indonesian military was suspicious of the INGOs from the beginning, seeing them as spies and supporters of Acehnese independence. The TNI has not forgotten the role some INGOs played in the independence struggle of East Timor. Conversely, most INGOs see the TNI as the main cause for human rights abuses and conflict in Indonesia. However, tensions also extended to the foreign militaries providing relief in Aceh. According to members of the various military contingents, INGOs had an 'attitude problem', seeing humanitarian aid as the prerogative of civilians and anyone in uniform as the enemy. They wanted to use the militaries' equipment – helicopters, trucks, and ships – but preferably without the military.

And last but certainly not least, the INGOs had a negative impact on the local economy, most notably price hikes in the markets, rent hikes for housing, and creating prosperity gaps between that part of the local population employed by INGOs and those who were not.

The tsunami and the tsunami relief also had an impact on the conflict, despite or arguably because of the fact that much of the relief effort was conducted as if the conflict did not exist. For the Free Aceh Movement (GAM) the tsunami and the subsequent unprecedented foreign presence was a blessing in disguise. The natural disaster did in minutes what GAM had failed to achieve since 1976: it put Aceh on the map and raised international interest in the conflict. The opening up of Aceh to INGOs, in particular, was welcomed because GAM sees the international presence not only as having a monitoring effect on Indonesian counter-insurgency operations but also as strengthening its own strategy of internationalisation. This strategy sees the international community as the key to achieving Acehnese independence. GAM hopes that the international community will put pressure on Jakarta to conduct a referendum in Aceh just like it did in East Timor in 1999.
Moreover, GAM believes that INGOs are its natural allies in light of past and present human rights abuses perpetrated by the Indonesian security forces.

For the Indonesian Government the flood of INGOs has been a mixed blessing. INGOs have provided necessary aid. On the other hand, the need of INGOs to advertise their projects in order to satisfy donors has resulted in a war of flags, giving the impression that the foreigners are the only ones active in the relief effort. They have thus undermined the Indonesian Government’s ability to show the Acehnese people that Indonesia does care and have, inadvertently, strengthened anti-Jakarta sentiments. For Acehnese civil society, the presence of the INGOs has opened up a space in the zero-sum dynamics of the conflict. Before the tsunami civil society organisations often felt they had to side with GAM or the Indonesian Government. Now civil society organisations have started to assert their independence from both.

Beyond the impact of the presence of INGOs, the relief and reconstruction effort in itself bears the potential of exacerbating the conflict on the ground or indeed adding new social conflict. With respect to the former, the areas worst-hit by the tsunami—Banda Aceh and the west coast—were those that were generally seen as loyal within the context of the conflict. Reconstruction of solely those areas would add grievances to the population in the disloyal areas along the east coast. It would give the impression that loyal areas are rewarded with aid while disloyal ones are not. Similarly, the villages in the centre of Aceh, where much of the fighting has occurred over the past year, will not receive any aid as they were not affected by the tsunami. However, these are areas from which GAM draws support because many of the villages are below the poverty line. With respect to the latter—creating new social conflict—the tsunami has created a distinct line of haves and have-nots. Providing only the have-nots with new houses and new infrastructure could result in a situation in which the lucky ones who were not hit by the tsunami are stuck in poor housing and with poor infrastructure, creating social jealousy.

And last but not least, the existing conflict could be exacerbated and new conflict could be created in connection with reconstruction. The vast amount of relief money and reconstruction money raises the spectre of corruption, collusion, and nepotism. Many Acehnese are convinced that Jakarta has already pocketed “their” money. Much of this is the result of expectations that the IDPs would receive large cash handouts. Transparency and accountability are thus key areas of concern. Another area of concern is how contracts for reconstruction projects are handed out. The scramble for contracts could lead to further tensions, particularly if it is mainly companies from outside Aceh that undertake most of the reconstruction effort. Also, small businesses are likely to lose out against bigger ones. Already there are rumours that the spoils have been divided between the TNI and the Jusuf Kalla and Surya Paloh business empires. Corruption, collusion, and nepotism will beyond doubt exacerbate the existing conflict, drive the Acehnese further away from Jakarta, and strengthen pro-independence sentiments. In turn, transparency, accountability, local consultation, and participation, and a broader, province-wide development agenda could stabilise the situation and lead to a reduction in conflict.

The MOU comprises five sections: first, the governing of Aceh; second, human rights; third, amnesty; fourth, security arrangements; and fifth, the establishment of the Aceh Monitoring Mission. The section on the governing of Aceh addresses political participation, the economy, and the rule of law. It stipulates that a new law will be promulgated to enter into force no later than 31 March 2006. Everything except foreign affairs, external defence, national security and fiscal matters will be devolved to Aceh. Aceh will be consulted with respect to international agreements and has the right to use regional symbols including a flag, a crest and a hymn. The Indonesian government will facilitate the establishment of Aceh-

based political parties within 18 months from the signing of the MOU. All Acehnese will be issued with new identity cards.\textsuperscript{216}

With respect to the economy, the MOU grants Aceh the right to raise funds with external loans and to set interest rates beyond those set by the Central Bank. Aceh can raise taxes and seek foreign direct investment. It also has jurisdiction over living natural resources in its territorial sea as well as being entitled to retain 70 per cent of the revenue from all current and future hydrocarbon deposits and other natural resources. And GAM will nominate representatives to participate fully in the commission established to conduct the post-tsunami reconstruction.\textsuperscript{217}

The legal code for Aceh will be redrafted on the basis of the universal principles of human rights and Aceh will receive its own independent court system. The appointment of the regional police chief and prosecutors will require the consent of the Aceh administration. Moreover, all civilian crimes committed by military personnel in Aceh will be tried in Acehnese civil courts.\textsuperscript{218} Addressing the issue of human rights the MOU stipulates that Aceh will receive a human rights court as well as a truth and reconciliation commission.\textsuperscript{219}

GAM members will be granted amnesty and those imprisoned will be released within 15 days of the signing of the MOU. The subsequent use of weapons by GAM personnel will be regarded as a violation and will lead to a disqualification from the amnesty.\textsuperscript{220} Former prisoners, ex-combatants, and civilians who suffered a demonstrable loss due to the conflict will have all political, economic and social rights and their reintegration into society will be facilitated including receiving farming land, employment or adequate social security. Ex-combatants also have the right to seek employment with the organic police and military.\textsuperscript{221}

As for security arrangements, hostilities will end with the signing of the MOU. GAM is required to demobilise all its 3,000 troops and to decommission 840 weapons between 15 September and 31 December 2005. Indonesia, in turn, is required to withdraw all non-organic military and police during the same period. The number of organic forces to remain is 14,700 TNI and 9,100 police.\textsuperscript{222}

And finally, the MOU sets out the establishment of the Aceh Monitoring Mission comprising EU and ASEAN countries to monitor the demobilisation of GAM and the decommissioning of its weapons, to monitor the redeployment of non-organic TNI and police, to monitor the reintegration of GAM and the human rights situation as well as the legislative change, to rule on disputed amnesty cases, and to investigate violations of the MOU.\textsuperscript{223}

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{216} Ibid, section 1.1 Law on the Governing of Aceh and section 1.2 Political Participation.
\item \textsuperscript{217} Ibid, section 1.3 Economy.
\item \textsuperscript{218} Ibid, section 1.4 Rule of Law.
\item \textsuperscript{219} Ibid, section 2 Human Rights.
\item \textsuperscript{220} Ibid, section 3 Amnesty.
\item \textsuperscript{221} Ibid, section 3.2 Reintegration into society.
\item \textsuperscript{222} Ibid, section 4 Security Arrangements.
\item \textsuperscript{223} Ibid, section 5 Establishment of the Aceh Monitoring Mission.
\end{itemize}
\end{footnotesize}
8. Conclusion

The PDA process was designed to identify the primary risks to peace (peace vulnerabilities) and potential foundations of a sustainable peace (peace capacities) in eight provinces. The process was at heart participatory, based around qualitative research in all provinces where possible, and on the involvement of relevant stakeholders in a series of workshops.

Political and social changes in Indonesia in 1999 played a large role in the outbreak of violence in several areas. For example democratisation and decentralisation interacted with some structural remnants of the New Order to provide the conditions for violence. Feelings of insecurity permeated many segments of society in Indonesia. Increased demands for independence in Aceh and Papua led to increased security measures by the Indonesian security forces.

Several developments have made a repeat of the turmoil that began in 1997 unlikely. Indonesia has now experienced a second free and fair election, including the direct election.
of a new president, Susilo Bambang Yudhoyono. The new president and his administration have stated that the resolution of the remaining issues with potential for further conflict are a high priority for the new government. In addition, in the area of greatest violence, Aceh, the devastating tsunami has provided fresh opportunities for a negotiated settlement leading to the current peace process as framed by the Memorandum of Understanding of 15 August 2005.

The PDA process has suggested that there are some remaining issues that hold the potential to cause conflict in the future. Important among these is the issue of IDPs. The continuing presence of IDPs has caused tensions with host communities in some areas as the IDPs consume limited local resources. The return of those IDPs that seek to return their homes perhaps holds even more potential for conflict. This is particularly the case with the province of Central Kalimantan, where Madurese IDPs seek to return but face strong opposition from the local Dayak population.

Unemployment and poverty continue to create large pools of disenfranchised young people, easily mobilised for violence. The extraction of natural resources causes grievances among local populations over issues such as inequality in employment and environmental degradation. The sense of a lack of economic empowerment among local communities causes a great deal of frustration, particularly in an era when local communities have been promised greater empowerment.

Inequality in local bureaucracies and a lack of transparency in recruitment as well as policy-making causes grievances that can lead to conflict. Stakeholders in the PDA workshops commonly identified corruption and nepotism in local governments as major risks to peace. Several issues remaining from the ongoing process of pemekaran also hold the potential to cause tension. Uncertainty over the borders between new districts and sub-districts (particularly with the presence of lucrative natural resources), and over the location of capital towns causes tension between communities.

Stakeholders in the PDA process have commonly stated that ongoing security sector reform is needed to provide a sense of security to communities in conflict-affected regions. Stakeholders in the PDA workshops stated there was perception among their communities that security personnel lacked the resources and the political will to respond effectively and in a neutral fashion to conflicts and minor incidents that precede them.

However, the PDA process has also discovered a sense of optimism among participants and the presence of several important capacities for peace that span previously warring communities. The PDA process has identified an almost universal desire for peace among communities in conflict-affected regions. While there remain small groups that seek to provoke violence in these areas, the desire for peace and the recognition of the costs of conflict among the wider community means the actions of these groups usually do not cause wider conflict. The involvement of several important groups has also increased the chances of building sustainable peace. Religious and women’s groups have joined local governments in a concerted effort to prevent violence occurring again.
Bibliography


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