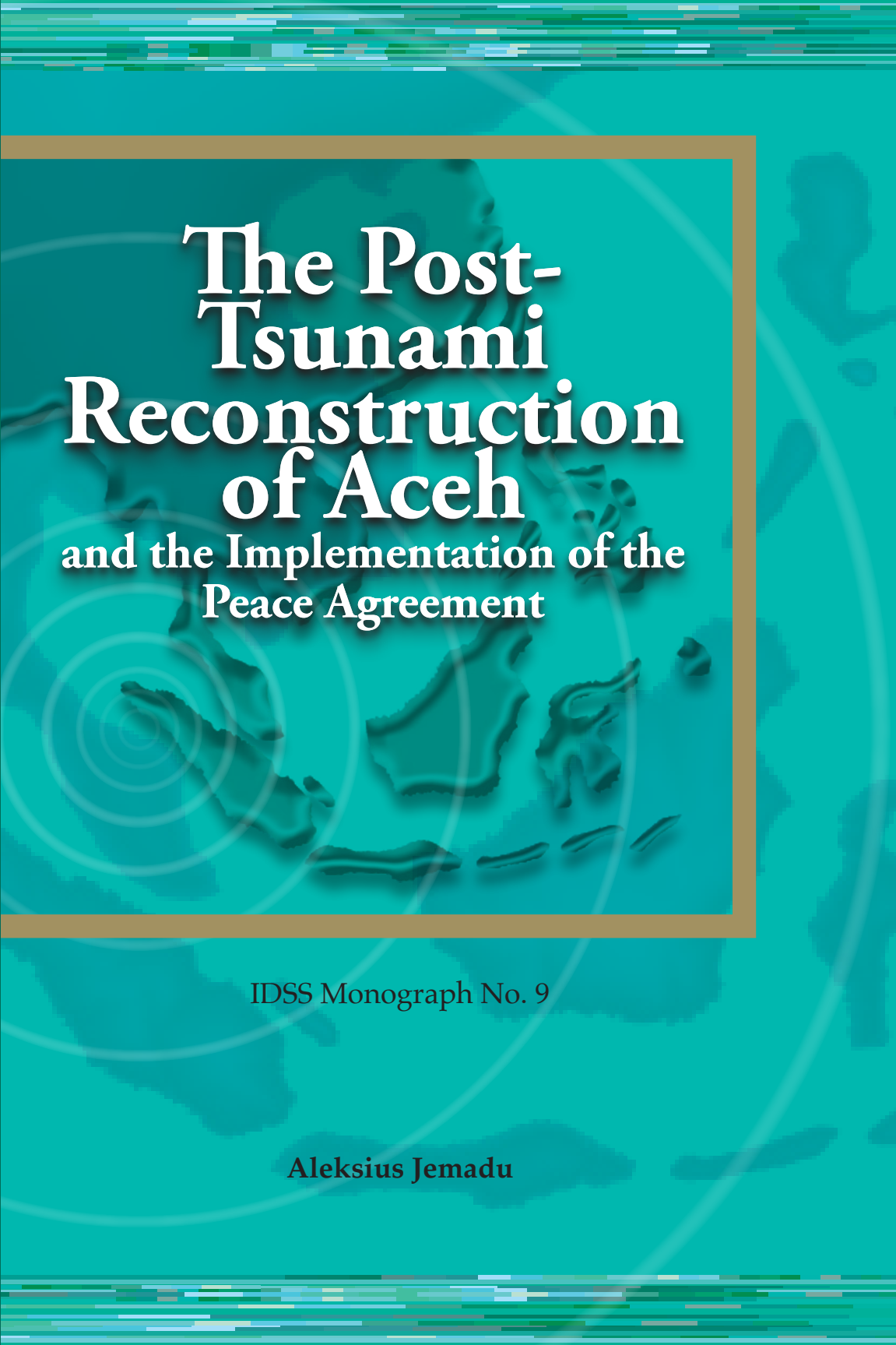


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The Post-Tsunami Reconstruction of Aceh

and the Implementation of the
Peace Agreement

IDSS Monograph No. 9

Aleksius Jemadu

IDSS MONOGRAPH NO. 9

**The Post-Tsunami
Reconstruction of Aceh and the
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Agreement**

Aleksius Jemadu

INSTITUTE OF DEFENCE AND STRATEGIC STUDIES

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Preface

The process of peace building in Aceh has reached a point of no return. Much progress has been achieved in the process of transforming a negative peace into a positive one. However, there is still a long way to go before the roots of the conflict are completely removed from the Acehnese society. It is true that the Free Aceh Movement (GAM) rejects some articles in the Aceh Governance Law but its rejection has not led to the resumption of political violence. The main objective of this monograph is to trace the evolution of the conflict resolution in Aceh since the enactment of martial law until the establishment of the Aceh Governance Law. It remains to be seen how the Indonesian government will react to GAM's demand for the amendment of the law. In the meantime, preparations for the implementation of direct executive elections in Aceh are now being made and all parties are currently manoeuvring and developing their strategies in order to win those elections. It is too early to predict the outcome of these elections. However, taking into account the fact that Aceh will have greater autonomy and hundreds of millions of dollars will be allocated to its post-conflict socio-economic development, the elections will almost certainly have at its epicentre the questions of political power and influence as well as opportunities of economic appropriation. The hope is that such political competition is not going to exclude the Acehnese grassroots. From the evolution of the peace process that is explained in this monograph and the enthusiasm of the Acehnese people in supporting it, all parties should feel morally obliged to work together in accomplishing the ultimate objectives of the peace process. Let me end this preface by wholeheartedly thanking the Institute of Defence and Strategic Studies, Nanyang Technological University, Singapore, for supporting me in my research and writing of this monograph.

Aleksius Jemadu

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- “Transnational Activism and the Pursuit of Democratization in Indonesia: National, Regional and Global Networks” in Nicola Piper and Anders Uhlin (Eds.), *Transnational Activism in Asia: Problems of Power and Democracy* (London: Routledge, 2004), pp. 149–167
- “The Challenge of Regional Pluralism and the Necessity of Good Governance in Indonesia” in Frank Delmartino, Amara Pongsapich and Rudolf Hrbek (Eds.), *Regional Pluralism and Good Governance: Problems and Solutions in ASEAN and EU countries* (Baden-Baden: Nomos Verlagsgesellschaft, 1999), pp. 67–79
- “Democratization and the Dilemma of Nation-Building in Post-Soeharto Indonesia: The Case of Aceh”, *Asian Ethnicity*, Vol. 5, No. 3, October 2004 (Routledge Taylor & Francis)
- “Indonesian Foreign Policy and the Issue of Terrorism” in Norbert Eschborn, Joyce Holmes Richardson and Henriette Litta (Eds.), *Democratization and the Issue of Terrorism in Indonesia* (Jakarta: Konrad Adenauer Stiftung, 2006)
- “Democratization, the Indonesian Armed Forces and the Resolving of the Aceh Conflict” in Anthony Reid (Ed.) *Verandah of Violence: The Background to the Aceh Problem* (Singapore and Washington: Singapore University Press/University of Washington Press, 2006)

Abbreviations and Acronyms

Abbreviations and acronyms used in this monograph

ABAS	[Province of] Aceh Barat Selatan
ADB	Asian Development Bank
AIPRD	Australia-Indonesia Partnership for Reconstruction and Development
ALA	[Province of] Aceh Leuser Antara
AMM	Aceh Monitoring Mission
ASEAN	Association of Southeast Asian Nations
Bappenas	Badan Perencanaan Pembangunan Nasional (Indonesian Development Planning Agency)
BPN	Badan Pertanahan Nasional (National Land Agency)
BRA	Badan Reintegrasi Damai Aceh (Aceh Reintegration Body)
BRR	Badan Rehabilitasi dan Rekonstruksi (Rehabilitation and Reconstruction Agency)
CMI	Crisis Management Initiative
COHA	Cessation of Hostilities Agreement
CRS	Catholic Relief Services
CSO	civil society organization
DAU	Dana Otonomi Khusus (Special Autonomy Funds)
DPRD	Dewan Perwakilan Rakyat Daerah (Aceh Provincial Parliament)
FPI	Front Pembela Islam (Front of Islamic Defender)
GAM	Gerakan Aceh Merdeka (Free Aceh Movement)

Abbreviations and Acronyms

ICG	International Crisis Group
IDP	internally displaced person
IOM	International Organization for Migration
JSC	Joint Security Committee
KfW/GTZ	Kreditanstalt fuer Wiederaufbau/Gesellschaft fuer Technische Zusammenarbeit (German Development Bank / German Cooperation Agency)
MMI	Indonesian Mujahedeen Council
NAD	[Province of] Nanggroe Aceh Darussalam
NGO	non-government organization
NU	Nahdlatul Ulama
PDIP	Partai Demokrasi Indonesia Perjuangan (Indonesian Democratic Party of Struggle)
SIRA	Sentral Informasi Referendum Aceh (Aceh Referendum Information Centre)
TNI	Tentara Nasional Indonesia
UNDP	United Nations Development Program
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development

INTRODUCTION

There are very few, if any, serious attempts to develop an integrated analysis of the inter-linkage between the post-tsunami rehabilitation and reconstruction of Aceh on the one hand and the implementation of the peace agreement signed by the Government of Indonesia and the Free Aceh Movement (GAM) on 15 August 2005 on the other. Some studies are indeed available but they only focus on the post-tsunami socio-economic situation in Aceh and do not really touch on the current issue of the implementation of the peace agreement. For instance, Eye on Aceh, an independent research organization, has published a report on an assessment of the ongoing rehabilitation and reconstruction in post-tsunami Aceh. However, the study does not specifically touch on the implementation of the peace agreement.¹ Another important study was conducted by the International Crisis Group (ICG) which focuses on the argument that the signing of the peace agreement between the Government of Indonesia and GAM in

¹ Eye on Aceh, *A People's Agenda?: Post Tsunami Aid in Aceh*, February 2006.

Helsinki on 15 August 2005 could provide a new chance for a sustainable peace in Aceh as long as all parties, including the international community, are committed to consistently implementing the agreement. However, this study does not specifically try to make a linkage between the peace agreement and the current socio-economic development in Aceh.²

There also exist some brief commentaries about the current prospect of peace in Aceh following the signing of the peace agreement. For instance, Yang Razali Kassim wrote a commentary on “The Aceh Peace Accord 2005: Breakthrough at Last?” in which he argues that GAM has made a great sacrifice in abandoning their demand for an independent state and it would be reasonable to expect that Indonesia should also be willing to remain committed to the spirit of the peace agreement.³ Another commentary was written by S. P. Harish who wrote “Peace Agreement with GAM: End of the Peace Process?”. He argues that both the Indonesian government and GAM need to build trust so that the two parties can cooperate to make the implementation of the agreement a success.⁴

The problem with the studies mentioned earlier is that each one of them treats the post-tsunami reconstruction of Aceh and the implementation of the peace agreement as two separate issues. It is no exaggeration to say that the two grand projects—post-tsunami socio-economic development and the implementation of the peace deal—represent the two frameworks within which the future of Aceh is going to be built. It should be noted that each of these frameworks has its own internal dynamics in the sense that there are underlying principles that the various actors are supposed to refer to in their interactions. In one sense, with a huge amount of budget that is allocated for the rehabilitation and reconstruction and the necessity

² International Crisis Group, *Aceh: A New Chance for Peace*, Asia Briefing No. 40, Jakarta/Brussels, 15 August 2005.

³ Yang Razali Kassim, “The Aceh Peace Accord 2005: Breakthrough at Last?”, *IDSS Commentaries* No. 44, July 2005.

⁴ S. P. Harish “Peace Agreement with GAM: End of the Peace Process?”, *IDSS Commentaries* No. 56/2005, 18 August 2005.

of coordination this framework will tend to strengthen the power of the central government. On top of that, there will also be a tug of war between the coordinating authority of the central government and the demand for more autonomy by local bureaucracies and local civil society groups. As far as the politico-security framework is concerned, the main tendency is the dispersion of power not only to the local level but also to the international agencies that are currently active in the reconstruction of Aceh. A crucial element of the implementation of the agreement is tightly connected to the legislation changes, the result of which will be a function of the political struggles in Jakarta. The main argument of this writing is that the future of peace in Aceh will be determined by the compatibility between its ongoing socio-economic reconstruction on the one hand and its politico-security framework on the other. However, such compatibility depends not only on the commitment of the Indonesian government and GAM but also on the continuing support of the international community through the reconstruction of Aceh and the monitoring of the implementation of the peace agreement. In the final analysis, the success of peace building in Aceh will be determined by the Aceh leaders from all political stripes and the Acehnese people themselves.

This study will be organized in the following way. It will start from an overview of the latest development of the conflict, especially after the enactment of martial law in May 2003. The implementation of martial law brought tremendous consequences to the conflict as it dealt a heavy blow to the military infrastructure of GAM. On top of that, those who once were influential decision makers during the implementation of the martial law, which includes former President Megawati and some hardliner generals, have united their opposition to the peace agreement. Later on, the nationalist groups continued to influence the deliberation of the Aceh Governance Law so that it might not abandon the fundamental principles of the Indonesian unitary state.

From there, the study moves on to a description of the social, economic and political impacts of the tsunami and how this natural calamity changed the perceptions of the conflicting parties regarding the future of Aceh. Mas-

sive devastation of the socio-economic structures of the province and the huge number of human fatalities have invited the coming of domestic and internal aid to Aceh, so much so that such massive exposure to the external world has brought about some socio-political implications for the Acehnese society.

Special attention will be given to the participation of some of the radical Islamic groups from Jakarta during the first months of emergency after the tsunami hit. Then the paper continues with the more institutionalized concept of the rehabilitation and reconstruction of Aceh and how the Indonesian government tries to organize these policy efforts in order to facilitate the allocation of international funds for the province. This part of the paper will be divided into two sections. First, it analyses the preparation of the establishment of the Rehabilitation and Reconstruction Agency (Badan Rehabilitasi dan Rekonstruksi or BRR) and then it is followed by the analysis of the important elements of the implementation of the development programmes coordinated by the agency.

The signing of the peace agreement on 15 August 2005 in Helsinki has surely brought a new perspective to the implementation of developmental projects as the agreement can at least guarantee the political security in Aceh, which is so essential for its social and economic development. However, the paper will also give an overview of the negotiation process prior to the signing of the agreement and how the contestation of ideas and arguments were skilfully mediated by the Crisis Management Initiative (CMI) under the leadership of the former President of Finland, Martti Ahtissari. The paper will then try to analyse the essential aspects of the agreement and make an interpretation on what the expectations of both parties from the implementation of the agreement be might be. It will be argued that the most important aspect of the implementation of the agreement is concerned with the necessary legislation changes as stipulated in the document of the peace deal. Closely related to this is the analysis of the role of the Aceh Monitoring Mission (AMM), which is supposed to rule on any dispute between the conflicting parties. It is also interesting to see how the different political factions in Jakarta try to influence the final result of the legislation changes

in accordance to their basic attitude to the peace deal. The international community will surely play an important role in helping the conflicting parties stick to the principles of the peace agreement.

The final part of the paper will be about the analysis of the compatibility between the two grand scenarios that today simultaneously reorganize and restructure the social and political relations among the various groups in Aceh. It is the compatibility of these two policy frameworks and how they complement each other that will determine the future peace in Aceh. After all, in the whole process of conflict resolution it is the success of the social and economic development in meeting the basic needs of the people that will ultimately determine the transformation of a negative peace into a positive one.⁵

⁵ For a comprehensive analysis of negative peace and positive peace in the context of conflict resolution, see Hugh Miall, Oliver Ramsbotham, Tomwoodhouse, *Contemporary Conflict Resolution*. Cambridge: Polity Press (1999), p. 208.

THE EVOLUTION OF THE CONFLICT SINCE THE ENACTMENT OF MARTIAL LAW UNTIL DECEMBER 2004

The course of events within this short period of time can be used as source of information in understanding the evolution of the conflict resolution in Aceh after the tsunami hit the province on 26 December 2004. Therefore, we need to analyse what transpired both at the national level and the politico-security situation in the field. We can say that prior to the enactment of martial law by the Indonesian government on 18 May 2003 the general situation in Aceh was characterized by a complicated combination or alternation of the promotion of peace through negotiations and the use of military force. This might reflect the fragility of Indonesia's democratic consolidation at the central level by which the principle of civilian supremacy over the military remained precarious. This could also reflect the lack of determination on the part of the Indonesian leadership in sticking to the promotion of a peaceful resolution to the conflict in Aceh. Later, we will see that in the era of President Susilo Bambang Yudhoyono and Vice President Jusuf Kalla, control over the military in dealing with the secessionist movements appears to be more effective so that consistency in government policy can be ensured.

We might argue that the more consolidated a democracy is at the central level, the higher the chance for the government to remain consistent in its policy of resolving ethno-national conflicts by democratic means. It should be noted that Yudhoyono's obsession for a peaceful resolution of conflict in Aceh was already evident when he actively engaged in opening the way for the achievement of the Cessation of Hostilities Agreement (COHA) in December 2002.¹ The fact that the agreement only lasted for six months indicated his powerlessness in the midst of the dominance of hardliner generals who preferred a military solution. In fact, in his capacity as the Coordinating Minister for Political and Security Affairs under President Megawati, Yudhoyono continued to make known to the media that personally he preferred a peaceful solution to the conflict in Aceh rather than the imposition of martial law.²

The dominant nature of the military solution in Aceh during the period of President Megawati should be understood within the context of the special relationship between the president and the military.³ During the period of President Abdurrahman Wahid there was a struggle for influence between the president and the Indonesian military (TNI) leaders as the former had always tried to end the domination of the military in politics. President Wahid was the first civilian leader who made a serious attempt to establish the principle of civilian supremacy as a pillar of Indonesia's democratic consolidation. However, as far as the resolving of the Aceh conflict was concerned,

¹ Later on, after he was elected as president with the solid mandate from the people, Yudhoyono did try to realize his idea of promoting a peaceful conflict resolution.

² International Crisis Group, "Aceh: How Not to Win Hearts and Minds", Briefing Paper, 23 July 2003, p. 1.

³ For a detailed analysis of how the relationship between President Megawati and the TNI affected government's military approach in resolving the Aceh conflict, see Aleksius Jemadu, "Democratization and the Dilemma of Nation-building in Post-Soeharto Indonesia: The Case of Aceh", *Asian Ethnicity*, Vol. 5, No. 3, October 2004, pp. 326–328.

he could do nothing to convince the military leaders that a peaceful solution would be more sustainable in the long term. It was this tug-of-war between the civilian and military leaders that contributed to Jakarta's inconsistent policy in dealing with the conflict in Aceh and Papua New Guinea from the collapse of President Soeharto's regime in May 1998 to the presidency of Megawati which ended in October 2004. Obviously, such inconsistencies added to the deepening mistrust and suspicion between the two sides, so much so that it would take time for any peaceful agreement to take root in the hearts and minds of the conflicting parties.

When the TNI leaders had a hard time with President Abdurrahman Wahid they went to Vice President Megawati for consultation and protection. This was the beginning of the coalition between conservative TNI leaders and the nationalist group led by Megawati. This coalition played a significant role in facilitating the impeachment of President Abdurrahman Wahid in July 2001. After Megawati came to power the TNI had an upper hand in continuing their military approach in Aceh. This was the reason why the TNI was quite reluctant and a little doubtful when the COHA agreement was signed between the Indonesian government and GAM in December 2002. It should therefore come as no surprise that the implementation of COHA was not smooth and it eventually failed. The TNI was particularly concerned with the involvement of an international party in monitoring the peace process. The military leaders could not accept the fact that they should obey an international authority embodied in the function of the Joint Security Committee (JSC). On top of that, the TNI accused GAM of using the peace process to consolidate its military power. The most important lesson to be learnt from this experience is that the successful implementation a peace agreement with GAM is guaranteed only as long as it can secure the support of the TNI. This is probably the reason why, soon after the signing of the Helsinki Peace Agreement on 15 August 2005, there was a significant level of optimism among the public despite some pessimism in the media. Such optimism was based on the fact that some of the TNI leading figures like the Coordinating Minister for Politics, Law and Security Affairs and Major General Bambang Dharmono (who once served as the commander of the

military operations in Aceh) were directly involved in the whole process of negotiations. On top of that, while the negotiations took place in Helsinki the top military positions in Jakarta were increasingly controlled by less conservative generals.

The implementation of military operation under the auspices of Presidential Decree No. 28/2003 brought a heavy devastation to GAM's military infrastructure. Although the presidential decree also included other aspects like humanitarian operation, law enforcement and the restoration of government bureaucracies, the military component of the policy appeared to be the most dominant part and absorbed the largest proportion of the budget. Although the Indonesian government lifted martial law in May 2004 and changed it into a civilian emergency, the impact of the military operation on the nature of the conflict was quite significant. As far as this paper is concerned, of particular importance are the political and security issues that might affect the Helsinki peace process and the implementation of the peace agreement. It was quite evident that military operations had killed more than a thousand GAM soldiers. On top of that, many GAM strongholds were destroyed by the TNI with the effect that GAM could now only conduct defensive strategies just to survive and continue their military struggle through occasional guerrilla tactics. The morale of the GAM forces was particularly weakened when of their popular commander Ishak Daud was killed by the TNI during a heavy military operation in September 2004. Ishak Daud was known to be an outspoken member of GAM and several times he had managed to escape from the TNI's attacks. The weakening of GAM's military strength was an important reason why it responded to an offer by the Indonesian government to revive peace talks even long before the peace talks in Helsinki.

It should also be noted that during the implementation of martial law many GAM members were arrested and imprisoned not only in Aceh but also throughout Java. Today, as a consequence of the peace agreement, they are released from prison after obtaining amnesty from the Indonesian government. Another important issue that could affect the reintegration process of GAM members into society following the signing of the peace agreement

was the establishment of militia groups that were facilitated by the TNI since the enactment of the martial law. These anti-GAM militia groups exist in almost every district in the province of Nanggroe Aceh Darussalam (NAD).⁴ The fact that both the TNI and GAM have shown their commitment to fulfil their respective obligations in maintaining the security after the signing of the peace deal makes it very unlikely that there will be a new conflict line between the ex-GAM members and the militia groups.

The election of President Susilo Bambang Yudhoyono and Vice President Jusuf Kalla in October 2004 played an important role in opening the way for the promotion of peaceful conflict resolution in Aceh. With a strong mandate from popular votes, the two have a strong authority to take initiative of new peace talks with GAM. Both of them succeeded in initiating peace talks to end the communal conflict in Poso, Central Sulawesi, when they served as Coordinating Minister for Political and Security Affairs and Coordinating Minister for Social Welfare respectively. A combination of vast experience in conflict resolution and democratic credentials adds to their intellectual legitimacy in starting the peace negotiation on Aceh. The eventual recourse to the negotiation process was also due to the fact the military approach had not stopped the violence in Aceh. As it turned out, when the Indonesian government started this massive military operation in May 2003 it did not have a clear goal in mind regarding the fundamental question of how to produce a lasting peace. It was quite evident that the military operation was just aimed at as many enemies as possible. The Indonesian government seemed to hold a wrong assumption that it could put an end to a secessionist movement simply by killing people.

It was Vice President Jusuf Kalla who initially started to build contacts with GAM leaders in Aceh to see whether they were also interested to engage in a new round of informal talks in order to end the conflict. The ICG report makes a full account of the story of how Jusuf Kalla and his team arranged a series of informal talks with GAM military commander Muzakkir Manaf.

⁴ ICG, *op. cit.*, pp. 13–14.

Although both sides finally reached an agreement containing various important issues including, among other things, a commitment to fully implement the autonomy law, economic compensation in forms of money and plantation for GAM, building of mosques and amnesty for GAM members as an exchange for their disarmament, the negotiation could not be continued because it did not involve GAM leaders in Sweden.⁵ What is important here is the fact that GAM leaders in Sweden still retain control and have the final say in any attempt to negotiate with the Indonesian authorities. This was exactly the step that was made by President Susilo Bambang Yudhoyono soon after the tsunami hit the province of NAD on 26 December 2004. In addition, as far as the Indonesian government is concerned, we should note that any peaceful conflict resolution requires a full commitment at the top level of decision making and the common vision of both civilian and military leaders.

⁵ The ICG report calls it the “Kalla Initiative”. For the whole story of the process of informal talks, see ICG, *ibid.*, p. 2–3.

THE TSUNAMI AND ITS SOCIO-ECONOMIC IMPACTS

The earthquakes and tsunami wave that hit the various parts of the province of NAD on 26 December 2004 set a new course for the province in many aspects of life for the Acehnese. The natural disaster came as if it wanted to complete the suffering of these people after being deprived economically and politically by a three-decade long conflict. The scale of physical damage and human casualty was beyond human imagination. No wonder all of a sudden Aceh became the focus of national and international attention. The tsunami also hit other countries like Thailand, Malaysia, India, Bangladesh and Sri Lanka but Aceh stood out as the most devastated area not only terms of the death toll but also in terms of economic destruction. The main part of this chapter looks into the social, economic and political impacts of the natural disaster and how they might affect the prospect of conflict resolution in Aceh. We will rely on the various reports made by the Indonesian government, the World Bank, the Asian Development Bank and other NGOs that made an assessment of the social economic impact of the disaster. This author also visited the area most hit by the tsunami in Banda Aceh in the

beginning of March 2005 and witnessed how the coastal areas of Banda Aceh were totally destroyed by the tidal wave. To be sure, these reports do not specifically address the political question of how they might affect the process of conflict resolution. These reports are made available mainly for the purpose of rehabilitating and reconstructing the province by using national and international resources. Therefore, we need to make an interpretation of their political impact so that in the end we might have a more comprehensive picture of the situation within the context of the current ongoing process of conflict resolution. We will start from the social impact, which includes human casualties, refugees, housing, education, health, religion and culture. Then we look at the economic impact of the tsunami in terms of damage to the economic infrastructure and productive sectors of the regional economy. By political impact, we mean how the tsunami has changed the configuration of political power among the various actors including the central government, local authorities, rebel groups, civil society and international donors and NGOs.

According to data made available by the National Development Planning Agency (Bappenas) and the International Donor Community (World Bank) entitled *Indonesia: Preliminary Damage and Loss Assessment* just three weeks after the tsunami, the total number of people killed by the tsunami wave in Aceh and North Sumatra is 112,229, the number missing is 12,132 and the number displaced is 703,158. The largest number of human casualty is from the provincial capital Banda Aceh, the districts of Aceh Besar and Aceh Jaya.¹ It is only reasonable to expect how this human tragedy left behind a massive traumatic experience among the survivors as they have to rebuild their cities and districts from the debris of the disaster. As the participation of outside actors in the reconstruction of Aceh is on the rise, a question about the participation of the Acehnese people looms. Great dependence on the national government and international community may damage local

¹ Government of Indonesia and the International Donor Community, *Indonesia: Preliminary Damage and Loss Assessment*. Jakarta, January 2005. p. 9–10.

tradition of self-reliance in dealing with external adversities. For the short and medium term, the presence of external actors in Aceh might be very useful, but in the long term it is the local people themselves who should have sufficient capacity to solve their social and economic problems. In fact, some studies have indicated that the massive participation of external actors including the central government, donor agencies and international NGOs in the reconstruction of Aceh may create feelings of disempowerment and frustration among the Acehnese themselves. Without thorough consultation and communication with local beneficiaries there is no guarantee that what the external actors have developed will be sustained in the long term. Of particular importance to the Acehnese is not only the building of houses and public infrastructures but also the creation of employment.²

A three-decade long conflict has never given any opportunity for the Acehnese to improve the quality of their human resources with the effect that the exploitation of its rich natural resources has always been done by people from outside Aceh. On top of that, it is no exaggeration to say that before the enactment of the autonomy law in 2001, most of the profit from the exploitation of gas, oil and timber in Aceh had gone to the national and foreign investors working in close collaboration with the Indonesian military. Because of the protracted conflict, the social capacity of the Acehnese to embark upon their economic development has been systematically weakened with the effect that poverty enclaves exist in the midst of the presence of massive foreign capital, especially in North Aceh. According to an account in October 2004, 53 per cent of families in the whole province of NAD were living in poverty.³ It is within this context that Karen Ballentine

² Eye on Aceh, "A People's Agenda? Post-Tsunami Aid in Aceh", February 2006, p. 37. In fact, a joint report by the BRR and international partners entitled *Aceh and Nias One Year after The Tsunami: The Recovery Effort and Way Forward* (Banda Aceh, December 2005) also acknowledges that it is the Acehnese people who should determine the path of recovery and its future sustainability. See p. 179 of the report.

and Jake Sherman introduce what they call “civil war economies” which are characterized by “the militarization of economic life and the mobilization of economic assets and activity to finance the prosecution of war”.⁴

Another important social economic problem caused by the tsunami is the large number of internally displaced persons (IDPs). According to the official report, IDPs were found almost in every district of NAD and most of them were from Banda Aceh, Meulaboh and North Aceh. The actual number of refugees is even higher given the fact that some people did not report to the authorities and a significant number of people went to live with their relatives. The governor of NAD issued Regulation No. 266/S. PBP/VIII/2005 on the criteria of refugees but the implementation of the regulation was poor as local government officials were overwhelmed by the unsystematic records on them, especially at the sub-district and village levels. The problem of refugees become even more complicated if we have to add to the equation those who fled from their villages due to endless intimidation by either the Indonesian military or GAM. They had to live in temporary shelters and camps and with supplies of food and other basic needs from government agencies, international donors and NGOs. However, the Indonesian government should find a more conceptual solution to their problems as delays in finding a permanent settlement for them could spark various kinds of social and political problems. Real data on the number of IDPs sometimes create confusion as the government can easily changed its estimation. There are two possibilities why this happened, First, there was a mistake in the initial calculation or some people were late in reporting themselves to the registration officials. Second, it was also possible that some local government officials marked up the number of IDPs in order

³ Eye on Aceh, “Responding to Aceh’s Tsunami: The First 40 Days”, <http://www.aceh-eye.com>, April 2005.

⁴ See Karen Ballentine and Jake Sherman, “Introduction” in Karen Ballentine and Jake Sherman (Eds.) *The Political Economy of Armed Conflict: Beyond Greed and Grievance*. Boulder: Lynne Rienner Publisher (2003), p. 2.

to get more funds from the central government and international funding agencies.⁵ The culture of corruption among local government bureaucracies is not a strange phenomenon in Aceh as there is a lack of an effective mechanism of financial control throughout the province.

The socio-economic impact of the tsunami on women is of particular relevance as their social and cultural status has always been deprived and exploited through a male-dominated culture and religious tradition. From my interviews with some women activists in Banda Aceh in the beginning of March, I was told that women would have difficulty in reclaiming entitlement to the lands left behind by their husbands who were killed by the tsunami.⁶ According to most accounts, the number of women killed by the tsunami is higher than the number of men are because on the day it happened (Sunday), most women were at home taking care of their children while the men were out engaging in economic activities or just having fun with friends. This fact has created a number of social problems in society, including increasing workloads for women, early marriage which hinders them from education and skill improvement, limited social and economic mobility, and little access to economic resources like capital and land.⁷

Other aspects of the social sector extensively devastated by the tsunami include private housing, educational buildings, health services and religious buildings. The general condition of these basic services in the province of NAD is not promising as the armed conflict sometimes resulted in the destruction of the schools and other government buildings. The poor provision of education and health services, especially in the remote areas, has

⁵ Monitoring Sub-Commission – Humanitarian Emergency Commission, “Evaluation of the Performance of Government of Indonesia in Response to the Emergency Stage of Post-Tsunami Aceh” Jakarta, 2005, p. 5.

⁶ Interview with a woman activist from Koalisi Perempuan Aceh, Kairani, in Banda Aceh, 6 March 2005.

⁷ Oxfam International, “The Impact of Tsunami on Women”, Oxfam Briefing Note, March 2005, pp. 4–5.

added to the complexity of rehabilitation and reconstruction efforts. This is also due to the fact that teachers and doctors refuse to be assigned to remote areas for reasons of personal security. According to the government's assessment, the number of buildings that were partly damaged or destroyed by the tsunami along the coastline of the province of NAD was around 279,000 units, most of which were private houses for the coastal population and the rest were public buildings like schools, hospitals, health centres and mosques. In terms of economic calculation, the damage or destruction to the private housing cost around 13.4 trillion rupiah while the damage to public buildings cost only 2.8 trillion rupiah.⁸ The fact that more private housing was damaged should give us an idea about the scale of economic burden for the people in the resettlement process. Later on, both at the emergency stage and the rehabilitation stage, it will be evident that the construction of new houses and public buildings get the highest priority in the allocation of funding by the government and NGOs.

The competition among the various actors to control the remaining natural resources partly explains the perpetuation of the conflict over the last three decades. According to the special autonomy law, Aceh is entitled to 70 per cent of the net benefit from the extraction of oil and gas resources. There are certain important elements of data on economic development that need to be analysed as well as how they might be affected by the tsunami.⁹ First, the most important sectors for Aceh's economic structure include gas and oil, which are responsible for 43 per cent of regional GDP, while agriculture contributes to 32 per cent of it. While the oil and gas sectors were not affected by the tsunami, the agricultural sector bore the full brunt of damage. It should be noted that almost half (47 per cent) of the task force in Aceh work in agriculture. It is reported that the west and northeast coastal agricultural areas were heavily damaged, leading to the creation of newly

⁸ Government of Indonesia and the International Donor Community, *op. cit.*, p. 45.

⁹ All economic data presented here refer to Government of Indonesia and the International Donor Community, *ibid.*, pp. 21–23.

unemployed of as many as around 320,000 people. The total financial loss in the agricultural sector is estimated to be about 2.2 trillion rupiah. This is of special relevance to the general economic situation in Aceh that it is always the rural people who bear the economic burden of any prolonged armed conflict. Another important economic impact of the tsunami is related to the damage and loss in the basic infrastructure of the regional economy. The destruction of roads, bridges and seaports along the coastline brought a significant negative impact on various economic activities with the effect that the slow regional economic growth became even worse after the tsunami. The economic damage and loss comprises as much as 97 per cent of Aceh's regional GDP. With such a large scale of loss for the foreseeable future, Aceh will have to depend on assistance from the central government and donor countries in order to recover its economy.

As the tsunami has brought to a halt some important economic activities like trade, agriculture and fishery, according to Minister of Development Planning Agency Sri Muljani, it will take years before the regional economy can recovery from its current condition.¹⁰ There has been an annual allocation of provincial and district budget for the reconstruction of roads and bridges but the maintenance of those infrastructures is always hampered by the lack of security for the contractors and workers of public works. Thus, the problem of economic rehabilitation and reconstruction is not only a matter of the availability of funds offered by donor countries but it also requires an integrated approach that combines economic development and peaceful conflict resolution with the participation of all policy stakeholders throughout the province. Whether or not all those policy stakeholders can participate in the reconstruction of Aceh will very much depend on the political interaction among the various actors, starting from the emergency stage soon after the tsunami to the present where the two most important actors, the central government and GAM, are supposed to be committed to the principles agreed upon in their peace agreement.

¹⁰ *Kompas*, 10 May 2005.

THE POLITICS OF THE TSUNAMI RELIEF AND EMERGENCY ASSISTANCE

As mentioned earlier, the huge scale of human and socio-economic loss brought about by the tsunami has triggered the coming of various actors to Aceh and as well as an outpouring of a large amount of financial assistance. The coming of these external actors to a region which once was relatively closed because of the effective control over the free flow of information by the military might have some political ramifications in the wider context of the conflict itself.

The tsunami that devastated various parts of Aceh on 26 December 2004 has caused not only sustained suffering for many Acehnese but also the nature of relationships among the main actors involved in resolving the Aceh conflict. Despite the fact that the disaster has united all parties in relief efforts and helping the survivors, there are now clear indications that the post-tsunami reconstruction of Aceh is not free from the issue of who gets what, when and how in the aftermath of the disaster. There are visible signs of tension and disagreements among the main stakeholders the reconstruction project. On top of that, old assumptions about the politics of the resolving of the Aceh conflict remain as valid

as ever. Now that Aceh has been opened to various actors from outside with a diversity of motivations, there is a need to conduct a survey of the new configuration of interests and power which may significantly characterize the prospect of future development of this province and the possibility of peace. In the first days after the tsunami hit, the Indonesian government seemed quite reluctant to immediately open the province to foreign governments and international NGOs, fearing that exposing Aceh to the external world could damage the reputation of the government, especially the military who until then had an effective control over the flow of information in the region. A delay in the decision of the government to invite the participation of international agencies in giving emergency and relief assistance to the survivors reflected a tug-of-war between Jakarta's civilian and military leaders before they decided what to do in Aceh. The military leaders were especially concerned with the disclosure of a new series of violation of human rights as a result of military operations during the implementation of the martial law since May 2003.

In the first weeks after the tsunami, it could be observed that the central government was so overwhelmed by the scale of the impact of the tsunami that government officials did not really know what to do. There was an impression that the Indonesian government was not really prepared to respond to the occurrence of natural disaster with a huge magnitude despite the complete government regulations already in place. Panic and exchange of accusations instead of coordination characterized the whole organization of government-sponsored activities. The situation was made worse by the fact that the tsunami had paralysed the function of local government services at all levels, particularly in places like Banda Aceh, Sabang, Calang and Meulaboh. In fact, even before the tsunami local government authorities in conflict-ridden areas just did not function properly so much so that some positions had to be taken over by the military just to create an impression that those areas remained under the control of the Indonesian government.

In order to have an idea how the natural disaster paralysed the proper functioning of the governance sector, let us examine the data on the assessment of damage and loss in this sector. It is quite clear that the damage

and loss are not only concerned with the physical infrastructures in terms of buildings and other facilities but also and more importantly the loss of human resources though death or escape to other parts of the country. It is reported that 21 per cent of public buildings and 19 per cent of equipment were destroyed. In addition, 21 per cent of the personnel were severely affected and 27 per cent of public records were destroyed. The total amount of damage and loss in the governance sector is around USD 81 million.¹ The problems and challenges ahead that need to be tackled immediately include psychological problems of traumatic experience among civil servants due to the loss of family members, inadequate numbers of civil servants, the death of regional heads and members of parliament, the great number of non-functioning and damaged governance facilities and infrastructures, the change in the area and administrative borders due to the loss of villages, and unfavourable governance administration.² If these problems are not addressed properly then the implementation of the special autonomy law will be much compromised or it may lead to even greater dependence on the central government.

On top of that, an enduring conflict had created a culture of bribery and extortion with the effect that government officials at all levels and the military invariably tended to deal with the people in a quid pro quo manner. Some local people expressed their disappointment at the slow response of the Indonesian government to the urgent needs of the refugees. For instance, M. Jamin, a refugee from Kampung Jawa in Kotaraja, Banda Aceh, complained that volunteers from foreign countries and NGO activists were responsive to their needs while government officials were just absent. Another refugee, Mustafa, from Mata'le, near the television station in Banda Aceh, also expressed his frustration with the government's plan to send away foreign

¹ The Indonesian Government and the International Donor Community, op. cit., p. 64.

² Republic of Indonesia, *Master Plan for the Rehabilitation and Reconstruction of the Regions and Communities of the Province of Nanggroe Aceh Darussalam and the Islands of Nias, Province of North Sumatera*, Jakarta, March 2005, pp. IV-17–IV-18.

agencies when in fact, based on his observation, government officials did not do anything to help them.³ In some cases the villagers chose to cooperate with NGOs rather than with government institutions. For instance, a number of villages from various sub-districts in Aceh Besar decided to join with a local NGO, Urban Poor Linkage (Uplink), to form what they call “Jaringan Udeep Beusaree” (Network of a Just Community Life) in order to reconstruct their villages. According to Zulkifli, the NGO activist, the people did not really trust the promise of government officials to rebuild their villages and they felt more secure working with NGOs.⁴ In other instances, a former village administrative chief was asked by his villagers to demarcate land for them. It happened in village Lamjabat, in subdistrict Meuraxa, Banda Aceh. The villagers were not patient enough to wait for local authorities from the National Land Agency (BPN) to solve their problems.⁵

If corruption is used as a standard for the people to make a judgement on whether they have to trust local government officials or not, then they have a good reason to be doubtful about the reliability of government officials in realizing the principles of good governance. At the international level, Indonesia does not really have a good reputation in terms of corruption eradication. The province of NAD is no better than the national government in this particular aspect. Currently, the governor Abdullah Puteh has to serve 10 years in Cipinang Prison, Jakarta, for various cases of corruption that he was involved in over the past years. There are also numerous cases of corruption involving some mayors and local members of parliament. So it is no surprise that there exists a certain level of frustration among the people, especially after the enactment of the special autonomy law for Aceh in 2001. It is common throughout Indonesia over the last couple of years

³ *Kompas*, 5 March 2005.

⁴ *Kompas*, 14 March 2005. In fact, the author had a long conversation with Mr. Zulkifli in Banda Aceh and he explained how the villagers came to his NGO office and made a joint project of village reconstruction.

⁵ *The Jakarta Post*, 28 March 2005.

that in the loosening or absence of central government supervision, regional autonomy has been perceived as a license to embezzle public money. Indonesia's transition to democracy has not led to the improvement of public accountability in the governing system. Therefore, combating corruption should get high priority in the promotion of good governance in Indonesia, especially at the local level.⁶

The construction of temporary shelters or barracks for IDPs was particularly characterized by the inability of the government to come up with a good plan and implement the management of this issue.⁷ In January 2005 the Coordinating Minister of Social Welfare promised that the government would build temporary shelters for IDPs according to U.N. standards so that the people might stay there until more permanent housing were available. The IDPs began to move to the barracks on 15 February 2005 although not all of them could be accommodated because the number of IDPs far surpassed the number of barracks. On top of that, the government authorities did not give sufficient explanation to them with the effect that the coordination between IDPs and government officials was rather chaotic. For instance, Mayor Mawardy Nurdin said that out of the 38,000 IDPs in Banda Aceh, 5,850 of them (1,787 families) would be relocated to the barracks, with the first priority given to those who had until then stayed in government buildings. However, 171 families who lived in the local parliament building got confused because they did not receive any information from the government about such plan. Other IDPs did not get any assistance from

⁶ World Bank (East Asia Poverty Reduction and Management Unit), *Combating Corruption in Indonesia: Enhancing Accountability for Development*. Jakarta, 20 October 2003.

⁷ When the author visited some of these barracks near the sport stadium of Banda Aceh, it could be observed that the facilities of these barracks are just at the minimum level. It seemed that the planner did not really take into account the privacy and security of people living there especially for women as IDPs were just packed in small room without adequate space repartition. I have been told by NGO activists that the contractors might have used materials of low quality in order to increase profit.

government agencies until 48 days after the tsunami. This happened to about 1,000 IDPs in the village of Riting, sub-district Leupung, Aceh Besar. Agam, a villager, told the media that his people had made requests to the head of the sub-district but there was no response.⁸ The same bad experience also happened to some 9,500 IDPs from 3,000 families from Lamno, Aceh Jaya. The central government promised to provide 3,000 rupiah per person per day as security funds (*jatah hidup*) starting from 1 March 2005 but they did not received anything from the government until 5 April.⁹ Of course, with the completion of more housing units, a large number of IDPs have left their barracks. However, more than one year after the tsunami, many IDPs were still staying in barracks without any certainty of when they would be moved to permanent houses.

It should be noted that the Indonesian government has spent a large proportion of the relief budget during the emergency phase for the construction of barracks. However, field observation and reports from independent agencies like the media and NGOs clearly indicated that corruption and various kinds of irregularities took place in several places throughout Aceh. An independent monitoring of the construction and utilization of barracks by NGOs reveals strong indication of corruption by government officials, state-owned enterprises and private contractors. Some of their findings include misappropriation of the barracks construction fund, which created a gap in the order of almost 171 billion rupiah between the reported cost of the construction and the budget allocated by the government. There was no good planning in the selection of the location of the barracks with the effect that some IDPs refused to stay there on the grounds that they were too far from their working place. The refusal to stay in the barracks came mainly from fishermen who preferred to return to their original locations so that they could easily conduct their economic activities. For instance, villagers from Lhok Seudu and Meunasah Bak'u, sub-district Leupung, Aceh

⁸ *Kompas*, 15 February 2005.

⁹ *Kompas*, 6 April 2005.

Besar, chose to rebuild their houses that had been totally destroyed by the tsunami.¹⁰ The barracks were also made of low-quality building materials with the effect that some of them needed repair just few days after being occupied. Another problem was that people could not have clean water and adequate sanitation facilities, which added the possibility of communicable diseases. The builders also did not provide health service for the communities and there was insufficient lighting in the barracks for schoolchildren to study.¹¹ Until the third week of August 2005, the State Audit Agency had not received the financial report from the National Coordination Board for Disaster Response and IDP Affairs. According to the Coordinating Minister for Social Affairs Alwi Shihab, who was responsible for this report, many government sectors had not given their report to him. Thus, even among the central government officials there was no clear standard mechanism of public accountability and transparency.¹²

Both the Indonesian government and GAM realized that it would be in their political interests to show the public that each of them really cared about the suffering of the Acehnese caused by the tsunami at a time when Aceh came under the spotlight of the national and international media. Each party tried to keep public relations as if they were competing for sympathy from the Acehnese people and the international community. GAM was the first party to declare a unilateral ceasefire and announced its willingness to participate in helping the survivors. President Susilo Bambang Yudhoyono also did the same thing by inviting GAM leaders to consider the possibility of returning to negotiations of peace. As it turned out after the failure of the so-called Kalla Initiative, President Susilo Bambang Yudhoyono made an initiative by contacting the former President of Finland, Martti Ahtissari, to mediate in a series of talks between the Indonesian government and GAM.¹³

¹⁰ *Kompas*, 1 March 2005.

¹¹ Monitoring Sub-Commission – Humanitarian Emergency Commission, *op. cit.*, p. 6.

¹² *Kompas*, 19 August 2005.

Despite their open declaration to once again give peace a chance, the TNI and GAM remained vulnerable to violence. For instance, on 2 February 2005 there was an open clash between the TNI and GAM in the village of Harapan, sub-district Keudeupanga, Meulaboh, Aceh Jaya, in which one TNI soldier was killed and several wounded. As usual, the two parties accused each other of provoking the other. According to a TNI spokesman, Major General Sjaffrie Sjamsuddin, it was GAM soldiers who began the shooting as TNI men were on their way to conduct humanitarian operations to help tsunami survivors.¹⁴ It is interesting to note that despite the continuation of talks in Helsinki, the TNI still insisted in strengthening their military operations to pursue GAM members. Civil society groups raised the question regarding the urgency of reactivating special security forces for this purpose.¹⁵

Indonesia's call for international help for Aceh has been successful as foreign governments, international organizations and NGOs has come to distribute food and shelter for the survivors. It is reported that since the first week after the disaster there had been dozens of donor countries and United Nations agencies, 124 international NGOs, 430 local NGOs and various governments from neighbouring countries taking part in providing assistance to the tsunami survivors. Before the Indonesian government decided to invite international agencies to help relief efforts in Aceh, there was a tug-of-war between hardliners in the military, who were rather reluctant to open up the whole province of Aceh for international agencies, and government officials who urged an immediate invitation of donor countries and international agencies. It is interesting to note that three months after tsunami hit, government policies towards the participation of international agencies still reflected such tension. For instance, in the second week of March 2005 the Coordinating Minister for Social Affairs Alwi Shihab

¹³ ICG, op. cit., pp. 9–10.

¹⁴ *Kompas*, 23 February 2005.

¹⁵ *Kompas*, 22 March 2005.

announced that he had set a deadline for what he called “non-relevant” aid groups to leave Aceh by 26 March. This announcement created little concern and confusion among international agencies as the Indonesian government had been inconsistent with its previous policies of welcoming international aid agencies to Aceh. The announcement also sent a confusing signal to local government authorities in Banda Aceh as they did not get any clarification from Jakarta. For instance, Regional Authority of the Civilian Emergency Inspector General Bachrumsyah Kasman said that he needed further explanation from the central government on how to implement its new policy. There are two possibilities why the Indonesian government changed its mind towards the presence foreign aid workers in Aceh. First, there was a pressure from military leaders as they started to become suspicious of the activities of foreign NGOs in Aceh. Second, the pressure might also have come from Islamic groups who were worried that the influence of non-Islamic agencies in Aceh could weaken the Islamic credentials of the Acehnese. At the end of March the Indonesian government reviewed the policy and eventually gave a two-month visa extension to international NGOs.¹⁶

The arrival of the international agencies was a display of generosity that had never taken place before. In the first week of January the Indonesian government held an international conference in Jakarta to mobilize support from ASEAN countries to participate in the relief and emergency assistance to the victims. There was no doubt that the main motivation of the international agencies in coming to Aceh was based on humanitarian reasons. However, we cannot neglect the political ramifications of their presence in a society notorious for its Islamic devoutness and for so long had been torn apart by an intra-state war. The participation of the United States government at the relief and emergency state was also quite notorious. The U.S. had sent its aircraft carrier, *Abraham Lincoln*, and helicopters from its Pacific fleet to provide food and medical assistance to areas that were isolated because of the destruction of road to these areas by the tsunami. The role of military

¹⁶ *The Jakarta Post*, 19 March 2005.

helicopters in accessing these isolated areas was essential as the Indonesian government and local government bureaucracies could only help the survivors in Banda Aceh and its surroundings. On top of that, the United States also sent two former presidents, Bill Clinton and George H. W. Bush, to come to Aceh for a direct assessment of the scale of damage caused by the tsunami. The two leaders expressed the commitment of the U.S. government and the American people to take part in the reconstruction of regions hit by the tsunami, including Aceh. At the same time they also hope that the Indonesian government could convince the international community that all the funds that were allocated to the relief and reconstruction of Aceh could be used in a transparent and accountable way.¹⁷

One possible reason why the U.S. government displayed such great attention to Indonesia, especially Aceh, was that it was one way of winning the hearts and minds of the Indonesian people in its global campaign against religion-motivated terrorism. Through this mission, the Bush Administration wanted to improve its image among Indonesian Muslims that the United States was a real friend in times of trouble.¹⁸ In its most important development project, the U.S. government invested USD245 million in the construction of a road connecting the provincial capital Banda Aceh and Meulaboh, which was aimed at the reactivation of the local economy after the tsunami.¹⁹ From the perspective of the Indonesian government, the participation of the U.S. government in Aceh was welcomed as a sign that U.S. policy towards Indonesia was not affected by its concern over the violations of human rights by the TNI during the enactment of martial law. The Indonesian government also welcomes the fact that despite its criticism of Indonesia's human rights record the U.S. continues to support its territorial integrity. Besides the U.S., Singapore also plays an important role in

¹⁷ *Kompas*, 21 February 2005.

¹⁸ James Van Zorge, "High Stakes In Post-Tsunami Aceh", *Far Eastern Economic Review*, Vol. 168 No. 2, Jan/Feb 2005, p. 43.

¹⁹ *The Jakarta Post*, 9 May 2005.

the reconstruction of the port facilities in Meulaboh.

Among other foreign countries, Australia was the leader in terms of its commitment to providing financial assistance to Indonesia. Like the United States, the Australian government also sent military humanitarian operations to access the isolated areas. In a strong display of commitment to its closest neighbour, Prime Minister John Howard made a pledge to provide USD one billion over five years to help the reconstruction of tsunami-hit areas. This was the largest amount of money pledged by a foreign government to Indonesia. To facilitate its participation in reconstruction projects, Australia established the Australia-Indonesia Partnership for Reconstruction and Development (AIPRD) on 5 January 2005. The Australian government might also want to create a good image among Indonesians given the fact that Australia has always been mentioned as another terrorist target after the United States. It is not clear how much this display of generosity will reduce the terrorist threat against the foreigners in Indonesia, especially when we take into account the second Bali bombing on 1 October 2005.

Then came the European Union who also tried to participate in the reconstruction of Aceh. The participation of the E.U. is of particular importance to Aceh, given its prominent role through former Finnish President Martti Ahtissari who mediated a series of negotiations between the Indonesian government and GAM, which resulted in the signing of the peace agreement on 15 August 2005. On top of that, the E.U. also plays an important role in the AMM. For emergency purposes alone, the E.U. gave Indonesia USD30 million. On top of that, the E.U. also allocated as much as USD200 million through the World Bank Trust Fund for the Indonesian government in reconstruction projects for Aceh. It is quite evident that the E.U. and other Western powers do have a stake in the successful implementation of the post-tsunami reconstruction of Aceh and the peace agreement itself. It can also be argued that the enthusiasm of donor countries in the outpouring of financial assistance to Indonesia is to increase their political stake in the latter so that Indonesia will always have a reason to cooperate with the West. We should realize the fact that Indonesia depends entirely on these donor countries to materialize their pledges. In some instances,

the donor countries only give part of what they have pledged. Thus, good relations in the long term is essential for the Indonesian government if it wants to secure the financial assistance from donor countries. Recently, President Susilo Bambang Yudhoyono expressed his concern that some donor countries were too slow in materializing their pledge with the effect that it could hinder the reconstruction process in Aceh. With the relatively smooth implementation of the peace agreement, donor countries should have a good reason to realize their promise as there is a visible indication that security throughout the province during the reconstruction process can be guaranteed.

Another crucial dimension of the politics the post-tsunami reconstruction at the emergency phase was the arrival of some radical Islamic groups to Aceh soon after the tsunami. Those groups included the Front of Islamic Defender (FPI) and the Indonesian Mujahedeen Council or MMI. In addition to these two organizations, we must also mention Hisbut Tharir Indonesia. These groups, who were notorious for their anti-Western rhetoric and use of violence in attacking bars and nightclubs in Jakarta and other cities, attracted public attention as they came to Aceh at a time when there was a concentration of Western government agencies, the U.N. and many international NGOs. What was the reaction of local Acehnese and civil society groups towards the presence of these radical groups? These are the questions that need to be answered here.

It is interesting to note that the arrival of these radical groups to Aceh was facilitated and even sponsored by the military. Members of FPI and MMI were particularly active in managing the burial of dead bodies in accordance to Islamic teaching. In doing this and other activities, they used trucks and other vehicles provided by the TNI. Besides their activities in burying dead bodies, they also launched a campaign to exhort all foreigners and visitors, especially those in Banda Aceh, to respect the Islamic *syariah* law that until then had been officially enacted throughout the province. It could be seen from the public announcements that they had broadcast throughout Banda Aceh that the foreigners could easily read. To be sure, there was no report of physical threat against foreigners during their stay in Aceh. However,

some Western governments like the United States and Australia took extra security measures to prevent any terrorist attack. This was also the reason why the humanitarian missions from the United States and other governments immediately left Aceh once their job was done. They did not want to take risk of staying longer in Aceh when they speculated the possibility of terrorist attacks. In fact, Australia and New Zealand issued a warning that the terrorists could be planning an attack against foreigners who worked in Aceh and other tsunami-hit areas. The two countries called for robust security measures guaranteed by the Indonesian authorities.²⁰

The presence of the radical groups in Aceh also sparked another speculation about the connection between the terrorist group and GAM. The question was concerned with GAM's Islamic credentials. Under President Megawati there was an intensive diplomatic effort by the Indonesian government especially the military to label GAM as a terrorist group. The idea was to put GAM in the list of the United States and the United Nations as a terrorist group in order to justify an international condemnation of the group. Charges of terrorist attacks by GAM members were launched against GAM leaders in Sweden. As it turned out, the Indonesian government failed to convince the Swedish court and international community that GAM was a real terrorist group. While the argument of the Indonesian government was not supported by strong evidence GAM itself always tried to distance itself from the Islamic terrorist group or any radical interpretation of Islamic teachings. GAM remains committed to its secular credentials. It is true that whenever GAM celebrates its independence on 4 December, Islamic symbols are displayed explicitly. However, GAM always present itself as pluralist organization struggling for the liberation of Aceh from what it considers as the illegitimate control by the Indonesian government.

The speculation on the radicalization of the Acehnese was not really supported by empirical evidence. Although most of the Acehnese people are historically devout Muslims, they do not have any strong inclination towards

²⁰ *The Jakarta Post*, 21 February 2005.

religious radicalism like their co-religionists in Java. Some NGO activists in Banda Aceh even argued that Acehnese Muslims would not easily be persuaded to embrace religious radicalism from Java.²¹ As far as GAM was concerned, it would be a boomerang for them to embrace Islamic radicalism as they badly need Western support in their political struggle against the Indonesian government. It would be in their political interest to show the international community that they remained committed to democracy and political pluralism. Some political analysts also emphasize the argument that GAM remained committed to its secularist political ideology while focusing on its ethno-nationalist struggle against what GAM considered as an illegitimate control over Aceh by the Indonesian government.²² The use of Islamic idiom and symbols by GAM cannot be interpreted as an exhortation for the promotion of Islamic radicalism or its significance cannot go beyond the need to remain relevant in the eyes of a devoutly Islamic society.²³ It is no wonder when the self-proclaimed Prime Minister of GAM Malik Mahmud made a political statement following the signing of the peace agreement with the Indonesian government in Helsinki on 15 August 2005, he reiterated GAM's commitment to defend political pluralism in accomplishing their political goals in Aceh. He said, among other things, that "the only way to ensure peace in Aceh is through the implementation of a genuine democracy".²⁴

Let us now look into the role of local civil society organizations in the emergency relief after the tsunami. According to UNDP definition, civil society organizations may refer to "freely and formally associating individuals pursuing non-profit purposes in religious bodies, recreation clubs,

²¹ This argument was put forward by some civil society activists from Nahdlatul Ulama (NU) who were not really enthusiastic with the campaign launched throughout Banda Aceh by the radical groups.

²² Yang Razali Kassim, "GAM, Islam and the Future of Aceh", *IDSS Commentaries* 07/2005, 8 February 2005.

²³ Edward Aspinall, "The Conflict in Aceh: Prospects for Resolution after September 11", *AUS-CSCAP Newsletter* No. 13, May 2002, p. 20.

professional associations, actions committees, unions, social movements, and so on".²⁵ They include organizations that are voluntarily established by members of society with the main purpose of accomplishing some public goals. Thus, civil society organizations always seek to share public sphere with the state because they are also concerned with the question of how the state accomplishes its public services. People might ask: what is the prospect of their participation in the wider context of the peace process following the peace deal between the Indonesian government and GAM? What are the modalities of their future participation both in the rebuilding of Aceh and the reorganization of its security and political structure? In general, we can say that the prolonged conflict has marginalized the role of CSOs in Aceh because of the security situation. On top of that, there is a strong impression that resolving the conflict in Aceh has mistakenly reduced to the exclusive domain of the Indonesian government and GAM without a substantive participation of Aceh's CSOs. The prevailing assumption is that the CSOs just play a secondary role.

Since the CSOs are also legitimate stakeholders in the conflict resolution then their participation in that process cannot be taken for granted.²⁶ Civil society organizations like NGOs and the media sometimes had to face a pressure from two camps—from the military who accused them of opposing government policies or security approach, or from GAM who wanted to co-opt them into their military struggle against the central government. The marginalization of Aceh's CSOs has been particularly severe when the Indonesian government enacted martial law since May 2003. The military maintained strict control over the flow information, especially with regard

²⁴ The political statement of Malik Mahmud can be read in the website of the Crisis Management Initiative, at www.cmi.com.

²⁵ UNDP, Civil Society Source Book, quoted in UNDP, *Civil Society in Aceh: An Assessment of Needs and to Build Capacity to Support Community Recovery*, Jakarta, July 2005, p. 6.

²⁶ See Aleksius Jemadu, "Searching for More Participatory Approach in the Resolving of the Aceh Conflict", *Inter-Asia Cultural Studies*, Routledge Taylor and Francis, Vol. 5, November 2004.

to cases of human-rights violations and misappropriation of public funds during the conduct of military operations. To be sure, before the enactment of martial law there was some discussion on what was called “all inclusive dialogue” but then the idea was never materialized as the COHA, signed in December 2002 failed. However, this does not necessarily mean that such ideas should be abandoned altogether. The participation of Aceh’s CSOs in the peace process or the implementation of its principles will give substantive contribution to the establishment of a sustainable peace.

The participation of local CSOs in relief and emergency assistance is quite substantial. The coming of international NGOs to Aceh has to some extent increased their social and political bargaining as their knowledge and expertise was in high demand both by donor countries, international organizations, national and international NGOs. Without their help it would be difficult for the external agencies to go to remote and isolate areas. Their help smoothened the operations in distributing foods and other basic needs to the needy people. Local CSOs also benefited from the availability of international resources, especially funding in running some development activities to help the survivors. The presence of international agencies was used by local CSOs to tap their professionalism in managing relief aid for such a huge number of victims. The civil society sector, especially NGOs, participated in the emergency phase through different forms of activities. First, the NGOs organized their own activities by mobilizing their own resources or securing funding from donor countries or international agencies. For instance, the two biggest religious organizations, Muhammadiyah and Nahdlatul Ulama, conducted their own relief activities, especially in helping children whose parents were killed when the tsunami hit. Since the two religious organizations already had extensive networks of operations, especially in the field of education throughout the province, most international agencies like UNICEF and USAID chose to cooperate with them or channelled their funds through these organizations. Second, they joined the international NGOs in managing the distribution of basic facilities to IDPs. Third, they established new organizations with full support from international development agencies or international NGOs. Sometimes local NGOs

also competed for the same sources of funding from international agencies. The promotion of the role of civil society sector in Aceh should focus on the improvement of their institutional capacity as this will be crucial for the sustainability of development programmes once the international agencies are no longer active in Aceh.

What is the political orientation of the CSOs in Aceh? What is their political perception regarding the current process of transition leading to the establishment of local political parties in Aceh? While it is too simple to generalize their political orientation, they will most probably spread among a diversity of local political parties that will be established once the new legislation on the governing of Aceh is established by the national parliament in Jakarta. Although most of them are critical of central government policies, it does not necessarily mean that they will automatically support GAM's political party. Student movements that once joined SIRA (Sentral Informasi Referendum Aceh or Aceh Referendum Information Centre) will most likely join GAM's political party as they are sympathetic to GAM's political struggle. It is also very likely that SIRA members will actively mobilize support for GAM's political party among the younger generation. It should also be noted that some NGO activists in Aceh are critical of GAM's criminal activities like extortion, taxing, kidnapping and even murder. What can be said at the moment is that the configuration of political forces in Aceh remains uncertain and it will depend on courses of events in the implementation of the peace deal. Although other things may change in the political struggle among the various actors, Islam will remain an important ideology that certain actors are eager to use for mobilizing popular support.²⁷ Even the liberal Islamic leader Abdurrahman Wahid took

the initiative in introducing *syariah* law to Aceh as he believed that this was what the Acehnese wanted.

²⁷ It is true that GAM always portrays itself as a secular movement. But at the same time GAM leaders also avoid the impression that they have totally abandoned the use Islamic symbols in their rhetoric, as they know all too well that Islam cannot be separated from the Acehnese identity.

BRR AND THE PROSPECT OF LONG-TERM ECONOMIC DEVELOPMENT IN ACEH

The Rehabilitation and Reconstruction Agency (BRR) was established at the end of March 2005 by the Indonesian government through the enactment of Presidential Decree No. 63/M/2005 as a step to institutionalize the post-tsunami reconstruction of Aceh and thus prepare a solid foundation for its long-term economic development. The scale of social and economic challenges ahead makes it necessary for the Indonesian government to establish a national body that is directly responsible to the president. President Susilo Bambang Yudhoyono wants to make sure that BRR will be committed to preserving Indonesia's credibility among the international donor and funding agencies as the budget for Aceh's reconstruction relies on a combination of national budget and international financial resources from donor countries and international financial institutions. Thus, the political and economic stake that is associated with the success of Aceh's post-tsunami reconstruction for the Indonesian government is quite evident. This also means that with the establishment of BRR there exists a strong tendency of the strengthening of the central government's power over Aceh, especially when this is

viewed in the context of the post-tsunami paralysis of local government bureaucracies. Some local government officials and private businessmen complained about the fact that, up to the establishment of BRR, the central government had tended to exclude them in the distribution of development programmes, especially during the emergency phase. For instance, Dahlan Soeleman, a prominent social figure of Aceh, H. Firmandez, the chairman of Aceh's Regional Chamber of Trade and Industry, Mawardy Nurdin, the mayor of Banda Aceh, Basri Arita, a member of the provincial parliament, and a number of local businessmen asked the central government authorities to be more open and flexible in the distribution of development programmes so that they could actively take part in it.¹ While the central government tends to emphasize the professionalism and accountability in the post-tsunami reconstruction of Aceh as it has to be responsible to the donor agencies, local bureaucrats and businessmen are more interested in securing their economic appropriation through the distribution of development projects. The tug-of-war between these contrasting values and interests will continue to characterize the future social economic development of the province. To what extent the coordination by the central government will lead to the capacity building of local bureaucracies remains to be seen. It is also of particular importance to see how this policy framework fits into the ongoing implementation of the peace agreement between the Indonesian government and GAM.

Before BRR was established, the Indonesian Development Planning Agency (Bappenas) had formulated a document as a blueprint for the reconstruction and rehabilitation of Aceh, at least from the short- and medium-term perspectives. The need to coordinate so many local, national and international agencies requires a grand policy framework within which all development projects are supposed to complement each other in an effective and efficient way. Therefore, it is important for the government to ensure that this document really reflects the genuine aspirations of people from all strata

¹ *Kompas*, 29 March 2005.

of Acehese society. Donor agencies have also expressed their hopes that the government would carry out a participatory approach in the process of formulating a master plan of the reconstruction phase. For instance, UNDP, who contributed to the funding of the reconstruction of Aceh, argued that the participation of locals would be an important condition in their commitment to give financial aid to the Indonesian government. UNDP specifically emphasized the importance of the reconstruction process, which was set to take five years, contributing positively to the restoration and revitalization of the people's livelihoods that had been paralysed by the tsunami.² We will see how the central government organized the participation of the grassroots in Aceh before it officially launched this document as a blueprint for Aceh's future development. The participation of the grassroots was quite important for long-term sustainability of the development programmes as the central government and international agencies will not stay permanently in Aceh. On top of that, within the framework of special autonomy or whatever the future form of Aceh's self-government functioning, more competencies will be devolved to the Acehese people themselves. It is interesting to see how BRR incorporates the element of empowerment of regional or local institutions in the whole structure of the post-tsunami rehabilitation and reconstruction of Aceh. It should also be noted that social economic development is not just a matter of physical replacement of what have been destroyed by the tsunamis, but more important than that is the strengthening of the social capacity of the Acehese people and local government institutions to deal with their social and economic problems.

There was clear evidence that the central government has tried to take into account local participation during the formulation of the draft of the master plan for the rehabilitation and reconstruction of Aceh. In general, we can say that the central government has pursued a combination of top-down and bottom-up approaches in formulating the blueprint document. However, the final document still reflects the dominant perception of the

² *The Jakarta Post*, 3 March 2005.

central government and international agencies, especially in the issue of the mechanism of financial control and supervision. This is quite understandable given the fact that a large proportion of the budget for the rehabilitation and reconstruction comes from the state budget and a variety of international agencies. The participation of locals in the drafting of the blueprint document was mainly in a series of workshops conducted in Banda Aceh in the first week of March 2005 in which local government officials, civil society organizations, academicians, religious leaders and international agencies formulated various policy issues from the local perspective. In his opening speech before the workshops began, the Deputy Governor of Aceh, Azwar Abubakar, asked the participants to give inputs in the formulation of the blueprint document on the basis of their assessment of the needs of the Acehnese people. He also emphasized the importance of the incorporation of Aceh's social and religious values so that the local people's support for the implementation of the programmes might be secured.³ The organization of local participation in the formulating of the blueprint document was not free from criticism as the provincial government did not offer other alternatives of channelling the people's participation. Local NGO activists, for instance, criticized the fact those who attended the workshops did not really represent the many social and economic groups of Acehnese society. Of particular importance in the eyes of the NGO activists was how to accommodate the economic interests of fishermen who insisted on staying near the ocean for the continuation of their traditional livelihoods.⁴

The blueprint for Aceh's rehabilitation and reconstruction is meant to ensure the continuation of the emergency phase, which lasted until the end of March 2005. Thus, it took three months for the Indonesian government, international agencies and local civil society groups to complete all emergency-related activities before they embarked on new and more planned stages of regional social and economic development. The

³ *Serambi Indonesia*, 2 March 2005.

⁴ *Kompas*, 3 March 2005.

rehabilitation phase, which will need two years to complete, is concerned with the enhancement of public services. A range of development activities during this phase includes the creation of general infrastructures and facilities, economic facilities, banking and finance, traumatic treatment, the recovery of the rights on land, and temporary housing. The reconstruction phase will last for five years and its target includes the redevelopment of the community and the area. Development programmes during this phase consist of the reconstruction of economic sectors like production, trade and banking, transportation systems, telecommunication systems, social and cultural systems, capacity of institutions and settlement.⁵

In its mission statement, BRR wants to emphasize the importance of restoring people's livelihoods and the strengthening of communities by designing and implementing development programmes with a high level of professionalism. BRR's main function is to coordinate all developmental activities so that they might not overlap and create unnecessary waste of resources and other forms of inefficiencies. It is the task of BRR to match the funds given by donor countries and international agencies with the specific community needs in Aceh. The mandate of BRR is to plan, implement, control and evaluate the whole process of rehabilitation and reconstruction of Aceh. In carrying out this duty, the head of BRR—who has a ministerial rank—is supposed to give regular reports to the president. The incorporation of the provincial government into the organizational structure of BRR is institutionalized through the position of the governor of Aceh as the deputy head of BRR in his ex-officio capacity. The main idea behind this combination of central government personnel and local government authority is to boost coordination and sustain a continuation in the long run after the transfer of power to the provincial government when BRR has finished its mission. BRR actually consists of three separate bodies with different functions:

- An Implementing Agency that is responsible for materializing the mission of BRR

⁵ Republic of Indonesia, *op. cit.*, p. 11–13.

- A 15-member Advisory Board, comprising a central government minister, provincial governors, heads of districts, mayors and prominent members of the civil society in Aceh, whose main task is to give direction and general guidelines for the operation of the implementation agency
- The Oversight Board, whose main responsibility is to monitor and evaluate BRR's activities and handle public complaints

All the three bodies are directly responsible to the president.⁶

According to its progress report after five months of operation, BRR has accomplished a number of developmental programmes although its most significant achievement is the construction of houses. The number of houses that have been built in the five months since its establishment was 6,300 units. BRR Chairman Kuntoro Mangkusubroto set a target of building 30,000 houses by the end of December 2005. Other achievements include the construction of two seaports (one each in Meulaboh and Ulelheu), 70 health centres and hospitals, and 120 schools.⁷ Despite these achievements, BRR has become a target of criticism from various quarters. After visiting various parts of Aceh recently, the U.N.'s Chief Emergency Relief Coordinator, Jan Egeland, said that the reconstruction work in Aceh had been too slow. He criticized poor coordination among the different agencies and called for a strong leadership to tackle this structural problem.⁸ The World Bank evaluation report also criticized the slow pace the reconstruction project. The report said: "While the relief operation ensured that urgent needs in the emergency phase were met, reconstruction has got off to a slow start". The World Bank specifically underlined some institutional constraints like "bottlenecks in the machinery of government and deficiencies within local authorities" and delay in the disbursement of financial aid from donor countries and interna-

⁶ www.brr.go.id accessed on 17 October 2005; see also World Bank, *Rebuilding a Better Aceh and Nias*. Jakarta, 2005, pp. 20–21.

⁷ *The Jakarta Post*, 19 September 2005.

⁸ *The Jakarta Post*, 17 October 2005.

tional agencies.⁹ In its own progress report, BRR acknowledges a number of problems that it has to face in the coming future. The report says that BRR has to deal with some constraints in the implementation of its programmes, including: the need to balance public frustration and the quick delivery of support; the balance between the rebuilding of infrastructures and the compensation of private loss; the necessity of extreme caution in utilizing the resources; the need for a smoother allocation of funds from the approved budget; the coming of the monsoon season in September and October which could hinder the construction works; and securing the supply of raw materials, labour and skilled contractors.¹⁰ We can say that the main problem in the current implementation of the reconstruction programmes is the gap between the high demand and expectation of the central government and the Acehnese people on the one hand and the embedded institutional capacity of BRR, especially with respect to its coordination with local government bureaucracies and international agencies, on the other hand.

One major aspect of the post-tsunami rehabilitation and reconstruction in Aceh is related to the construction of new houses and repairs for tens of thousands of Acehnese who are supposed to move from their temporary shelters. Unfortunately, even after one year, the realization of the developmental programmes was not really optimal. Table 5.1 shows the wide gap between the pledge made by donors and NGOs and the real number of houses that has been constructed. Even the chairman of BRR, Kuntoro Mangkusubroto, himself acknowledged that BRR's performance was very poor. He added that BRR had just allocated only five per cent of its budget and accomplished 15 per cent of its projects.¹¹ Needless to say, the failure of social and economic development in Aceh will greatly affect the prospect of long-term peace building in Aceh.

Another important issue for BRR at the moment, following the signing of the peace agreement on 15 August 2005 is how to incorporate GAM as

⁹ World Bank, op. cit., p. xix.

¹⁰ BRR, *Progress Report: Aceh and Nias Rehabilitation and Reconstruction*, September 2005, pp. 7–8.

Table 5.1
Pledges and Progress by NGOs and Donors

Donor/NGO	Committed		Finished by	
	New Houses	Repairs	31 Dec 2005	30 Jun 2006
Red Cross/Red Crescent	34,000		1,500	4,000
Multi Donor Fund	6,000	18,000	50	4,000
ADB	11,000	5,000	0	3,621
CRS	6,000		300	4,000
IOM	8-20,000		3,800	6,632
KfW/GTZ	4,500	975	30	2,500
CARE	6,500		150	Unknown
Habitat for Humanity	7,500		1,600	7,000
World Vision	4,066		200	2,000
Oxfam	2,100		700	1,900
Samaritan Purse	2,500		400	Unknown
UN Habitat	4,745		530	3,000
UNHCR	2,622		10-50	Unknown
Save the Children	4,000		423	Unknown
Others	24,200		Unknown	Unknown
Total	>130,000	23,975		

Source: BRR, *Aceh and Nias One Year after the Tsunami: The Recovery Effort and Way Forward*, a joint report of the BRR and International Partners, Jakarta, December 2005, p. 36.

a new legitimate stakeholder in the post-tsunami reconstruction of Aceh. GAM is certainly interested in joining the reconstruction process for several possible reasons. First, this can be an opportunity for GAM officials to get to know the real social and economic problems of Aceh in the post-tsunami period. In order to be able to compete effectively in future political campaigns, GAM needs to have a good knowledge of the social and economic developmental problems. Second, by participating in BRR, GAM has access to donor governments and international agencies whose continuous support is badly needed in the future. Third, GAM also some credit for the success of the rehabilitation and reconstruction of Aceh and will not let the central government permanently monopolize the programme. So far, the Indonesian government does not have any objections towards GAM joining and contributing to the implementation of the reconstruction project. In fact, the Indonesian government encourages such participation as it could reduce security risk, especially in remote areas. Commenting on the issue of the participation of members of GAM in BRR, its chairman, Kuntoro Mangkusubroto, told the media that such a step would be in line with the spirit of the peace agreement.¹² There is, however, a concern that GAM and BRR might have different motivations. While BRR tends to develop professionalism and free itself from the politics of the conflict resolution, GAM may use its participation more to realize its political ambitions. So far, there has been no serious discussion about the matter between the concerned parties. However, this is an issue of top priority for GAM as it wants to focus on the implementation of the peace agreement, especially with respect to certain necessary changes in the Indonesian legislation so that it could start with its transition from military battlefield to political competition for the people's support in future elections. In a wider perspective the main issue is concerned with the future need to build compatibility between the activities of BRR and the comprehensive implementation of the peace agreement. It

¹¹ *The Jakarta Post*, 24 July 2006.

¹² *The Jakarta Post*, 18 August 2005.

can even be said that the prospect of peace in Aceh in the long term will be determined by such compatibility as social economic development always presupposes political stability and security.

CONTESTATION OF POLITICAL AND ECONOMIC INTERESTS IN THE PEACE AGREEMENT

The peace agreement that was signed by the Indonesian government and GAM on 15 August 2005 in Helsinki, Finland, was meant to tackle all the crucial problems that have caused the conflict since 1976 when GAM unilaterally declared Aceh's independence. Thus from the very beginning the main issue was a contention about who has legitimate sovereignty over that province.¹ Now, through the peace agreement, the conflicting parties try to solve the problems in terms that are acceptable to both. As the ICG report² pinpoints, the conflict in Aceh takes place at different levels. First, it is about the contestation of two diametrically political visions. The Indonesian government has the view that Aceh is a legitimate part of the Indonesian unitary state since its declaration of independence on 17 August 1945.

¹ Aleksius Jemadu, "Sovereignty of the State over Aceh", *The Jakarta Post*, 7 September 2005.

² ICG, "Aceh: Why the Military Option Still Won't Work", ICG Indonesia Briefing Paper, Jakarta, 9 May 2003, p. 8.

GAM, for its part, cannot accept such a claim on the grounds that Aceh had never been conquered by the Dutch colonial power. Thus, Aceh had been an independent political entity long before Indonesia declared its independence from Dutch colonial rule. The second level concerns a struggle for control over the exploitation of natural resources such as oil and gas, timber, marijuana and palm oil, and illegal fees from project contractors and private businessmen. The exploitation of Aceh's rich natural resources by the Indonesian government has led to an unfair distribution of revenue between the central government and the locals. GAM has used this economic issue to strengthen the legitimacy of its claim for an independent state. At the third level the conflict is a collective expression of long-held dissatisfaction and frustration due to political and economic injustice, abuses of human rights, a high level of unemployment, and chronic corruption by civilian and military officials.³

It is not too difficult to see the main expectations of both sides from the implementation of this peace agreement. In previous peace talks GAM had never abandoned its claim for an independent state. This time such a claim is dropped and this provokes many queries about what GAM might want to seek as some sort of compensation for this political sacrifice. With limited international support—especially among ASEAN countries—and paralysed military infrastructures, GAM might find it increasingly unrealistic to stick to their claim for an independent state through the military approach. Here comes the concept of self-government through the creation of a local political party that, in the political calculations of GAM leaders, would support the continuation of GAM's political struggle. In fact, the political concept of self-government has become a key word for GAM's future strategy. In his comment to the statement made by Vice President Jusuf Kalla on the future governing of Aceh in the media while the negotiations were going on in Helsinki, GAM's political adviser, Damien Kingsbury, said that the promotion of self-government instead of special autonomy for Aceh in which local political parties including GAM were eligible to stand in local elections

³ Ibid.

would be an ideal solution to the conflict, like what had been practised in various parts of the world.⁴ The problem is that the concept of self-rule is not known in the Indonesian constitutional system. The 1945 Constitution only recognizes the existence of some regions that have some unique characteristics due their political history. On top of that, the introduction of self-government in the region could encourage others to demand the same thing from the central government.

The application of the concept of self-government can only succeed if there is a strong regional economic base. Therefore, as far as GAM is concerned, it is of great importance that the issue of control over the exploitation of natural resources in Aceh should be regulated in the peace agreement. Thus, according to the Helsinki agreement, Aceh is entitled to 70 per cent of the revenue from the marketization of the natural resources. It is also mentioned that GAM is entitled to participate in the management of funds allocated to the post-tsunami reconstruction of Aceh. When the peace agreement was negotiated GAM leaders also took into account the economic interests of its field soldiers. Therefore, they urged the Indonesian negotiators to ensure that the reintegration of GAM soldiers and followers into society would be facilitated by the government through the distribution of funds and land for plantation. It goes without saying that the creation of employment would determine the long-term process of peace building.

GAM has always been suspicious of the presence of a large number of military and police personnel in Aceh. Therefore, another important demand for GAM was the redeployment of TNI soldiers and police members. As compensation, GAM would be ready to disarm its troops and surrender its weapons to the AMM. According to the peace agreement only 14,700 military personnel and 9,100 policemen are allowed to remain in Aceh. The establishment of justice and reconciliation in Aceh can only work if there is a fair trial of the violators of human rights in the past. In order to accommodate this demand, the peace agreement stipulates that all parties

⁴ *The Jakarta Post*, 3 March 2005.

would agree to the idea of establishing a human-rights tribunal. However, the formulation of this matter in the agreement is so vague that it is open to a variety of interpretations. While the identification of the critical issues in the agreement is not meant to be exhaustive, the factors mentioned here will later become sources of contention especially when they realize that they are not sufficiently accommodated under Aceh law.

The official statements by the two parties and other concerned actors following the signing of the peace agreement signified how each party expected to gain some political benefit from the implementation of the agreement. There were several points that received special emphasis in GAM's political statement made by its self-described Prime Minister Malik Mahmud. First, by still using its official letterhead reading "The state of Aceh – Office of the Prime Minister", GAM seemed to create an impression that their claim for an independent state remained legitimate and valid. Second, his statement gave a special emphasis to the role of the AMM to ensure that all parties, including the Indonesian military would remain committed to the content of the agreement. Third, the statement mentioned the word "militias" ten times. This might reflect a grave concern among GAM leaders about the possibility that the Indonesian military would use its militias to derail the peace process. Another possibility was that GAM leaders are suspicious that the militias would take revenge against GAM members on their own initiative due to personal problems. Fourth, GAM also wanted to show its own commitment to democratic principles and human rights with the hope that its counterpart would also do the same, especially in the establishment of local parties and local elections through the necessary legislation changes.⁵

On the Indonesian side, the political statement, which was shorter than GAM's, was made by the Minister of Law and Human Rights, Hamid Awaluddin. The most significant element of the statement was an exhortation to all parties that the unity as a nation should be maintained. Therefore, respect for

⁵ The statement is available at <http://www.cmi.fi>, accessed on 10 October 2005.

human dignity and the end of violence should be welcomed as a celebration of the victory of humanity over war.⁶ As the mediator who facilitated the peace agreement, former Finland president Martti Ahtisaari made an appeal to both sides to support the implementation of the agreement so that the people of Aceh could have a better future in all aspects of their lives. He also emphasized the important role of AMM in monitoring the whole process of the implementation of the peace agreement.⁷ It should also be noted that the signing of the peace agreement was fully supported by the European Union and ASEAN countries, which expressed their willingness to send their officials to become members of the AMM. Donor countries like Japan, the United States and Australia, which have pledged to give financial assistance to the post-tsunami reconstruction of Aceh, commit their full support for the agreement. President George W. Bush, for instance, told President Susilo Bambang Yudhoyono when the latter visited the United States in September 2005 that his administration would do its best to support the success of the peaceful resolution of the conflict in Aceh.⁸

Reactions towards the peace agreement at the domestic level were mixed. Both the then military commander-in-chief, General Endriartono Sutarto, and head of the national police, General Sutanto, fully supported the peace agreement and expressed their readiness to implement the withdrawal of non-organic forces from Aceh based on the schedule set by the agreement. On the day the peace agreement was signed in Helsinki, General Sutarto flew to Aceh to ensure that his soldiers were committed in supporting the agreement.⁹ Some retired military generals, however, expressed their disagreement with the content of the peace deal on the grounds that it might violate the principle of the unitary state as mentioned in the 1945 Constitution and could lead to the internationalization of the Aceh conflict.

⁶ The statement is available at <http://www.cmi.fi>, accessed on 10 October 2005.

⁷ The statement is available at <http://www.cmi.fi>, accessed on 10 October 2005.

⁸ *The Jakarta Post*, 16 September 2005.

⁹ *Kompas*, 16 August 2005.

Some of these military officers held top positions in the army during the enactment of martial law. They even asked the Constitutional Court to annul the agreement.¹⁰ Within the Indonesian parliament, reactions also varied. The parties of the president and vice president, the Democratic Party and Golkar respectively, supported the peace agreement while the Indonesian Democratic Party of Struggle (PDIP), led by former president Megawati Soekarnoputri, strongly rejected the peace deal because, according to its party leaders, it contradicted the 1945 Constitution and violated the principles of the unitary state. PDIP even planned to launch a judicial review over the peace agreement so that it might not lead to indirect endorsement for other regions to demand similar political concessions from the central government.¹¹ Thus, at the national level the nationalist groups and the military hardliners were the most prominent opponents of the government in the implementation process of the agreement. Later, the nationalist camp tried to offer some political compromises during the deliberation of the Aceh law so that the principles mentioned in the peace agreement were not entirely transferred into the Aceh law.

The situation in Aceh after the signing of the peace agreement was characterized by the people's enthusiasm that peace was eventually achieved. Most people welcomed the peace agreement although they were cautiously optimistic about the sustainability of that peace given the fact that they had gone through several bitter experiences under past agreements. In districts like North Aceh, Bireuen, Pidie and Lhok Seumawe where GAM was popular, people went took the streets and celebrated the coming of peace. In the provincial capital Banda Aceh people gathered at the Baiturrahman Mosque and said a prayer to thank God the Almighty for the signing of the peace agreement. NGOs activists welcomed the peace agreement as it could give them a wider opportunity to conduct their activities throughout the province without fear of threats from the military or GAM. Religious leaders also reacted positively to the peace agreement and appealed to all

¹⁰ *Kompas*, 14 September 2005.

¹¹ *Ibid.*

parties to remain committed to the agreement that had been made. For instance, two religious leaders from Aceh Tamiang, H. Abdussalam and H. Abdulgani Ma'ad, said that the peace agreement was just the beginning of a long process of peace that would demand a strong commitment from all sides.¹²

¹² *Kompas*, 16 August 2005.

THE IMPLEMENTATION OF THE PEACE AGREEMENT¹

The first important thing that both the Indonesian government and GAM should do following the signing of the peace agreement was to address security problems so that the general situation in Aceh might be supporting enough for the implementation of other issues. The occurrence of violence following the establishment of any peace agreement usually damages the process of confidence building. In general we can say that despite some less significant disturbances the process of disarmament and redeployment of military and police forces ran quite smoothly. This was quite different from the same process in the previous agreements. The effective role of the AMM and the willingness of

¹ The content of this section has been translated into Bahasa Indonesia and published in an article entitled “Proses Peacebuilding di Aceh: Dari MOU Helsinki Menuju Implementasi UU Tentang Pemerintahan Aceh” (“The Process of Peacebuilding in Aceh: From the Helsinki Peace Agreement Towards the Implementation of the Aceh Governance Law”) in *Indonesian Journal of International Law* Vol. III No. 4, 2006, by the Faculty of Law, University of Indonesia, Jakarta.

both sides to fulfil their respective obligations were the main factors of the success in the management of security issues. Based on the agreement GAM was supposed to disarm its 3,000 personnel and surrender 840 weapons and the decommissioning was to be carried out in four stages. It was started on 15 September 2005 and ended on 15 December 2005. On the Indonesian side, the government should redeploy a large number of non-organic military and police forces so that the number that would remain in Aceh would be in line with the stipulation in the agreement. There were indeed some incidents that required intervention by the AMM. The first violation of the agreement was committed by GAM members when a TNI soldier was shot in the village of Matang Baroh, sub-district East Baktiya, North Aceh. The TNI soldier was seriously wounded. Another violation took place when a number of TNI soldiers sporadically shot GAM members and wounded four of them seriously. Despite all these disturbances, by the end of December 2005 the two parties had already done their job satisfactorily. Table 7.1 indicates how the two parties fulfilled their obligations.

Table 7.1
Weapons Decommissioning and Troop Relocation by Phase

Phase	Decommissioning		Redeployment	
	Surrendered	Accepted	Troops	Police
I. (September)	279	243	6,614	1,300
II (October)	291	233	6,097	1,050
III (November)	286	222	5,551	1,291
IV (December)	162	142	7,628	2,150
Total		840	25,890	5,791

Source: The World Bank, *GAM Reintegration Needs Assessment: Enhancing Peace through Community-level Development Programming* (Banda Aceh, 2006), p. 21

The peace agreement also stipulates the grant of amnesty to political prisoners, GAM's former combatants and all civilians who participate in GAM activities. The Indonesian government is supposed to facilitate the reintegration of these people into society so that they might be enabled to participate meaningfully in a normal social life. In order to facilitate the reintegration process the provincial government under the acting governor Azwar Abubakar took the initiative by establishing the Aceh Reintegration Body (Badan Reintegrasi Damai Aceh or BRA) with a wide participation of social and political forces in Aceh, including the provincial government, GAM, intellectual figures, religious leaders, NGOs and the militias. BRA has the task of handling the distribution of Rp 800 billion (about USD88 million) in aid for victims of three decades of the Aceh conflict. As it turned out, on 11 June 2006 some of GAM representatives in BRA decided to quit from it on account that the agency was too bureaucratic in the distribution of funds. On top of that, GAM also objected the fact that BRA had invited the participation of the militia. GAM wanted to give more priority to the establishment of the Truth and Reconciliation Commission as an essential requirement for a genuine process of reintegration.² Controversies over the distribution of the reintegration funds signify some important things related to the whole process of conflict resolution in Aceh. First, a struggle for economic resources among the Achenese social and political groups has just begun. It is very important from the very beginning to ensure that such competition will not lead to the neglect of the urgent improvement of the social and economic welfare of the grassroots. Second, it is the task of independent civil society groups in Aceh to ensure social control over the distribution of the reintegration fund so that the process might be done in a transparent and accountable way. Third, the withdrawal of GAM's representatives from BRA is a manifestation of their dissatisfaction with the way BRA does its job. It could also be a warning to political leaders in Jakarta that GAM will not tolerate too many compromises in the implementation of the peace agreement.³ As far as GAM is concerned the most important thing

² *The Jakarta Post*, 14 June 2006.

³ *Kompas*, 14 June 2006.

is how the concept of self-government is fully translated into the legislation of the governing of Aceh.

As part of the peace-building process the reintegration of GAM members into the whole framework of social and economic development is very important. It is not enough to give them reintegration funds. The most important challenge that needs to be addressed by the Indonesian government and donor agencies is how to enhance peace through community-level development programmes with real participation of GAM members. In fact, the Indonesian government and the World Bank has produced a report entitled "GAM Reintegration Needs Assessment: Enhancing Peace through Community-level Development Programming", which has very useful guidelines in formulating relevant programmes to address the social and economic needs of the ex-combatants. The report very much emphasizes the importance of long-term sustainability of the development programmes for GAM members in order to strengthen the process of peace building.⁴ It should be noted that the process of reintegration of ex-GAM members still takes time and demands a strong commitment of all sides to implement the principles of the peace agreement.

The most complicated part of the implementation of the peace agreement is to ensure that the legislation changes at the national level will not go against the principles of the agreement and that all parties are willing to accept the new legislation. It can be said that the new legislation will provide a legal umbrella for the new organization of political power and control after the two parties agree to abandon their military approach in resolving the conflict. It should be noted that producing a peace agreement is one thing while establishing a new legislation is an entirely different political process in which a contestation of political and economic interests is more pluralistic as it constitutes a struggle for power among different political parties in the parliament. This was precisely the reason why the deliberation of the

⁴ World Bank, *GAM Reintegration Needs Assessment: Enhancing Peace through Community-level Development Programming*, Banda Aceh, March 2006, p. 72.

new legislation on Aceh took longer with the effect that it went beyond the deadline stipulated in the peace agreement. Struggling between the idea of applying self-government in Aceh and the insistence of maintaining the foundation of the unitary state characterized the discussion and deliberation of the legislative draft both in Aceh and in Jakarta.

The process of making the new legislation has used a combination of bottom-up and top-down approaches. The bottom-up approach was used when three Aceh universities—University of Syiah Kuala, the State Institute of Islamic Studies Ar Raniry and the University of Malikusaleh, Lhok Seumawe—proposed different drafts of the law on Aceh. The discussion was attended by various policy stakeholders in Aceh such as provincial government officials, religious leaders, academicians, civil society organizations and GAM representatives. It is important to note that GAM always tried to insist that the law should abandon the use of the word “region” or “province” as an administrative attribute for Aceh. Such a proposal is understandable as GAM wants eagerly to apply the concept of self-rule in Aceh.⁵ The result of the discussion was then proved by the Aceh Provincial Parliament (DPRD) before the draft was sent to the Ministry of Domestic Affairs in Jakarta. After being reviewed by the Ministry of Domestic Affairs the draft was sent to the national parliament for further deliberation.

While the politicians in Aceh and Jakarta were busy with the deliberation of the new legislation, another interesting course of events in Aceh and Jakarta took place. A political discourse on the creation of new provinces in Aceh has begun. There were at least 11 districts of Aceh that aspired to have their own provinces. Those districts included Southeast Aceh, Gayo Lues, Central Aceh, Bener Meriah and Singkil, which seek to form the Province of Aceh Leuser Antara (ALA). Other districts like West Aceh, South Aceh, Southwest Aceh, Nagan Raya, Aceh Jaya and Simeleu wanted to establish the Province of Southern West Aceh (ABAS).⁶ It was not really clear to what extent this aspiration represented the voice of the majority of people in those

⁵ *Kompas*, 12 October 2005.

⁶ *Kompas*, 12 October 2005.

districts. Some political analysts argued that the idea of creating new provinces did not reflect the public interest in those districts as it only served the political and economic interests a few local leaders.⁷ Some political leaders from these areas threatened to boycott local elections if their aspiration for the establishment of new provinces in Aceh was not accommodated in the law on Aceh. In fact, they went to meet the chairperson of PDIP, Megawati Soekarnoputri, to get her support for their struggle.⁸ According to a GAM leader, Muhammad Nur Djuli, the creation of new provinces within Aceh could violate the content of the peace agreement.⁹ In fact, GAM anticipated this political development during the negotiation of the peace agreement by insisting that the borders of Aceh stay as they were according to regulation established in 1956.

The emergence of the aspiration for new provinces reflects the cultural and political diversity of Aceh despite the fact that the majority of people are united by a strong Islamic tradition inherited from previous generations. This phenomenon may also falsify the hope or myth in the mind of GAM leaders that the whole areas of Aceh would be behind them to support the idea of self-government for Aceh. If indeed the level of support for GAM's candidates or GAM's local party in the future elections is mediocre, then it will substantially reduce its credibility and legitimacy.¹⁰ It is also interesting to see that the political leaders in the provincial capital, Banda Aceh, were not enthusiastic about the idea of establishing new provinces. As a matter of fact, they agreed not to include this issue in the draft of the legislation sent to Jakarta by Aceh's provincial parliament. The reason behind their objection could be political as well as economic. The political leaders from major political parties probably thought that most of their votes would come from those districts where GAM was not really popular. If those districts

⁷ Aguswandi, "In whose interests is it that Aceh is divided into two?", *The Jakarta Post*, 9 May 2006.

⁸ *Kompas*, 28 April 2006.

⁹ *Kompas*, 13 October 2005.

¹⁰ ICG, op. cit., pp. 9–10.

had established separated provinces, they would lose the very source of their popular votes. The establishment of new provinces could also reduce the amount of economic compensation that is going to be given by Jakarta after the enactment of the law on the governing of Aceh.

On 26 January 2006 President Susilo Bambang Yudhoyono officially asked parliament to conduct a deliberation of the draft of the legislation on Aceh. On 14 February DPR established a Special Committee (Panitia Khusus or Pansus), chaired by Ferry Mursyidan Baldan from the Golkar party, to make an inventory of the contentious issues and recommend their solutions at the plenary meeting of parliament. Pansus managed to identify 1,446 issues that needed to be dealt with. By the end of May 2006, Pansus finished its job and all the issues that were unresolved were passed on to the Working Committee (Panitia Kerja or Panja) chaired by R. K. Sembiring Meliala from PDIP. The result of the deliberation by Panja was reported to the plenary session of the DPR and on 11 July 2006 DPR passed the Aceh Governance Law. The law was enacted once the president puts his signature on it.

If we look carefully into the articles of the Aceh Governance Law it is clear that this law is a result of political compromises among the different political parties in parliament and the Acehnese people. In the opening part of the law it is clearly stated that this law refers to the system of the unitary state of Indonesia and the 1945 Constitution. Such reference is meant to accommodate the demands of the nationalist groups that Aceh should remain part of the republic and under the control of the central government in Jakarta. This has invited a strong protest from GAM as the opening part of the law does not make any reference to the peace agreement made in Helsinki. Mohammad Nazar, chairman of the Centre for Information of Referendum in Aceh (SIRA), argued that the peace agreement should be mentioned as the legal foundation of the law. The law only mentions the significance of the peace agreement as part of an explanation. Politicians in DPR seem to have a view that the peace agreement cannot be put on par with the 1945 Constitution.

Since the deliberation of this law in parliament there has been much debate on its title. It is interesting to note that eventually the DPR accepts

GAM's proposal. As a result, the title of the law does not use the word "region" or "province" in front of the word "Aceh". However, Article 1 verse (2) defines Aceh as a provincial area with unique characteristics that has autonomy to govern its own affairs but still within the system the Indonesian unitary state. The ambiguity between the title of the law and the operational definition of Aceh seems to be deliberately created for certain political purposes. First, it seeks to satisfy both GAM and the nationalist groups. Second, it sends a signal to other regions that this law should not be perceived as a compromise on the fundamental principles of the Indonesian unitary state. The essence of the unitary state gets strengthened in Article 11 verse (1) where it is stated that the central government has the authority to set norms, standards and procedures, and to exercise supervision over the governing practices in Aceh. The formulation of Article 8 verse (1) also becomes a source of controversy. It is stated there that the central government only needs the consultation and deliberation of the Aceh parliament before making policies directly related to Aceh. It means that the central government is not obliged to have the consent of the Aceh parliament before making such policies. As far as GAM is concerned this article is in contradiction with the idea of self-government in Aceh.

Despite the fact that the issue was hotly debated earlier, all political parties eventually accepted the establishment of a local political party in Aceh. This is a non-negotiable issue for GAM as it seeks to change its fight from a military struggle to a political contestation in order to gain popular support. There is no significant contradiction between what is said in the peace agreement and the stipulation about the establishment of a local political party in the law. It should be noted, however, that the law also opens an opportunity for overlapping or double membership in the local political party and the national ones. It is plausible to say that this additional stipulation is deliberately put in the law by major political parties to facilitate their participation in the coming elections. In order to facilitate the participation of GAM politicians in the executive elections, there is another stipulation that gives an opportunity for GAM to propose independent candidates in the executive elections. This is also in line with the peace agreement, which

guarantees the right of the Acehnese people to nominate candidates for the positions of all elected officials. It is predicted that the elections will be a tough contest between the candidates proposed by the existing political parties and GAM's candidates. The prediction will be particularly valid for districts like North Aceh, Bireuen, Pidie and Banda Aceh where GAM is quite popular. It should be noted that major political parties like the United Development Party (PPP), Golkar and the Prosperous Justice Party (PKS) have established their political constituencies in those districts as well.

As mentioned earlier, from the beginning of the conflict the presence of a large number of non-organic TNI forces in Aceh has always been a serious problem for GAM. Therefore, during the negotiations of the agreement GAM leaders insisted that the role of the TNI in Aceh should be kept to a minimum. In addition, the peace agreement also limits the TNI role for external defence. The Aceh Governance Law does not use the concept of external defence. The law stipulates that the central government retains authority in the areas of foreign policy, defence, security, justice, monetary and fiscal affairs, and religious affairs. On top of that, in Article 202 verse (1) the law stipulates that the TNI is responsible for defending the state (obviously including Aceh) and conducting other activities in accordance with existing regulations. There is speculation that this article is meant to appease the TNI leaders and to ensure that GAM does not use its local political party as a vehicle to achieve independence. Another important issue crucial for GAM is related to the establishment of a human-rights tribunal in Aceh. Unfortunately, the peace agreement does not mention whether such a tribunal should have a retroactive application. In a discussion that was facilitated by the Aceh Democracy Network (JDA), GAM's prominent figures Teuku Kamaruzzaman and Faisal Putra explained to the media that there were certain issues that were non-negotiable for GAM and one of them was the retroactive application of the human-rights tribunal.¹¹ The Aceh Governance Law clearly mentions that the human-rights tribunal is only applicable for the violations of human rights after the enactment of

¹¹ *Kompas*, 19 July 2006.

the law. It is argued that major political parties in parliament do not want to take a political risk of sidelining the TNI as all of them need its support in their political competition.

Conflict resolution in Aceh has also much to do with the fair distribution of revenues obtained from the exploitation of natural resources. Although the quantity of the natural resources is in decline due to decades of exploitation, this issue remains a critical source of contention among the conflicting parties. In the peace agreement it is clearly mentioned that “Aceh is entitled to retain seventy (70) per cent of the revenues from all current and future hydrocarbon deposits and other natural resources in the territory of Aceh as well as in the territorial sea surrounding Aceh” (point 1.3.4). The Aceh Governance Law stipulates that all natural resources in the territory of Aceh and in the territorial sea surrounding Aceh will be jointly managed by the central government and the Aceh government. However, as an appreciation to the unique position of Aceh, the central government is commanded by the law to grant Special Autonomy Funds (Dana Otonomi Khusus or DAU) to Aceh for a period of 20 years. In the first 15 years of that period the amount is two per cent of the total national General Allocation Fund and for the next five years the amount is one per cent. The inflow of a huge amount of funds from the central government could encourage a competition among Aceh’s political elite in order to secure their respective economic appropriation. The continuous growth of local democracy whose backbone is the local civil society groups should strengthen their supervisory role so that the public funds might reach the grassroots who have been longing for the real fruit of peace.

CONCLUDING REMARKS

From the analysis presented, we can see that the process of peace building in Aceh remains an elitist political game in Aceh as well as in Jakarta. So far both the Indonesian government and GAM have not transformed the existing negative peace into a positive peace. It is true that all Acehnese have benefited from the current peaceful situation. People of all professions can conduct their social and economic activities without suspicion and fear. What is more important is that the process of post-tsunami rehabilitation and reconstruction of Aceh has been made possible by the fact that people do not have to worry about security. The current peace situation should be maintained because it is in the interest of all Acehnese that economic development should take place and jobs are created. Thus, the success of Aceh's post-tsunami rehabilitation and reconstruction is an important factor in the accomplishment of social, economic and political transformation. It is true that the introduction of local democracy may encourage a tough competition among local elite to secure their political and economic interests. However, the Acehnese grassroots should be empowered so that they might be able to participate meaningfully

in the new organization of political and economic life. At the same time, there should be a guarantee that the current economic intervention by the central government and international agencies will not deepen the culture of dependence among Acehnese. The allocation of such a huge amount of budget should lead to the empowerment of the people so that by the time these external actors have to leave Aceh, the people can continue their economic development with their own resources.

Now that the Aceh Governance Law has been accepted by the national parliament it depends on GAM whether to accept or reject it. The problem is that some articles in the law are indeed in contradiction to the principles of the peace agreement. The gap between the peace agreement and the law has been extensively elaborated in this book. GAM leaders have expressed their objection to those articles and planned to bring their case to the AMM. Indonesian government officials have asked GAM to accept the law and if it has any objections, the 1945 Constitution provides an opportunity to propose a judicial review to the Constitutional Court. Both the Indonesian government and GAM should resolve their disagreement as the people of Aceh have been waiting for so long to see a substantive transformation of the political, social and economic life in their society. It is in the interest of the Indonesian government and GAM to avoid the impression that each one of them is trying to create an obstacle to the continuation of the current process of peace building. Therefore, it is important for the Indonesian government to seriously address GAM's dissatisfaction with the law. At the same time, GAM should ensure the people that its ultimate goal is to make all Acehnese live in peace and prosperity. Thus, GAM has to convince the Acehnese people that its aspiration for political and economic power is less important compared to that ultimate goal. If this is the case, GAM has a good chance to win the hearts and minds of the Achenese people and to accomplish whatever political agenda it might have.

Appendix

Memorandum of Understanding between the Government of the Republic of Indonesia and the Free Aceh Movement

The Government of Indonesia (GoI) and the Free Aceh Movement (GAM) confirm their commitment to a peaceful, comprehensive and sustainable solution to the conflict in Aceh with dignity for all.

The parties commit themselves to creating conditions within which the government of the Acehnese people can be manifested through a fair and democratic process within the unitary state and constitution of the Republic of Indonesia.

The parties are deeply convinced that only the peaceful settlement of the conflict will enable the rebuilding of Aceh after the tsunami disaster on 26 December 2004 to progress and succeed.

The parties to the conflict commit themselves to building mutual confidence and trust.

This Memorandum of Understanding (MoU) details the agreement and the principles that will guide the transformation process.

To this end the GoI and GAM have agreed on the following:

1. Governing of Aceh

1.1 Law on the Governing of Aceh

- 1.1.1 A new Law on the Governing of Aceh will be promulgated and will enter into force as soon as possible and not later than 31 March 2006.

1.1.2 The new Law on the Governing of Aceh will be based on the following principles:

- (a) Aceh will exercise authority within all sectors of public affairs, which will be administered in conjunction with its civil and judicial administration, except in the fields of foreign affairs, external defence, national security, monetary and fiscal matters, justice and freedom of religion, the policies of which belong to the Government of the Republic of Indonesia in conformity with the Constitution.
- (b) International agreements entered into by the Government of Indonesia which relate to matters of special interest to Aceh will be entered into in consultation with and with the consent of the legislature of Aceh.
- (c) Decisions with regard to Aceh by the legislature of the Republic of Indonesia will be taken in consultation with and with the consent of the legislature of Aceh.
- (d) Administrative measures undertaken by the Government of Indonesia with regard to Aceh will be implemented in consultation with and with the consent of the head of the Aceh administration.

1.1.3 The name of Aceh and the titles of senior elected officials will be determined by the legislature of Aceh after the next elections.

1.1.4 The borders of Aceh correspond to the borders as of 1 July 1956.

1.1.5 Aceh has the right to use regional symbols including a flag, a crest and a hymn.

- 1.1.6 Kanun Aceh will be re-established for Aceh respecting the historical traditions and customs of the people of Aceh and reflecting contemporary legal requirements of Aceh.
- 1.1.7 The institution of Wali Nanggroe with all its ceremonial attributes and entitlements will be established.
- 1.2 Political participation
 - 1.2.1 As soon as possible and not later than one year from the signing of this MoU, GoI agrees to and will facilitate the establishment of Aceh-based political parties that meet national criteria. Understanding the aspirations of Acehnese people for local political parties, GoI will create, within one year or at the latest 18 months from the signing of this MoU, the political and legal conditions for the establishment of local political parties in Aceh in consultation with Parliament. The timely implementation of this MoU will contribute positively to this end.
 - 1.2.2 Upon the signature of this MoU, the people of Aceh will have the right to nominate candidates for the positions of all elected officials to contest the elections in Aceh in April 2006 and thereafter.
 - 1.2.3 Free and fair local elections will be organized under the new Law on the Governing of Aceh to elect the head of the Aceh administration and other elected officials in April 2006 as well as the legislature of Aceh in 2009.
 - 1.2.4 Until 2009 the legislature of Aceh will not be entitled to enact any laws without the consent of the head of the Aceh administration.
 - 1.2.5 All Acehnese residents will be issued new conventional identity cards prior to the elections of April 2006.

- 1.2.6 Full participation of all Acehnese people in local and national elections will be guaranteed in accordance with the Constitution of the Republic of Indonesia.
- 1.2.7 Outside monitors will be invited to monitor the elections in Aceh. Local elections may be undertaken with outside technical assistance.
- 1.2.8 There will be full transparency in campaign funds.
- 1.3 Economy
 - 1.3.1 Aceh has the right to raise funds with external loans. Aceh has the right to set interest rates beyond that set by the Central Bank of the Republic of Indonesia.
 - 1.3.2 Aceh has the right to set and raise taxes to fund official internal activities. Aceh has the right to conduct trade and business internally and internationally and to seek foreign direct investment and tourism to Aceh.
 - 1.3.3 Aceh will have jurisdiction over living natural resources in the territorial sea surrounding Aceh.
 - 1.3.4 Aceh is entitled to retain seventy (70) per cent of the revenues from all current and future hydrocarbon deposits and other natural resources in the territory of Aceh as well as in the territorial sea surrounding Aceh.
 - 1.3.5 Aceh conducts the development and administration of all seaports and airports within the territory of Aceh.
 - 1.3.6 Aceh will enjoy free trade with all other parts of the Republic of Indonesia unhindered by taxes, tariffs or other restrictions.
 - 1.3.7 Aceh will enjoy direct and unhindered access to foreign countries, by sea and air.

- 1.3.8 GoI commits to the transparency of the collection and allocation of revenues between the Central Government and Aceh by agreeing to outside auditors to verify this activity and to communicate the results to the head of the Aceh administration.
- 1.3.9 GAM will nominate representatives to participate fully at all levels in the commission established to conduct the post-tsunami reconstruction (BRR).
- 1.4 Rule of law
 - 1.4.1 The separation of powers between the legislature, the executive and the judiciary will be recognized.
 - 1.4.2 The legislature of Aceh will redraft the legal code for Aceh on the basis of the universal principles of human rights as provided for in the United Nations International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights.
 - 1.4.3 An independent and impartial court system, including a court of appeals, will be established for Aceh within the judicial system of the Republic of Indonesia.
 - 1.4.4 The appointment of the Chief of the organic police forces and the prosecutors shall be approved by the head of the Aceh administration. The recruitment and training of organic police forces and prosecutors will take place in consultation with and with the consent of the head of the Aceh administration in compliance with the applicable national standards.
 - 1.4.5 All civilian crimes committed by military personnel in Aceh will be tried in civil courts in Aceh.

2 Human rights

- 2.1 GoI will adhere to the United Nations International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights.
- 2.2 A Human Rights Court will be established for Aceh.
- 2.3 A Commission for Truth and Reconciliation will be established for Aceh by the Indonesian Commission of Truth and Reconciliation with the task of formulating and determining reconciliation measures.

3 Amnesty and reintegration into society

3.1 Amnesty

- 3.1.1 GoI will, in accordance with constitutional procedures, grant amnesty to all persons who have participated in GAM activities as soon as possible and not later than within 15 days of the signature of this MoU.
- 3.1.2 Political prisoners and detainees held due to the conflict will be released unconditionally as soon as possible and not later than within 15 days of the signature of this MoU.
- 3.1.3 The Head of the Monitoring Mission will decide on disputed cases based on advice from the legal advisor of the Monitoring Mission.
- 3.1.4 Use of weapons by GAM personnel after the signature of this MoU will be regarded as a violation of the MoU and will disqualify the person from amnesty.

3.2 Reintegration into society

- 3.2.1 As citizens of the Republic of Indonesia, all persons having been granted amnesty or released from prison or detention will have all political, economic and social rights as well as the right to participate freely in the political process both in Aceh and on the national level.

- 3.2.2 Persons who during the conflict have renounced their citizenship of the Republic of Indonesia will have the right to regain it.
- 3.2.3 GoI and the authorities of Aceh will take measures to assist persons who have participated in GAM activities to facilitate their reintegration into the civil society. These measures include economic facilitation to former combatants, pardoned political prisoners and affected civilians. A Reintegration Fund under the administration of the authorities of Aceh will be established.
- 3.2.4 GoI will allocate funds for the rehabilitation of public and private property destroyed or damaged as a consequence of the conflict to be administered by the authorities of Aceh.
- 3.2.5 GoI will allocate suitable farming land as well as funds to the authorities of Aceh for the purpose of facilitating the reintegration to society of the former combatants and the compensation for political prisoners and affected civilians. The authorities of Aceh will use the land and funds as follows:
 - (a) All former combatants will receive an allocation of suitable farming land, employment or, in the case of incapacity to work, adequate social security from the authorities of Aceh.
 - (b) All pardoned political prisoners will receive an allocation of suitable farming land, employment or, in the case of incapacity to work, adequate social security from the authorities of Aceh.
 - (c) All civilians who have suffered a demonstrable loss due to the conflict will receive an allocation of suitable farming land, employment or, in the case of incapacity to work, adequate social security from the authorities of Aceh.

3.2.6 The authorities of Aceh and GoI will establish a joint Claims Settlement Commission to deal with unmet claims.

3.2.7 GAM combatants will have the right to seek employment in the organic police and organic military forces in Aceh without discrimination and in conformity with national standards.

4 Security arrangements

4.1 All acts of violence between the parties will end latest at the time of the signing of this MoU.

4.2 GAM undertakes to demobilize all of its 3000 military troops. GAM members will not wear uniforms or display military insignia or symbols after the signing of this MoU.

4.3 GAM undertakes the decommissioning of all arms, ammunition and explosives held by the participants in GAM activities with the assistance of the Aceh Monitoring Mission (AMM). GAM commits to hand over 840 arms.

4.4 The decommissioning of GAM armaments will begin on 15 September 2005 and will be executed in four stages and concluded by 31 December 2005.

4.5 GoI will withdraw all elements of non-organic military and non-organic police forces from Aceh.

4.6 The relocation of non-organic military and non-organic police forces will begin on 15 September 2005 and will be executed in four stages in parallel with the GAM decommissioning immediately after each stage has been verified by the AMM, and concluded by 31 December 2005.

4.7 The number of organic military forces to remain in Aceh after the relocation is 14700. The number of organic police forces to remain in Aceh after the relocation is 9100.

- 4.8 There will be no major movements of military forces after the signing of this MoU. All movements more than a platoon size will require prior notification to the Head of the Monitoring Mission.
- 4.9 GoI undertakes the decommissioning of all illegal arms, ammunition and explosives held by any possible illegal groups and parties.
- 4.10 Organic police forces will be responsible for upholding internal law and order in Aceh.
- 4.11 Military forces will be responsible for upholding external defence of Aceh. In normal peacetime circumstances, only organic military forces will be present in Aceh.
- 4.12 Members of the Aceh organic police force will receive special training in Aceh and overseas with emphasis on respect for human rights.

5 Establishment of the Aceh Monitoring Mission

- 5.1 An Aceh Monitoring Mission (AMM) will be established by the European Union and ASEAN contributing countries with the mandate to monitor the implementation of the commitments taken by the parties in this Memorandum of Understanding.
- 5.2 The tasks of the AMM are to: a) monitor the demobilization of GAM and decommissioning of its armaments, b) monitor the relocation of non-organic military forces and non-organic police troops, c) monitor the reintegration of active GAM members, d) monitor the human rights situation and provide assistance in this field, e) monitor the process of legislation change, f) rule on disputed amnesty cases, g) investigate and rule on complaints and alleged violations of the MoU, h) establish and maintain liaison and good cooperation with the parties.

- 5.3 A Status of Mission Agreement (SoMA) between GoI and the European Union will be signed after this MoU has been signed. The SoMA defines the status, privileges and immunities of the AMM and its members. ASEAN contributing countries which have been invited by GoI will confirm in writing their acceptance of and compliance with the SoMA.
- 5.4 GoI will give all its support for the carrying out of the mandate of the AMM. To this end, GoI will write a letter to the European Union and ASEAN contributing countries expressing its commitment and support to the AMM.
- 5.5 GAM will give all its support for the carrying out of the mandate of the AMM. To this end, GAM will write a letter to the European Union and ASEAN contributing countries expressing its commitment and support to the AMM.
- 5.6 The parties commit themselves to provide AMM with secure, safe and stable working conditions and pledge their full cooperation with the AMM.
- 5.7 Monitors will have unrestricted freedom of movement in Aceh. Only those tasks which are within the provisions of the MoU will be accepted by the AMM. Parties do not have a veto over the actions or control of the AMM operations.
- 5.8 GoI is responsible for the security of all AMM personnel in Indonesia. The mission personnel do not carry arms. The Head of Monitoring Mission may however decide on an exceptional basis that a patrol will not be escorted by GoI security forces. In that case, GoI will be informed and the GoI will not assume responsibility for the security of this patrol.
- 5.9 GoI will provide weapons collection points and support mobile weapons collection teams in collaboration with GAM.

- 5.10 Immediate destruction will be carried out after the collection of weapons and ammunitions. This process will be fully documented and publicized as appropriate.
- 5.11 AMM reports to the Head of Monitoring Mission who will provide regular reports to the parties and to others as required, as well as to a designated person or office in the European Union and ASEAN contributing countries.
- 5.12 Upon signature of this MoU each party will appoint a senior representative to deal with all matters related to the implementation of this MoU with the Head of Monitoring Mission.
- 5.13 The parties commit themselves to a notification responsibility procedure to the AMM, including military and reconstruction issues.
- 5.14 GoI will authorize appropriate measures regarding emergency medical service and hospitalization for AMM personnel.
- 5.15 In order to facilitate transparency, GoI will allow full access for the representatives of national and international media to Aceh.

6 Dispute settlement

- 6.1 In the event of disputes regarding the implementation of this MoU, these will be resolved promptly as follows:
 - (a) As a rule, eventual disputes concerning the implementation of this MoU will be resolved by the Head of Monitoring Mission, in dialogue with the parties, with all parties providing required information immediately. The Head of Monitoring Mission will make a ruling which will be binding on the parties.
 - (b) If the Head of Monitoring Mission concludes that a dispute cannot be resolved by the means described above, the dispute will be discussed together by

the Head of Monitoring Mission with the senior representative of each party. Following this, the Head of Monitoring Mission will make a ruling which will be binding on the parties.

- (c) In cases where disputes cannot be resolved by either of the means described above, the Head of Monitoring Mission will report directly to the Coordinating Minister for Political, Law and Security Affairs of the Republic of Indonesia, the political leadership of GAM and the Chairman of the Board of Directors of the Crisis Management Initiative, with the EU Political and Security Committee informed. After consultation with the parties, the Chairman of the Board of Directors of the Crisis Management Initiative will make a ruling which will be binding on the parties.

GoI and GAM will not undertake any action inconsistent with the letter or spirit of this Memorandum of Understanding.

Signed in triplicate in Helsinki, Finland on the 15 of August in the year 2005.

On behalf of the Government
of the Republic of Indonesia,

Hamid Awaludin
Minister of Law and
Human Rights

On behalf of
the Free Aceh Movement,

Malik Mahmud
Leadership

As witnessed by

Martti Ahtisaari
Former President of Finland Chairman of the Board of Directors of the
Crisis Management Initiative Facilitator of the negotiation process

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- Provide general and graduate education in strategic studies, international relations, defence management and defence technology.
- Promote joint and exchange programmes with similar regional and international institutions, and organize seminars/conferences on topics salient to the strategic and policy communities of the Asia-Pacific.

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This monograph examines the politics surrounding two significant events: the reconstruction of Aceh after the devastating damage of the 2004 tsunami and the peace agreement between the Government of Indonesia and the Free Aceh Movement (GAM). While these two episodes are independent, the future politics of these events are very much interrelated. The province of Aceh is slowly recuperating from decades of insurgency and counter-insurgency campaigns. It is also on the road to recovery following the destruction of the tsunami. The future challenge for all parties is to maintain the momentum for peace. The process cannot just rely on the political elites in Aceh and Jakarta. The success of the post-tsunami rehabilitation of Aceh and the implementation of the peace agreement will largely depend on how the Acehnese grassroots are involved in the decision-making process.

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