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ACEH: NEGOTIATING SUBSTANTIVE ISSUES

Briefing Packet for the Indonesian Government Delegation

Negotiation Simulation

Prepared by:

Kerry McCormack,
Saori Ishida,
and
Nathan Hara

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I. BACKGROUND OF THE CONFLICT

History

Aceh is the northernmost province of Indonesia, situated on the Island of Sumatra. It is one of the most rebellious provinces in Indonesia and has long played a vital role in the country.

After the nationalization of the Dutch East Indies Company in 1799, the Dutch controlled almost all of the territory that would later become Indonesia. When the Dutch attempted to conquer Aceh, the Acehnese resisted ferociously, beginning a long and bloody conflict. The “Dutch War” (or “Aceh War”) lasted until the early 20th century, but eventually the Dutch gained control of the region.

Under Dutch rule, the Acehnese were involved in various national and political movements, including various Islamic and anti-Dutch movements. During this time, the people from Aceh also became increasingly involved in Indonesia’s national movement. The Acehnese, like many others in Indonesia, welcomed the Japanese troops when they landed in Aceh on March 12, 1942, as it was hoped that the Japanese would end all colonialism in Indonesia. Much to the dismay of most of Indonesia, the Dutch returned after WWII, but they did not return to Aceh.

Despite the Dutch presence, Indonesia declared independence on August 17, 1945. Aceh came to the forefront in support of the new independent country. Indonesia declared war on the Dutch, which continued from 1945 until 1949. In 1947, Indonesia and the Netherlands signed the Linggarjati Agreement, in which the Dutch recognized Indonesian sovereignty over the islands of Java, Sumatra, and Madura. Many Indonesians viewed the deal as a violation of Indonesia's independence proclamation of August 1945, which implied sovereignty over the whole territory of the Republic. The agreement sparked guerrilla fighting and led to another four years of violence and territorial disputes between the Netherlands and Indonesia.

Many Acehnese see the 1949 Round Table Conference Agreements as the first serious betrayal of their homeland. Brokered through the United Nations, the agreements provided for a transfer of sovereignty between the territory of the Dutch East Indies and a fully independent Indonesia. On December 27, 1949, the Republic of Indonesia was born. The Kingdom of Aceh was included in the agreements despite not having been formally incorporated into the Dutch colonial possession. The Indonesian Government then used armed troops to annex Aceh.

To quell some of the Acehnese anger, the leader of the emergency government signed a decree establishing Aceh as a province. However, in 1950, the council of ministers of the Federal Republic of Indonesia disregarded the decree and divided the country into 10 provinces. Aceh became part of North Sumatra province.

In 1959, the Indonesian Government responded to the increasing outcry among the Acehnese against the central government by giving Aceh the status of “special territory,” which conferred an unusually high degree of autonomy in religious, educational and cultural matters. The

government believed the special status would lead Aceh to greater prosperity and help bring the Acehnese into the Indonesian mainstream. However, this status did not address some of the more pressing problems in Aceh, such as foreign control of natural resources and an oppressive military presence. Therefore, despite some economic gains and the more widespread acceptance of the Indonesian Government, many Acehnese still insisted on an independent Islamic state.

Since the independence of Indonesia in 1949, a large number of Acehnese have manifested their intention to exercise the right of self-determination. In 1976, Teungku Hasan di Tiro founded the Aceh/Sumatra National Liberation Front, which was later renamed the Free Aceh Movement, and declared the independence of Aceh. In response, President Suharto intensified military campaigns and imposed martial law in Aceh. Suharto's successor, President Wahid, lifted martial law in 1998, but armed conflicts continue between Indonesian security forces and the Free Aceh Movement. Both sides allege that the other has committed serious human rights abuses.

Past Attempts at Negotiating Peace

In 2000, the Henry Dunant Centre brought the Free Aceh Movement and the Indonesian Government together for peace negotiations. On May 12, 2000, both parties signed the Joint Understanding on Humanitarian Pause for Aceh. The primary objective of the Agreement was to provide humanitarian assistance to the people in Aceh. The moderation of the security measures from both sides was important to achieve this goal, but not a primary objective. The Agreement was also intended to facilitate negotiations for a peaceful solution by promoting trust and confidence between the two groups.

Unfortunately, the political instability in the Wahid administration prevented both parties from fully implementing the Humanitarian Pause Agreement. According to the Agreement, all movements by troops from either side were to be reported to the Joint Committee on Security Modalities. President Wahid failed to enforce this aspect of the Agreement with the military. In fact, due to the strong pressure by several Indonesian military leaders, President Wahid issued the Presidential Instruction (Inpres) No. 4 on April 11, 2001, which stated that the efforts to resolve the conflict through dialogue had produced no result and violence by the Free Aceh Movement was increasing. The Presidential Instruction also restructured the security apparatus of the Indonesian military and increased the number of troops involved in the conflict.

It was obvious to all parties that the Humanitarian Pause Agreement was ineffective in practice, nonetheless, the Agreement was extended twice. During this period, intermittent meetings between the Free Aceh Movement and the Indonesian Government continued to take place in Geneva. Eventually the meetings stopped and the Agreement failed. The farce surrounding the disintegration of the Agreement illustrates the overall difficulty the two parties continue to experience in attempting to negotiate with one another. The Free Aceh Movement began sending second and third level commanders to the meetings in Geneva because they suspected that the Indonesian Government would use the meetings to capture senior commanders. In return, the Indonesian Government withdrew from the meetings, complaining that the Free Aceh Movement did not send its top commanders to the talks. However, the Indonesian Government

withdrew only after the Indonesian police arrested the entire negotiation team of the Free Aceh Movement during the last round of negotiations in Geneva.

Despite increased failures at reaching a peaceful resolution to the conflict, negotiations between the parties continued. In July, 2001, the Indonesian Government passed the Special Autonomy Act. This act provided Aceh with a limited self-government, as well as increasing the region's share of the revenues from its natural resources. The Indonesian Government thought that the Special Autonomy Act would reduce the support for independence in Aceh. However, the Free Aceh Movement has not shown much support for this Act, especially since it does not specify how it is going to be implemented, and continues to demand independence.

Representatives from the Free Aceh Movement and the Indonesian Government met again in Geneva in February of 2002. As a result of this round of discussions, the Indonesian Government agreed to include the "Four Wise Men" in the peace process. The "Four Wise Men" are a group of foreign nationals who are interested in facilitating the peace process in Aceh.

With the assistance of the international community and the Four Wise Men, a Cessation of Hostilities Agreement was signed on December 9, 2002. The Agreement provided the region with the first real hope for a sustainable peace. Despite the parties' commitment to the peace process, key issues in the Agreement remained unsolved.

Among the issues left unanswered in the Cessation of Hostilities Framework Agreement was the major question of eventual independence for Aceh. While the Free Aceh Movement and the Indonesian Government agreed to accept the Special Autonomy Act as a "starting point," they also agreed to hold an election in 2004 for "the subsequent establishment of a democratically elected government in Aceh, Indonesia, in accordance with the review of the NAD Law (Special Autonomy Act)." This language on its face seems to suggest that the Aceh would remain a part of Indonesia after the election. However, numerous reports still suggest that the Free Aceh Movement has not given up the independence of Aceh. In addition, the nature of the 2004 election was unclear. Although the Acehnese could select the governor, district representative and mayors in the 2004 election, it was not clear whether the Free Aceh Movement could participate in this election, because the Indonesian constitution allows only well-financed and Jakarta-based political parties participate in Indonesian elections.

The key measures of the Cessation of Hostilities Framework Agreement failed to be enacted by either party to the conflict. New peace negotiations were arranged in Geneva by the Henry Dunant Centre for late April of 2003 in order to save the Agreement and restart the peace process. These negotiations never took place. The Indonesian government, under the leadership of President Megawati Sukarnoputri, lost patience with the Free Aceh Movement and imposed a unilateral deadline of May 12, 2003 for the disarmament of the faction and insisted that the group give up its fight for independence. After the deadline had passed, the Indonesian government began a military build-up in Aceh.

In a last ditch effort, the government of Japan hosted talks in Tokyo starting on May 17, but they ceased one day later without any progress. Hours later, the Indonesian government declared martial law in Aceh and began a military offensive against the Free Aceh Movement.

Negotiators for the Free Aceh Movement have since been arrested and found guilty of breaking criminal, treason, and terrorist laws. The military offensive and the imposition of martial law in the region continues. The freedom of journalists covering the conflict has been severely restricted and some have been arrested. The new violence has resulted in civilian deaths, internally displaced persons, and allegations of human rights abuses by the Indonesian military. Although all members of the Joint Security Committee have been relieved of their duties, the Henry Dunant Centre continues to staff a small office in the hopes that peace negotiations will resume.

The Economic Situation in Aceh

The home states of foreign investors want to assure the safety of their nationals in Aceh. For this purpose, a successful ceasefire is a basic condition. For example, the United States has a strong interest in protecting Exxon, which is the largest investor in Aceh, and Indonesia's natural gas reserves also makes its stability a strategic importance. More broadly, to maintain the health of the regional economy in Asia, the international community wants to stabilize the economic situation in Indonesia, which has had problems since 1997 Asian economic crises .

Despite the international pressure to reach a peaceful solution to the conflict in Aceh, there are several forces working against a sustainable peace. For instance, the conflict has been very lucrative to some members of both the Free Aceh Movement and the Indonesian Government. Illegal loggings, road taxes and weapons sales are run by both sides and easier to operate in a conflict situation than in a peaceful situation. These activities provide disincentives for the parties to implement a ceasefire agreement

Current International Involvement in Aceh

The international community has economic and security interests in Aceh and the region as a whole. After the September 11th tragedy, the US interest in restoring stability in Indonesia has increased given the geopolitical interest in Indonesia in the war against terrorism. Indonesia has the largest Muslim population in the world. In addition, failure to resolve the Aceh conflict is likely to have a significant impact on the resolution of other civil conflicts and on the stability of ethnic relations in Indonesia and other East Asian countries (such as Mindanao in the Philippines, Papua in Indonesia, as well as the rise of the PAS Islamic party in Malaysia).

International donor countries have also expressed their interest in the protection of human rights and post-conflict reconstruction of Aceh. Over the last few decades there have been increase allegations of violence and human rights violations by both the Indonesian Government and the people of Aceh.

As previously mentioned, initial attempts at peace talks facilitated by the Henry Dunant Center began in 1999, but they were not as fruitful as had been expected. Since 1999, the Center has increased the level of its involvement in the peace process through the introduction of the Four Wise Men into the negotiations. The ability to construct and sign the Cessation of Hostilities Framework Agreement in December 2002, is largely contributed to the involvement of the Four Wise Men and the international community as a whole. With the restart of hostilities, the

combined efforts of the Henry Dunant Center, the Four Wise Men, and the international community will most likely be necessary to help establish a new ceasefire arrangement and negotiate the substantive issues.

Context of the Simulation

Although the fighting in Aceh continues, the historical background of the conflict suggests that only through the creation of a new ceasefire and the negotiation of several substantive issues will peace prevail in the region. This simulation assumes that the hostilities have subsided and a new ceasefire agreement similar to the now defunct Cessation of Hostilities Framework Agreement has been established through the help of the Henry Dunant Centre/the Four Wise Men and the international community. This ceasefire agreement has only halted the hostilities, and has left many substantive issues unresolved. The gaming exercise focuses on these major points of contention that must be addressed in the negotiations that follow the new ceasefire arrangement.

II. KEY PLAYERS

The Indonesian Government

President Megawati and members of her administration will be representing the interests of the Indonesian Government at the peace negotiations. The role of President Megawati will be essential in the peace process. In order to fully appreciate the position of the Government it is important to have an understanding of the significant role the former Indonesian Government (Suharto regime) played in attempting to end the conflict in Aceh. Many of the attempts made by the Suharto regime to quell the independence movement in Aceh were not peaceful in nature. For example, in the early 90's former President Suharto's implemented martial law in Aceh, which contributed to several human rights abuses by Indonesian security and military forces.

Members of the Megawati administration participating in the coalition for the Indonesian Government will include the Vice President, Hamzah Haz, and Hasan Wirajuda, the Foreign Minister of Indonesia.

Another key player in the peace talks will be a representative from the National Security Force, which has been accused of committing human rights violations against Free Aceh Movement members. The National Security Force has also recently been accused of participating in the drug trade in Aceh.

Governor Puteh from the Aceh Provincial Government will also be involved in the Peace talks. In previous attempts to negotiate peace, Governor Puteh has served as a primary negotiator for the Indonesian Government.

The Free Aceh Movement

Members from the Free Aceh Movement will also be represented in the peace negotiations. Hasan di Tiro, the titular head of the Free Aceh Movement, currently exiled in Sweden, will be a key player. Unlike past peace talks between the parties, the safety and security of the negotiators

must be assured by the Indonesian Government, so that the top commanders of the Free Aceh Movement may confidently participate.

In addition, a representative of the “civil society” in Aceh will participate in the talks.

Internationals

The members representing the interests of the international community include the United Nations, the United States, Japan, and the Henry Dunant Center (in represented by the Four Wise Men). The ultimate goal of all parties is to reach a sustainable peace, however, the particular issues of importance may vary slightly among the members of the international team.

Japan, as the Indonesia’s largest donor, has a stake in the peace and reconstruction in Aceh. As previously mentioned, the European Union member states and the United States are dedicated to supporting the peace process; their interests are both economic and political in nature and are greatly influenced by the threat regional conflicts in Indonesia pose upon global security. The Four Wise Men will also have a significant role at the peace talks and are the official representatives of the Henry Dunant Center in Geneva, Switzerland. The Four Wise Men were involved in the Geneva Talks as facilitators in the peace process. The interests of the Four Wise Men mirror the interests of the Henry Dunant Centre.

Japan, the United States, the European Union and the World Bank hosted the Preparatory Conference on Peace and Reconstruction in Aceh one week before the December 9, 2002, Cessation of Hostilities Framework Agreement was signed. Twenty-three countries and international organizations participated in this conference and expressed their commitment to provide financial support for the implementation of the Agreement and post-conflict reconstruction in Aceh.

Other Interested Parties

Although not represented in the simulation, the following parties have an interest in promoting peace in Aceh. Thailand and the Philippines are committed to resolving the conflict in Aceh. The armed forces from both countries were members of *monitoring teams* responsible for assisting the Joint Security Committee in implementing the terms of the Cessation of Hostilities Framework Agreement.

Several UN agencies, such as UNDP and UNHCR, are presently involved in Aceh. In addition, the World Bank and Asian Development Bank have shown their commitment to support the peace and reconstruction in Aceh. World Bank has pledged US\$8 million to a community assistance program in Aceh.

There are also several non-governmental organizations that are involved in the conflict in Aceh. The following NGO’s are the most visible: Human Rights Watch, an independent NGO that conducts field investigations and reporting on major human rights violations around the world; the International Crisis Group (ICG), a multinational NGO with over 80 staff members on five continents that conducts field research and high-level advocacy to prevent and resolve

deadly conflicts; the U.S. Committee for Refugees (USCR), which is actively involved in Aceh and wrote a report on the refugee situation in the area in January 2002; and lastly, the International Labor Rights Fund (ILRF), a Washington based NGO committed to achieving just and humane treatment for workers worldwide.

The ExxonMobil Company has a large stake in the outcome of the resolution of the conflict in Aceh and will probably be represented (informally) by the United States, whose economic interests in the region are inextricably tied to those of Exxon.

III. TEAM PERSPECTIVE – THE INDONESIAN GOVERNMENT

The Indonesian government's primary interest is to maintain the territorial integrity of the nation and thus, prevent the independence of Aceh. The national government has agreed to the establishment of a locally elected democratically elected government in Aceh, Indonesia. However, it is also the desire of the Indonesian Government to preclude the Free Aceh Movement from participating in any elections.

A major barrier to reaching a final solution in Aceh involves the issue of corruption of the Indonesian Government, which had become a serious problem plaguing the legitimacy of the Government. There are government officials who have grown wealthy during the conflict in Aceh through their involvement in illegal loggings, road taxes and weapons sales. These activities are easier to operate in a conflict situation than in a peaceful situation. Corrupt individuals who partake in such illegal activities will not only be unwilling to cooperate with "official" position of Indonesian Government, but also have the incentive to take active measures to ensure that no resolution is reached.

Due to the recent experience with East Timor, the Indonesian Government distains the increased involvement of the international community in the conflict. In East Timor, the Indonesian Government allowed the United Nations to be actively involved in the peace process, which ultimately brought about the independence of East Timor through a referendum. In the case of East Timor, Indonesia expressed the sentiment that the international community committed "assaults" on their sovereignty by strongly demanding accountability for human rights abuses, which they consider an internal issue of Indonesia. Although the Indonesian Government has conceded that international involvement is necessary at this stage in the Aceh conflict, they strongly oppose the idea of a referendum and the Government is particularly weary of increased United Nations involvement. The Indonesian government will not enter into any peace negotiations that aim at giving independence to Aceh.

Recent recognition of the need for international involvement is due largely to pressure placed on the Indonesian Government by the United States. President Megawati is well aware of the need to promote the rule of law, security and accountability in Aceh in order to restore investor confidence and to obtain financial aid from international financial institutions and Western donors.

Views of the other Participants in the Simulation

The Free Aceh Movement

The Free Aceh Movement continues to seek independence and wants to be internationally recognized as the "sole" legitimate representative of the Aceh community. However, it is becoming increasingly obvious to the Free Aceh Movement that the international community generally supports the territorial integrity of Indonesia and will seek a resolution to the conflict that falls short of independence.

The Free Aceh Movement is particularly concerned with protecting Aceh's wealth and resources from the "Javanese-Indonesian." Currently, the Indonesian Government controls the net profit of revenues that Aceh receives, which is small in proportion to the wealth distributed to the Government. The Free Aceh Movement is also opposed to the control of payments (when and how much) remaining with Indonesian Government. This will be a key issue for the Free Aceh Movement in the peace talks, and it is a topic upon which the Indonesian Government will not be inclined to aggressively negotiate. Although the Indonesian Government will be somewhat flexible on re-negotiating the percentage of the revenue distributed to Aceh, the Government will not be flexible on relinquishing control of the payments.

The Free Aceh Movement is interested in inviting the assistance of the international community, because it wants to be internationally recognized as the "sole" legitimate actor to represent the Aceh community. The Movement will attempt to analogize their situation to East Timor, a position that the Indonesia Government is staunchly oppose to. The Free Aceh Movement believes that the involvement of the international community will ultimately bring about independence of Aceh through a referendum. It will be important for the Indonesian Government to aggressively try and prevent a parallel from being drawn between Aceh and East Timor.

There is a conflict of interest between the Free Aceh Movement and the international community on the topic of independence. The Free Aceh Movement's agenda narrowly focus on the issue of independence and avoids dealing with accountability issues. This is not an acceptable position for many international organizations and NGOs.

International Community

The international community has both economic and security interests in Aceh, as well as the region as a whole. Failure to resolve the Aceh conflict is likely to have a significant impact on the resolution of other civil conflicts in the region and on the stability of ethnic relations in Indonesia and other East Asian countries (such as Mindanao in the Philippines, Papua in Indonesia, as well as the rise of the Islamic party in Malaysia).

The international community has a strong interest in restoring an immediate ceasefire and ending human rights abuses. As in other civil conflicts, the international community also wants to ensure the accountability for the past human rights abuses. In the long run, the international community will also be interested in post-conflict reconstruction of the Acehnese community, especially given the fact that the Aceh is one of the poorest regions in the country, despite its rich natural resources. The international community will not be likely to support independence for Aceh.

The United States

The United States interest in resolving the conflict in Aceh is two-fold. First, since the September 11th attacks, the United States has focused its attention on resolving regional conflicts around the globe as part of the war against terrorism. The introduction of the Four Wise Men into the peace process in Aceh was due, in part, to the United States' reaction to the September 11th attacks. There is a clear link between separatist movements and terrorism, as it is widely

known that separatist conflicts have become breeding grounds for terrorist cells. Post September 11th, the overall instability in Indonesia has become a particular concern to the United States since it is the largest Muslim country in the world. The United States needs support from moderate Indonesian Muslims to maintain stability in the Middle East and restrain fundamentalist Islam

The recent bombing incident in Bali in October 2002, also brought to the forefront the key role Indonesia plays in the war on terrorism. In the aftermath of the attacks, the United States criticized the Indonesian Government for its lenient anti-terrorist measures. The incident put domestic pressure on President Megawati to quell international terrorists as well as domestic separatists. Interestingly, the latter goal may be in conflict with United States interests, as the United States may not want the Indonesian Government to intensify military campaigns in order to resolve civil conflict.

The second concern of the United States revolves around the presence of ExxonMobil in Aceh. In March 2001, ExxonMobil was forced to shut down the operation of its major plant, under threats from the conflict in Northern Aceh. In response, the Indonesian Government dispatched national security forces to the ExxonMobil plant. One issue that may surface during the peace talks involves the accusations of the Free Aceh Movement of alleged human rights abuses by the national security forces hired by ExxonMobil. This is a topic that the United States and the Indonesian Government will try to sidestep.

Luckily for the Indonesian Government, the United States is interested in restoring and maintaining stability in the entire archipelago of Indonesia. As such, they are not likely to support independence of Aceh, as they did with East Timor, because of the implications it imposes upon the other active conflicts in Indonesia. Instead, the US is likely to push for very strong autonomous rule in Aceh.

I. Security

Generally, a post-conflict security process involves three stages—decommissioning, demobilization and policing. The new ceasefire agreement only dealt with the first stage, decommissioning. As such, besides ensuring a new ceasefire, the other two stages will need to be discussed in the peace negotiations. These stages normally follow as a sequence of three events along a time-line, although in rare instances they can occur simultaneously. Decommissioning is the removal of weapons from armed forces and the withdrawal of armed forces from active services in the war. Demobilization is the disbanding of troops and armies, discharging them from military service and reintegrating them to civilian life. Together, decommissioning and demobilization are necessary to create stability, security and trust in a post-conflict society. Finally, policing is the establishment of civilian police force to maintain the peace and prevent further armed conflict. The parties must establish firm guidelines for demobilization of the armed forces. Additionally, a civilian police force will need to be established to secure peace and prevent further tension. Economic incentives for disarmament will facilitate the security process and contribute to the reconstruction of war-torn Aceh.

Main Objectives

- Seek increased military activity to monitor and suppress separatist groups, which includes an effort to establish a civil police force to secure peace and prevent further fighting in the region. It will be necessary to establish strict guidelines for both the selection and training of new members of the police force.
- As previously mentioned, the ceasefire agreement only discussed decommissioning. It will be crucial for both parties to negotiate firm guidelines on demobilization of the Free Aceh Movement.
- The Indonesian Government recognizes that the ceasefire arrangement, and any subsequent agreement produced by these negotiations, must be monitored by international forces. However, the Indonesian Government remains strongly opposed to extensive United Nations monitoring, and therefore, will be very creative and aggressive in suggesting alternative monitoring organizations.
- End human rights abuses upon the Indonesian military by the Free Aceh Movement, which include killings of suspected military informants, family members of police and military personnel, unlawful detentions, forced expulsions, restriction of freedom of expression.

II. Democratization

Indonesia is in the process of strengthening its democratic structure. True separation of powers does not exist and there is widespread corruption in the government and judiciary. Although President Megawati Sukarnoputri still holds control over the military and most branches of the government, she is interested in the solidifying the democratization process throughout the entire country including Aceh.

Main Objectives

- Establish a transitional interim government in Aceh that is not run by the military. The Indonesian Government also does not want to legitimize the Free Aceh Movement as a political party, and therefore, will require the new government to be composed independently of the Movement and its members.
- Limited international involvement in establishing and maintaining the interim government. Involvement of the United Nations will be highly discouraged.
- Election monitors will be necessary to certify that any election process in Aceh remains transparent. The Indonesian Government is opposed to a high level of international involvement in the election monitoring process and will assert that the elections committee should be comprised of local NGOs and other non-threatening international organizations. The Four Wise Men might be a viable option for assistance in the electoral process.

III. Economics

One of the most important issues of contention in the conflict is the allocation of the revenue from natural resources in Aceh. The Indonesian Government controls the net profit Aceh receives from its natural resources, which is small in proportion to what the central government keeps. Approximately 30% of the net revenue of the oil reserves in the province is allotted to Aceh. The Special Autonomy Act that was presented after the signing of the no defunct Cessation of Hostilities Agreement provided that 70% of the net revenue from the oil reserves would be given to the province. It is highly unlikely that the Indonesian government would be willing to increase that percentage.

Another area of economic concern is the distribution of aid provided by the international community. The Indonesian Government has accepted that international intervention for purposes of humanitarian monitoring and financial assistance in post-conflict reconstruction of Aceh is necessary.

As Chair of the Consultative Group for Indonesia, the World Bank has played a leading role in actively reconstructing the Indonesian economy and helping to implement governance reforms. In addition to the Consultative Group, the World Bank works closely with International Monetary Fund (IMF) and Asian Development Bank in providing financial assistance for Indonesia. The World Bank maintains a strong presence in Jakarta with a variety of Bank-funded projects.

In January of 2003, a group of representatives from the World Bank, the United States, Japan, and the European Union visited Aceh and expressed their continuous support for the peace reconstruction process in Aceh. The World Bank has pledged US\$ 8 million to a community assistance program in Aceh

In addition to multilateral aids, bilateral aids are also important sources of funding for economic development of Indonesia. In particular, the United States put priority on Aceh in its bilateral aid programs for Indonesia on a wide range of issues including, humanitarian assistance, civil-military conflict analysis, and facilitation of peace talks in Aceh. Currently, the largest donor to the Indonesia is Japan, as such they will also have a critical role in providing funding and coordinating the effort of international donors in the post-war reconstruction in Aceh.

Main Objectives

- The Indonesian Government will negotiate on the amount of net revenue from natural resources that will be allocated to Aceh. However, they will not be willing to give Aceh more than 70% of the net revenue.
- Continue to control the allocation and distribution of the money granted to Aceh from natural resources.
- Continue to encourage international financial assistance, which will obviously require international involvement in the coordination, allocation and distribution of the

funding. The Henry Dunant Center will continue to be important in coordinating humanitarian assistance. As is the case with all the other issues of discussion at the peace talks, the Indonesian Government will continue to oppose significant United Nations involvement.

- Insist that all international aid be deposited into the central bank and distributed by the Indonesian Government to Aceh.

IV. Humanitarian Issues

Although humanitarian and human rights issues have not yet been discussed, they are an important issue that must be resolved in order to move the peace process forward. The 27 year-long conflict has created many internally displaced persons, and the ethnic tension between the Acehese and the Javanese has been expressed in various forms of human rights violations.

Internally Displaced Persons

One of the pressing humanitarian issues is the handling of internally displaced persons. More than 1.3 million people are internally displaced in Indonesia. According to the Indonesian Government, the conflict in Aceh alone displaced more than 100,000 people. Generally speaking, most displaced ethnic Acehese tend to remain in Aceh, while Javanese and other non-Acehese tend to leave Aceh for neighboring provinces.

The Free Aceh Movement publicly adopted a policy to remove ethnic Javanese from Aceh, suspecting that Javanese were spies for the Indonesian military. The Free Aceh Movement used various methods to expel Javanese from Aceh, including arson, intimidation and abduction. At the same time, the Indonesian military and police continued to commit various human rights abuses against Acehese civilians, forcing many Acehese to leave their homes.

According to the World Food Programme, the internally displaced in Aceh were worse-off than those in other parts of Indonesia in terms of living conditions, food security, employment rates, dependency on day labor, level of poverty, access to potable water, access to education, emotional trauma and personal security.

Transmigration Policy and Ethnic Tension

Underlying the ethnic tension between the Javanese and the Acehese is Jakarta's policy of Transmigration. In order to alleviate the densely populated island of Java, the Indonesia Government has been sponsoring those willing to move to less populated regions. The "transmigrants" are usually ethnic Javanese and some are Christian. The Indonesian Government used the transmigration program also as a political tool to suppress the separatist movement in Aceh by deliberately moving Javanese transmigrants into areas where armed separatists had strong support. Most Javanese transmigrants were brought to Aceh to set up food-crops sites and work on plantation and timber estates. At times, transmigrants have faced discrimination and violence, motivated not only by religion or ethnicity, but by the widespread feeling in Aceh that these Javanese are given the best land, often displacing native Acehese.

Protection of Human Rights—Freedom of Expression

There have been reports of suppression of freedom of expression by both the Free Aceh Movement and the Indonesian Government forces.

The Free Aceh Movement has restricted the free speech of journalists who investigated human rights violations in Aceh and threatened their security. The Free Aceh Movement prohibited journalists from publishing articles that are critical of the Free Aceh Movement on the front page of their publications.

On the other hand, the Indonesian Government has repeatedly made use of the so-called "spreading hatred" clauses of the Indonesian Criminal Code, which criminalize speech or publications that are deemed to incite or disseminate hatred or hostility against the government.

The main target of the restriction of expression under this law are members of the Information Center for Referendum in Aceh (SIRA), a student-led organization advocating for independence of Aceh through a referendum. The Information Center for Referendum in Aceh is committed to peaceful means for achieving independence and is not institutionally connected to the Free Aceh Movement. Nevertheless, the Indonesian police arrested several of its members after a peaceful demonstration calling for the end of conflict and independence of Aceh. The police accused them of spreading the lectures composed by the Free Aceh Movement.

During the current military campaign against the Free Aceh Movement, the Indonesian government has restricted the movement of journalists and thus, effectively barred independent coverage of the conflict.

Current Efforts in Humanitarian Assistance

The Indonesian Government recognizes the seriousness of the problem of internally displaced persons in the country. Thus far, a large percentage of the assistance to internally displaced persons is reported to come directly from the Indonesian Government's own resources. In September 2001, the Indonesian Government issued the "National Policies on the Handling of Internally Displaced Persons/Refugees in Indonesia."

The policy of the Indonesian Government relegates the primary responsibility of handling of internally displaced persons to local governments, which are provided with assistance by the central government. A local government is the coordinating body, responsible for addressing the local needs and channeling inputs (such as food, non-food assistance/supplies, emergency shelter, water, sanitation, education) from various departments and ministries at the central level.

The international community has also provided humanitarian assistance to internally displaced persons in Aceh. Assistance provided by the international community for internally displaced persons includes emergency relief, food, shelter, health, peace and reconciliation efforts, education, and economic activities. Several humanitarian organizations are also engaged in the capacity building of the local NGOs and communities.

The lack of safety for the humanitarian aid and human rights workers has prevented the successful distribution of humanitarian assistance to internally displaced persons. There are many reported incidents of torture, disappearances and killings of NGO workers in Aceh. Such abuses are reported to be committed by both the Free Aceh Movement and the Indonesian Government forces. In addition, since the restart of hostilities in May of 2003, the activities of foreign humanitarian aid workers have been restricted and martial law administrators have taken charge of aid distribution.

Main Objectives

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The Indonesian Government condemns the Free Aceh Movement for its human rights violations against the Javanese transmigrants. The Indonesian Government, however, does not want to stop the transmigration policy since it has long been a strategy for an economic development in the country. Moreover, the Indonesian Government considers any criticism by the international community about transmigration programs and “spreading hatred” clauses of the Criminal Code as an intrusion of sovereignty. Additionally, in the eyes of the Indonesian Government, the internally displaced persons are not “refugees” who have crossed the national border. Thus, the Indonesian Government argues that problems of internally displaced persons are domestic issues that should not be a concern of the international community. The Indonesian Government already has policies to assist the repatriation and the reintegration of the internally displaced. Thus, the Indonesian Government appreciates the financial help from the international community but opposes a formal intervention by the UNHCR or other agencies that might take over the Indonesian Government’s efforts in assisting internally displaced persons.

- Reject the involvement of the United Nations, in particular UNHCR, in the handling of the issue of internally displaced persons. Interventions from international organizations are intrusions to Indonesia’s sovereignty. The Indonesian Government has already been implementing its “National Policies on the Handling of Internally Displaced Persons/Refugees in Indonesia.” What the Indonesian Government wants is financial assistance from multilateral and bilateral donors in order to implement the Government’s policies.
- Reject any accusation from the international community regarding the “spreading hatred” clauses or transmigration policies as an intrusion of sovereignty.
- Expose the Free Aceh Movement’s numerous human rights violations against the Javanese transmigrants. Establish a mechanism to hold the Free Aceh Movement accountable for such human rights violations.
- Support the repatriation of the displaced Javanese transmigrants back to Aceh by providing various economic and social incentives.

V. Final Status of Aceh

The final status of Aceh remains an open issue. While the Indonesian Government will allow local elections in Aceh, they expect it to remain part of the republic. The Free Aceh Movement, however, has not given up its fight for the independence of Aceh. At the same time though, the Free Aceh Movement wants to participate in any election that will take place in the province.

Although Acehnese may select the governor, district representatives and mayors in a local election, the Free Aceh Movement may not be able to participate, since the Indonesian constitution allows only well-financed and Jakarta-based political parties to contest in Indonesian elections.

The international community is generally interested in maintaining the territorial integrity of the region. Thus the international community is reluctant to accept the independence of Aceh. However, the international community continues to support heightened autonomy for Aceh either through the existing arrangement under the Special Autonomy Act or through a different arrangement.

Main Objectives

The Indonesian Government insists that Aceh should forever remain as a part of the Republic.

- Continue to require that territorial integrity of the region is protected, and therefore, Aceh must remain part of Indonesia.
- Agree to support heightened autonomy in Aceh, but do not concede to give Aceh any financial power or any true economic and political freedom.

SIMULATION SCHEDULE

Note: All times to be strictly adhered to

- 9:00** Coffee and doughnuts available for participants
- 9:30-10:00** Introduction and review of simulation schedule and procedures
- 10:00-10:30** Individual team meetings to review positions
- 10:30-11:00** United Nations meets with the Indonesian Government
International Community meets with representatives from the Free Aceh Movement
- 11:00-11:45** Plenary: Affirm Henry Durant Center as the moderator, Switzerland as venue and set agenda.
1) Security
2) Democracy
3) Economic Issues
4) Humanitarian Issues and Internally Displaced Persons
- 11:45-12:00** Break
- 12:00-12:30** Individual team meetings to focus on substantive negotiating issues (Lunch will be provided during this meeting)
- 12:30-1:00** Small Group Meetings with representatives of each of the elite networks
Security- Japan, United Nations and Four Wise Men/HDC
Democracy – United States and Four Wise Men/HDC
Economic Issues – United States, Japan and United Nations
Internally Displaced Persons –Japan, United Nations and Four Wise Men/HDC
- 1:00-2:00** Plenary Session
- 2:00-2:30** Final Status
- 2:30-3:00** Review and Lessons Learned

