

**Emerging from the shadows:  
the EU's role in conflict resolution in Indonesia**

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*By Caroline Bivar*

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## Foreword

By Axel Berkofsky

An “economic giant” and “political dwarf” unable (because it is ‘toothless’) to implement a coherent and effective foreign and security policy beyond the borders of Europe – this is still more often than not the way commentators and analysts describe the European Union’s foreign and security policies.

This may have been mostly true, but a results-oriented and eventually coherent EU policy has emerged in East Timor and Aceh in last decade, as **Caroline Bivar**, now programme officer at the EuropeAid Cooperation Office in the European Commission, argues in this Issue Paper. The research that led to this publication was planned and carried out while the author was working as junior policy analyst at the European Policy Centre in the autumn of 2005.

In this very well-researched and detail-rich paper, the author concludes that the EU’s engagement in supporting East Timorese independence after the collapse of Indonesia’s dictatorship in 1998 and its efforts to help resolve the situation in Aceh have demonstrated that it is capable of conflict resolution and prevention, even in far-away Asia. This paper is useful both to those with an interest in the recent history of conflict, struggle for autonomy and separatism in East Timor and Aceh, and to those looking for a case study of the effectiveness of EU foreign and security policies beyond Europe’s borders.

The paper is divided into two main parts. The first deals with East Timor and gives a comprehensive overview of its struggle for independence after the Indonesian invasion in 1975, and the international and European response (or lack thereof) to the Indonesian occupation and later to the massacres committed by Indonesia’s army in East Timor in the late 1990s.

Not least because of strong business ties between some EU Member States and the Suharto regime (including arms sales), the Union did not develop a common position on East Timor’s invasion and Jakarta’s human rights violations until after his fall.

With Suharto out of the way in 1998, and following a Portuguese campaign in support of an East Timorese referendum on autonomy, the United Nations Security Council established the UN Mission in East Timor (UNAMET) in June 1999. Its task was to set up and monitor the referendum in East Timor. To back this mission with military muscle, the UN Security Council gave Australia the mandate to lead a multinational UN force to restore peace and security in East Timor.

While Italy, Britain, Ireland and Germany dispatched troops to East Timor to take part in this and subsequent UN conflict resolution missions, the European Commission, together with EU Member States, supported the reconstruction of the now-independent East Timor with generous financial and economic assistance.

East Timor’s independence, we learn in the second part of the paper, encouraged other secessionist movements in the Indonesian archipelago, most notably in Aceh. The author provides a comprehensive analysis of the separatist movement in Aceh and the Indonesian government’s heavy-handed repression of its ambitions for autonomy and independence. Indonesia’s army responded to those ambitions with military force, killing thousands of civilians in 2001 and 2003.

Under President Megawati Sukarnoputri, Indonesia declared martial law in Aceh in May 2003 in order to fight the ‘Free Aceh Movement’ (commonly referred to as ‘GAM’, for ‘Gerakan Aceh Movement’) with military force.

The EU, drawing on its experience in conflict resolution in East Timor, became a strong supporter of talks between the Megawati government and separatist groups advocating a peaceful solution to the conflict. Indeed, the Union was perceived as a self-confident and constructive actor mediating between the two parties and it was the Crisis Management Initiative (CMI) chaired by former Finnish President Martti

Ahtisaari that led to a Memorandum of Understanding between the Indonesian government and GAM – covering issues of governance, rule of law, human rights, security and others – after five rounds of negotiations between January and July 2005.

The EU's constructive role did not go unnoticed in the rest of Asia, leading to a joint EU-ASEAN monitoring mission in Aceh in August 2005. The Union's role in monitoring and securing peace and stability became even more prominent through the Aceh Monitoring Mission (AMM), headed by Dutch diplomat Peter Feith, now an EU official.

The AMM, a civilian mission in the framework of the European Security and Defence Policy (ESDP), established its headquarters in Aceh's capital Bandah Aceh and includes unarmed monitors from Norway, Switzerland and a number of ASEAN countries.

The EU's engagement in East Timor and, more recently, Aceh demonstrates that "soft power" can indeed make a difference in regional and global security once there is the political will to act jointly. It also shows that EU foreign and security policy can be driven by smaller Member States (in this case Portugal), especially when they have a strong interest in a specific issue or conflict, a good cause to fight for, and regional experience that adds value to common policies.

Caroline Bivar's excellent and thoughtful paper is the first in a series analysing EU foreign and security policies towards Asia, one of the main focuses of the EPC's work on EU-Asia relations.

**Axel Berkofsky is a Senior Policy Analyst at the EPC**

## Emerging from the shadows: the EU's role in conflict resolution in Indonesia

By Caroline Bivar

### Introduction

The aim of this paper is to examine the European Union's responses to the two most dramatic cases of separatist conflicts in Indonesia: East Timor and Aceh.

These examples demonstrate the increasing role played by the EU in the region and the difference it can make in conflict resolution. The two cases have distinct historical backgrounds and contexts. However, both have challenged not only the Indonesian model of unbreakable territorial unity but also the EU's ability and ambition to build an effective common foreign policy.

While events in East Timor were probably the last controversial legacy of European colonial times (its independence from Portugal flowed from the dismantlement of the last of the colonial empires), events in Aceh raise questions about the future of other territorial conflicts in Indonesia.

The public became aware of East Timor because of the repeated massacres and repression by the Indonesian authorities. The humanitarian crisis linked to the tragic events that followed the Referendum on Autonomous Status in 1999 was one of the most serious ever to hit the region. The EU's role in helping to resolve the conflict, which led to full independence for East Timor, was enhanced by the part it played in responding to the humanitarian crisis, although it had been taking a gradual approach towards settling the East Timor conflict since 1988.

In Aceh, it was the humanitarian crisis following the December 2004 tsunami that brought the conflict to the forefront. Without this natural disaster, Aceh would probably have remained a forgotten conflict.

### Background

#### Indonesia: an archipelago of self-determination and communal conflicts

Indonesia is the world's fourth most populous nation, with an estimated 220 million citizens; an archipelago of more than 17,000 islands with 360 tribal and ethno-linguistic groups, about 25 language groups and more than 250 different dialects. The country is stricken by a number of violent and, in some cases, protracted disputes that could be classified as either self-determination and/or communal conflicts.<sup>1</sup>

*Self-determination conflicts* are those where major political organisations make demands for independence or significant autonomy. These include East Timor, Aceh and West Papua.

In the many regions where economic grievances exist, two major factors have influenced the degree to which secessionist/autonomist movements have resorted to violence to advance their claims.

The first is historical: violence has been more common in regions that were not deeply integrated into the Netherlands East Indies (the colony which provided the basis for the formation of Indonesia). Two of these three areas – East Timor and West Papua – were not part of Indonesia at the time of independence, and Aceh was only weakly integrated into the Netherlands East Indies during Dutch colonial rule.

The second factor is the legacy of severe human right abuses committed by the Indonesian military. Armed secessionist groups have emerged in those regions where Indonesian military violence has been the most sustained and forceful. In all three cases, Indonesian and international human rights

organisations documented repeated and widespread incidents of rape, arbitrary execution, detention without trial and other gross violations of human rights by Indonesian troops.

The fact that these abuses occurred over a long period of time and are not associated with a single specific event creates a powerful legacy of potential conflict between the national government and many elements of local society, not just small radical groups. In the more open political environment following the collapse of the New Order regime in 1998, the legacy of human rights abuses became a powerful mobilising force for activists campaigning for self-determination.

*Communal conflicts* are those between groups typically organised along ethnic, religious or cultural lines. Demands for autonomy or secession are not normally central to such conflicts.

Communal violence includes that against the Sino-Indonesian community, as well as communal conflicts in West and Central Kalimantan, Central Sulawesi and the Maluku. In Sulawesi and the Maluku, such conflicts have largely been between Muslims and Christians; in Kalimantan, they are between Dayaks (who may be Muslim or Christian) and the Madurese (who are Muslim).

A combination of factors contributed to the violence which occurred in these cases. Common elements in each include the breakdown of forms of governance based on compromise (such as alternating leadership of local communities by Muslim and Christian leaders) and increased struggles for control of local resources under decentralisation laws or measures to dispossess people of their traditional land and resource rights.

In all the areas where conflicts emerged, the historic balance was altered by the state-sponsored programme of transmigration, i.e. the forceful transfer of millions of Indonesians from the densely populated inner islands (Java, Bali, Madura) to the outer, less densely populated islands to achieve a better demographic balance. Development programmes in Sulawesi and Kalimantan have undermined traditional land-use systems and deprived indigenous communities of opportunities to earn a living.

In all cases, military and police forces contributed to the conflict either directly or indirectly by failing to halt the violence quickly or hold accountable those on all sides who committed violent acts.

## **I. The East Timor case**

### **A European asset of the former colonial power**

East Timor was a vestigial appendage of a Portuguese empire, built on the trade routes of the late 15th and 16th centuries, which once spanned the globe. Even after the loss of Brazil in 1822, Portugal retained extensive (albeit moribund) colonies in Africa, enclaves on the coasts of the Indian subcontinent, and Macau and East Timor<sup>2</sup> in East Asia.

Macau only reverted to Chinese control in 1999, but Portugal had lost its other possessions by the mid-1970s, not least because of the political upheaval which gripped the country in the early 1970s and led to an accelerated retreat from colonial rule. Guinea-Bissau declared independence in September 1973, but it was only after the Portuguese Revolution of 25 April 1974 that Portugal recognised the independence of its colonies: Guinea-Bissau in September 1974; Angola and Mozambique the following year. Timorese independence, however, remained an open question, even after the Revolutionary Front of an Independent East Timor (FRETILIN) unilaterally proclaimed independence on 28 November 1975.<sup>3</sup>

Indonesia had inherited control of the western half of the island of Timor from the Netherlands. Despite the comparatively marginal economic value of East Timor, Indonesia overran the territory on 7 December 1975, just nine days after independence had been declared, and quickly set about eradicating indigenous opposition.

About 2,000 inhabitants of the capital Dili – 8% of the city's population – were killed in the first few days. James Dunn, former Australian Consul-General in Dili, claimed that on the eve of the invasion, East Timor's population was about 690,000 and growing at 2% per annum. He argued that had the territory not been invaded, its population would have grown to exceed one million. Instead, today, the indigenous population probably still totals little much more than 700,000, representing a loss of "genocidal proportions".<sup>4</sup>

In the face of the invasion and a Timorese uprising at least partly orchestrated by Indonesia, the Portuguese authorities evacuated Dili and fled to the small nearby island of Atauro. They left Atauro shortly afterwards as well, thus removing all traces of Portuguese governmental power in the region.

The invasion of East Timor by Indonesia in December 1975 and its annexation in July 1976 were facilitated by the political crisis in Portugal which followed the 25 April 1974 "Carnation Revolution". After that, Lisbon's attention focused firmly on trying to establish a new framework for democracy at home after almost 50 years of dictatorship. The political and economic chaos in Portugal between 1974 and 1976 (with two presidents, six provisional governments and two attempted coups) seriously undermined Lisbon's capacity to manage an orderly decolonisation process in distant East Timor.

The Indonesian invasion received tacit support from major Western governments. The US administration saw Indonesia as a bastion against communism in South-East Asia, with President Haji Mohammad Suharto's Indonesia proving a valuable American ally in a volatile region where the West had suffered setbacks in China, Korea and Vietnam.

The then US Secretary of State Henry Kissinger expressed the hope that if Indonesia invaded East Timor, it would do so "effectively, quickly, and not use our equipment".<sup>5</sup> The British recommendation was that "(...) if it comes to the crunch and there is a row in the United Nations, we should keep our heads down and avoid siding against the Indonesian government."<sup>6</sup>

Eager to settle its seabed border dispute with East Timor in a way which favoured its interests, Australia moved rapidly beyond the *de facto* recognition of the annexation of East Timor by a number of governments to announce, in late 1978, that it would grant *de jure* recognition to Indonesia's claimed sovereignty when talks on delineating the boundary began.<sup>7</sup> But neither Portugal nor the United Nations accepted or recognised East Timor's annexation.

The UN Security Council Resolution 384 of 22 December 1975 called for Indonesian withdrawal from the territory. It also called for "all States to respect the territorial integrity of East Timor as well as the inalienable right of its people to self-determination". UN General Assembly Resolution 3485 (XXX) of 12 December 1975 referred to Portugal as the "Administering Power for East Timor".<sup>8</sup>

Every year between 1976 and 1981, the UN General Assembly passed similar, though weaker, resolutions until, in November 1982 – instead of making yet another demand which would go unheeded by Indonesia – it asked the UN Secretary-General "to initiate consultations with all parties directly concerned" in order to find a comprehensive solution to the problem. The UN Secretary-General then initiated dialogues between Portugal, Indonesia and, occasionally, East Timorese leaders. Although very little headway was made, East Timor remained high on the list of the UN's unresolved problems.

For more than 20 years, Indonesia defied the UN, whose inability to find a solution to the East Timor issue reflected the United States' desire that there be no change to the Indonesian occupation of East Timor. As Daniel Patrick Moynihan, former US Ambassador to the UN, states in his memoirs: "The Department of State desired that the UN prove utterly inefficient in whatever measures it undertook."<sup>9</sup>

Portugal itself maintained a degree of pressure on Indonesia over its allegedly unlawful annexation of East Timor. but although the international community widely accepted the Portuguese contention that Indonesia was occupying East Timor illegally, few concrete measures were taken to punish it.

Issues of justice, peace and human rights were all understood at the time through Cold War divisions and loyalties. Thus, at the United Nations, major Western powers such as the US, Japan and Australia defended Jakarta, while the rights of the East Timorese were briefly championed by China and the Soviet bloc.

Unsurprisingly, the EC/EU<sup>10</sup> Member States did not side with the Soviets and the Chinese. Until January 1986, all except Ireland (which changed its vote to support East Timor in the November 1982 General Assembly debate) abstained in votes on the issue within the UN General Assembly.

This neutral approach reflected not only the demands of Cold War politics, but also the lack of a champion for East Timor within the EC until Portugal joined in 1986. In fact, Lisbon's position on the issue had been distinctly ambivalent until the very eve of its accession to the Union.

Between 1976 and 1982, Portugal had eight constitutional governments (more than one per year) and, with politicians staying in office for such short periods of time, East Timor suffered from a dual form of neglect: there was a lack of continuity among those tasked with responsibility for the Timor file at the Portuguese Ministry of Foreign Affairs, and more pressing domestic political and constitutional issues eclipsed concerns about the former colonies.

Only when the economic and domestic situation began to stabilise between 1982 and 1986 did East Timor once again emerge as an important issue on Lisbon's foreign policy agenda.

This was exemplified by a Portuguese parliamentary initiative in 1982 to establish a new cross-party commission to monitor the situation in East Timor. At the same time, some 40 Portuguese diplomats and other official representatives were dispatched to defend the Portuguese position on East Timor in various Western capitals and international fora.

Although the commission, which included representatives of the Portuguese Democratic Movement, did not release its final report until November 1986, its publication revealed the scale of the new diplomatic initiatives undertaken by Portuguese President Antonio Ramalho Eanes. It also made interesting references to the importance of Portuguese public opinion and its supposed "sensitivity" to the fate of East Timor. The new constitutional status of the Timor issue and the level of public interest help to explain why cross-party support for East Timor remained quite strong in Portuguese domestic politics during the mid-1980s.<sup>11</sup>

Once it joined the European Community, Portugal raised the East Timor issue both within the European Parliament and the Council of Ministers. Indeed, throughout the first year of its membership, Lisbon boycotted all meetings between the EC/EU and ASEAN (the Association of Southeast Asian Nations), seeing this as a good way of pushing the issue up the agenda across the Community as a whole.

It took a long time, however, for the EC/EU to move towards a common position on the situation. There is little evidence to suggest that East Timor's predominantly Catholic population heavily influenced Member States' voting patterns at this time. It may have played a role in Ireland's November 1982 decision to support East Timor at the UN, but it did not effect the approach taken by larger Catholic countries in the post-1986 European Community (such as France, Italy and Spain.)

On the contrary, France – along with the UK – was one of the main suppliers of arms to the Suharto regime, while Spain was heavily involved in the development of Indonesia's aeronautic industry (and Madrid later had no qualms about accepting a senior Indonesian airforce officer who had been responsible for the terrible bombing campaigns against the East Timorese resistance in the mountains in the late 1970s as Indonesian ambassador in the early 1990s).<sup>12</sup>

Economic issues certainly played a large part in shaping EC/EU Member States' attitudes. The remarkable economic achievements of Suharto's "New Order" regime, with its high annual rate of GDP growth, brought Indonesia increasingly to the attention of Brussels, especially following



the December 1973 and 1979 OPEC (Organisation of Petroleum Exporting Countries) oil price “shocks”.

Indonesia’s importance can be seen in the key role played by Jakarta in developing EC/EU-ASEAN trade relations, with the first trade agreement between the two signed in the Indonesian capital in 1980 and a Secretariat office opening in the same city five years later. Between 1967 and 1996, the EC/EU ranked second only to Japan in terms of foreign direct investment in the Indonesian economy, with the UK, the Netherlands and Germany leading the way. The same pattern emerged in the trade sphere, with the EC/EU emerging as Jakarta’s second most important trading partner by the last decade of the New Order Regime.<sup>13</sup>

Supporting self-determination for East Timor was clearly not in the interests of EC/EU Member States in the early 1980s given the damage it could cause to their burgeoning trade relations with Jakarta.

This helps explain why it was not until 1988 that the Council of Ministers put East Timor on the agenda. Germany, which then held the EC/EU presidency, was tasked with addressing the UN’s 42nd plenary session and its representative spoke, *inter alia*, of the need for an internationally agreed settlement in East Timor. Although no specific mention was made in the EC/EU President’s address of the East Timorese right to self-determination or the human rights situation in the territory, his comments were a clear indication that the former colony’s plight was now being taken up by the Union’s policymakers at the highest level.

The European Parliament never doubted the illegality of the Indonesian invasion and passed a series of increasingly strongly worded resolutions on the issue between 1986 and 1991. In September 1988, for instance, it called specifically for the withdrawal of Indonesian troops from East Timor as an “essential precondition for ensuring the fundamental rights of the people for the exercise of their right to self-determination, including the right to independence”.<sup>14</sup> The resolution also made no less than 18 separate recommendations for action to resolve the situation, including a specific call for the Indonesian government to allow human rights activists complete freedom to operate within the territory.

However, it was not until the 12 November 1991 Santa Cruz massacre that the EC/EU issued its first statement condemning Indonesia’s actions outright. On that day, Indonesian troops fired on a peaceful memorial procession to a cemetery in Dili which had turned into a pro-independence demonstration, resulting in the death of more than 271 East Timorese.

The impact of the media coverage of the Indonesian atrocities at Santa Cruz, with footage broadcast on many television networks from mid to late November 1991, provoked a strong public and civil society response in most EC/EU Member States, with many urging a *démarche* from Brussels.<sup>15</sup>

This did not, however, translate immediately into an agreed policy within the Union, as shown by Portugal’s abortive attempt during its EC/EU presidency in the first half of 1992 to reach agreement with fellow Member States to condemn Indonesia’s actions in the United Nations Human Rights Committee (UNHRC) – an initiative that was, in any case, stymied by the US, which sought a more conciliatory approach.<sup>16</sup> It was only the following year, on 11 March 1993, that a Danish-sponsored resolution critical of the human rights situation in East Timor was successfully passed.

The cumulative impact of the concern expressed by individual Member States such as Portugal and Ireland, policy coordination at the UN level, and the constant discussion of the East Timor question at the European Parliament, eventually led the Asia Working Group, under guidance from the European Commission and the Council of Ministers, to take up the issue.

The EU’s June 1996 Common Position (CP) clearly asserted that East Timor was an issue of international importance, not simply an “internal” (i.e. Indonesian) or “regional” (i.e. ASEAN) concern.<sup>17</sup> The Union therefore called on the Indonesian government to implement the relevant UN decisions and affirmed its support for the long-running tripartite talks between the UN, Indonesia and Portugal, as well as the All-inclusive Intra-East Timorese Dialogue.

The EU clearly set its approach within the context of existing multilateral commitments and proposals, deferring to international law and the global legitimacy of the UN. What was distinct about its Common Position, however, was that it committed the Union to improving the human rights situation in the territory and ameliorating the living conditions of the people through aid, including funds for new NGO activity in the area.

In November 1996, the European Commission was given the go-ahead to draw up plans for the delivery of a 6 million Ecu aid package for the territory to be disbursed over a three-year period, focusing on water, sanitation, health and education. But the actual process of handing out this aid immediately ran into difficulties because of the challenges involved in opening up a channel of delivery which would bypass the Indonesian government. The key problem here was that as the Union had never officially recognised Indonesian rule in the territory, it could not be seen to be conferring *de facto* legitimacy on Jakarta's occupation by allowing aid to flow through its hands.

This effectively stymied all EU project assistance and, in the 40 months between agreement on the Common Position and the eventual withdrawal of the last Indonesian troops on 30 October 1999, no EU money reached East Timorese development projects.<sup>18</sup>

### **The referendum, within new circumstances**

The broader international situation was, however, changing rapidly. With the end of the Cold War, the US realised that the Suharto regime no longer served its interests as it had in the past. In particular, the domination of the Indonesian economy by Suharto family interests and those most closely associated with the military was increasingly becoming an obstacle to the activities of US and other Western corporations.

The Asian economic crisis of 1997 provided the opportunity to intervene. With the Suharto regime weakened, the Portuguese government recognised that this presented it with new opportunities to act. In 1997, it began an intense campaign through the United Nations, in collaboration with the leadership of the East Timorese independence movements, to bring the issue swiftly back onto the agenda.

At the same time, pressure for a reconsideration of policies towards Indonesia came from international NGOs. Amnesty International, the World Development Movement and the Campaign Against the Arms Trade took up the East Timorese people's cause on humanitarian grounds. The internationalisation of the claim for independence was further formalised when, in October 1996,<sup>19</sup> the Nobel Committee decided to award the Nobel Peace Prize to Carlos Belo and José Ramos-Horta for their work "towards a just and peaceful solution to the conflict in East Timor".

The Indonesian regime feared that UN resolutions could provide the basis for an "act of self-determination", possibly in the form of a plebiscite, to determine the future status of the territory. In June 1998, the government of President B.J. Habibie, seeking to deflect these pressures, agreed to grant East Timor special status with extensive autonomy and, in September 1998, signed an agreement with Portugal to open negotiations on the proposal. The two sides agreed to restore diplomatic relations, officially enabling Portuguese representatives to return to Indonesia.<sup>20</sup>

The talks made rapid progress and resulted in a set of agreements between Indonesia and Portugal signed in New York on 5 May 1999. The two governments entrusted the UN Secretary-General with organising and conducting a "popular consultation" in order to ascertain whether the East Timorese people accepted or rejected special autonomy for East Timor within the unitary Republic of Indonesia.

To carry out this consultation, the UN Security Council, via Resolution 1246 (on 11 June 1999), authorised the establishment of a United Nations Mission in East Timor (UNAMET), whose main task was to set up and monitor the referendum. However, UNAMET started "with the almost impossible aim

of holding the popular consultation in August, less than three months away”.<sup>21</sup> A central problem for UNAMET was that, as an unarmed UN mission, it was not protected by armed UN peacekeeping troops. Local security was not entrusted to the UN forces, but to the Indonesian army and police.

The 5 May agreements stipulated that, after the vote, UNAMET would oversee a transition period pending implementation of the decision taken by the East Timorese people. Despite an extremely tight timetable, a high level of tension and the territory’s mountainous terrain, poor roads and difficult communications, UNAMET registered 451,792 potential voters out of a population of just over 800,000 in East Timor and abroad. On polling day, 30 August 1999, some 98% of registered voters went to the polls, deciding by a margin of 344,580 (78.5%) to 94,300 (21.5%) to reject the proposed autonomy and begin a process of transition towards independence.<sup>22</sup>

After the result was announced, pro-integration militias – at times with the support of elements of the Indonesian security forces – launched a campaign of violence, looting and arson throughout the territory. The Indonesian authorities did not respond effectively to the violence, despite the clear commitments they had made to do so in the 5 May agreements. As many as 200,000 East Timorese were killed and up to 500,000 displaced from their homes, with about half leaving the territory, in some cases by force.

### **The diplomatic response**

The UN Secretary-General and the Security Council undertook strenuous diplomatic efforts to halt the violence, pressing Indonesia to fulfil its responsibility to maintain security and order in the territory. A Security Council mission visited Jakarta and Dili, and the Secretary-General worked to rally support among governments for a multinational force authorised by the Security Council to bring the situation under control.

But foreign governments did not express any enthusiasm for sending forces. UN Special Representative for the East Timor Popular Consultation, Ian Martin, argued in this context that: “Portugal would have been delighted to have an independent military presence in East Timor, but would have been able to make only a modest contribution itself...ASEAN nations, with their long-standing reluctance to interfere in the internal affairs of neighbours, would never advocate participation in a force...That left Australia or the US to provide the backbone of a peacekeeping operation. Neither government was enthusiastic.”<sup>23</sup>

Given their national interests in Indonesia, the great powers were reluctant to use their political and military might to help a small “province” like East Timor, except as a last resort.

Although President Habibie promised that the Indonesian troops and police force would restore order in East Timor, it became increasingly clear that he was not in a position to control events. Rather, an end to the militia’s campaign depended on deploying a peacekeeping force in East Timor. On 4 September, the East Timorese leader Xanana Gusmão, who was under house arrest in Jakarta, urged the UN Secretary-General and the Security Council to send an international force to save the East Timorese from a new genocide – an appeal which was echoed by Portugal.

Finally, on 12 September 1999, the Indonesian government, facing diplomatic sanctions and increasing international isolation, announced its acceptance of the international community’s offer of assistance. Australia then pledged to provide 4,500 troops and a force commander; Portugal offered 1,000 infantry men, two frigates and several aircraft; and New Zealand promised 280 troops. The UK pledged a 250-strong Gurkha contingent; and Thailand, the Philippines and Singapore agreed to deploy troops immediately. Contributions from Brazil, Canada, France and Sweden were also secured, with the US offering transport, logistical support and communications.

Accordingly, on 15 September, the UN Security Council authorised an Australian-led multinational force, INTERFET, to restore peace and security in East Timor, to protect and support UNAMET in carrying out its tasks and, within force capabilities, to facilitate humanitarian operations.

The first of the 7,000 troops arrived in East Timor within five days, with 2,300 deployed within 24 hours of their arrival. However, by this time, thousands of East Timorese had already been killed (before and after the referendum) and more than 500,000 people displaced, 200,000 of whom had crossed the border and become refugees in West Timor. In Dili, 70-80% of the buildings in the business district had been burnt down.<sup>24</sup>

Apart from the 4,500-strong Australian contingent, the 16-nation international force notably comprised troops from five EU Member States, including Italy (which supplied a 600-strong contingent with 250 paratroopers, two transport aircraft and one amphibious naval craft); France (600 personnel, including a transportable surgical unit in Dili, an air transport group, with three C-130 Hercules to assist with personnel transport and humanitarian supplies, a surveillance frigate and a landing platform dock, and a light transport vessel); the UK (300 troops); Germany (some 100 men); Ireland (40, of whom 30 came from the Army Ranger Wing).<sup>25</sup>

This intervention set an important precedent in terms of mobilisation of the EU ahead of the implementation of the European Security and Defence Policy (ESDP), launched at the Cologne European Council in June 1999. The European engagement in East Timor in 1999-2000 is also cited as a significant precedent in the European Security Strategy of December 2003.

Following the militia campaign and the intervention of the Australian-led multinational force, East Timor accepted two other UN peacekeeping operations: the United Nations Transitional Administration in East Timor (UNTAET) and the United Nations Mission of Support in East Timor (UNMISSET).

UNTAET successfully administered the presidential elections in East Timor – since renamed Timor-Leste – in April and handed over administrative powers to a newly independent country on 20 May. Timor-Leste was formally admitted to the UN on 27 September and the “transitional government” took over all the departments of government in East Timor, such as finance, justice, infrastructure, economic and social affairs. Meanwhile, UNTAET had full control over the territory, comprising 8,950 peacekeeping troops, 200 military observers, 1,640 police and thousands of civilian administrators.

UNTAET was a battleground for competing interests from the beginning,<sup>26</sup> as Australia, with significant investments and strategic concerns in East Timor, and Portugal, its former colonial ruler, jockeyed for position. While Australia appeared to have made a head start with its leadership of INTERFET and some 5,000 troops on the ground, Portugal forged ahead on the diplomatic front.

Lisbon’s efforts received a boost when UN Secretary-General Kofi Annan decided to appoint Sergio Veira de Mello as interim head of the civilian administration. The Portuguese-speaking Mr Veira de Mello was already familiar with the plight of the East Timorese people through his work as UN Emergency Relief Coordinator (notably dealing with the repatriation of the 240,000 refugees displaced to West Timor), and his appointment followed weeks of heavy lobbying of the National Council of Timorese Resistance (CNRT) and its leader Xanana Gusmão by the Portuguese government.

On October 1, Mr Gusmão was flown into Lisbon on a Portuguese Air Force jet to a hero’s welcome. Campaigning in the country’s national elections was suspended while he addressed a specially convened session of the parliament. He then met the leaders of the seven-nation group of Portuguese-speaking nations (CPLP), comprising Portugal and its former colonies. In Lisbon, Mr Gusmão announced the formation of a bilateral liaison group between the CNRT and the Portuguese government, declaring: “I am honoured to work with the Portuguese government to determine the future direction of East Timor.”

During his visit, negotiations began between the Portuguese gas company, Petrolgal, and a CNRT representative over Timor’s extensive oilfields. Before leaving the country, Mr Gusmão was awarded one of Portugal’s highest honours and, shortly afterwards, the CNRT confirmed that Portuguese would be the national language in Timor-Leste. A consortium of Portuguese companies was established at the time to do business in the new nation.

Having been left behind, Australia was now anxious to catch up. Its Foreign Minister, Alexander Downer, had been lobbying in New York for Australia to lead UNTAET's peacekeeping force once INTERFET was dissolved. However, his campaign ran into difficulties, not least because of opposition throughout Asia to Australia's interventionist role.

UNTAET was then replaced by a smaller-scale peacekeeping operation – the UN Mission of Support in East Timor (UNMISET) – whose mandate, agreed on 20 May 2005, included three elements: (a) to provide assistance to core administrative structures critical to the viability and political stability of East Timor; (b) to provide interim law enforcement and public security, and assist in the development of a new law enforcement agency in East Timor; and (c) to contribute to the maintenance of the external and internal security.

In the meantime, United Nations' organisations began a large-scale emergency humanitarian relief effort, including airdrops of food, aid convoys, and the provision of shelter and basic services. To finance the relief effort, a Consolidated Inter-Agency Appeal for 199 million US dollars was launched in October 1999.

### **The reconstruction process**

The international community wholeheartedly supported the reconstruction of East Timor, with 522 million US dollars pledged at a December 1999 donor conference in Tokyo jointly chaired by UNTAET and the World Bank. The EU, Japan, Australia, Portugal and the US all made significant contributions. The European Commission pledged 60 million euros over a three-year period for East Timor's reconstruction. Also, in December, the European Parliament voted to extend the arms embargo against Indonesia imposed on 16 September 1999 after the post-referendum violence.<sup>27</sup>

At a follow-up conference in Lisbon in June 2000, donors agreed to cover the 16 million US dollars shortfall between expenses and revenue in East Timor's first-ever national budget.

East Timorese leaders saw the aid less as overwhelming generosity than as appropriate compensation from countries that had long supported the former Suharto government in Indonesia. Many bilateral and multilateral donors saw the reconstruction effort as an opportunity to help lay the foundations for a democratic society; they funded NGOs and local professional associations as well as UNTAET. Some donors earmarked funds specifically for human rights and justice projects: the UK helped with forensic equipment; Canada with forensic investigators; the US with initial efforts to establish a truth and reconciliation commission; and Norway with criminal investigations. Australia played a particularly important role as the new state's nearest and largest neighbour.

The European Commission hosted a major Donor Conference Meeting in Brussels with the Portuguese EU Presidency in December 2000, bringing together delegates from UNTAET, the East Timor Transitional Authority (ETTA) and the World Bank as well as EU Member States and other important international donors and NGOs. The purpose of this important meeting was to map out a vision for East Timor's transition to full independence as well as its long-term development objectives.

The EU has contributed to the transition process in East Timor from the very beginning. Immediately after the campaign of violence and destruction, it began providing humanitarian assistance, worth 29 million euros, through its Humanitarian Aid Office (ECHO). ECHO's priorities included medical aid, the distribution of food and non-food items, transport for returnees, water and sanitation, and shelters – all channelled through European NGOs.

The Union also followed the investigations into the 1999 violence and the plight of East Timorese refugees in West Timor closely and repeatedly expressed concern about Indonesia's failure to disarm the militias – including in an EU Presidency statement on 7 September 2000 following the killing of humanitarian workers in West Timor.

The Commission and the EU's Member States have been leading donors to East Timor in recent years, providing 693 million euros since 1999 (about half of the total funding from donors). The Commission contributed 187.7 million euros between 1999 and early 2005. Such high levels of funding were justified mainly by emergency and rehabilitation needs in one of the international community's most comprehensive rehabilitation operations in history.

EU Member States have also been strongly involved in the reconstruction effort. Due to its long historical links with East Timor, Portugal has been at the forefront of this effort, but other Member States – i.e. Finland, Germany, Ireland and the UK – have contributed as well.

The Commission has also played a role in the rehabilitation of East Timor since the start via financial support for the UN administration and a significant contribution to the Trust Fund for East Timor (TFET). This fund is being managed by the World Bank and the Asian Development Bank as the donor-funded common vehicle for the rehabilitation of East Timor, created at the Tokyo December 1999 donor meeting.<sup>28</sup>

EU aid is currently geared towards longer-term development, with the implementation of sector-wide approaches. Long-term support has been formalised in a Country Strategy Paper (CSP), signed in May 2002, covering the period 2002-2006. The CSP had an indicative budget of 55 million euros, to which 15.5 million euros more was added in 2003. The National Indicative Programme (NIP) for 2005-2006 foresaw devoting 9 million euros to a rural development programme in 2005.

The strategy for East Timor is focused on two sectors – basic health service provision and rural development – where the EU has solid expertise. Within this framework, assistance to East Timor simultaneously addresses the cross-cutting issues of poverty reduction, food security, conflict prevention, human rights, good governance, support for civil society, the resettlement of uprooted peoples, employment creation and environmental protection as issues to be integrated into all programmes.

Given East Timor's low levels of education and institutional development, programmes also include an important capacity-building component (particularly in relation to public administration). Finally, the EU is also supporting the promotion of enterprise, economic development and employment creation, given the need for East Timor to develop and diversify its economic base to reduce its dependence on external financing.

## Conclusion

Almost 25 years after Indonesia's occupation of East Timor in 1975, the international context that had allowed it to last so long also proved crucial in resolving the conflict.

The emergence of multilateralism favoured Portuguese efforts to put pressure on the UN and the world's major powers, especially EU partners and the US. At the same time, there was a compelling need to avoid a repeat of the failures of the 1990s, such as those in Rwanda (where the UN failed to stop the bloodshed) and Kosovo (where there was humanitarian intervention but without a clear UNSC mandate and with UNSC members divided).<sup>29</sup>

In Portugal, pressure from the public for the resolution of the East Timor conflict was crucial in ending the government's oscillating commitment and performance. When, in September 1999, Portuguese Prime Minister Antonio Guterres warned US President Bill Clinton that Portugal would be forced to withdraw troops from Kosovo if there was no US backing for international intervention to stop the violence in East Timor,<sup>30</sup> Washington had to recognise that the question of East Timor had become more important than its relationship with Indonesia. This post-Cold War shift in US foreign policy was also clear in President Clinton's commitment to try to settle the conflicts in the Middle East, Northern Ireland and Bosnia.

Furthermore, East Timor's independence has encouraged other secessionist movements in the Indonesian archipelago. After 1999, the economically important provinces of Aceh, Riau (which produces half of Indonesia's oil), and Irian Jaya, Papua (the source of an estimated 15% of Indonesia's foreign exchange earnings) stepped up their demands for independence.

The main issue facing the international community now is to strike the right balance between recognition and support for such demands, and preventing the dismantling of Indonesia as an united territory.

Of the three separatist movements left after the independence of East Timor, only that in Aceh has been successful, and this is partly because of the international momentum produced by the tsunami.

## II. The EU's response in Aceh

### The eye of the storm

Aceh hit the international headlines on 26 December 2004, due to the huge oceanic earthquake followed by a tsunami that killed thousands, injured many more and wreaked havoc in this northern province of Sumatra, Indonesia, as well as many other parts of the Southeast Asia region.

The sheer scale of the tragedy forced the Indonesian government to open its Acehnese border for the first time in years. After initially rejecting offers of help, it finally requested outside assistance with the relief effort three days later and thousands of relief workers soon began arriving: multilateral and bilateral agencies, local and international NGOs, emergency teams, universities, trade unions and individual volunteers.

There were also hundreds of journalists from around the world, who, like all foreigners, had been previously banned from the province. More significant for the Indonesian military was the fact that foreign military forces were allowed into Aceh (including troops from Australia, Germany, Singapore and the US) to help with water purification, medical care, food distribution, the supply of tents, the cleaning out and rehabilitation of hospitals, and repair work on roads and bridges.

There were, however, signs of tensions in Jakarta between military and political hardliners and moderates over the opening up of the province to "outsiders". Initial resistance softened into statements about a limited timeframe for access by foreign military forces and others. It was widely reported in the media that Vice-President Yussuf Kalla had stated that all foreign military troops and individuals should leave by 26 March – a policy quickly overruled by the President. As the scale of the devastation became known, it was increasingly obvious that relief workers should be allowed to stay as long as possible.

As a result, the tragic devastation caused by the tsunami of 26 December 2004 created an opportunity for change.

### The causes of the conflict and Jakarta's response

Known as the "veranda of Mecca", and endowed with substantial reserves of natural gas and oil, the province has a predominantly Muslim population of around 4.5 million and a history distinct from the rest of the archipelago, stretching back to the region's existence as an independent sultanate with control of North Sumatra.

Following colonisation by the Netherlands in 1873, the Acehnese remained fiercely opposed to the colonial administration. As American historian Harry Benda argues, Aceh therefore entered the independent Indonesia as a pre-existing political entity – a "virtually autonomous Imperium in Imperio".<sup>31</sup> However, this autonomy was not to last. In 1953, Aceh was incorporated into the province of North Sumatra and thereby reduced to the status of regency or district. This history of independence and

resistance has provided a strong source of Acehese national myths, which to some extent provided the ideological foundation of the struggle for independence.<sup>32</sup>

In the early years of Indonesian independence, the central government was able to maintain some measure of Acehese support for the republic. At the start of the 'New Order', beginning in 1966, this was achieved partly by "co-opting" local elites into the administration and thereby ensuring some support for the policies of Golkar, the ruling party led by President Suharto. This was accompanied by a strong central military authority. However, a growing number of Acehese increasingly perceived themselves as alienated from economic and political control as power was gradually centralised in Jakarta.<sup>33</sup>

By the mid-1970s, many elites in the province became aware of the vast difference between the contribution made by Aceh to Indonesia's development and what Jakarta put back into the province. The benefits of the oil boom in the late 1970s and early 1980s felt throughout other parts of the country sharply contrasted with the poor living standard of the Acehese population.

This growing opposition to Jakarta was accompanied by the emergence of insurgent groups such as the Free Aceh Movement (Gerakan Aceh Merdeka – GAM), which aimed to use force to put pressure on Jakarta to allow greater autonomy or independence for the province.

The GAM had its roots in the Darul Islam rebellion against the central Indonesian government led by Daud Beureu'eh in the late 1950s. Following a period of Libyan training and using arms supplied by the Libyans, the GAM undertook a fully-fledged armed struggle from the late 1980s. More subtle forms of protest also occurred at village level against the appropriation of land and/or environmental damage.<sup>34</sup>

The Indonesian authorities' response to the struggle was heavy-handed and, along with socio-economic grievances, prompted wider calls for independence. For nine years up until 1998, Aceh was an Indonesian Military Operational Area (DOM – Daerah Operasi Militer) and large numbers of battalions were stationed in the province in reaction to a relatively small GAM force.

Most estimates of casualties resulting from the military campaign suggest the decade saw between 2,000 and 5,000 people killed, including many civilians. The non-Acehese origin of the troops stationed in the province further enhanced the local population's sense of alienation. Military repression is widely regarded as responsible for transforming the GAM from a small force, hardly representative of the wider population, into a much larger and more effective one.<sup>35</sup>

After the fall of Suharto in 1998, the process of decentralisation initiated a year later represented a major attempt to reform Indonesia's system of governance, especially the relationship between the centre and the periphery, demonstrating a new approach towards securing the territorial integrity of the whole archipelago. In April 1999, President Habibie signed two laws to promote regional autonomy and fiscal balance between Jakarta and the regions. These entered into force in 2001.

But the democratic political space that opened up across Indonesia led to a growing non-violent political movement in Aceh. In 1999, Habibie's decision to offer the East Timorese a referendum on independence inspired demands for a similar vote in Aceh. More than one million Acehese (almost a quarter of the province's population) demonstrated peacefully to demand a referendum on the region's political future. Recognising the political threat posed by this non-violent movement, the military targeted political activists, human rights defenders and members of civil society directly through imprisonment, kidnapping and murder. In 2001 and 2002, almost 3,500 people (mostly civilians) were killed.<sup>36</sup>

The new government of Megawati Sukarnoputri, who became President of Indonesia in July 2001, put preserving national unity at the centre of its policies, enacting new laws granting "special autonomy" to Aceh (and Papua) which took effect on 1 January 2002.



This legislation provided the legal basis for these provinces to have greater control over the region's economy, politics and security as well as the cultural and religious life of its people. These laws covered revenue-sharing in the oil and gas sector (the regions were to receive 70% of this), the freedom to set up a people's council, the right of the Acehnese to have their own anthem and flag alongside those of Indonesia, and the implementation of Shariah or Islamic law in Aceh.

However, this legislation failed to dampen the calls for secession because it did not provide justice for the victims of military repression, failed to create the conditions for effective democratic control over local governments, strengthened unaccountable and often corrupt local elites, and was drafted by a narrow elite.<sup>37</sup>

Local expectations of change and local competition between elites anticipating regional autonomy – within a context of increasing unemployment, economic hardship and lawlessness – were thus a potent mix that intensified the conflict.

After protracted negotiations between the Indonesian government and the GAM, the two sides agreed a ceasefire and signed a Cessation of Hostilities Agreement (CoHA) on 9 December 2002 in Geneva – very much encouraged by the European Commission, which supported the agreement-monitoring process through the Henry Dunant Centre for Humanitarian Dialogue.

As its price for continuing the talks, Indonesia demanded that the GAM give up its call for independence and disband. Meanwhile, both sides were criticised for violating the agreement. The Indonesian government began actively undermining it in February 2003 by arresting non-violent activists for speaking out against Jakarta. Immediately after the talks ended, on 19 May 2003, Megawati declared martial law in Aceh.

The Indonesian government, anxious to prevent Aceh joining East Timor in the international spotlight, placed a veil of secrecy over the province. Indonesian journalists were prohibited from writing about the rebels, and foreign reporters and all humanitarian assistance were simply banned from the province.

In a largely successful attempt to control information, Indonesia also banned international human rights organisations and even humanitarian bodies from entering Aceh, and international news agencies from moving much beyond the province's capital, Banda Aceh. Indonesian NGO workers attempting to monitor the situation were threatened and detained by the police.<sup>38</sup> To discourage reporting on the conflict, several NGOs were listed as suspected GAM sympathisers – a designation that a police official warned could lead to the death penalty for subversion. Indonesia's intention was clearly to hide the actions of the Indonesian armed forces and other security forces from the outside world.

The reaction overseas was muted, with protests from abroad rare, and the Indonesian government interpreted the international community's relative silence as a sign of tolerance or even tacit support for its actions in Aceh. With Western countries then more concerned about strengthening their military ties with Jakarta as part of the "war against terror", this left the military free to launch what many Acehnese felt amounted to ethnic cleansing operations. Although the Australian and US governments, notably, expressed their concern at the possibility of human rights violations, the Indonesian military's operation itself was not openly criticised.

In fact, most countries did not support Aceh's bid for independence because of concern that this would affect the stability of Indonesia and Southeast Asia as a whole, and fears that formal recognition of the supposed "new state" would jeopardise their diplomatic ties with the "old".

Despite this international environment, Aceh remained high on the EU agenda and the Union took a step forward, emphasising the importance of promoting peaceful solutions to internal conflicts, whether they be separatist in nature, as in Aceh and Papua, or sectarian, as in Central Sulawesi, the Moluccas or Central Kalimantan.

The General Affairs Council of 14-15 May 2001 explicitly confirmed the EU's support for the "territorial integrity" of Indonesia and "encouraged the Indonesian Government to continue political and administrative reform as well as pursue the peaceful resolution of conflicts as the best option for safeguarding its territorial integrity".

The Council welcomed the signing of the agreement for the cessation of hostilities in Aceh (9 December 2002) before expressing, on 19 May 2003, its deep concern about the breakdown of negotiations and the outbreak of violence, and reiterating its support for Indonesia's territorial integrity as well as special autonomy for Aceh within the State of Indonesia. It appealed to both sides to return to the negotiating table and to honour fully the obligations they had entered into by signing the December 2002 agreement.

The Council reiterated its attachment to a united, democratic and stable Indonesia in a statement on 11 October 2004 responding to the election of Susilo Bambang Yudhoyono to the Presidency. The Council also insisted that the authorities provide normal access to the province of Aceh for international organisations and allow for the possibility of field visits by diplomats.

Similarly, on 20 November 2003, the European Parliament adopted a joint resolution expressing its deep concern at the extension of martial law and military operations in Aceh and the ongoing violence (including armed skirmishes, kidnappings, killings and other acts of violence), particularly outside the major towns. MEPs also called on the Indonesian government to provide access for agencies and NGOs that could assist in the protection of civilians – particularly of displaced persons.

These declarations and resolutions, however symbolic and lacking in concrete impact, were very important as they gave an international voice to the sufferings of the Achenese people.

On the humanitarian side, the protracted conflict provoked large population movements, limiting civilians' access to basic services. The European Office for Humanitarian Affairs (ECHO) provided support to health and education structures in war-affected areas via Europe-based NGOs. But after the declaration of martial law, the EU was constrained by its lack of access to the victims of the conflict, which in turn prevented a proper identification of their needs.

However, the Union made important efforts to review the government's decentralisation programme and to support improvements in the rule of law and the judicial sector – and continues to do so. Indonesia has also benefited from the EU Rapid Reaction Mechanism for Conflict Prevention, which provided direct support to international organisations and NGOs for the resettlement of Internally Displaced People (IDPs) and former refugees in Sulawesi, Maluku, North Maluku and West Timor, along with community reconstruction and reconciliation.

On a smaller scale, the Aid to Uprooted People budget and the European Initiative for Democracy and Human Rights (EIDHR) have been useful instruments for intervening in conflict-affected and sensitive areas by supporting European and local NGOs and international organisations – with a special emphasis on Maluku, North Maluku, Central Sulawesi, East Nusa Tenggara and Aceh – since 2005.

The peaceful resolution of Indonesia's various internal conflicts is indeed of primary importance for the EU. In the interests of a stable, peaceful and prosperous Indonesia, the Union has always argued that conflicts should be resolved in order to sustain the country, increase economic growth, attract foreign investment and provide the necessary levels of human security and welfare.

### **A new chance for peace**

Although efforts to restart the peace process began well before December 2004, as already mentioned, the Boxing Day 2004 tsunami brought Aceh into the international spotlight, made it politically desirable for both sides to work towards a settlement, offered ways of linking the reconstruction

effort and the peace process, and ensured the availability of major donor funding outside the government budget.

These changed dynamics led directly to the Helsinki talks between the Indonesian government and the GAM under the auspices of the Crisis Management Initiative (CMI), an NGO chaired by former Finnish President Martti Ahtisaari. Five rounds of negotiations – on 27-29 January, 21-23 February, 12-16 April, 26-31 May and 12-17 July 2005 – produced a memorandum of understanding (MoU) covering governance, political participation, the economy, the rule of law, human rights, amnesty and reintegration, security arrangements, monitoring and dispute resolution.

This agreement granted an amnesty and compensation to thousands of separatist fighters, political prisoners and civilian victims of the conflict. It called for the rebels to demobilise and for a withdrawal of Indonesian troops by the end of 2005, and allows those rebel leaders who agree to set aside their pursuit of independence to run in local elections in 2006.<sup>39</sup> From a narrow Indonesia perspective, many would describe the deal between the Indonesian government and the Free Aceh Movement (GAM) signed in Helsinki as a “sell-out”, but it is nevertheless a model that could be replicated as Jakarta moves to deal with other regional movements.

From the beginning, both sides recognised that having neutral international monitors in Aceh and an enforceable mechanism for resolving disputes about reported violations would be crucial for the success of any agreement. The lack of such a mechanism had been one of the fatal flaws of the 2002 Accord.

Ahtisaari’s CMI enjoyed the EU’s full support, in both legal and financial terms, and its efforts were based on Council Regulation N°381/2001 establishing the Rapid Reaction Mechanism (RRM). It also fell within the scope of the RRM Policy Advice and Mediation Facility Decision 2002-04.

An initial monitoring presence (IMP) was deployed on 15 August 2005. This consisted of 80 monitors from EU and ASEAN countries and covered the period between the signing of the MoU and the full deployment of the Union’s Aceh Monitoring Mission (AMM) proper. The IMP provided an early demonstration of the commitment of EU and ASEAN contributing countries to monitoring the peace process while contributing to confidence-building among the Acehnese population during the early stage of the MoU’s implementation.

The AMM became operational on 15 September 2005, the day when the decommissioning of GAM armaments and the relocation of military and police forces began.

The deployment came in response to an invitation addressed to the EU and the five ASEAN contributing countries by the Indonesian government, and the GAM leadership also declared its support for the mission, which was tasked with monitoring the demobilisation of 3,000 GAM guerrillas, the surrender of their firearms, and the pull-out of non-local military and police units, as set out in the MoU signed on 15 August 2005.

The relocation of the TNI and POLRI – Indonesia’s armed forces and national police – during phase one was successfully completed two weeks ahead of schedule and was a positive response to GAM’s initial surrender of weapons between 15 and 17 September 2005. During this phase, around 6,671 TNI and 1,300 police personnel were relocated out of Aceh, and a total of 243 arms were handed over by GAM and acknowledged by the AMM. To date, both parties have continued to meet their commitments under the terms of the MoU.

Headed by Peter Feith, a former Dutch diplomat who served as a NATO mediator in the Balkans and is now a Deputy Director-General at the EU Council Secretariat, the AMM is also due to investigate and rule on alleged violations of the agreement (the decommissioning, weapon surrender and troop withdrawal were scheduled to be completed by 31 December 2005). Along with its European members, the AMM includes unarmed military representatives from the ASEAN nations of Brunei, the Philippines, Singapore and Thailand.

The AMM was not, however, intended to take on a facilitation or negotiating role. Should this be needed during the implementation process, it will be the responsibility of the two parties and the original facilitator; i.e. the Crisis Management Initiative.

The AMM is a civilian mission within the framework of the European Security and Defence Policy (ESDP). The EU's Political and Security Committee (PSC) exercises political control over – and provides strategic guidance to – the AMM on behalf of the Council of the EU. The mission's costs are financed from the EU budget (9 million euros) and from contributions by EU Member States and participating countries (6 million euros).

The AMM includes some 226 international unarmed personnel, of which 130 come from EU Member States (as well as Norway and Switzerland) and 96 from the five participating ASEAN countries. The mission, which has its headquarters in Banda Aceh, established a monitoring capability with 11 geographically distributed district offices to demonstrate the EU-ASEAN contributing countries' support for, and engagement throughout, Aceh. Monitors carry out their tasks by patrolling and communicating with both parties, and by conducting inspections and investigations.<sup>40</sup>

In Aceh – unlike the Balkans – the EU is not engaged in a traditional decommissioning operation, entailing investigations into the number and location of arms to be collected and destroyed. Its task is merely to supervise the surrender of a specific quantity of armaments already agreed by the parties and stipulated in the MoU, and to destroy the weapons which have been collected.

The European Commission also released 4 million euros under its Rapid Reaction Mechanism to help former political prisoners and fighters reintegrate into civilian life, and provide immediate assistance to the 2,000 detainees and 3,000 GAM fighters in the field at the point of release/demobilisation.

A successful demobilisation and reintegration of GAM members is crucial to achieve a lasting peace. This will take the form of medical screening, a subsistence package for former GAM members and their families returning to their villages and, in the case of prisoners held in Java, the cost of transport to Aceh. The level of assistance is benchmarked against the level of aid provided to victims of the tsunami. A communication and outreach programme will also be launched to explain the peace and reintegration process, and to encourage reconciliation and acceptance of the returnees by their communities.

### **Post-tsunami reconstruction**

European Commission support for the implementation of the peace agreement is integrated into the more general efforts to support post-tsunami reconstruction in Aceh, where the Commission is a lead donor. In January 2005, it promised a 207 million euros reconstruction package for Indonesia, including 7 million euros under the Rapid Reaction Mechanism to kick-start long-term reconstruction work.

A total of 203.5 million euros (200 million from the ALAT budget and 3.5 million from the Rapid Reaction Mechanism) will be provided through a Multi-Donor Trust Fund. The Commission is the largest contributor to this fund and co-chairs its Steering Committee together with the World Bank and the Government of Indonesia.

The reconstruction package focuses on three areas: rebuilding damaged areas, helping people to earn a livelihood again and repairing larger infrastructures. The key beneficiaries are the local communities affected, including fishermen, local businesses and the general population, with an emphasis on the most disadvantaged and excluded groups, and a particular focus on women and children.

The 3.5 million euro package from the Rapid Reaction Mechanism is directed towards facilitating the role of civil society, providing satellite imagery for reconstruction and supporting the Aceh local governance action plan.

This support comes in addition to the Commission's 123 million euros humanitarian aid assistance to all tsunami-affected countries – channelled through ECHO – which started flowing only days after the disaster struck.<sup>41</sup>

Europe's commitment to maximise the effectiveness of its funding is also demonstrated by the newly established "Europe House" in Banda Aceh, which provides high-level coordination of joint EU Member State and Commission initiatives whilst ensuring that money is being spent in a transparent and accountable way.

The overall response to the tsunami has, in fact, been quite successful, despite the criticism from some quarters: victims have received shelter, the spread of disease has been avoided, and major rehabilitation and reconstruction programmes have been launched. The Commission is committed to reconstructing the affected areas in a sustainable way. Short-term rehabilitation activities will last until the end of 2006, allowing Commission assistance to build on the humanitarian aid phase.

However, the EU's immediate response to the tsunami turned the spotlight on the gap between its significant financial means and its limited capacity to act fast and in a coordinated fashion on the ground.

With more than 1.5 billion euros in public aid pledges, on top of hundreds of millions more in private donations, the Union showed unparalleled generosity. But US troops and helicopters were the first to deliver emergency aid to the victims just a few days after the 26 December earthquake-spawned tidal waves, highlighting the need to improve the EU's Civil Protection Mechanism.

On 7 January 2005, the EU Council of Ministers decided to investigate the possibility of developing the Union's rapid reaction capability to deal with disasters. The European Parliament also called for the creation of a pool of specialised civil protection units, and the Luxembourg Presidency presented an EU action plan, covering various aspects of disaster relief, on 31 January 2005. On 20 April 2005, the Commission adopted a Communication on "Reinforcing EU Disaster and Crisis Response", outlining further measures to strengthen the Union's contribution in the specific area of civil protection.

There is now a basis for further developing European civil protection cooperation and ensuring that the EU can provide immediate civil protection assistance when disasters strike.

Some Member State governments were also criticised by their publics because they did not react as quickly and effectively as was expected and needed. In Sweden, the government came under fierce attack from citizens and the media, with a report produced by an independent commission blaming Prime Minister Goran Persson for the government's inadequate response, condemning the delay that aggravated the trauma for the affected families. Similarly, in the UK, Prime Minister Tony Blair was criticised for not interrupting his Christmas holidays to deal with the crisis personally.

It was the generous response from individuals in Europe and worldwide that soon shamed governments into upping their initially modest donations – Sweden's important contribution to the financing of the Aceh Monitoring Mission, announced in August 2005, could be seen as a partial reaction to these criticisms.

Last but not least, many EU Member States preferred to help their own citizens in the tsunami-struck areas in an often uncoordinated way, giving priority to "national" rather than common responses. A few exceptions notwithstanding, embassies and consulates generally preferred to act autonomously and without much coordination with the relevant Union delegations.

This may be seen as a fact of life (in part justified by the need for Europeans caught up in the disaster to speak their native language in a situation of extreme stress), but it may also be considered a missed opportunity to pool common resources for the common good. Conversely, the sort of national contest between governmental donors (over who would pledge most) triggered by the international response to the tsunami can be seen as a rather positive side-effect of the same phenomenon.

## Conclusion

In recent decades, the EU has envisaged that Asia will emerge as a world economy at some stage in the 21st century. To achieve its ambitions as a global player, the Union must treat Asia as not only a strategic but also an indispensable partner. Within this framework, the EU regards Indonesia as one of the most important players in the region.

Relations with Jakarta have been conducted through the EC-ASEAN Cooperation Agreement of 1980 and the “Indonesia Country Strategy Paper 2002-2006”. The latter document contained no specific reference to helping Indonesia search for peaceful settlements in the conflict areas within the country. Yet, indirectly, the initiative falls within the scope of various Common Foreign and Security Policy (CFSP) statements, as well as the Strategy Paper’s programmes in support of Indonesia’s territorial integrity, good governance, local democracy and the appropriate management of natural resources. In this respect, the EU’s proactive approach in support of the Helsinki Process is consistent with such a policy.

Nonetheless, from a political and strategic perspective, the Union has not just been motivated by a desire to assist the humanitarian operations carried out by the US and other countries in Aceh. It also wanted to show its commitment to the idea that conflicts should and can be solved through diplomacy, as well as its strong aspiration to get closer to – and acquire visibility in – Asia.

The post-tsunami situation was probably a unique opportunity to develop such an approach. Humanitarian crises in zones of conflict, including those provoked by natural causes (such as the tsunami in Aceh or the earthquake in Kashmir), appear to be aggravated by partitioning of territories, limited freedom of movement, and the consequent lack of participation by affected populations in the management of aid. Major humanitarian crises of this kind have thus provided a favourable climate for hastening the resolution of conflicts.

The success of the EU’s initiative may boost both its image in Indonesia (and beyond) and help to improve EU-Indonesia relations. It may also provide a significant precedent – and possibly a model for the Union – if and when it comes to mediating in other separatist hotspots, such as the Maluku and Papua.

The EU’s mission in Aceh is its first peace-monitoring venture in Asia, and is seen as a test of its ability to oversee sensitive post-conflict situations in far-flung areas. It represents a big leap forward for the Union’s efforts to build a common foreign policy not only “in and around Europe”, as initially assumed, but far beyond.

The mission is not only the EU’s first Asian foray, but is also seen in Brussels as a unique opportunity to demonstrate that the Union can secure a smooth resolution to violent crises from which the US has been sidelined or is keeping its distance. However, it also reflects current debates and inter-institutional tensions over the future scope and financing of CFSP and ESDP operations.

It is important to recall that EU involvement in such crises depends heavily on leadership, commitment and interest from relevant EU Member States – and not just the bigger ones, as was clearly demonstrated by Portugal in relation to East Timor and (albeit to a lesser extent) the Netherlands in Indonesia. Certain Member States may not, however, always be keen on engaging national assets and capabilities within a EU framework so far away from Europe, feeling that the Union should rather concentrate its efforts closer to “home”.

The British Presidency of the EU (in the second half of 2005) was not, for instance, enthusiastic about the AMM, at least initially, although it eventually took a more positive stance and aligned itself with the Nordic countries and France. Similar reservations were voiced in debates in the European Parliament, with many MEPs lukewarm, at best, about the merits of such a mission.

A further critical issue is the financing of such EU-led operations. The AMM reflects this reality. Financial questions dominated negotiations in the Council of Ministers during the preparatory phase of the

mission, as the funds available under the 2005 budget for CFSP were insufficient to cover the costs: out of a total of around 15 million euros, the CFSP budget could cover no more than 9 million euros.

With at least one Member State and the Council's Legal Service firmly opposed to a proposal to finance all or part of the operation from the EU's external assistance programmes, additional contributions were needed from individual Member States.

However, it was widely recognised that this was not an ideal solution and should not constitute a precedent for future operations. It also clearly showed the need for extensive discussions on the financing of civilian ESDP missions, which are on the rise in terms of both quantity and quality.

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The two cases discussed in this paper clearly show that the EU is becoming ever-more capable of reacting to ongoing or emerging humanitarian/security crises and of contributing to peace-making, reconstruction and stabilisation. However, the role of multi-donor agencies should not be neglected, not least because of the part they play in reinforcing multilateralism – as is clearly evident from East Timor.

In this respect, the cases of East Timor and Aceh are far more important for EU "foreign policy" than they might seem at first glance. The pragmatic dependence on individual Member States' own policies and priorities – as was the case initially in East Timor – has gradually been replaced by a more proactive common policy that brings the Union into the frontline of the action.

Much still remains to be improved, tested, learned and fine-tuned to ensure such a policy provides added value. It appears essential, in particular, to establish sound procedures and provide the necessary resources to enable fast decisions to be taken and executed promptly, coordinating the full range of EU instruments available for crisis management and conflict resolution. It would also be helpful to set out a more strategic long-term approach towards both the Asian region and similar contingencies that require adequate resources and lasting engagement.

**Caroline Bivar is programme officer at the EuropeAid Cooperation Office in the European Commission. The research that led to this publication was planned and carried out while she was working as a Junior Policy Analyst at the European Policy Centre in the autumn of 2005.**

## Endnotes

1. Charles A. Coppel's classification of conflicts was used as reference framework for this background - See C.A. Coppel, *Violent Conflicts in Indonesia: Analysis, Representation, Resolution* (Oxford: Routledge, 2005).
2. See A.H. de Oliveira Marques, *Histoire du Portugal et de son empire colonial, des origines à l'indépendance* (Paris: Karthala, 1998).
3. H. Hill, *The Timor Story*, Fitzroy, Timor Information Service, 1975.
4. See A. Barbedo de Magalhães, *Timor Leste na Encruzilhada da Transição Indonésia* (Lisbon: Gradiva, 1999).
5. See A. Schwarz, "East Timor, the little pebble that could" in *A Nation in Waiting: Indonesia's Search for Stability*, chap. 8, (Boulder: Westview Press, 1999.)
6. See I. Martin, "International Intervention in East Timor" in *Humanitarian Intervention and International Relations* (Oxford: Oxford University Press, 2004).
7. J. Dunn, *East Timor - A Rough Passage to Independence* (Double Bay: Longueville Books, 2003).
8. I. Martin, "Self-Determination in East Timor: The United Nations, the Ballot and International Intervention", *International Peace Academy Occasional Paper*, (Boulder: Lynne Rienner, 2001).
9. See A. George, *East Timor and the Shaming of the West* (London: Tapol, 1985).
10. The EC/EU terminology is used as the EU as such did not exist until November 1993 (entry into force of the Maastricht Treaty).
11. A. Vasconcelos, "L'intervention au Timor et le multilatéralisme possible", *Politique Etrangère* (Paris, 1/2000).
12. L. Taudevin, *East Timor: Too little too late* (Sydney: Duffy & Nellgrove, 1999).
13. A. Vasconcelos, "Portugal: The Case for an Open Europe" in F. Algieri and E. Regelsberger, *The foreign policy of the European Union: from EPC to CFSP and Beyond* (London: Boulder, 1997).
14. See G. Defert, *Timor Est, le genocide oublié. Droit d'un peuple et raisons d'état* (Paris: L'Harmattan, 1992).
15. See José Ramos Horta, *Timor Leste, Amanhã em Dili* (Lisbon: Publicações Dom Quixote, 1998).
16. A. Vasconcelos, "Portugal", in Christopher Hill (ed.), *The Actors in Europe's Foreign Policy* (London: Routledge, 1996).
17. Common Position, 25 June 1996, N°. 96/407 CFSP, Official Journal of the European Union (L168/2 July 1996).
18. See E. Ward, "Human Rights in East Timor: the European Union as an External Actor", text prepared for the Clingendael, IEEI Conference (The Hague, November 1998). It is also worth noting that, in February 2000, EU Defence Ministers accepted - as a planning assumption, that ESDP operations of a "purely humanitarian nature" could reach as far as 10,000 km from Brussels (while strictly military ones would not exceed 4,000). Clearly, East Timor was included therein.
19. See J. Nevins, *A Not-So-Distant Horror Mass Violence in East Timor* (London: Cornell University Press, 2005).
20. "New tricks for old", *Timor Link*, 44, London, August 1998.
21. I. Martin, "Self-Determination in East Timor: The United Nations, the Ballot and International Intervention".
22. L. Silber, "Lisbon and Jakarta near accord over East Timor", *Financial Times*, London, 6 May 1999.
23. See I. Martin, op. cit.
24. See J. Nevins, op. cit.
25. R. Wedgwood, *East Timor and the UN: The Case for Intervention* (New York: Columbia University Press, 2001).
26. See M.R. de Moraes Vaz, "Impor a Paz pela Força das Armas", *Mundo em Português*, 1 October 1999.
27. I. Martin, op.cit.
28. See "Background Paper for the Timor-Leste and Development Partners Meeting", EC/WB Document, April 2005.
29. C. Lekha Sriram and K. Wermester (eds.), *From Promise to Practice: Strengthening UN Capacities for the Prevention of Violent Conflict* (Boulder: Lynne Reiner, 2003).
30. This "ultimatum" had been first reported by several sources from Lisbon and East Timor, and later confirmed in an interview by António Guterres to *Diário de Notícias* of Lisbon (in an article of 18 May 2005, signed by Paula Costa Simões). Guterres recognised that he had contacted Tony Blair who used his influence with Washington.
31. H. J. Benda, "Southeast Asian Islam in the Twentieth Century", in P. M. Holt, et al., eds., *The Cambridge History of Islam, Vol. 2A* (Cambridge: University Press, 1970).
32. See R. Cribb and Robert & C. Brown, *Modern Indonesia: A History Since 1945* (London: Longman, 1995).
33. J. Bresnan, *Managing Indonesia* (New York: Columbia University Press, 1993).
34. See T. Kell, , Ithaca, NY, Cornell Modern Indonesia Project, Publication N° 74.
35. D. Kingsbury, *Power Politics and the Indonesian Military* (London: Routledge Curzon, 2003).
36. Human Rights Watch, *Indonesia: The War in Aceh* (New York, August 2001).
37. E. Aspinall, & G. Fealy, "Local Power and Politics in Indonesia: Democratisation and Decentralisation" (Singapore: ISEAS, 2003).
38. Human Rights Watch, *Aceh at War: Torture and Unfair Trial* (London: Human Rights Watch, September 2004).
39. See for further analysis, L. McCulloch, *Aceh: Then and Now* (London: Minority Rights Group International 2005).
40. See International Crisis Group, "Aceh: A New Chance for Peace", *Asia Briefing* 40, 15 August 2005.
41. See for more details, T. Kivimaki, "Conflict of Aid and Reconstruction in Aceh", *NIASnytt* n° 2, 2005.