

INDONESIA

On October 12, two car bombs exploded in Kuta, South Bali, killing at least 188 civilians. Most of those killed were foreign tourists but an estimated quarter of the fatalities were Indonesian. The bombs and the aftermath dominated national and international news for much of the remainder of the year. In response to international pressure, mainly by the United States, President Megawati issued two presidential decrees in lieu of legislation to address terrorism in Indonesia and to facilitate the investigations into the Bali attack. Prominent Muslim cleric Abu Bakar Ba'asyir was arrested in the wake of the attack but was charged for the separate Christmas Eve bombings of 2000 and other crimes. The suspected terrorist organization which many believe he heads, Jemaah Islamiyah, was designated a terrorist organization by the United Nations.

Despite restoring some political stability to Indonesia during its year and a half in office, the administration of President Megawati Sukarnoputri failed to deal with several major human rights challenges. These included continued violations of international human rights law by the country's military forces (Tentara Nasional Indonesia, TNI), pervasive corruption, separatist conflict in Aceh and Papua, religious violence in Maluku and Poso, and attacks on human rights defenders. These failures stemmed in part from the administration's lack of political will to resist former supporters and beneficiaries of the Soeharto government, including the TNI.

HUMAN RIGHTS DEVELOPMENTS

The annual session of Indonesia's parliament (Majelis Perwakilan Rakyat, MPR) ended on August 11, after approving major changes to the country's constitution. The most significant amendment established direct presidential and vice-presidential elections beginning in 2004. A second amendment established a bicameral legislative system comprising of a House of Representatives and a Regional Representative Council. This amendment also abolished the formal participation of the military in civilian government by eliminating the thirty-eight seats previously reserved for the armed forces.

The MPR rejected a constitutional amendment to include *shari'a* (Islamic law) in the constitution. Three Muslim parties, the United Development Party, the Crescent and Star Party, and the Daulatul Umat Party, had proposed the amendment. It was defeated with the support of Indonesia's two largest Islamic organizations, the Nahdatul Ulama and Muhammadiyah.

Other amendments that would have created new institutions or strengthened existing ones—such as the independent and permanent General Elections Commission (Kursus Pengetahuan Umum, KPU), an anticorruption commission, the National Commission on Human Rights (Komisi Nasional Hak Asasi Manusia, Komnas HAM), and the National Ombudsman—were defeated.

At this writing, the legislature had not yet enacted enabling legislation to implement the new constitution.

Corruption

As in previous years Jakarta courts and prosecutors showed little willingness to take on major corruption cases. The Jakarta Supreme Court overturned the conviction and three year jail term of Central Bank governor Syahril Sabirin, who had been indicted for misuse of \$80 million of bank funds in the 1999 "Bank Bali" scandal.

In September, speaker of the House of Representatives and chairman of the Golkar party, Akbar Tandjung, was sentenced to three years in prison by the Central Jakarta District Court, making him the highest public official ever tried and convicted for corruption. Tandjung was found guilty of misappropriating roughly U.S.\$4 million (Rp 40 billion) in state funds from the State Logistics Agency (Bulog), allegedly to fund Golkar's 1999 election campaign. Tandjung continued to hold both positions while appealing the decision.

In March, Hutomo Mandala Putra, better known as Tommy Soeharto, son of former President Soeharto, went on trial for ordering the killing of Supreme Court judge Syaifuddin Kartasasita in July 2001. Kartasasita, who was shot several times by two gunmen, had previously upheld an eighteen-month jail sentence for Tommy Soeharto on corruption charges. In an unexpected verdict at the end of July 2002, Tommy was found guilty of paying two hit men to murder judge Kartasasita, possession of illegal weapons, and fleeing justice. He was sentenced to fifteen years in prison, while the two perpetrators of the shooting received life sentences.

In October, members of the Public Servants' Wealth Audit Commission (KPKPN) alleged that Attorney General M.A. Rachman had not properly disclosed his acquisition of a new house. At this writing the investigation was ongoing.

Papua

The security situation in Papua (also known as Irian Jaya) deteriorated during the year. Civilians and human rights defenders faced increased violence. The decline in security came despite the passage of a "special autonomy" law for Papua on October 23, 2001. The bill gave Papuans a say in provincial government and allowed them to retain 80 percent of local forestry and fishery revenues and 70 percent of oil, gas, and mining revenues. By the end of 2002, however, enabling legislation had yet to be implemented to give effect to the new law.

Several civil society meetings were held in Papua with the aim of turning the province into a zone of peace by reducing violence and providing a secure space for groups to negotiate. The initiative had gained support from a cross-section of Papuans, including the Free Papua Movement (Organisasi Papua Merdeka, OPM) and religious leaders. However, the initiative failed to reduce the violence.

In July, West Papua Police Chief Made Mangku Pastika announced Operation Justice (Operasi Adil Matoa). While allegedly directed at violent separatist organizations, Papuans worried that non-violent groups, such as the Papuan Presidium Council, would be targeted and banned.

A large influx of migrants and internally displaced persons from conflict areas such as Maluku also created tension in the region, as did reports of infiltration by large numbers of members of Laskar Jihad, a radical Muslim group from Java that had been involved in the conflict in Maluku. Many Papuans feared that the TNI would encourage the formation of pro-integration militias to combat calls for Papua's independence.

Investigations into the November 10, 2001, killing of Theys Hiyo Eluay, chairman of the independence-seeking Papua Presidium Council, made progress in 2002, though no one had gone to trial as of mid-November. A government-backed national investigation team announced its results in late April 2002, accusing nine of the Army's Special Forces (Komando Pasukan Khusus, Kopassus), including the unit's commander, Hartomo, as key suspects; two more Kopassus suspects were later added. The suspects were to be tried for common rather than human rights crimes before a military court, thereby eliminating the possibility of a trial by a human rights court.

On August 31, 2002, one Indonesian and two American schoolteachers were killed after their vehicles were ambushed by a group of unidentified gunmen, near Tembagapura in Papua. All three victims were employed at an international school for the children of employees of the Freeport gold mine in Papua. Ten other individuals from the two-vehicle convoy were injured. The following day, Indonesian government forces shot dead an unidentified Papuan male, whom they claimed was both a member of the armed separatist group, OPM, and responsible for the attack. The perpetrators of the ambush remained unknown, although police investigations pointed to Kopassus involvement.

Aceh

The conflict in Aceh intensified, with an estimated 1,230 people killed during the year. Military forces stepped up operations against the Free Aceh Movement (Gerakan Aceh Merdeka, GAM), resulting in casualties on both sides. While Jakarta stated a commitment to peace negotiations with GAM, military buildup in the province contradicted government rhetoric. In February, against enormous local opposition, President Megawati Sukarnoputri issued a decree to reestablish a military command for the region of Aceh province (Komando Daerah Militer, KODAM). In April, the government dispatched 1,850 police and army reinforcements to Aceh. More forces arrived to secure Independence Day festivities on August 17. At year's end there were an estimated twenty-five to thirty thousand security personnel in Aceh.

On January 1, the new "special autonomy" law for Aceh came into effect. It renamed the province Nanggroe Aceh Darussalam (NAD) and introduced *shari'a* (Islamic law) to the region. The enforcement of Islamic dress codes became effective on March 15. Otherwise, no real economic or political change occurred, since much of the new law remained unimplemented.

In a bid to find a non-military solution to the conflict, representatives of the Indonesian government and GAM, facilitated by the Henry Dunant Humanitarian Dialogue Centre (HDC), met in Geneva February 2-3. Further talks occurred on

May 10, but neither session in Geneva produced tangible results. Military and GAM casualties continued at a high rate. Just one day after the end of the May session, Tgk. Zakaria bin Yahya (Ayah Sofyan), spokesperson for GAM, was shot dead by police at his home near Banda Aceh, the provincial capital. Military forces had already killed Abdullah Syafei, the GAM commander, in January.

On May 4, the Aceh chief of police banned a seminar organized by the Aceh Civil Society Task Force in Banda Aceh. The one-day seminar was to discuss progress made by the Geneva peace talks and ways to broaden the representation of civil society in the peace negotiations.

GAM abuses against the local population continued with many incidents of extortion and some kidnappings. Two high-profile kidnappings of schoolchildren by GAM occurred in May and June; the children were later released.

Tengku Radak, GAM spokesman in Banda Aceh, claimed responsibility on behalf of GAM for the detonation of several bombs in connection with Indonesian Independence Day festivities on August 17. At least eleven people were injured after a homemade explosive was thrown into a celebrating crowd in Banda Aceh. On August 16, several bombs exploded and gunfights took place between security personnel and GAM at separate locations in Banda Aceh and in Lhokseumawe. Another bomb detonated in the office of the Syah Kuala subdistrict chief, while two gunfights broke out between security personnel and rebels in separate locations in Blang Bintang.

Despite increased GAM attacks, in August the Indonesian government unexpectedly delayed its announcement of a heavier security regime for Aceh. It gave GAM until the beginning of December to reconsider a compromise on autonomy. The government's offer would give Aceh control over part of the revenues from the region's oil and gas. However, the delay was undercut by the threat of harsher penalties if the government perceived that GAM was negotiating in bad faith. Susilo Bambang Yudhoyono, coordinating minister for political and security affairs, said in a press conference, "If by then they [GAM] have not shown a positive attitude and conditions become uncertain and dangerous, the government will take stern action, including intensifying military operations."

Two high profile visits of U.S. military personnel to Jakarta and Aceh—one by retired general Anthony Zinni and the other by Admiral Thomas B. Fargo, commander-in-chief of the U.S. Pacific Fleet—are believed to have been instrumental in persuading the Megawati government to delay any further military escalation in Aceh.

GAM declared a unilateral ceasefire at the start of Ramadan on November 4, but this was broken days later when GAM and military soldiers exchanged gunfire in North Aceh, leaving five people dead including one soldier.

In November, international observers started to arrive to monitor the peace process in advance of an expected peace agreement to be signed by GAM and the Government of Indonesia at the end of Ramadan.

No progress was made on investigations into the August 2001 massacre of thirty-one people at a plantation, Bumi Flora, in East Aceh, despite a preliminary investigation by Komnas HAM. Lack of security hampered a long awaited follow-up investigation, underway in late July 2002.

Maluku

In February 2002, the Indonesian government facilitated a peace agreement between Muslims and Christians in Maluku. The agreement, called Malino II, set up a national human rights investigation team to look into violations committed in Maluku. The presidential decree establishing the team was issued on June 6, but as of this writing no investigations had taken place. Meanwhile, the violence continued.

On March 2, armed attackers set upon the marchers with machetes at a Muslim-Christian peace rally. At least two victims were hospitalized with serious injuries. Twelve Christians were then killed after their village, Soya, was attacked in the early morning on April 28. The local church and dozens of homes were burned to the ground during the attack by unknown perpetrators. On July 27, at least fifty-four people were injured after a bomb exploded in the predominantly Christian area of Kudamati, Sirimau subdistrict.

Two high-profile trials—one of a Muslim leader and one of a Christian leader—commenced during the second half of the year. On May 4, Ja'far Umar Thalib, the leader of the Laskar Jihad Islamic militia group, was arrested. He was accused of inciting violence through a speech he gave in April and charged with insulting the president, the vice-president, and the south Maluku governor. In a separate case, Alex Manuputty, head of the Christian based Maluku Sovereignty Front (Front Kedaulatan Maluku, FKM), was charged on April 25 with flying the banned flag of the Republic of the South Moluccas. Both trials were ongoing at the end of the year.

On October 7, the executive board of Laskar Jihad decided to disband the group and cease all activities. Over a thousand members of the radical Muslim group left Maluku in the following weeks and returned to Java.

Poso

In Central Sulawesi, violence between Christian and Muslim communities continued, although the first Malino Declaration, brokered by the central government in December 2001, helped reduce the level of conflict. With the seven-month implementation period of the Malino Declaration coming to an end on July 31, 2002, residents reported rumors of a new round of attacks as soon as the declaration period ended and some army personnel withdrew. Even before the end of July, however, violence had increased. Late May and June saw an increase in bombings and unclaimed shootings, including fatal bus bombings on June 5 and July 12. Then, on August 3, the body of a local Muslim leader was found in Tegalrejo subdistrict. Early the next day a series of attacks on Christian villages prompted new movements of displaced persons. Unknown attackers fired on a bus with automatic weapons on August 8, killing an Italian tourist and injuring four other passengers in South Pamona subdistrict. With the government unable to prevent attacks or identify and prosecute attackers, the rise in violence over June, July, and August raised fears the already fragile Malino Declaration would collapse.

There was no progress in prosecuting those responsible for earlier acts of violence, such as the killings at Kilometer 9 in May 2000, the murders at Buyung

Katedo in July 2001, or the leveling of villages in November 2001. Members of the radical Muslim group Laskar Jihad, who arrived in July of 2001, remained in the region at this writing.

Migrants, Asylum Seekers, and Internally Displaced Persons

At the end of July, Malaysia enacted strict laws against illegal immigrants, causing an exodus of undocumented Indonesian workers. An estimated three hundred thousand workers returned to Indonesia, while another four hundred thousand remained in Malaysia with no financial means to return or prospects for employment. After a diplomatic row between the two countries, the Malaysian government agreed to a one-month extension for the workers; those who remained faced disproportionate penalties, including huge fines, up to five years imprisonment, and caning. At least five Indonesians were sentenced to caning during the initial clampdown.

The Indonesian government was slow to address the needs of expelled workers stranded at the Malaysia-Indonesia border in Borneo, while local authorities had no capacity to deal with the unexpected influx of tens of thousands of workers with no resources or job prospects that might induce them to return to their villages of origin. In Nunukan, in East Kalimantan, at least fifty returned workers were reported to have died in makeshift camps because of a lack of food, medicine, and sanitation facilities. It was a month before the Indonesian government organized a floating hospital ship to treat the sick.

While the international community neglected the rights and needs of 1.25 million internally displaced persons in Indonesia, Australia exerted its diplomatic influence to win funding for UNHCR refugee status determinations and IOM-administered material assistance for the few thousand Afghan, Iraqi, and Iranian refugees transiting Indonesia on their way to seek asylum in Australia. Australia also provided border control enforcement assistance to the Indonesian authorities, but paid little attention to training in the principles of refugee protection.

East and West Timor

The Indonesian government made only half-hearted attempts during the year to hold accountable those responsible for TNI abuses in East Timor. Human rights defenders inside and outside the country called for an international tribunal in light of the failures of the Indonesian justice system.

On January 12, 2002, President Megawati appointed eighteen non-career judges to sit on the Indonesian ad hoc human rights court for East Timor. Twenty-four prosecutors were inducted on February 8. The office of the attorney general issued the first charges against seven individuals on February 21.

The court tried the former East Timorese governor, Abilio Osorio Soares, for crimes against humanity under Indonesian Law 26/2000. Prosecutors charged Soares with responsibility for widespread and systematic human rights violations perpetrated by subordinates under his effective control. The incidents cited in his

indictment included the Liquica Church massacre of April 6, 1999, the attack and killings at Manuel Carrascalao's house in Dili on April 17, 1999, the September 1999 Suai Church massacre, and the September 1999 attack on Bishop Belo's house.

Former East Timor police chief, Brigadier General Timbul Silaen, faced similar charges of crimes against humanity. In addition to incidents listed in Soares' indictment, the court charged Silaen in connection with an attack on the UNAMET office in Liquica in September 1999.

Five other men went on trial together for the Suai Church massacre: former district administrator of Suai, Herman Sudyono; former Suai district military commander, Lieutenant Colonel Lili Kusardiyanto; former chief-of-staff of Suai district military command, Captain Ahmad Syamsudin; former Suai military sector commander, Sugito; and former chief of police in Suai, Lieutenant Colonel Gatot Subiaktoro.

Trials commenced in March, after government regulations on witness protection and victim compensation were settled. Despite concerns about the implementation of the witness protection programs and at least one allegation of intimidation, four East Timorese witnesses traveled to Jakarta and gave testimony. Not one U.N. staff member was called to testify.

Announced on August 14, 2002, the first verdicts from the trials triggered widespread international and domestic criticism. Abilio Soares was found guilty of crimes against humanity and sentenced to three years of imprisonment, well below the legal minimum of ten years and the ten-and-a-half years requested by the prosecution. The other defendants, named above, were acquitted. In November Colonel Timbul Silaen was promoted to the rank of one-star inspector general and became security assistant to National Police Chief Dai Bachtiar.

The outcomes of the trials had been expected. Although the judges had not allowed the trials to be derailed, a presidential decision limiting the mandate for the tribunals to a handful of cases that occurred in April and September 1999 hindered the prosecution. Most significantly, the prosecutors failed to reveal in court the role of the military and Indonesian officials in organizing and arming militia groups and in orchestrating the violence.

The prosecutors' indictments were weak. They charged defendants with "failure to act," rather than organizing and perpetrating atrocities. By portraying the 1999 violence in East Timor as a civil disturbance, rather than a systematic and widespread terror campaign, the indictments made it more difficult to establish crimes against humanity.

On January 19, 2002, the sentences of three persons convicted of killing three international UNHCR staff members in West Timor on September 6, 2000, were increased from ten-to-fifteen months to five-to-seven years, after international outcry over the leniency of the initial sentences.

On March 7, Yacobus Bere was found guilty and sentenced to six years in prison for the July 2000 murder of a New Zealand peace-keeping force soldier, Private Manning. On March 20, the Central Jakarta District Court acquitted three other men, tried separately for involvement in the murder.

On January 1, 2002, the Indonesian government ceased humanitarian assistance to East Timorese refugees in West Timor. The cessation of aid spurred many

refugees to return to East Timor in March and April, as post-harvest stockpiles of food began to run out; and malnutrition, diarrhea, and malaria increased. Indonesia's announcement that it would end repatriation incentives at the end of August also prompted refugees to return, with an estimated ten thousand refugees crossing the border to East Timor in July and August.

An estimated thirty thousand refugees remained in West Timor at this writing. UNHCR announced in May that the U.N. Refugee Convention would cease to apply to all East Timorese remaining in Indonesia at the end of December 2002, though individuals still retained their right to appeal this cessation of status.

The issue of missing and separated East Timorese children in Indonesia remained unresolved. UNHCR and the International Rescue Committee (IRC) made slow progress on an estimated 1,500 reported cases, with little help from the government of Indonesia. While some reunifications occurred from West to East Timor, children in other parts of Indonesia became increasingly isolated after three years of separation. Most well-known were the cases of almost two hundred East Timorese children taken to orphanages in Central Java by Octavio Soares, brother of former East Timor Governor Abilio Soares. Their status remained unclear. Requests for reunification of the children by the parents, UNHCR, and the IRC were met with hostile resistance from Octavio.

DEFENDING HUMAN RIGHTS

Indonesia's National Human Rights Commission (Komisi Nasional Hak Asasi Manusia, Komnas HAM) had played a credible and important role in the final years of the Soeharto period. During 2002, the commission was increasingly ineffective and marginalized. Crucial investigations were half-hearted or incomplete, including that into the Bumi Flora incident. (See above.) While parliament recommended the appointment of new members, it rejected some highly qualified candidates. In September, the commission elected its new chair, Abdul Hakim Garuda Nusantara. Hakim's appointment was generally well received, but doubts of the commission's future effectiveness remained given the reappointments of long-serving members with military ties.

Indonesia continued to be a dangerous and difficult place for human rights defenders. In June, the provincial police chief and the Indonesian military chief, General Endriartono Sutarto, issued strong warnings to secessionist groups in Papua. These alerts were followed by harassment of local civil society activists. In addition, Yafet Yelemaken, a local representative of the Papuan Presidium Council and director of the Civilian Custom Institute in Wamena, died in June; other activists suspected poisoning. Benny Wenda, leader of the Koteka Tribal Assembly (Dewan Musyawarah Masyarakat Koteka, DeMMAK), was arrested on June 8, on charges that he owned two passports, one from Indonesia and one from Papua New Guinea; that he had organized the attack on a police post in Abepura in December 2000; and that he was organizing new attacks on military and police posts in West Papua. Amid fears for his physical security and reports of deteriorating health, he disappeared from his cell in late October.

Other Papuan human rights defenders, including volunteers for ELS-HAM, a prominent Papuan human rights organization, received death threats, while lawyers representing political detainees and human rights activists working on the Theys Eluay case and the killing and torture of students by security forces in Abepura in 2000 suffered threats and intimidation.

The fear of violence, intimidation, and retribution by both the military and GAM obstructed human rights defenders in Aceh. Many ceased monitoring and reporting on human rights violations outside Banda Aceh.

On January 16, a Jakarta criminal court sentenced Faisal Saifuddin, head of the Jakarta office for the Aceh Referendum Information Center (Sentral Informasi Referendum Aceh, SIRA), to one year in prison for violating articles 154 and 155 of the Indonesian criminal code, the notorious “spreading hatred” laws previously used by the Soeharto government against critics and activists.

Seven human rights defenders from the Acehese Democratic Women’s Organization (Organisasi Perempuan Aceh Demokratik, ORPAD) were arrested while staging a peaceful protest on July 16 in Banda Aceh. The next day all were released, except for Reihana Diany, ORPAD’s chairperson. Diany was held under articles 134 and 137 of the Indonesian criminal code for insulting the head of state.

No progress was made in the investigation into the December 2000 killings of three field workers for the nongovernmental organization, Rehabilitation Action for Torture Victims in Aceh (RATA). An eyewitness had named four military informers as the perpetrators, but they escaped from detention.

On August 19, 2002, two trade unionists were shot and seriously injured by police in Bandung, the capital of West Java, during large peaceful demonstrations against two proposed labor laws—one on industrial relations dispute settlements and one on labor development and protection. The protesters claimed the bill would curtail their rights to strike and was unfair in areas including dismissals, wage standards, and contract labor. The Indonesian National Front for Labor Struggles (FNPBI) organized the demonstrations. At least thirty-one other labor rights activists were subsequently arrested and detained by the police.

On March 13, a group calling themselves the “Families of Cawang Victims 1998” ransacked the Jakarta office of the Commission for Missing Persons and Victims of Violence (Komisi Untuk Orang Hilang dan Korban Tindak Kekerasan, KONTRAS). The attack occurred just two days after KONTRAS released its Human Rights Report, which criticized both the Wahid and Megawati governments, and two days after KONTRAS had demanded senior Indonesian military officers face questioning in relation to the Trisakti killings of six pro-democracy student activists in Jakarta in 1998. Several staff members were severely beaten during the well-orchestrated attack. In April, seven defendants went on trial for the attack.

In March, a group of fifteen people, organized by the Urban Poor Consortium (UPC), were hospitalized after being attacked at the Komnas HAM office in Jakarta by a group calling themselves the United Betawi Forum (Betawi Rempug Forum, FBR). The UPC group had arrived at Komnas HAM to seek support for a lawsuit against the Jakarta Provincial Administration’s crackdown and seizure of pedicabs.

THE ROLE OF THE INTERNATIONAL COMMUNITY

United Nations

In a May meeting with Indonesian Foreign Minister Hassan Wirayuda, U.N. Secretary-General Kofi Annan encouraged “effective and credible” trials for Indonesian officers accused of abuses in East Timor. While an international tribunal was not discussed, Annan spoke with Indonesian President Megawati Sukarnoputri about possible U.N. technical assistance to train judges and prosecutors involved in the trials. Wirayuda also announced U.N. plans to send observers to monitor the trials.

In November 2001, the Committee against Torture adopted conclusions and recommendations after considering Indonesia’s initial report, submitted over a year late. While noting efforts to reform the legal system, the committee expressed concern regarding allegations of torture and ill treatment by police, the army, and paramilitary groups, and regarding attacks on human rights defenders and other human rights violations.

The U.N. representative on internally displaced persons submitted in February an addendum on displacement in Indonesia. Calling the Indonesian government’s plan to resolve the problem of internal displacement by the end of 2002 “unduly optimistic,” the addendum urged the government to train appropriate officials on the Guiding Principles of Internal Displacement, recommended that Komnas HAM take a more active role in addressing the needs of internally displaced persons, and encouraged the international community to expand assistance programs.

With funding from Belgium, Germany, and the Netherlands, the U.N. Development Program coordinated a police reform program to train officers and regular police in Indonesia.

In July, the U.N. special rapporteur on the independence of judges and lawyers, Dato’ Param Cumaraswamy, visited Indonesia. He noted “serious problems” in the judiciary that were worse than expected and found “no political commitments to fix [them].”

United States

The Megawati and Bush administrations focused their joint efforts on the fight against terrorism. U.S. Secretary of State Colin Powell used his visit to Jakarta in early August to announce Bush administration plans for increased assistance to the Indonesian military. This aid included U.S.\$4 million for anti-terrorism courses for TNI officers. An additional \$400,000 was requested in the 2003 foreign aid budget for International Military Education and Training (IMET). In addition, the administration requested assistance for police training, \$10 million of which was pending approval as part of the fiscal year 2003 appropriations. The fiscal year 2002 anti-terrorism bill included \$8 million for a police counter-terrorism unit and \$4 million for police training.

In July, the U.S. State Department asked a federal judge to dismiss a lawsuit against ExxonMobil Corporation for its alleged complicity in human rights abuses

at its gas fields in Aceh. In a letter to the judge, the State Department contended that Indonesia's counter-terrorism efforts could be "imperiled in numerous ways if Indonesia and its officials curtailed cooperation in response to perceived disrespect for its sovereign interests."

In September, twenty-seven members of Congress wrote to Representative Jim Kolbe, chairman of the House Appropriations Subcommittee on Foreign Operations, urging that human rights restrictions on U.S. military assistance to Indonesia be renewed. Previously, in July, Congress had turned down an administration request for \$8 million to set up a "domestic peacekeeping unit" to quell sectarian and communal violence.

Congress was particularly concerned with events in the Papua region. Several representatives wrote to President Megawati in November 2001 expressing "grave concern" about the murder of Theys Eluay. Federal Bureau of Investigation officers visited Papua following the killing of two Americans in Timika in August.

Europe

The European Commission sent an independent mission to Indonesia in January to assess the potential for supporting conflict prevention. The group visited Central Sulawesi, Maluku, and Papua and released a report in March detailing causes of communal violence in those regions. The report recommended further work to implement and develop long-term processes, including dialogue, political compromise, accountability for past human rights abuses, and transforming high-level official positions to reflect grassroots perspectives.

The European Parliament met in May to discuss human rights issues in Indonesia. A resolution signed by thirteen members called on Indonesia to "engage in a genuine dialogue with the provinces" to resolve conflicts in Aceh, Maluku, and Papua; to investigate the murder of Theys Eluay in Papua; and to "protect the civilian populations from attacks by terrorist groups such as Laskar Jihad."

In June, the European Commission adopted a five-year strategy for financial assistance to Indonesia. Stressing good governance and sustainable management of natural resources, the plan called for U.S.\$213 million in aid during the 2002-2006 period.

In 2002, Russia announced that it would move forward with a contract to sell ten military helicopters to Indonesia. In May 2002, the Czech Republic confirmed that it sold small arms to Indonesia in 2001.

Japan

Indonesia's largest aid donor announced at the November 2001 consultative group meeting on Indonesia its intention to disburse U.S.\$720 million (¥85.7 billion) in projects and extend new Overseas Development Assistance (ODA) loans of over \$300 million (¥40 billion) for economic development in fiscal year 2002. Japan began the year by giving \$88,000 in humanitarian assistance to Aceh province.

Improving economic cooperation was the primary goal of Prime Minister Junichiro Koizumi's January trip to Jakarta. Intent on countering China's influence

with ASEAN members, Koizumi pressed President Megawati for a comprehensive economic alliance centered on free trade between Japan and ASEAN, and the two leaders agreed to promote the plan. Noting the importance of stability in Indonesia, Koizumi expressed support for Indonesia's retention of Aceh, but insisted that problems in the province be approached with human rights in mind. He agreed to aid Indonesia's efforts at judicial and police reforms and pledged U.S.\$10 million to assist refugees in Aceh and West Timor and U.S.\$3 million for education improvements. A Japanese Ministry of Justice delegation visited Indonesia in January to assess ways of helping with judicial reform. In July, Foreign Minister Yoriko Kawaguchi reiterated Koizumi's support and concerns in her meeting with Indonesian Foreign Minister Wirajuda.

Japan further pledged in February to provide over U.S.\$2 million from its Trust Fund for Human Security to aid in the relocation of displaced people and the development of education in Maluku, North Maluku, and Aceh. Japan also pledged to send advisers to Indonesia as part of a two-year project of technical assistance to the national police.

Australia

Amid objections from the Indonesian parliament, Prime Minister John Howard made an official visit to Jakarta in February. Members of parliament accused Australia of supporting pro-independence activists in Papua. In talks with President Megawati, Howard sought to rectify tensions by denying support for separatist movements and agreeing to help Indonesia fight terrorism. The two officials signed a memorandum of understanding on counter-terrorism at the end of Howard's three-day visit. Howard projected the "gradual" resumption of military relations, which were suspended following the 1999 post-referendum violence in East Timor.

Total aid flow to Indonesia in the 2002-2003 fiscal year was set at U.S.\$66.7 million (Aus\$121.6 million) for poverty reduction, economic recovery, and democratization, inclusive of an U.S.\$8.2 million (Aus\$15 million) plan to help refugees throughout Indonesia, with U.S.\$3.3 million (Aus\$6 million) for East Timorese on the West Timor border and up to U.S.\$4.6 million (Aus\$8.5 million) to assist those affected by internal conflict throughout Indonesia.

World Bank

The World Bank strengthened its efforts to fight corruption in bank-financed projects in Indonesia. It outlined a four-part strategy in its Country Assistance Strategy for fiscal years 2001-2003 to ensure the appropriate use of bank funds, and in July it held an Anti-Corruption Advisory Group Meeting in Jakarta.

In his exit speech in Jakarta in August, outgoing World Bank head Mark Baird spoke of the need for structural reform of public institutions, especially in the civil service and justice sectors, government accountability, and an end to corruption.

The Consultative Group on Indonesia (CGI) meeting scheduled for October was postponed until January 2003 in the aftermath of the Bali bombing.