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INDONESIA STRATEGIC ASSESSMENT FINAL REPORT

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The assessment team was composed of Leslie Dwyer of Democracy International, who served as the team lead; Ioli Filmeridis, who represented USAID's Office of Conflict Management and Mitigation; and conflict specialists Sri Lestari Wahyuningroem and Made Supriatma. The team was supported in the field by two logisticians, Yosef Riadi and Isniati Kuswini, who went above and beyond to ensure that the assessment proceeded smoothly.

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LIST OF ACRONYMS

CAF	Conflict Assessment Framework
CAG	Conflict Advisory Group
C-AME	Complexity-Aware Monitoring and Evaluation
CDCS	Country Development Cooperation Strategy
CLA	Collaborating, Learning, and Adapting
CS	Conflict sensitive
CSAid	Conflict Sensitive Aid
CSO	Civil society organization
CVE	Countering violent extremism
DO	Development Objective
DRG	Democratic Resilience and Governance
FKUB	Religious Harmony Forum
GBV	Gender-based violence
GoI	Government of Indonesia
GPI	Global Peace Index
HDI	Human Development Index
IP	Implementing partner
IPAC	Institute for Policy Analysis of Conflict
IPV	Intimate partner violence
ITE	Electronic Information and Transactions
JAK	Jemaah Ansharut Khilafah
JAD	Jamaah Ansharut Daulah
KLHK	Ministry of Forestry and Environment
KNPB	National Committee of West Papua
KPA	Consortium for Agrarian Reform
KPK	Corruption Eradication Commission
LFPR	Labor force participation rate
LGBTI	Lesbian, gay, bisexual, transgender, intersex
MEL	Monitoring, Evaluation, Learning
NGO	Non-governmental organization
NTT	East Nusa Tenggara (Nusa Tenggara Timur)
PAD	Project Appraisal Document
RAN P3A-KS	National Action Plan for the Protection and Empowerment of Women and Children during Social Conflicts
RFP/A	Request for Proposals/Applications
SAF	Special Autonomy Fund
TEC	Technical Evaluation Committee
USAID	United States Agency for International Development
USAID/CMM	USAID/Office of Conflict Management and Mitigation
VAWG	Violence against women and girls
VE	Violent extremism
VEO	Violent extremist organization

EXECUTIVE SUMMARY

ASSESSMENT OVERVIEW

The Indonesia Strategic Assessment was conducted from December 2019 to February 2020, with fieldwork taking place in January 2020. The purpose of the strategic assessment was to: 1) help the United States Agency for International Development (USAID)/Indonesia better understand the Indonesian context and its impact on the Mission's ability to achieve key programmatic results; 2) inform the design of USAID/Indonesia's new Country Development Cooperation Strategy (CDCS); and 3) recommend programmatic approaches to address key findings. The assessment used the Conflict Assessment Framework (CAF) 2.0 from USAID's Office of Conflict Management and Mitigation (CMM) as its methodology.¹ The CAF 2.0 framework assisted the assessment team with gathering information on current and potential conflict dynamics in Indonesia, how conflict may impact USAID's ability to achieve key programmatic results, and how USAID may address drivers of conflict in its future programming. The team consulted with national-level experts before conducting fieldwork in five provinces identified by USAID/Indonesia as potential priorities under its new CDCS: East Java, East Nusa Tenggara, East Kalimantan, South Sulawesi, and Papua. Throughout the assessment, the team paid attention to how USAID can support Indonesia on its journey to self-reliance.

The scope of work for the Indonesia Strategic Assessment included a request for attention to a series of key issues in the target provinces:

- Through a political economy analysis, identify the key/most salient political, economic, and cultural contextual factors in each target geography that could positively or negatively affect USAID activities and how USAID interventions could exacerbate or alleviate existing issues.
- Due to the importance of decentralization for Indonesia's political economy, identify current and potential economic winners and losers and associated incentives and disincentives for corruption as well as transparency and good governance. In addition, identify how the aforementioned impact USAID potential development activities and engagement with political actors and beneficiaries.
- Due to the importance of inclusive economic growth, in particular on the communities of Indonesia, analyze the impact (politically, culturally, and economically) of labor demographic changes, migration flows (including transmigration) in target areas, and infrastructure investments in specific geographies.
- In Papua, identify the role of autonomy and how the use of the Special Autonomy Fund (SAF) impacts development initiatives and investments, community perceptions, and local economics. If special autonomy/the SAF ends as planned, what impact will the loss of these funds indicate for the future of this sensitive autonomous region?

During fieldwork, the assessment team consulted with a range of key respondents and stakeholders, including: government officials at the national and local levels; civil society organizations (CSOs) and non-governmental organizations (NGOs); academic experts; researchers; religious and traditional leaders; political party representatives; USAID implementing partners (IPs); businesspeople; farmers; fishers; women's groups; youth; conflict resolution practitioners; and people impacted by conflict. The assessment did not evaluate specific USAID/Indonesia projects or activities, but instead focused on

¹ USAID, 2012. "Conflict Assessment Framework, Version 2.0." https://pdf.usaid.gov/pdf_docs/pnady739.pdf

generating data that could be used to plan and prioritize future development efforts. The assessment report draws upon its findings to provide recommendations for USAID/Indonesia to consider as it works to develop its new CDCS. These recommendations focus on the integration of conflict mitigation and conflict sensitivity into USAID's development efforts, as well as opportunities at the national and sub-national levels for strengthening governance and mitigating citizens' grievances to prevent conflict.

KEY FINDINGS

Indonesia has been widely celebrated both for its successful post-1998 transition to democracy and its ability to maintain national unity given its tremendous ethnic, cultural, and religious diversity. It has no external armed conflicts, and ranks 40th out of 149 countries on the Global Peace Index (GPI), earning a score slightly below the Asia-Pacific average.² The country does, however, face multiple, overlapping forms of conflict, including political conflicts, religious conflicts, and conflicts over land and natural resources. Indonesia has also faced threats from violent extremism (VE), with the Global Terrorism Index ranking the impact of terrorism as the fourth highest in the Asia-Pacific region.³ The GPI estimates the total economic cost of violence in Indonesia as 2% of GDP.⁴

The assessment found a number of concerning trends evident across the five provinces investigated. The most significant issues raised by assessment respondents included a decline in perceived government legitimacy,⁵ citizens' perceptions that corruption is pervasive and increasing,⁶ intensifying conflicts over land and natural resources, a lack of effective local governance and transparency, growing inequality and a lack of social mobility,⁷ the politicization of identities, new risks for inter- and intra-religious conflict, and the use of new information and communications technologies in ways that exacerbate social tensions and conflict. Many assessment respondents noted that these grievances have intensified as the high hopes for political and economic reforms promised by the administration of President Joko Widodo fail to materialize into broad-based change. Taken together, these trends raise concerns about Indonesia's ability to continue on a path of peaceful stability and to contain what until now have been localized conflicts with limited impact on national dynamics. The Bertelsmann Stiftung offers a similar warning, stating that recent trends in Indonesia "constitute a gradual qualitative erosion of Indonesia's electoral democracy, which is likely to prevent it from further democratic advancement."⁸

Looking specifically at the dynamics of conflict in Indonesia, the assessment found a number of key grievances driving conflict. These are issues around which people are mobilizing and which, if left unchecked, can escalate into violence:

² Institute for Economics and Peace, 2019. "Global Peace Index 2019."

³ Institute for Economics and Peace, 2019. "Global Terrorism Index 2019."

⁴ Institute for Economics and Peace, 2019. "Global Peace Index 2019."

⁵ The 2018 Bertelsmann Stiftung BTI Transformation Index Country Report for Indonesia notes that while Indonesia enjoys moderately high levels of popular support for democratic governance, with 67% of the population expressing support for democracy, trust in government agencies varies (Bertelsmann Stiftung, 2018. "BTI 2018 Country Report — Indonesia." Gütersloh: Bertelsmann Stiftung.

BTI 2018, Indonesia Country Report). A 2018 survey by the Lembaga Survei Indonesia (Indonesian Survey Organization) found the Anti-Corruption Commission had the highest public trust (85% "trust" or "highly trust"), while political parties and Parliament had the lowest levels of public trust (33% and 27% "distrust" or "highly distrust" respectively). See Lembaga Survei Indonesia, 2018. "Trends in Public Perception of Corruption in Indonesia," December 10, 2018.

⁶ A 2018 survey by the Lembaga Survei Indonesia (Indonesia Survey Organization) conducted in October 2018 found that over 50% of survey respondents perceived corruption to have increased over the preceding two years. (Lembaga Survei Indonesia, 2018. "Trends in Public Perception of Corruption in Indonesia," December 10, 2018. It should be noted that this survey was conducted before controversial legislation perceived as weakening the national Anti-Corruption Commission (KPK) sparked widespread protests in late 2019.

⁷ The 2020 Global Social Mobility Index places Indonesia in the lowest quintile for social mobility, ranking it 67th out of 82 countries surveyed. See World Economic Forum, 2020. "The Global Social Mobility Report 2020."

http://www3.weforum.org/docs/Global_Social_Mobility_Report.pdf

⁸ Bertelsmann Stiftung, 2018. "BTI 2018 Country Report — Indonesia." Gütersloh: Bertelsmann Stiftung, p. 3-4.

- Rising tensions between identity groups, especially around religion, ethnicity, and indigenous/migrant identity, often fueled by perceptions of inequality or preferential treatment of one group over another
- The appropriation of community land for natural resource extraction, agribusiness, and economic development activities, the pace of which has been intensified by a new government emphasis on infrastructure development
- Grievances around land use and land appropriations, amplified by perceptions that citizens are excluded from decision-making around local development priorities, as well as perceptions that government is corrupt and beholden to corporate and political interests at the expense of community well-being
- Vertical conflicts (government and/or corporations versus communities) increasingly complicated by vertical tensions (intra-communal conflict) when religious groups or political factions become involved in defending one side against another
- Perceptions that the benefits of development are not being distributed equally and that economic inequality is growing, including inequalities between rich and poor, between Java and the country's outer islands, between migrants and indigenous people, and between ethnic and religious groups

While these grievances, in and of themselves, do not necessarily lead to conflict, they erode trust in government, diminish the ability of communities to work together peacefully for development, and make people more vulnerable to the messaging of key actors, including political parties, mass organizations, religious groups, ethnic organizations, and paramilitary groups, who are attempting to recruit others to engage in violent action. The presence of these underlying grievances generates latent instability that has the potential to escalate into more heated conflict in the presence of triggering events – a risk that some assessment respondents described as *api dalam sekam*, the “fire that smolders in the rice husks,” whose coals may ignite into open flame when they are given more air and fuel. Potential trigger events are many and varied, and include elections, controversial legislation, natural disasters (especially when they are poorly managed), outbreaks of disease, and incidents of violence that spark rumors and scapegoating. These grievances are often amplified by inflammatory media and social media messaging, which increases the risk of localized social conflict broadening its scope and escalating in intensity. Additionally, grievances are often deep-rooted in the perceptions of social groups, and may persist even after development interventions have been successful in narrowing economic or service gaps. This means that a multi-pronged approach to conflict mitigation is essential, focusing not only on addressing grievances but also on strengthening governance and building community resilience to violence.

In addition to investigating community grievances, the assessment team identified a set of factors that, taken together, provide the structural conditions for conflict to persist and escalate. These include:

- A lack of transparency and civil society participation, along with persistent corruption and political influence in spatial planning, land-use decision-making and permitting processes for natural resource extraction, agribusiness, and infrastructure development activities
- Limited capacity of government, CSOs, and the private sector to effectively resolve conflict, limited and unreliable data on conflict prevalence, as well as overlapping authority and contradictions in the legal and regulatory frameworks for addressing conflict
- Challenges with decentralization, including overlapping regulations, problems with local implementation of national regulations, and national pushback against local regulations, which

undercut the effectiveness of legislative and policy reforms and amplify citizen perceptions of government ineffectiveness and unresponsiveness

- Heavy-handed security responses to conflict by the Government of Indonesia (Gol), which have provoked conflict escalation, especially in the face of heightened citizen awareness of rights
- The use of violence to protect corporate and political interests, including by private security and mass organizations, which has normalized violence as a tool of power
- The criminalization of peaceful citizen resistance to land appropriation and resource extraction activities that damage livelihoods and environments, which escalates tensions and limits opportunities for peaceful dialogue
- A Gol and donor emphasis on countering violent extremism (CVE) without equivalent attention to the challenges of ensuring peaceful, resilient inter-faith communities, especially in religiously diverse areas of Indonesia

USAID/Indonesia has an important role to play in supporting the Gol in its ongoing efforts to strengthen governance and ensure citizen security, while supporting the development of new conflict resolution frameworks and programs.

While the assessment findings underscore the importance of paying serious attention to the risk of conflict in Indonesia, the situation in Indonesia is far from bleak. The assessment also found mitigating factors helping to decrease the risk of conflict, including histories of inter-ethnic and inter-religious tolerance; limited access to small arms and light weapons; a vibrant and networked civil society working towards peace, equity, and human rights; and local-level cross-cutting social ties and traditional institutions that often mitigate against conflict escalation. As the report discusses, there are a number of promising national and local government initiatives with the potential to minimize conflict escalation, including efforts to protect the rights of indigenous people to land, encourage transparency in spatial planning, combat corruption, and mitigate the risks of violent extremism. Additionally, the past years have witnessed increasing awareness on the part of government, civil society, and the private sector of the tremendous economic, social, and political costs of conflict. USAID/Indonesia is well-positioned to help channel an expanding reservoir of political will to further conflict mitigation goals and promote conflict sensitivity principles as Indonesia pursues crucial development objectives.

STRATEGIC RECOMMENDATIONS

In response to the conflict dynamics identified in the assessment, this report offers a set of specific recommendations for USAID/Indonesia. USAID is encouraged to consider the following strategic directions:

Support efforts to address the citizen grievances that are driving conflict. Continue to support the Gol in its efforts to increase transparency, good governance, and civil society participation in land use decision-making and permitting, with an emphasis on tracking reductions in conflicts over land and natural resource extraction. Promote a “CVE-plus” focus that would include a robust emphasis on inter-religious peacebuilding and the importance for communities in religiously diverse contexts to build resilience to inflammatory messaging that escalates conflict. Ensure that economic growth activities are designed and implemented with a conflict sensitive focus on minimizing the economic inequalities that help drive tensions between identity groups.

Encourage efforts to address the structural conditions that enable conflict to persist and escalate.

Partner with national and local governments to address the challenges of overlapping and contradictory legal, regulatory, and policy frameworks for land tenure and natural resource exploitation. Continue to support anti-corruption efforts as well as efforts to strengthen inclusive citizen participation in decision-making processes related to local economic and infrastructure development, spatial planning, and land use. Support efforts to counter online hate speech and rumormongering while promoting GoI policies that protect freedom of expression and the peaceful expression of citizen grievances. Strengthen civil society's capacity to monitor and address abuses by the security apparatus.

Provide technical assistance to strengthen national and local conflict resolution infrastructures. Prioritize the ongoing collection of accurate and comprehensive data on conflict prevalence and key conflict dynamics to enable USAID/Indonesia and its partners to engage in conflict sensitive development planning and to evaluate the effectiveness of interventions designed to address conflict drivers. Partner with GoI, civil society, and private sector actors to ensure conflict resolution efforts are designed and implemented in ways that minimize overlapping authority and contradictory regulations and adhere to best practices for sustainable conflict mitigation and resolution. Leverage the conflict mitigation potential of key government initiatives, including regulations protecting the rights of indigenous people, promoting inclusive participation in conflict resolution efforts, and ensuring transparency in spatial planning, land use, and permitting.

Collaborate with the private sector to promote conflict sensitive investment. Private sector development has a mitigating impact on conflict when it distributes economic benefits in ways that are perceived as equitable and when it undercuts the ability of corrupt and/or hyper-partisan government actors to mobilize supporters through patronage politics.⁹ However, economic growth efforts have not always been planned and implemented with an eye to conflict sensitivity. USAID/Indonesia is encouraged to partner with the private sector to measure, evaluate, and demonstrate the benefits of conflict-sensitive economic growth and to minimize the economic costs of conflict.

Integrate conflict sensitive approaches across development objectives and technical sectors and throughout the program cycle. The aim of conflict sensitivity is to minimize the potential of development interventions to do harm by exacerbating conflict, while maximizing their contributions to conflict mitigation and peacebuilding. Because conflict contexts are often dynamic and shifting, conflict sensitivity requires ongoing efforts to track these interactions and respond adaptively to minimize negative effects.¹⁰ USAID/Indonesia is encouraged to integrate conflict sensitive approaches across development objectives and technical sectors and throughout the program cycle. USAID/Indonesia is recommended to monitor conflict contexts and integrate conflict sensitivity considerations into project and activity design and monitoring, evaluation, and learning. The Mission is also encouraged to develop a core group of staff with expertise in conflict sensitivity and to collaborate with USAID/CMM to implement conflict sensitivity best practices across Mission portfolios.

The strategic recommendations included in this report should not be considered exhaustive. USAID/Indonesia is encouraged to draw on the assessment's analysis of key conflict dynamics, as well as

⁹ See The World Bank, IEG Insights: The Private Sector in Fragile and Conflict Affected States. https://ieg.worldbankgroup.org/sites/default/files/Data/reports/ieginights_psd.pdf

¹⁰ For an example of USAID's conflict sensitivity framework, see USAID Office of Conflict Management and Mitigation, 2016. "Conflict Sensitivity in Food Security Programming." <https://www.usaid.gov/sites/default/files/documents/1866/Conflict-Sensitivity-in-Food-Security-Programming.pdf>

its own operational filters, including available resources, timelines, and priorities, to make final programming decisions. Each strategic recommendations provides multiple opportunities for specific programming, which are discussed in more detail in the Recommendations section below.

OVERVIEW OF THE ASSESSMENT

The Indonesia Strategic Assessment was conducted from December 2019 to February 2020, with fieldwork taking place in January 2020. The purpose of the strategic assessment was to: 1) help the United States Agency for International Development (USAID)/Indonesia better understand the Indonesian context and its impact on the Mission's ability to achieve key programmatic results; 2) inform the design of USAID/Indonesia's new Country Development Cooperation Strategy (CDCS); and 3) recommend programmatic approaches to address key findings.

WHY FOCUS ON CONFLICT?

Mitigating, managing, and responding to conflict are priorities for USAID assistance and crucial to supporting countries along the Journey to Self-Reliance. While armed conflict clearly has the most deleterious impacts on development – indeed, the World Bank has called it “development in reverse”¹¹ – other forms of conflict, including social conflict, political conflict, religious conflict, ethnic conflict, and conflict over land and resources, may also derail a country's progress to self-reliance. Non-violent conflict, in which parties perceive themselves to have incompatible interests, may escalate into violence, especially when triggers, such as one party's escalation of tensions, inflammatory media reports, natural disasters, or abuses of power shift conflict dynamics towards violence. Even when violence is not present, the perceptions of exclusion, inequity, or marginalization that often underlie social conflict can result in grievances towards the perpetrating institutions or groups, generating instability that has the potential to undermine development gains. Conflict also has economic and political costs, diverting resources away from development, slowing economic growth, and limiting the advancement of democracy. Several studies have attempted to quantify the high costs of conflict in Indonesia. One study estimating the cost of conflict in the Indonesian palm oil sector calculated that the tangible costs to plantation companies of social conflict are equal to 65% of total operational costs per hectare, with the intangible costs (including reputational damage, security costs, and violence to people and property) amounting to USD\$600,000 to \$9,000,000 per conflict event.¹² Turning a broader lens on the diverse forms of conflict that impact Indonesia, the Global Peace Index (GPI), which measures both direct and indirect costs of violence and conflict, estimates a total economic cost to Indonesia of 2% of GDP.¹³

USAID's Office of Conflict Management and Mitigation (CMM) focuses on both violent conflict and social conflict, including conflict over identity, religion, resources, land, and political power. All forms of conflict have the potential to derail a country's progress on the Journey to Self-Reliance by diverting resources away from development, undermining citizen trust in government, and generating grievances with the potential to disrupt stability and economic growth.

¹¹ The International Bank for Reconstruction and Development/The World Bank, 2003. “Breaking the Conflict Trap: Civil War and Development Policy.” http://documents.worldbank.org/curated/en/908361468779415791/310436360_200500070100031/additional/multi0page.pdf

¹² Barreiro, Virginia, Mohiburrahman Iqbal, Godwin Limberg, Rauf Prasodjo, Aisyah Sileuw and Jim Schweithelm, 2016. “The Cost of Conflict in Oil Palm in Indonesia.” Daemeter Consulting. http://daemeter.org/en/publication/detail/63/Cost-of-Social-Conflict-in-Oil-Palm#_WJzaVZi5Efi

¹³ Institute for Economics and Peace, 2019. “Global Peace Index 2019.” The GPI's methodology for accounting the economic impact of violence and conflict aggregates 17 indicators that relate to public and private expenditure required to contain, prevent and deal with the consequences of violence. The model includes both direct and indirect costs of violence and divides them into three domains; (1) security services and prevention oriented costs, (2) armed conflict related costs and (3) consequential costs of interpersonal violence. Examples of direct costs include medical costs for victims of violent crime, capital destruction from violence, and costs associated with security and judicial systems. Indirect costs are economic losses that result from violence. For example, this may include the decreased productivity resulting from an injury, lost lifetime economic output of the victim of a murder, and the yearly reduced economic growth resulting from a prolonged war or conflict.

While conflict is often assumed to be a challenge most closely allied with USAID’s commitments to democracy, human rights, and governance (DRG), it is important to emphasize that the impacts of conflict, as well as conflict drivers and triggers, can be found in all development sectors, including health, education, and environment. For example, conflict has damaging impacts on health when it prevents people from seeking care or when it leads to discrimination in service delivery. Conversely, when health services are implemented in ways that strengthen citizens’ grievances toward the government or bolster their perceptions that their identity group is marginalized, conflict can intensify. In the education sector, deficits in the educational system’s capacity to prepare youth for productive work or a curriculum that validates the perspectives of some religious or identity groups over others may have negative impacts on conflict dynamics, which in turn may limit equal access to education. In the environment sector, conflict may have damaging impacts on forests, biodiversity, air, and water, while climate change and environmental degradation may intensify pressures on scarce resources, exacerbating conflict. For USAID, this means that an understanding of conflict dynamics is vital for all technical sectors to minimize the potential for interventions to create unintended harms and maximize the potential for development to contribute to peacebuilding goals.

OBJECTIVES AND METHODOLOGY

A four-member team conducted the Indonesia Strategic Assessment using the Conflict Assessment Framework (CAF) 2.0 from USAID’s Office of Conflict Management and Mitigation (CMM) as its methodology.¹⁴ The CAF 2.0 framework assisted the assessment team with gathering information on current and potential conflict dynamics in Indonesia, how conflict may impact USAID’s ability to achieve key programmatic results, and how USAID may be able to address the drivers of conflict in its future programming. The team consulted with national-level experts in Jakarta before conducting fieldwork in five provinces identified by USAID/Indonesia as potential priorities under its new CDCS: East Java, East Nusa Tenggara East Nusa Tenggara (Nusa Tenggara Timur or NTT), East Kalimantan, South Sulawesi, and Papua. Throughout the assessment, the team paid attention to how USAID can support Indonesia on its journey to self-reliance.

The scope of work for the Indonesia Strategic Assessment included a request for attention to a series of key issues in the target provinces:

1. Through a political economy analysis, identify the key/most salient political, economic, and cultural contextual factors in each target geography that could positively or negatively affect USAID activities and how USAID interventions could exacerbate or alleviate existing issues.
2. Due to the importance of decentralization for Indonesia’s political economy, identify current and potential economic winners and losers and associated incentives and disincentives for corruption as well as transparency and good governance. In addition, identify how the aforementioned impact USAID potential development activities and engagement with political actors and beneficiaries.
3. Due to the importance of inclusive economic growth, in particular on the communities of Indonesia, analyze the impact (politically, culturally, and economically) of labor demographic changes, migration flows (including transmigration) in target areas, and infrastructure investments in specific geographies.

¹⁴ USAID, 2012. “Conflict Assessment Framework, Version 2.0.” https://pdf.usaid.gov/pdf_docs/pnady739.pdf

4. In Papua, identify the role of autonomy and how the use of the Special Autonomy Fund (SAF) impacts development initiatives and investments, community perceptions, and local economics. If special autonomy/the SAF ends as planned, what impact will the loss of these funds indicate for the future of this sensitive autonomous region?

Prior to arrival in country, the assessment team produced a Desk Study that helped to guide the development of lines of inquiry for fieldwork. Upon arrival, the team spent a week consulting with experts in Jakarta, including respondents from academia, international organizations, non-governmental organizations (NGOs), and civil society organizations (CSOs), representing both USAID implementing partners (IPs) and non-IPs. The team then split into two sub-teams to conduct fieldwork in the target provinces. Sub-teams spent six days in Papua province, six days in East Java province, six days in NTT, four days in South Sulawesi and four days in East Kalimantan. During fieldwork, the assessment team consulted with a range of key respondents and stakeholders, including: government officials at the national and local levels; CSOs and NGOs; academic experts; researchers; religious and traditional leaders; political party representatives; USAID IPs; businesspeople; farmers; fishers; women's groups; youth; conflict resolution practitioners; and people impacted by conflict. In total, the team conducted 83 interviews and focus groups with a total of 148 respondents. The assessment did not evaluate specific USAID/Indonesia projects or activities but instead focused on generating data that could be used to plan and prioritize future development efforts.

While the team is confident in the findings, conclusions, and recommendations drawn from the data it collected, it is important to note the limitations of this assessment. Due to the abbreviated data-collection timeframe, coupled with the broad scope of work, the assessment team could not explore all issues in equal depth in each province. In addition, experts consulted for the assessment raised serious concerns about the quality of data (including demographic data, migration data, and conflict prevalence data) available at the sub-national level, which made the triangulation of findings challenging.¹⁵ Given these limitations, USAID/Indonesia is advised to consider further targeted analyses in the provinces it has identified as a priority under the new CDCS.

INDONESIA: OVERVIEW

Indonesia is an island country situated in Southeast Asia. Its 2018 population was estimated at just under 263,000,000, making it the world's fourth most populous country, the world's third largest democracy, and home to the world's largest number of Muslims. The country spans an archipelago of over 17,000 islands, sharing land borders with Malaysia and Brunei on the island of Borneo, Papua New Guinea on the island of Papua, and Timor Leste on the island of Timor, as well as maritime borders with Singapore, Malaysia, Vietnam, the Philippines, Palau, and Australia. The capital city is Jakarta, on the island of Java, although there are plans to move the capital to the province of East Kalimantan, on the island of Borneo.¹⁶ The country is divided administratively into 34 provinces and 514 second-level administrative

¹⁵ For example, in East Nusa Tenggara, data from the provincial Central Statistics Board states that 1,739 migrant workers left the province in 2017, most of them destined for Malaysia. (Central Bureau of Statistics Province of Nusa Tenggara Timur, 2019. "Nusa Tenggara in Figures, 2018.") However, data from a forthcoming study conducted by Ledalero Institute of Philosophy in Flores, based on a household sampling method, estimates the correct figure to be more than 100 times higher, or approximately 200,000 people a year, a discrepancy that may be attributed to the high levels of irregular migration through non-official channels (Interview with Ledalero faculty, January 29, 2020, Maumere, Flores, NTT). Other assessment respondents urged caution with the use of sub-national data on land use allocation due to a lack of transparency and overlapping authority around permitting, as well as with sub-national data on human development indicators. USAID/Indonesia is thus advised to use sub-national data with caution.

¹⁶ The New York Times, 2019. "Indonesia's Capital is Sinking, Polluted and Crowded. Its Leader Wants to Build a New One." August 26, 2019. <https://www.nytimes.com/2019/08/26/world/asia/indonesia-capital-jakarta-borneo.html>

units (cities, municipalities, and districts). Indonesian is the official language of the country, used for administrative purposes and in educational institutions and media. Only 7% of the population speak Indonesian as their first language, instead using one or more of the over 300 local languages also spoken in the country.¹⁷

Indonesia declared its independence from Dutch colonial rule in 1945, and during its first five decades as a nation it was led by two presidents, Sukarno (1945-1967) and Suharto (1967-1998). Former President Suharto's 32-year military-backed regime, called the New Order, was renowned for its corruption¹⁸ and its use of state-sponsored violence and oppression to ensure its power. After Suharto stepped down from the presidency following robust civil society protests, Indonesia embarked on an ambitious program of democratic reform and decentralization, limiting the power of the military to engage in domestic affairs and devolving power from Jakarta to its provinces, headed by directly-elected governors and regional assemblies. After three decades of control by the government political party and two minority opposition parties, Indonesia became a multi-party democracy in 1999, with nine parties now occupying seats in the national Parliament. In April 2019, Joko Widodo (popularly known as Jokowi) won re-election to a second term as Indonesia's president in the fourth presidential election of the reform period.¹⁹

CONTEXT: SOCIAL DYNAMICS

RELIGION

Indonesia's 2010 national census identified 87% of the country as Muslim, 7% Protestant, 3% Catholic, and 1.5% Hindu.²⁰ The Muslim population is majority Sunni, with minority populations of Shiites (1-3 million) and Ahmadis (200,000-400,000), the latter of whom are banned from proselytizing in Indonesia.²¹ An estimated 20 million Indonesians follow traditional religious practices (*aliran kepercayaan*), often in combination with Islam or Christianity.

Religious freedom is constitutionally protected, although the government extends recognition to only six religions: Islam, Catholicism, Protestantism, Buddhism, Hinduism, and Confucianism. Indonesia also has a long history of interfaith cooperation and tolerance, both at the community level, where adherents of different religions have often lived side by side, and at the state level, where officially recognized religions have representative offices within the Ministry of Religion. The Government of Indonesia (GoI) promotes the state ideology of Pancasila (the five principles of belief in God, nationalism, humanitarianism, democracy, and social justice) as the cornerstone of its commitments to religious pluralism.

More recently, however, religious differences have become increasing points of contention. The past decade has seen a rise in levels of discrimination and harm towards religious minorities in the country.²²

¹⁷ University of Wisconsin, "Indonesian." <https://asian.washington.edu/fields/indonesian>

¹⁸ BBC News, 2004. "Suharto Tops Corruption Rankings."

¹⁹ The Jakarta Post, 2019. "KPU Names Jokowi Winner of Election." May 21, 2019. <https://www.thejakartapost.com/news/2019/05/21/kpu-names-jokowi-winner-of-election.html>

²⁰ US Department of State, 2018. "International Religious Freedom Report: Indonesia."

²¹ Ibid.

²² While measures of discrimination and intolerance towards religious minorities in Indonesia differ in their methodologies and conclusions, analyses produced by non-governmental organizations consistently demonstrate that intolerance is an increasingly troubling issue impacting both Indonesian politics and everyday life (see Sandra Hamid, 2018. "Normalizing Intolerance: Elections, Religion, and Everyday Life in Indonesia." Centre for Indonesian Law, Islam and Society Policy Paper. <https://law.unimelb.edu.au/centres/cilis/research/publications/cilis-policy-papers/normalising-intolerance-elections,-religion-and-everyday-life-in-indonesia>.) However, the Ministry of Religious Affairs has issued its own index claiming to measure interfaith harmony across Indonesia's provinces, concluding from its data that harmony measures are "high" to "very

Despite calls for religious tolerance by Indonesia's president and human rights groups, national and local governments have not always protected religious minorities from a climate of increasing intolerance. The U.S. Department of State's International Religious Freedom Report for 2018 states that "government officials and police sometimes failed to prevent 'intolerant groups' from infringing on others' religious freedom and committing other acts of intimidation, such as damaging or destroying houses of worship and homes" and that "police did not always actively investigate and prosecute crimes by members of 'intolerant groups.'"²³ The 2010 decision of the Indonesian Constitutional Court to uphold the legality of the so-called Blasphemy Law, which criminalizes religious speech deemed unorthodox, has led to a sharp rise in the legal prosecution of religious minorities, including the case of former Jakarta governor Basuki "Ahok" Purnama, a Christian, who in 2017 was sentenced to two years in jail on blasphemy charges. The Blasphemy Law is expected to be expanded and strengthened in the new Criminal Code currently under review.²⁴ Decentralization has given local government more power to enact discriminatory local regulations, with hundreds of regional bylaws, enacted in the name of "protecting local tradition" or inspired by Islamic law, limiting the rights of women and religious minorities.²⁵ There have been dozens of cases of local authorities refusing permission to minority groups to build houses of worship.²⁶ Legislation passed in 2006 requires each local administrative unit to have a "Religious Harmony Forum" (*Forum Kerukunan Umat Beragama* or FKUB) whose membership consists of religious leaders in proportions corresponding with local religious demographics. These FKUBs are empowered to approve or deny requests to build houses of worship, but their composition means that, in practice, their actions reflect the priorities of the majority, often at the expense of minorities.²⁷ In 2018, the Jakarta Prosecutor's Office came under fire from human rights groups for launching an app that would allow users to report cases of blasphemy and "deviant teachings," including those of Shia and Ahmadiyah groups.²⁸ In 2019, the decision of Indonesia's President Joko Widodo to court conservative Islamic support by choosing controversial cleric Ma'aruf Amin as his vice presidential running mate raised new concerns about the government's commitment to the rights of religious minorities. Under Amin's leadership, the Indonesia Ulama Council (MUI) issued fatwas against Shia Islam and the Ahmadiyah religion, as well as a 2016 fatwa declaring former governor Ahok to have insulted the Qur'an, which laid the groundwork for his blasphemy conviction.²⁹

VIOLENT EXTREMISM

The potential for violent extremism (VE) is of serious concern in Indonesia. Following the 2013 declaration of the ISIS caliphate, estimates placed the number of Indonesians departing to join ISIS in Syria and Iraq between 2013 and 2017 at 800,³⁰ with an estimated 500 Indonesians remaining in Syria

high" across the country and that levels of harmony rose between 2018 and 2019 (Tirto.id, 2019. "Kemenag Sebut Indeks Kerukunan Umat Beragama 2019 Meningkatkan" (Ministry of Religious Affairs Says that the Religious Harmony Index Increased), December 11 2019. <https://tirto.id/kemenag-sebut-indeks-kerukunan-umat-beragama-2019-meningkat-engk>).

²³ United States Department of State 2018, "Indonesia 2018 International Religious Freedom Report."

²⁴ Human Rights Watch, 2019. "Indonesia to Expand Abusive Blasphemy Law." <https://www.hrw.org/news/2019/10/31/indonesia-expand-abusive-blasphemy-law>

²⁵ Jack Britton, 2018. "The Rise of Discriminatory Bylaws." *The Diplomat*, December 8, 2018.

²⁶ US Department of State, 2018. "International Religious Freedom Report: Indonesia."

²⁷ Human Rights Watch, 2018. "'Religious Harmony' Principle Backfires in Indonesia." <https://www.hrw.org/news/2018/04/23/religious-harmony-principle-backfires-indonesia>

²⁸ Human Rights Watch, 2018. "Indonesia Launches 'Snitch' App Targeting Religious Minorities." <https://www.hrw.org/news/2018/11/30/indonesia-launches-snitch-app-targeting-religious-minorities>

²⁹ Freedom House, 2019. "Freedom in the World 2019: Indonesia." <https://freedomhouse.org/report/freedom-world/2019/indonesia>

³⁰ Schulze, Kirsten and Joseph Chinyong Lioiw, 2018. "Making Jihadis, Wajing Jihad: Transnational and Local Dimensions of the ISIS Phenomenon in Indonesia and Malaysia." *Asian Security*. doi: 10.1080/14799855.2018.1424710

and Iraq as of January 2017, 300 of these dependents.³¹ Indonesia was number two (behind Russia) in numbers of nationals arrested in Turkey trying to join ISIS, with a total of 435 through July 2017.³² While these numbers represent a very tiny minority for a country with over 260 million people, Indonesians comprised the largest Southeast Asian group fighting with ISIS. Some of the Indonesians returning from ISIS-held territories underwent brief de-radicalization programs in shelters run by the National Agency for Combatting Terrorism or the Ministry of Social Affairs, but returnees were not automatically detained unless they were believed to have violated Indonesian law, and monitoring of ISIS returnees has been dependent upon varying local police resources and capacity.³³ De-radicalization efforts were thwarted by the Counter Terrorism Act of 2003 (*UU No. 15/2003 Tentang Pemberantasan Tindak Pidana Terorisme*), which did not provide a legal framework for mandatory de-radicalization programming. In February 2020, the Gol announced a decision not to repatriate 689 Indonesians who had joined ISIS, citing the dangers of terrorism their return would pose.³⁴

Jakarta's first major terrorist attack since 2009 occurred in January 2016 and was officially claimed by ISIS but organized by the local pro-ISIS group Jemaah Ansharul Khilafah (JAK).³⁵ In May 2018, the ISIS-affiliated Jemaah Ansharut Daulah (JAD) carried out a series of deadly attacks in East Java, West Java, and Riau. While overall support for ISIS and for VE violence remains low in the country (a 2015 Pew study estimated a 4% favorability rating among the general population), the sheer size of the population, as well as a political climate increasingly favorable to Islamist movements, makes Indonesia of concern for regional security.

Following the May 2018 attacks, the Indonesian Parliament fast-tracked approval of amendments to the law which included lengthening detention periods for suspected terrorists to more than two years from arrest to trial; giving the military a newly expanded role in domestic counter-terrorism; strengthening the ability for the state to prosecute radical clerics who inspire terror acts and those who traveled abroad to join ISIS; and expanding the definition of terrorism to include disruptions to security. During the assessment, human rights defenders raised concerns about the powers the new law gives to the military, the excessively broad definition of "terrorism" it relies upon, the surveillance powers it gives to the government, and the potential for the law to be used to target legitimate religious expressions as threats to security.³⁶

RELIGIOUS CONFLICT AND COMMUNITY RESILIENCE

During the assessment, respondents echoed many of the concerns raised by human rights observers about the need for stronger legal protections for religious minorities, especially in religiously diverse provinces such as Papua, East Nusa Tenggara (NTT), and East Java. In these provinces, respondents shared examples of violence and discrimination perpetrated against minorities, as well as perceptions that issues of religious identity have become increasingly volatile and are often used to motivate

³¹ McBeth, John 2017. "Inside the Cauldron of Indonesian-ISIS Terror." Asia Times, January 17, 2017.

³² Wockner, Cindy, 2017. "Indonesia in Number Two on Worldwide List of Foreign Islamic State Jihadists Arrested in Turkey." *News Corp Australia Network*, July 14, 2017. <http://www.news.com.au/world/asia/indonesia-in-number-two-on-worldwide-list-of-foreign-islamic-state-jihadists-arrested-in-turkey/news-story/75f00d11a254935fb49a9925c379c25e>

³³ Ibid.

³⁴ South China Morning Post, 2020. "Indonesia's Decision Not to Repatriate Ex-ISIS Members Welcomed by Former Militants." February 11, 2020. <https://www.scmp.com/week-asia/politics/article/3050081/indonesias-decision-not-repatriate-ex-isis-members-welcomed>

³⁵ Schulze, Kirsten and Joseph Chinyong Lioiw, 2018. "Making Jihad, Waging Jihad: Transnational and Local Dimensions of the ISIS Phenomenon in Indonesia and Malaysia." *Asian Security*.

³⁶ See Human Rights Watch, 2018. "Indonesia: New Counterterrorism Law Imperils Rights." <https://www.hrw.org/news/2018/06/20/indonesia-new-counterterrorism-law-imperils-rights>; Human Rights Watch 2018, "Letter on Indonesia's Counterterrorism Law." <https://www.hrw.org/news/2018/06/20/letter-indonesias-new-counterterrorism-law>

supporters of political campaigns. Respondents also shared concerns that incidents that take place at the national or even international level have the potential to trigger violence locally. For example, in NTT, reports of Christian church closures in Jakarta, as well as the conviction of former Jakarta governor Ahok, led to backlash and violence against NTT's minority Muslim communities. Similarly, in East Java, news of Chinese discrimination against Uighurs triggered protests by the Islamic Defender's Front (FPI), an extremist group that until recently has gained little traction in the province, along with fears of violence against the province's substantial ethnic Chinese minority. Assessment respondents shared worries about continuing threats of VE, especially in majority-Christian areas in NTT as well as in Papua, where there have been fears of VE activity following the 2019 arrest of suspected members of JAD.³⁷ They also expressed serious concerns that religiously motivated violence or discrimination occurring either locally or elsewhere in the archipelago could do grave damage to local inter-religious relations, especially given the power of social media to rapidly spread inflammatory news and rumors. At the same time, assessment respondents also highlighted effective civil society efforts to promote interfaith cooperation, with many respondents emphasizing the important role youth play in efforts to build community resilience to both VE messaging and attempts to mobilize communities around hostile or discriminatory religious narratives. They also shared experiences of communities working across religious lines to collaborate on efforts to achieve shared goals through farmer's groups, irrigation collectives, women's groups, school groups, and ethnic associations. These findings point to important opportunities for USAID/Indonesia to leverage existing interfaith efforts and to include an inter-religious peacebuilding focus in existing projects and activities. While it appears certain that the Gol and its donor partners will need to continue to support targeted countering violent extremism (CVE) programs, the assessment made clear that, especially as USAID/Indonesia directs its regional focus towards a number of religiously diverse provinces, more effort is needed to promote inter-religious tolerance and collaboration, and to ensure that diverse communities are resilient to triggering events, including VE.

GENDER

The assessment also considered the gender dynamics of conflict, including the gender-specific impacts of conflict, violence, and violent extremism on men, women, and people identifying as lesbian, gay, bisexual, transgender, and intersex (LGBTI), as well as the role of gender in peacebuilding. Gender equality is mandated by Indonesia's constitution,³⁸ and the Gol has created a Ministry of Women's Empowerment and Child Protection, as well as a National Commission on Violence Against Women (Komnas Perempuan). It has strengthened its commitments to gender equity through legislation combatting human trafficking, promoting women's political participation, and ensuring protection for victims of violence.³⁹ Gender gaps in the education and health sectors have narrowed substantially, and the Gol has been a signatory to key international agreements, including UN Security Council Resolution 1325 on Women, Peace, and Security. Despite these positive measures, Indonesia still struggles to overcome gender inequality.⁴⁰ On the 2018 UNDP Gender Inequality Index, Indonesia scored a value of 0.451,

³⁷ AP News, 2019. "Police Arrest 7 Suspected Militants in Indonesia's Papua." December 14, 2019.

<https://apnews.com/a955786d587cd1f672e1ea3a96576913>

³⁸ UN Women, "Constitution of the Republic of Indonesia 1945, as amended to 2002." Global Gender Equality Constitutional Database."

<https://constitutions.unwomen.org/en/countries/asia/indonesia>

³⁹ Komnas Perempuan's 2019 report to the UN Commission on the Status of Women provides further detail on legislative and policy accomplishments related to gender equity. See Komnas Perempuan, 2019. "National Human Rights Institution Independent Report on 25 Years of Implementing the Beijing Platform for Action in Indonesia."

⁴⁰ The World Economic Forum's Global Gender Gap report for 2020 offers the following overview: "Indonesia retains its 85th position on the Global Gender Gap Index, despite a small improvement in its score (70.0, up 1 percentage point). The country has closed 70% of its gender gap. The economic gap remains large but has narrowed considerably since 2006. For example, in the last year alone, Indonesia jumped 28 places

ranking it 103 out of 162 countries.⁴¹ Only 17.4% of parliamentary seats are held by women, down from a high of 19.8% in 2017.⁴² Female participation in the labor market is 51% compared to 83% for men.⁴³ Indonesia also faces challenges from the spread of gender discriminatory messaging, including pressures on women to conform to conservative ideas about Islamic piety.⁴⁴

GENDER-BASED VIOLENCE

Gender-based violence (GBV) is a serious problem in Indonesia, with a 2016 nationwide survey conducted by Indonesia's Central Statistics Agency (BPS) finding that 33% of Indonesian women have experienced physical and/or sexual intimate partner violence (IPV) during their lifetime, with 15.3% of respondents having experienced sexual violence.⁴⁵ The government has taken steps to address GBV, including the issuance of Domestic Violence Law Number 23 in 2004, which recognizes IPV as a human rights violation and provides for the creation of special victims' units within the police. However, IPV victims remain stigmatized and law enforcement is often weak.⁴⁶ Recent attempts to increase legal protections for survivors of sexual violence (SV) have faltered, with a Draft Law on the Elimination of Sexual Violence facing backlash from conservative Islamic groups, including the Prosperous Justice Party (PKS), who claimed it legitimizes consensual extra-marital sex and undermines families by strengthening provisions criminalizing marital rape.⁴⁷

While data is lacking on whether GBV prevalence is higher in conflict-affected communities, the assessment found indications that women have been targeted for sexual violence by parties to conflict, including state security forces, as a means of intimidating communities who challenge power.⁴⁸ In Papua province, credible reports have emerged of state security forces using rape and sexual torture against indigenous people.⁴⁹ In East Java, assessment respondents claimed that women participating in protests against mining and land dispossession had been targeted for sexual violence, including rape, by security

on the Economic Participation and Opportunity subindex rankings (68.5%, 68th), constituting one of the most significant improvements on this dimension globally. Indonesia boasts the world's largest share (55%) of senior and leadership roles held by women and is one of the six countries in the world where a majority of such roles are held by women. On the other hand, the low share of women (54%) participating in the labor market and significant difference in income distribution (female earned income is half that of men) continue to weigh on the country's performance on this subindex. Both the educational and health gender gaps have nearly closed (scores of 97.0 and 97.4% on the respective subindexes). However, small imbalances persist in terms of literacy rates (94% among women compared with 97% among men) and primary enrolment rate (91% versus 96%), although levels are extremely high and rising for both sexes. Whereas the trends are overwhelmingly positive in the economic, health and educational spheres, the political gender gap has widened slightly, from a low base (17.2%, 82nd down 22 places). This results from weaker female representation in parliament (17.4%, down from 19.8%) and in the cabinet (24%, down from 26%).” World Economic Forum, 2020. “Global Gender Gap Report 2020.” http://www3.weforum.org/docs/WEF_GGGR_2020.pdf

⁴¹ UNDP 2019. “Inequalities in Human Development in the 21st Century: Indonesia.” http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/IDN.pdf

⁴² World Bank Gender Data Portal, 2019, “Proportion of Seats Held by Women in Parliaments (%) – Indonesia.”

⁴³ World Bank Gender Data Portal, 2019, “Labor Force Participation Rate (% of population ages 15+, modeled ILO estimate.)”

⁴⁴ Management Systems International, 2018. “Harmoni: Toward Inclusion and Resilience: Gender Action Plan.” USAID/Indonesia Cooperative Agreement Number 720-497-18-CA-0001, November 30, 2018. Management Systems International, 2017. “USAID/Indonesia Gender Analysis of Countering Violent Extremism.”

⁴⁵ UNFPA, 2017. “New Survey Shows Violence Against Women Widespread in Indonesia.” <https://www.unfpa.org/news/new-survey-shows-violence-against-women-widespread-indonesia>; The Jakarta Post, 2017. “Survey Finds Widespread Violence Against Women.” March 31, 2017. <https://www.thejakartapost.com/news/2017/03/31/survey-finds-widespread-violence-against-women.html>; United States Department of State, 2018. “Indonesia 2018 Human Rights Report.”

⁴⁶ Dina Afrianty, 2018. “Agents for Change: Local Women's Organizations and Domestic Violence in Indonesia.” *Bijdragen tot de taal-, land- en volkenkunde/Journal of the Humanities and Social Sciences of Southeast Asia* 174(1):24-46.

⁴⁷ Al Jazeera, 2019. “Indonesia Sexual Violence Bill Sparks Conservative Opposition.” February 8, 2019.

<https://www.aljazeera.com/news/2019/02/indonesia-sexual-violence-bill-sparks-conservative-opposition-190208062416667.html>

⁴⁸ Interview, Jakarta, January 14, 2020; Interview, East Java, January 22, 2020; Interview, Papua, January 21, 2020.

⁴⁹ AJAR (Asia Justice and Rights), 2019. “I am Here: Voices of Papuan Women in the Face of Unrelenting Violence.” <https://asia-ajar.org/2019/04/i-am-here-report/>; London School of Economics, “Sexualised Violence and Land Grabbing: Forgotten Conflict and Ignored Victims in West Papua.” August 21, 2019. <https://blogs.lse.ac.uk/wps/2019/08/21/sexualised-violence-and-land-grabbing-forgotten-conflict-and-ignored-victims-in-west-papua/>

forces.⁵⁰ In South Sulawesi and East Java, respondents from the LGBTI community described violence and threats of violence perpetrated by both security actors and religious extremist groups. In East Kalimantan, respondents from CSOs stated that there have been cases of sexual harassment and rape being used to intimidate communities that resist the expansion of mining concessions. The National Commission on Violence Against Women notes that there remains a culture of impunity for past cases of state-perpetrated violence against women, including serious abuses of human rights.⁵¹ The Commission also states that in post-conflict areas of Indonesia, including Aceh, Maluku, West Kalimantan, and West Nusa Tenggara, there have been no comprehensive state efforts to address the needs of women survivors, including needs for psychosocial services and support for female-headed households.⁵²

GENDER AND VIOLENT EXTREMISM

Over the past several years, new concerns have emerged around the gender dynamics of violent extremism (VE) in Indonesia.⁵³ Prior to 2016, Indonesia saw few arrests of women on terrorism-related charges.⁵⁴ By 2016, however, these numbers began to increase. Of the 120 terrorism suspects arrested in 2016, eight were women.⁵⁵ The May 2018 terrorist attacks, which included the bombings of Christian churches and a police station in Surabaya, Indonesia's second largest city, directed increased attention to the role of women in VE. The attacks were notable for the role of women in executing violence, with three entire families, including husbands, wives, and children, involved in detonating bombs. Indeed, there have been multiple indications of a new openness on the part of Indonesian Violent Extremist Organizations (VEOs) to women's participation, which have led Indonesia's Institute for Policy Analysis of Conflict (IPAC) to warn that "the need to know more about Indonesian extremist women suddenly has become urgent."⁵⁶ A recent survey⁵⁷ by Indonesia's national survey agency found that women were more unwilling to become radical (80.8%) than men (76.7%). Yet the survey also showed that more women (1 in 10) than men (1 in 13) were likely to be ideologically supportive of VE groups like ISIS and Jemaah Islamiyah.⁵⁸

In addition to concerns about increased women's engagement with VEOs, assessment respondents highlighted the impacts of extremist gender ideologies on women's rights, economic freedoms, and public health. Extremist gender ideologies have begun to spread more broadly throughout Indonesia, calling for a redefinition of "Islamic families" and limitations on women's participation in the public sphere. Conservative groups have championed ideologies that promote male superiority, abstention from contraception, and polygamy. Shifts in child health practices are also evident, such as refusing child vaccinations (in particular measles, mumps, and rubella (MMR) vaccines).⁵⁹ Public debate over child marriage has also divided moderate and ultra-conservative Islamic groups, with the latter opposing

⁵⁰ Interview, East Java, January 22, 2020.

⁵¹ Komnas Perempuan, 2019. "National Human Rights Institution Independent Report on 25 Years of Implementing the Beijing Platform for Action in Indonesia."

⁵² Ibid.

⁵³ USAID/Asia Bureau, 2018. "The Role of Women in Violent Extremism in Asia."

⁵⁴ IPAC, 2017. "Mothers to Bombers: The Evolution of Indonesian Women Extremists," Report No. 35. *Institute for Policy Analysis of Conflict (IPAC)*, January 31. http://file.understandingconflict.org/file/2017/01/IPAC_Report_35.pdf

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ The survey was conducted in October 2017 with 1500 male and female respondents (1:1 ratio) in 34 provinces in Indonesia.

⁵⁸ UN Women, 2018. "Empowered Women, Peaceful Communities." <http://www2.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2018/02/pve-brochure-final-web.pdf?la=en&vs=3112>

⁵⁹ Interview, Jakarta, January 14, 2020.

Indonesia's Marriage Law for setting a minimum age of for marriage.⁶⁰ There are also social media campaigns stigmatizing “career women” as failing to take responsibility for their children. Respondents are concerned these campaigns may have negative impacts on economic growth in heavily conservative regions.⁶¹ Since the early 2000s as part of decentralization in Indonesia, there have been 421 local by-laws, which have included restrictions on women's rights in the name of Islamic morality. The National Commission on Violence Against Women estimates that this is a 273% rise in discriminatory regulations since 2010,⁶² and notes that 70 of these regulations include restrictions on women's clothing, including mandatory veiling in public schools or offices.⁶³

GENDER, CONFLICT, AND PEACEBUILDING

In 2014, Indonesia issued a Presidential Decree in response to United Nations Security Council Resolution 1325 on Women, Peace, and Security.⁶⁴ The decree, entitled “National Action Plan for the Protection and Empowerment of Women and Children during Social Conflicts (RAN P3A-KS),” calls for the protection of women and children during conflict and an increased participation of women in peacebuilding efforts. Indonesia has also issued a National Action Plan for CVE that, with the support of civil society groups, has emphasized the importance of protecting women from VE and integrating attention to gender into prevention efforts. Civil society groups have supported local government with developing gender-sensitive provincial and district-level plans for CVE.⁶⁵ However, critics note that the Gol has been slow to follow through on commitments under the RAN P3A-KS,⁶⁶ and that there has been Gol resistance to using the language of “conflict” to describe Indonesia's domestic conflicts, especially those concerning community grievances against extractive industries, agribusiness, and state infrastructure development projects. This reluctance has made it challenging for women peacebuilders to work effectively with both government and international bodies.⁶⁷

Looking more specifically at land and resource conflict, women are typically marginalized from decision-making around land use; at the same time, they bear the heaviest burden of adapting to new circumstances caused by the expansion of plantations, mining, and infrastructure development projects. Their informal contributions to household provisioning through foraging in forest areas for firewood, fruit, or other foodstuffs may be blocked, requiring them to find new ways to earn cash to feed their families. In areas where plantations, mills, or mines have polluted water sources, they may need to purchase bottled water for drinking and cooking, increasing their dependence upon a cash economy or risking the health of their families. They may bear the brunt of caring for family whose health and safety has been threatened by smoke from fires and abandoned open-pit mines. They may also be burdened by new responsibilities when husbands must leave the area to find agricultural work, sometimes for weeks at a time. At the same time as women suffer from the impacts of land dispossession, they are generally marginalized in the corporate permitting process, with companies rarely consulting with women when

⁶⁰ Nisa, Eva F. 2011. “Marriage and Divorce for the Sake of Religion: The Marital Life of ‘Cadari’ in Indonesia”, *Asian Journal of Social Science*, Vol. 39, No. 6, pp. 797-820

⁶¹ Interview, Jakarta, January 14, 2020.

⁶² The Diplomat, 2018. “The Rise of Discriminatory Bylaws in Indonesia.” <https://thediplomat.com/2018/12/the-rise-of-discriminatory-bylaws-in-indonesia/>

⁶³ Komnas Perempuan, 2019. “National Human Rights Institution Independent Report on 25 Years of Implementing the Beijing Platform for Action in Indonesia.”

⁶⁴ Peace Women, “National Action Plan: Indonesia.” <https://www.peacewomen.org/action-plan/national-action-plan-indonesia>

⁶⁵ Asian Muslim Action Network, “Advocacy on Peace Oriented and Gender-Based Policy.” <https://www.amanindonesia.org/copy-of-pilar-i-i>

⁶⁶ Komnas Perempuan, 2018. Menata Langkah Maju: Kajian Perkembangan Kebijakan Penyikapan Konflik Selama 20 Tahun Reformasi untuk Pemajuan Pemenuhan HAM Perempuan dan Pembangunan Perdamaian.

⁶⁷ Ibid.

negotiating a community's free, prior, and informed consent for development.⁶⁸ Despite the provisions of the Basic Agrarian Law no. 5/1960, which states that every Indonesian citizen has equal opportunity to rights to land, when lands are titled, they are typically registered in the names of male heads of households, especially in regions where customary law limits women's land rights or inheritance rights.⁶⁹ While there is a lack of reliable gender-disaggregated data on land tenure in Indonesia, a coalition of CSOs estimates that in some areas of Indonesia over 90% of land is registered in the name of men.⁷⁰ The UN Food and Agriculture Organization also states that as of 2000, less than 5% of Indonesian land titles had been issued in the name of both spouses.⁷¹ When land conflict is resolved through payments made to landholders, they are generally paid to the male head of household "on behalf of" families, and women may have little input into whether these funds are used to invest in sustainable family livelihoods or spent on the purchase of non-necessary goods.⁷²

While the assessment found women are often excluded from formal decision-making processes, it also confirmed women's informal social influence and their interest in taking more visible roles in mitigating conflict. In one interview, this was framed as a gap between dominant discourses around women's participation (e.g. that "it's hard to involve women" or "women can't do this work") and the situation on the ground, in which women are already active agents in addressing land conflicts, even if their contributions remain unacknowledged.⁷³ At the community level, assessment respondents made it clear that women have often been key actors in mobilizing communities to resist the appropriation of lands and to collaborate for peaceful conflict resolution. For example, in East Kalimantan, women have taken the lead in fighting for increased safety provisions around mining areas, and have been active participants in participatory mapping projects to protect indigenous lands.⁷⁴ Leveraging women's insights, experiences, social networks, and commitments to peace can help USAID promote effective and sustainable conflict mitigation efforts.

LGBTI ISSUES

LGBTI rights have come under new challenge in Indonesia, with draft changes to the country's criminal code introduced in 2019 that would have criminalized sex and cohabitation outside of marriage, provisions widely seen as targeting LGBTI communities.⁷⁵ While the revisions were put on hold following public protest, new draft legislation on "family resilience" would go even further towards denying rights to LGBTI people by setting up "family resilience boards" that would "rehabilitate" those who engage in sexual "deviance."⁷⁶ These proposed changes to the law have come after several years of increasing pressure on LGBTI Indonesians, including human rights violations by security forces, local

⁶⁸ See also Lies Marcoes et al., 2015. "Achieving Gender Justice in Indonesia's Forest and Land Governance Sector: How Civil Society Organizations Can Respond to Mining and Plantation Industry Impacts." Asia Foundation Report. Available at: <https://asiafoundation.org/resources/pdfs/IDGenderJusticeForestry.pdf>

⁶⁹ For further discussion of gender and land tenure in Indonesia, see USAID 2019, "Indonesia Land Tenure and Property Rights Assessment."

⁷⁰ Universal Periodic Review (UPR) Indonesia 2016, Shadow Report on the Situation of the Right to a Clean and Healthy Environment and Rights to Land and Housing in Indonesia for the 27th Session of the UN Universal Periodic Review for Indonesia by the Indonesian Civil Society Coalition. Available at: http://hrwg.org/wp-content/uploads/2016/11/9-UPR-shadow_report_CSOC_environmental_ind.pdf

⁷¹ Food and Agriculture Organization of the United Nations, Country Data Indonesia. Available at: http://www.fao.org/gender-landrights-database/country-profiles/countries-list/general-introduction/en/?country_iso3=IDN

⁷² Solidaritas Perempuan, "Land Grabbing, Women, and the Role of IFI in Indonesia." July 2012. Available at: http://tbinternet.ohchr.org/Treaties/CESCR/Shared%20Documents/IDN/INT_CESCR_NGO_IDN_15359_E.pdf

⁷³ Interview, Jakarta, January 13, 2020.

⁷⁴ Interviews, Samarinda, January 31, 2020.

⁷⁵ Reuters, 2019. "Indonesia's President Urged to Scrap Anti-LGBT+ Law Changes." September 20, 2019.

⁷⁶ The Jakarta Post, 2020. "Bedroom Bill: Proposed 'Family Resilience' Law Would Require LGBT People to Report for 'Rehabilitation.'" <https://www.thejakartapost.com/news/2020/02/19/bedroom-bill-proposed-family-resilience-law-would-require-lgbt-people-to-report-for-rehabilitation.html>

governments, and conservative social groups. Human Rights Watch has argued that LGBTI communities now face a “moral panic” in Indonesia, exacerbated by social media and backed by conservative social groups, including those aligned with Islamist movements. While Indonesia’s president has personally denounced violence towards LGBTI people, his government has taken few steps to protect their rights or censure local authorities who condone violence against them.⁷⁷

Assessment respondents echoed concerns about increasing threats to LGBTI communities, with some advocacy groups stating that security concerns have constrained their ability to gather publicly and heightened the need for physical and digital security precautions.⁷⁸ In East Java, interviewees expressed concerns that increased threats towards LGBTI people had made some gay men less willing to be tested and treated for HIV. In South Sulawesi, respondents warned that discriminatory attitudes among health providers discourage LGBTI people, especially transgender people, from seeking HIV treatment. At the same time, LGBTI advocacy groups have also made important strides towards collaborating with local, national, and international partners to ensure their communities’ safety and well-being. For example, in Surabaya, local LGBTI groups have prioritized coordination with local government, including healthcare providers and the security sector, to ensure access to services and to limit the potential for anti-LGBTI violence by security personnel.⁷⁹

MIGRATION

Indonesia experiences both external labor migration and internal migration. The causes of migration are complex and locally specific, and include regional development disparities, pressures on agricultural livelihoods, land dispossession, and limited work opportunities in rural areas. In 2016, an estimated 9 million Indonesians migrated out of the country for work, accounting for almost 7% of the total labor force.⁸⁰ Indonesian out-migration has become increasingly feminized, with women accounting for an estimated 70% of the total number of migrants in 2018, compared to 57% in 2014.⁸¹ Migration within the country is also common. 2010 census data showed 9.8 million Indonesians were internal migrants in the five years prior to the census, a number that is estimated to have increased in the past decade due to new pressures on land and livelihoods.⁸² Internal migration has swelled the population of Indonesia’s urban areas, as well as regions with new labor demands, due to the expansion of plantation agriculture and infrastructure development. The central island of Java was the major destination for internal migrants, with half a million Indonesians arriving on the island between 2005 and 2010, although a million Javanese also left the island during that time period.⁸³

Migration intersects with conflict dynamics in a number of important ways. Internal migration has led to violent conflict between indigenous people and migrants in a number of areas of Indonesia, including Papua, Ambon, and West Kalimantan.⁸⁴ Assessment respondents reported that local-migrant conflicts are expanding in several of the assessment areas, including East Kalimantan, South Sulawesi, Papua, and

⁷⁷ Human Rights Watch, 2018. “Scared in Public and Now No Privacy: Human Rights and Public Health Impacts of Indonesia’s Anti-LGBT Moral Panic.”

⁷⁸ Interviews, Surabaya, January 23 and January 24, 2020.

⁷⁹ Interview, Surabaya, January 23, 2020.

⁸⁰ Migration Policy Institute, 2018. “Indonesia: A Country Grappling with Migrant Protection at Home and Abroad.”

<https://www.migrationpolicy.org/article/indonesia-country-grappling-migrant-protection-home-and-abroad>

⁸¹ Komnas Perempuan 2019.

⁸² UNESCO, “Overview of Internal Migration in Indonesia.”

<https://bangkok.unesco.org/sites/default/files/assets/article/Social%20and%20Human%20Sciences/publications/Policy-brief-internal-migration-indonesia.pdf>

⁸³ Ibid.

⁸⁴ The Asia Society, “Causes of Conflict in Indonesia.” <https://asiasociety.org/causes-conflict-indonesia>

NTT, driven by both cultural differences and local perceptions that economic migrants are benefiting from higher-paying specialized jobs. In Papua and East Kalimantan, these grievances are most likely to be directed not only at government but also at migrants to the area who are perceived as having economic advantages, especially when workers are brought in to fill higher-paying, skilled jobs in the construction, mining, and plantation sectors and provided with company health, education, and social welfare benefits. However, other respondents emphasized that migrants themselves face a host of vulnerabilities both within Indonesia and abroad. Overseas migrant workers are often at risk for exploitation and abuse, including domestic violence.⁸⁵ Those who migrate abroad through irregular channels, including those who cross by land or sea to Malaysia bypassing official immigration posts, are especially vulnerable. In East Nusa Tenggara, respondents report that a majority of migrants from the province enter Malaysia without passports, and often fall prey to traffickers, corrupt border officials, and exploitative employers. Within Indonesia itself, migrants also face difficulties. They may have challenges registering their new addresses on ID cards, leading to the inability to access health services or other government benefits, diminished trust in government, and exacerbated inequalities.

LABOR DEMOGRAPHIC CHANGES

Indonesia is experiencing a demographic transition that will have impacts on its labor market dynamics in the years to come, with the numbers of elderly increasing along with the numbers of high school and university graduates.⁸⁶ Currently, 40.63% of the country's population is under the age of 24, with a youth (ages 15-24) unemployment rate of 16%,⁸⁷ compared to 5.13% for the broader population.⁸⁸ Graduates of technical high schools had the highest rates of unemployment.⁸⁹

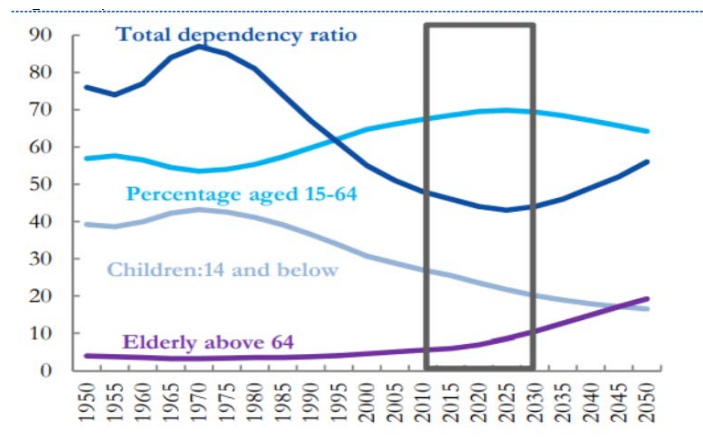


Figure 1: Age Structure of Population Over Time. Source: World Bank, 2019. "Indonesia Economic Quarterly." December,

Indonesia's demographic changes can be expected to have both positive and negative impacts on conflict. Much has been said about Indonesia's potential "youth dividend"⁹⁰ and the economic gains that may follow from an increased productive age population, provided that the country is able to diversify its economy and bolster its education system to ensure sufficient employment opportunities. Increased economic growth and youth labor force participation, provided these gains are perceived to be distributed equally, have the potential to mitigate against conflict by diminishing citizens' grievances. However, these demographic changes may also place greater pressure on conflict dynamics by heightening family vulnerabilities to economic shocks and increasing the need for a reliable social safety

⁸⁵ Migration Policy Institute, 2018. "Indonesia: A Country Grappling with Migrant Protection at Home and Abroad." <https://www.migrationpolicy.org/article/indonesia-country-grappling-migrant-protection-home-and-abroad>

⁸⁶ World Bank, 2019. "Indonesia Economic Quarterly." December, 2019.

⁸⁷ World Bank, 2019. "Unemployment, Youth Total (% of Total Labor Force Ages 15-24 (Modeled ILO Estimate) – Indonesia." <https://data.worldbank.org/indicator/SL.UEM.1524.ZS?locations=ID>

⁸⁸ The Jakarta Post, 2019. "Unemployment Numbers Fall to 6.82 Million." May 7, 2019.

<https://www.thejakartapost.com/news/2019/05/07/unemployment-numbers-fall-to-6-82-million.html>

⁸⁹ Ibid.

⁹⁰ Republic of Indonesia Ministry of National Development Planning, 2017. "Harnessing Demographic Dividend: The Future We Want." Presentation to the 50th UN Commission on Population and Development.

https://www.un.org/en/development/desa/population/pdf/commission/2017/keynote/nvp_indonesia.pdf

net, as well as increasing the number of young people seeking work. Assessment respondents shared their perceptions that unemployed and underemployed youth are especially vulnerable to recruitment into conflict. They provided several rationales for this vulnerability, including the heightened grievances felt by those without access to secure employment and the opportunities youth have to gain income and benefits by lending support to powerful conflict actors.

POLITICAL ECONOMIC DYNAMICS

ECONOMIC OVERVIEW

Indonesia's economy is the largest in Southeast Asia, and the world's 10th largest in terms of purchasing power parity.⁹¹ Indonesia has made impressive recent strides in economic and social development. It has been a Middle Income Country (MIC) since 2009,⁹² and GDP growth and development investments allowed it to achieve many of the Millennium Development Goals (MDGs) by 2015, including halving extreme poverty. GDP per capita has risen by 70% over the past two decades, increasing an average of 4% annually.⁹³ However, development challenges remain. In 2019, Indonesia ranked 111 of 188 countries and territories on the Human Development Index (HDI), which measures countries in three dimensions: long and healthy life, access to knowledge, and a decent standard of living. Indonesia's HDI of 0.707 places it in the High Human Development Category, slightly below the average of 0.741 for countries in the Asia-Pacific region.

Indonesia's GDP growth has been remarkably stable over the past years, measuring 5.2% in 2018, 5.0% in 2019, and an estimated 5.1% in 2020, despite weakened consumer and government spending and global market uncertainty for Indonesia's main commodities.⁹⁴ Indonesia's main exports are coal, palm oil, petroleum gas, rubber, and crude petroleum. Its main export destinations are China, the United States, Japan, India, and Singapore, and its top import origins are China, Singapore, Japan, Malaysia, and Thailand.⁹⁵ Indonesia's rank of 71/126 on the 2017 Economic Complexity Index,⁹⁶ a measure of the diversity of exports, is low, reflecting the country's heavy dependence on natural resource extraction, with coal and palm oil accounting for a combined one-fifth of GDP. Indonesia's investment in agribusiness has also had troubling effects on economic growth due to the devastating impacts of the use of fire to clear land for cultivation. The 2019 fire season was the worst since 2015, and while estimates of the extent of the damage are controversial,⁹⁷ official figures from the Ministry of Forestry and Environment (KLHK) acknowledge that at least 1.2 million hectares of forest and degraded peatlands burned between January and November 2019. The World Bank estimates that this damage and

⁹¹ The World Bank. "The World Bank in Indonesia." <https://www.worldbank.org/en/country/indonesia/overview>

⁹² Overseas Development Institute 2017. "Moving Away from Aid? The Case of Indonesia."

⁹³ OECD 2019. "Indonesia: Economic Snapshot." <http://www.oecd.org/economy/indonesia-economic-snapshot/>

⁹⁴ World Bank, 2019. "Indonesia Economic Quarterly." December, 2019.

<http://documents.worldbank.org/curated/en/622281575920970133/pdf/Indonesia-Economic-Quarterly-Investing-in-People.pdf>. However, some analysts have questioned whether Indonesia's economic growth data is reliable; see Bloomberg News, 2019. "Economists are Suspicious of Indonesia's Steady GDP Figures." <https://www.bloomberg.com/news/articles/2019-11-05/indonesia-s-steady-economic-growth-leaves-economists-puzzled>

⁹⁵ MIT Observatory of Economic Complexity. Indonesia data. Available at: <https://oec.world/en/profile/country/idn/>

⁹⁶ Ibid.

⁹⁷ Science, 2020. "Scientists in Indonesia Fear Political Interference." February 14, 2020.

https://science.sciencemag.org/content/367/6479/722?utm_campaign=wnews_sci_2020-02-13&et rid=34805345&et cid=3206648

economic loss was equivalent to 0.5% of national GDP, with some provinces, including East Kalimantan and Papua, experiencing much greater economic growth impacts.⁹⁸

ECONOMIC INEQUALITY

Indonesia also faces challenges from growing economic inequality. On the Inequality-Adjusted HDI, which accounts for inequalities in the distribution of human development at the country level, Indonesia's HDI falls to 0.583, a loss of 17.5%.⁹⁹ The average loss due to inequality for the Asia-Pacific region is 16.6%. Indonesia's Gini coefficient, a measure of inequality, rose from 30.0 in the 1990s to 38.4 in 2019,¹⁰⁰ with the World Bank stating that Indonesia's past two decades of economic growth have primarily benefitted the country's wealthiest 20%.¹⁰¹ Development gains are also unevenly distributed by gender. In Indonesia, the female HDI value is 0.681, while the male value is 0.727.¹⁰² While the labor force participation rate (LFPR) reached a 4-year high of 67.4% in 2019, this was driven almost solely by gains of 0.5% in male employment to 83%, with the female LFPR Indonesia increasing just 0.01% to 51%.¹⁰³ Although Indonesia's overall poverty rate continues to decline, reaching a record low of 9.4% in 2019,¹⁰⁴ the country still faces pockets of persistent poverty, with 7% of the population living in multidimensional poverty¹⁰⁵ and another 9.1% vulnerable to multidimensional poverty.¹⁰⁶ Moreover, an estimated 77.4 million Indonesians, or 29.1% of the population, are either currently poor or at risk of falling back into poverty, making them extremely vulnerable to economic and social shocks.¹⁰⁷ The reduction of poverty has also not been uniform over Indonesia's provinces, reflecting entrenched inequalities between more prosperous areas in Java and Sumatra and poorer areas in Eastern Indonesia.

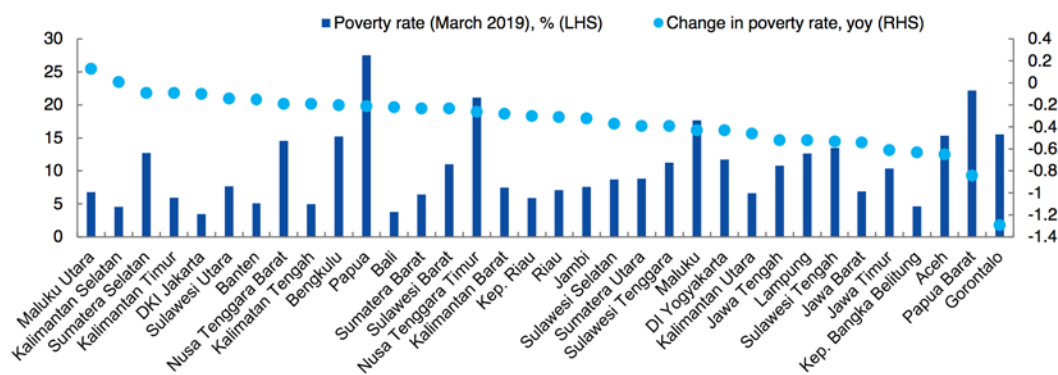


Figure 2: Unequal Reduction in Poverty Across Indonesia's Provinces. Source: World Bank, 2019. "Indonesia Economic Quarterly." December, 2019.

⁹⁸ Damage and loss from the 2019 fires is estimated to have decreased provincial RGDP by approximately 5% in East Kalimantan and 2% in Papua. World Bank, 2019. "Indonesia Economic Quarterly." December, 2019.

<http://documents.worldbank.org/curated/en/622281575920970133/pdf/Indonesia-Economic-Quarterly-Investing-in-People.pdf>.

⁹⁹ UNDP 2019. Human Development Indicators: Indonesia. <http://hdr.undp.org/en/countries/profiles/IDN>

¹⁰⁰ The Conversation, 2018. "Two Decades of Economic Growth Benefited Only the Richest 20%. How Severe Is Inequality in Indonesia?" <https://theconversation.com/two-decades-of-economic-growth-benefited-only-the-richest-20-how-severe-is-inequality-in-indonesia-101138>; The Jakarta Post, 2019. "Poverty Rate Down to 9.66 Percent, Gini Ratio Improves to 0.384." January 15, 2019.

<https://www.thejakartapost.com/news/2019/01/15/poverty-rate-down-to-9-66-percent-gini-ratio-improves-to-0-384.html>

¹⁰¹ Ibid.

¹⁰² UNDP 2018. "Human Development Indices and Indicators: 2018 Statistical Update."

¹⁰³ World Bank, 2019. "Indonesia Economic Quarterly." December, 2019.

<http://documents.worldbank.org/curated/en/622281575920970133/pdf/Indonesia-Economic-Quarterly-Investing-in-People.pdf>.

¹⁰⁴ Ibid.

¹⁰⁵ The global Multidimensional Poverty Index (MPI) identifies multiple deprivations at the household level in health, education and standard of living using micro data from household surveys. See UNDP, 2019. "Technical Notes: Calculating the Human Development Indices."

http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf

¹⁰⁶ UNDP, 2019. "Human Development Report 2019: Indonesia." http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/IDN.pdf

¹⁰⁷ World Bank, 2019. "Indonesia Economic Quarterly." December, 2019.

Papua, West Papua, and NTT provinces performed worst at poverty reduction in 2019, with poverty rates actually increasing in Papua province due to persistent underdevelopment (See Figure 2 above). Disparities between urban and rural areas are also high, with a 6.69% urban poverty rate and a 12.85% rural poverty rate in 2019.¹⁰⁸

ECONOMIC DIMENSIONS OF CONFLICT

Attending to how economic inequalities play into conflict dynamics and conflict risk is an important task for development. While poverty alone does not cause conflict,¹⁰⁹ it may help fuel the grievances that drive conflict, and make it easier to mobilize citizens around these grievances, especially when there are perceptions that poverty is a result of government ineffectiveness, illegitimacy, or bias. At the same time, poverty and instability are mutually reinforcing, with conflict causing damage to livelihoods and productive infrastructure and dissuading private sector investment.¹¹⁰ Therefore, it is vital that economic growth interventions are designed using a conflict sensitive lens.

In Indonesia, inequality between regions, as well as within regions, plays into conflict dynamics by intensifying grievances against the state where service provisions are lacking and exacerbating a sense of relative deprivation vis-à-vis more prosperous communities. In several of the assessment's focus provinces, especially Papua and NTT, uneven economic growth, perceptions of economic neglect, unemployment, underemployment, and precarious employment fuel grievances that key actors may exploit, leading to conflict and violence.

The challenges Indonesia faces in addressing persistent regional and intra-regional inequalities cannot be separated from the struggles it faces to ensure the decentralization of political power and increased transparency and good governance. While the devolution of substantial economic decision-making to the district and village levels has opened up opportunities for more participatory economic planning, assessment respondents raised concerns that village-level budgeting is still not always gender-responsive, nor responsive to the needs of youth, religious and ethnic minorities, and people with disabilities. In addition, Indonesia's political system, which is marked by widespread patronage politics and corruption, often privileges short-term expenditures to win political advantage over longer-term planning and investment.¹¹¹ The assessment team encountered similar grievances from citizens, who described the distribution of government economic development resources as campaign funds, with political supporters rewarded and opponents punished. In Papua especially, overspending on public sector employment in order to reward political clients has shifted resources away from efforts to promote the growth of small-to-medium sized enterprises and more secure jobs in the private sector.

INFRASTRUCTURE

Indonesia's current administration has made infrastructure development a key priority. During his first term as president, Joko Widodo announced a US\$350 billion infrastructure plan designed to attract

¹⁰⁸ The Jakarta Post, 2019. "Poverty Rate Falls but Disparity Remains High." July 16, 2019.

<https://www.thejakartapost.com/news/2019/07/16/poverty-rate-falls-but-disparity-remains-high.html>

¹⁰⁹ Governance and Social Development Resource Centre (GSDRC), "Poverty and Conflict." <https://gsdrc.org/professional-dev/poverty-and-conflict/>

¹¹⁰ Brookings Institute, 2016. "Conflict and Poverty." https://www.brookings.edu/wp-content/uploads/2016/07/200702_02poverty.pdf

¹¹¹ For example, infrastructure development, such as toll roads and telecommunications infrastructure, has at times been implemented in response to rent-seeking by politicians and the private sector rather than as a result of thorough assessment of development needs (see Jamie S. Davidson, 2015. *Indonesia's Changing Political Economy*. Cambridge: Cambridge University Press). This has also been the case in the natural resources sector, where investments in mining and agriculture (especially coal and palm oil) have both benefitted from political patronage and contributed disproportionately to financing electoral campaigns (see The Diplomat, 2019. "The Natural Resource Oligarchy Funding Indonesia's Election." <https://thediplomat.com/2019/04/the-natural-resource-oligarchy-funding-indonesias-election/>).

investment in the country's economic development. Upon election to a second term, his government upped the stakes, promising projects worth more than US\$400 billion, with 40% of the funding coming from government, 25% from state-owned enterprises (SOEs), and 35% from the private sector.¹¹² 60% of these projects are in the transportation sector and are aimed at increasing connectivity and access to markets.¹¹³ The Gol has framed its "infrastructure push" as a key means of addressing regional disparities, with intensive efforts directed towards bolstering economic development in the historically under-resourced areas of Eastern Indonesia.

For many assessment respondents, infrastructure development initiatives were seen as a welcome indication of the Gol's commitment to improving economic opportunities for citizens and reducing regional disparities. Especially in economically underdeveloped areas, it has the potential to mitigate conflict by addressing economic grievances and diminishing economic incentives for conflict mobilization. However, this infrastructure push has been critiqued as both an insufficient response to Indonesia's development challenges and the source of new conflicts over resource ownership, extraction, allocation, and management. The administration's emphasis on hard infrastructure – including toll roads, bridges, dams, seaports, and airports – has been termed only "a partial solution to a larger problem" which "oversimplifies complex structural problems"¹¹⁴ including cumbersome and overlapping regulations, weaknesses in human capital development, and the non-competitive awarding of contracts to under-performing SOEs and politically connected developers. In addition, in each of the provinces surveyed, the assessment found new conflicts emerging as a result of infrastructure development decisions, which have overwhelmingly been made without full input from affected communities. These impacts are being felt in areas where projects require appropriating land for development, as well as in areas where raw materials and energy are being tapped to fuel projects elsewhere. For example, in the district of Lumajang, East Java, legal and illegal mining for sand, including in environmentally sensitive areas, has sparked heated conflicts that have escalated as the national demand for construction materials increases. In the district of West Manggarai, NTT, plans for a geothermal project to supply energy to the tourism area of Labuan Bajo, identified by the Joko Widodo administration as one of ten "new Balis" to be targeted for development, has met with strong community opposition due to concerns about the proximity of the project to homes, water sources, schools, and cultural sites.¹¹⁵ In both of these cases – as in the dozens more the assessment team heard about during fieldwork – local and national government has failed to address community grievances, instead relying on top-down decision-making and security sector deployments to contain protests, actions which have the effect of escalating conflict.

POLITICAL OVERVIEW

Since the end of the New Order era in 1998, Indonesia has undertaken a series of political reforms, with direct elections for president and parliament inaugurated in 2004 and direct elections for governors, *walikota*,¹¹⁶ and district heads inaugurated in 2005. In the most recent 2019 election, President Joko Widodo was re-elected to a second five- year term with 55.5% of the vote, defeating former general Prabowo Subianto in a contest that was lauded by domestic and international observers as being free

¹¹² Bloomberg News, 2019. "Indonesia Has a Grand \$412 Billion Plan to Rebuild the Country." May 15, 2019.

<https://www.bloomberg.com/news/articles/2019-05-16/indonesia-has-a-412-billion-plan-to-rebuild-the-country>

¹¹³ KPMG, 2019. "Indonesia's Bold Infrastructure Plan." <https://home.kpmg/xx/en/home/insights/2019/10/indonesia-bold-infrastructure-plan.html>

¹¹⁴ The Diplomat, 2019. "The Trouble with Indonesia's Infrastructure Obsession." January 9, 2020. <https://thediplomat.com/2020/01/the-trouble-with-indonesias-infrastructure-obsession/>

¹¹⁵ Floresca, 2019. "Alasan Warga Wae Sono Mabar Menolak Proyek Geothermal." February 24, 2019. <https://www.floresca.co/2019/02/24/alasan-warga-wae-sano-mabar-menolak-proyek-geothermal/>

¹¹⁶ Heads of cities/municipalities.

and fair¹¹⁷ despite sporadic election-related violence, including violence that erupted in Jakarta following the announcement of the results leaving 350 injured and six dead.¹¹⁸ Voter turnout was high, with an estimated 81.93% of eligible voters casting ballots in 2019. The Freedom House Index for Democratic Freedoms rates Indonesia as “partly free,” highlighting its success at ensuring peaceful transitions of power through competitive multi-party elections, its respect for political pluralism, and its largely democratic electoral framework. However, it critiques Indonesia for its continuing problems with corruption, as well as the 2017 revisions to the General Elections Law that limit the ability of smaller parties to compete in presidential elections.¹¹⁹

DECENTRALIZATION

Decentralization has been key to Indonesia’s political reform in the post-New Order era. In 1999, after decades of highly centralized and authoritarian rule, Indonesia transferred substantial political and financial authority to local governments, granting districts and municipalities decision-making power over the delivery of government services including health, education, public works, environmental protection, spatial planning, transportation, agricultural development, and economic growth activities.¹²⁰ However, the process of implementing decentralization has been bumpy, due to challenges with local capacity, an increase in corruption at the local level,¹²¹ a lack of effective oversight of local government decision-making, and overlaps/incoherence among policies at the national, provincial, and district level. A 2017 study noted that since decentralization, 343 district heads/mayors and 18 governors have been investigated for corruption.¹²² The ability to award lucrative contracts for public procurement, along with concessionary agreements for corporate investors,¹²³ has incentivized candidates for local office, and led the cost of campaigning for local elections to skyrocket. Indonesia’s Corruption Eradication Commission (KPK) found in a survey conducted among candidates for regional elections in 2015 that key motives for corruption included a desire to recoup campaign investments or pay debts incurred to political parties that sponsored candidates’ nominations.¹²⁴ Indeed, widespread local corruption has been used as one rationale behind arguments to scrap direct elections for local executives.¹²⁵

The decentralization process has also faced challenges of varying local government capacity, including the capacities to plan, budget, and manage resources. In 2014, Law No. 23/2014 retracted authority over mining, forestry, maritime affairs, and fisheries from regencies and municipalities to the provincial governors’ offices on the grounds of efficiency, corruption mitigation, and environmental protection. The 2014 law also introduced new procedures and penalties to ensure transparency in budgetary governance and the coordination of local bylaws with national policy priorities. However, assessment respondents questioned whether provincial governments are more prepared than regencies to make transparent decisions that reflect local needs and priorities, or whether recentralization has been

¹¹⁷ Freedom House, 2019. “Freedom in the World 2019: Indonesia.”

¹¹⁸ The New York Times, 2019. “Violence Erupts in Indonesia’s Capital in Wake of Presidential Election Results.” May 22, 2019. <https://www.nytimes.com/2019/05/22/world/asia/indonesia-election-riots.html>

¹¹⁹ Freedom House, 2019. “Freedom in the World 2019: Indonesia.”

¹²⁰ Asian Development Bank Institute 2016. “Government Decentralization Programs in Indonesia.”

¹²¹ Transparency International, 2018. “Indonesia: Overview of Corruption and Anti-Corruption.”

¹²² The Jakarta Post, “Indonesia’s Decentralization and Corruption.” September 25, 2017.

¹²³ The Guardian, 2016. “Greenpeace Reveals Indonesia’s Forests at Risk as Multiple Companies Claim Rights to Same Land.” April 2, 2016. <https://www.theguardian.com/sustainable-business/2016/apr/02/greenpeace-palm-oil-logging-indonesia-overlapping-land-claims-greenpeace-forest-fires>

¹²⁴ Ibid.

¹²⁵ Carnegie Endowment for International Peace, 2020. “Is Indonesia Becoming a Two-Tier Democracy?” <https://carnegieendowment.org/2020/01/23/is-indonesia-becoming-two-tier-democracy-pub-80876>

promoted to obscure the shortcomings of national government and reconsolidate political and economic power in the hands of national elites.

In terms of its relation to conflict, decentralization has both mitigating and exacerbating effects. Decentralization has been lauded as a necessary corrective to top-down rule, and an important element of mitigating conflict by allowing local authorities to allocate resources to address the specific issues present in local contexts. When it is implemented in a way that is transparent, participatory, and accountable, decentralized government has the ability to effectively respond to underlying grievances, tensions, and inequalities driving conflict. Implemented poorly, decentralization may strengthen conflict risk factors, including corruption, elite capture, hyper-partisanship, and discriminatory service delivery, and may embroil local communities in tensions between central and local government. In addition to continuing support efforts to ensure effective decentralization, USAID's programs will benefit from using a conflict sensitive lens to consider the challenges of decentralization.

CORRUPTION

While corruption in and of itself is not sufficient to cause conflict, in Indonesia it is a cross-cutting issue that entrenches conflict by diminishing trust in government and directing state development funds away from the task of addressing citizen grievances. Although Indonesia has taken important steps towards its anti-corruption goals, corruption remains a major problem, impacting the effectiveness of national, provincial, and local government as well as the judiciary and security sector. Corruption occurs at all levels of government, including the upper echelons, as represented by the 2018 case of a former Speaker of the House of Representatives who was convicted in connection with a \$170 million corruption scandal involving the procurement process for a new identity card system.¹²⁶

Indonesia ranks 89th out of 180 countries, and 4th in Southeast Asia, on Transparency International's 2018 Corruption Perceptions Index.¹²⁷ For a country that in 1995 ranked last in the world, this is a major improvement. Indonesia has signed the UN Convention Against Corruption, and its most recent review recognized the country's progress but recommended additional efforts be made to address corruption at the provincial, district, and local level.¹²⁸ Indonesia has established domestic laws, institutions, and initiatives to combat corruption, including the Corruption Eradication Commission (KPK), founded in 2002. The KPK has enjoyed strong public support and has been widely perceived to be one of Indonesia's most effective national institutions. However, the KPK now faces challenges that may undermine Indonesia's recent successful track record on corruption. A controversial revision to the KPK law passed Indonesia's parliament in late 2019, weakening the commission's independence and its legal ability to conduct its own surveillance operations. These challenges to the KPK led to widespread popular protests in September 2019, organized around the slogan "reform has been corrupted."¹²⁹ In November 2019, anti-corruption activists submitted a request for judicial review of the law to the Constitutional Court, and called upon Indonesia's president to bypass the legislature and issue a presidential regulation to restore the KPK's independence.

Across the regions surveyed by the assessment team, corruption was identified as a factor helping to exacerbate conflict and inflame perceptions that government is not working to serve the people. Corruption was found to have particular impacts on conflict when it influences the procurement and

¹²⁶ Freedom House, 2019. "Freedom in the World: Indonesia."

¹²⁷ Ibid.

¹²⁸ Transparency International, 2018. "Indonesia: Overview of Corruption and Anti-Corruption."

¹²⁹ Tempo, "Keeping the Flame." December 31, 2019. <https://en.tempo.co/read/1289736/keeping-the-flame>

distribution of government development resources, as well as the allocation of land and permits for infrastructure development projects,¹³⁰ plantation agriculture, and natural resource exploration and extraction. Assessment respondents shared widespread perceptions that land and permits are allocated to powerful corporate and political actors with little regard for the rights of local communities. This perception of entrenched corruption heightens conflict risk by fueling anti-government grievances. It also discourages citizens from pursuing their grievances through legal or electoral means, making them vulnerable to messages of violence and to the promises of powerful patrons, including those allied with political actors, religious and identity-based mass organizations, and local paramilitary groups.

Another key challenge for conflict mitigation in Indonesia is how to create incentives for good governance and conflict mitigation, especially at the district and province levels. Corrupt land allocation and permitting practices, coupled with the predominance of “money politics,” means that elected representatives typically have much greater incentives to profit from conflict than to resolve it. While some politicians have campaigned on platforms of addressing unresolved land and resource conflict and returning lands to communities, these campaign promises often falter in the face of political and financial interests, making it crucial to shift the incentive calculus towards conflict resolution. In addition to pushing for initiatives that increase transparency and civil society capacity to monitor government activity around permitting, respondents suggested that initiatives that raise the public profile of local officials who meet anti-corruption goals have often been effective in this regard.

LAND AND NATURAL RESOURCES

Conflicts over land ownership and land tenure have become increasingly common in Indonesia and are closely linked to issues of corruption, challenges with decentralization, and the expansion of infrastructure. One source of land conflict has been corporate claims to land for mining and agriculture, with communities often forced to relocate or give up their lands for concessions granted by politicians without free, prior, and informed consent. Corruption in the permitting processes has been rife.¹³¹ The Widodo administration has responded to land conflicts by promoting an ambitious program of land titling, however, its progress has been impeded by multiple factors, including competing land claims and local corruption. Land conflicts have been exacerbated when residents receive unfair or non-transparent compensation or when there are multiple claimants. The incidence of these conflicts has been rising as Indonesia’s extractive industries expand, and are increasingly exacerbated by the use of security forces to protect claims to contested land. Conflicts have also emerged around the Gol’s plans to make new infrastructure the cornerstone of Indonesia’s economic development, with critics warning that processes of land acquisition for infrastructure lack transparency¹³² and are leading to a spike in new agrarian conflicts.¹³³ Government decentralization has also helped to intensify boundary disputes between districts, given competition for local development resources and votes.

The National Commission on Violence Against Women has emphasized the specific impacts of land and natural resource conflict on women, warning that “women will increasingly face vulnerabilities to

¹³⁰ Transparency International’s most recent report on corruption in Indonesia echoes these concerns with corruption around infrastructure development, pointing to statements by President Jokowi that infrastructure development should not be hampered by anti-corruption policies. See Transparency International, 2018. “Indonesia: Overview of Corruption and Anti-Corruption,” p. 4.

¹³¹ See USAID Lestari, 2019. “USAID Lestari: Lessons Learned Technical Brief: Land Use Licensing Reform in Indonesia.” March 2019.

¹³² The Conversation, 2016. “Indonesia Should Make Land Acquisitions More Transparent and Participatory.” December 16, 2016. <https://theconversation.com/indonesia-should-make-land-acquisitions-more-transparent-and-participatory-67565>

¹³³ The Jakarta Post, 2017. “Cases of Agrarian Conflict Increase in 2017: Consortium.” December 28, 2017.

experiencing impoverishment and violence in natural resource conflicts.”¹³⁴ Although women’s rights to own and inherit land are protected under Indonesian law, in many parts of the country, social traditions and customary law effectively restrict women’s access to land. The commission notes that while both men and women have been targeted for prosecution for opposing natural resource extraction projects and land grabs, women face unique social and economic challenges when husbands and sons are imprisoned for resisting land appropriations and women must become the sole supporters of their families.¹³⁵ Women’s social roles as caretakers of children and the elderly, as well as their social responsibilities to ensure sufficient food and water for their families, are also undermined as a result of land and natural resource conflicts that block access to clean water or non-timber forest products or that result in the pollution of air and water.

INFORMATION AND COMMUNICATIONS TECHNOLOGIES

Indonesia has a robust media landscape, including both state and private media outlets. 56% of the population are active Internet users and 48% of the population access social media from mobile devices.¹³⁶ Internet access is uneven, with Eastern Indonesia having lower rates of connectivity than Java and Sumatra.¹³⁷ Constitutional and legal provisions guarantee freedom of the press in Indonesia, however, these rights are often thwarted by political actors as well as corporate interests. Freedom House rates Indonesia “partly free,” highlighting government censorship of media it believes to violate moral norms, as well as government blockages of internet content related to Papua, LGBTI issues, Islam, and criticism of the government. The overall environment for freedom of expression is further constrained by the Indonesian Criminal Code and its provisions on defamation and libel; the Law on the Prevention of Misuse and/or Defamation of Religions; and the Law on Electronic Information and Transactions (*Informasi dan Transaksi Elektronik* – ITE), which criminalizes Internet-based insults and defamation. Other laws under consideration, such as draft bills on cybersecurity, data protection, and privacy, may also affect the overall climate for freedom of expression.

While freedom of information was once lauded as one of the most successful reforms of Indonesia’s post-1998 democratic transition, there are strong indications that media, and the government’s increasingly heavy-handed attempts to control it, are serving as a powerful means of exacerbating conflict. Media outlets have become increasingly partisan, with ownership highly concentrated among a small number of politically connected media elites. There have been increasing reports of threats against journalists, especially those reporting on conflicts over environmental degradation and natural resource extraction.¹³⁸ Social media has been used to promote hoaxes, fake news, and hate speech, and media literacy, especially social media and digital literacy, is low. Many journalists lack sufficient training in professional ethics and/or how to report on issues in a conflict sensitive manner so as not to exacerbate tensions. The Gol has recognized the dangers of social media spreading hate speech and inflammatory rumors, as well as its use as a recruiting tool for VEOs. At the same time, however, government attempts to regulate the social media space have increasingly served to inhibit civil society’s ability to hold government to account, and in some cases have been wielded by conflict actors against their opponents. Assessment respondents raised especially grave concerns over the government’s increasing use of the ITE Law, which was amended in 2014 to expand state powers to control information and

¹³⁴ Komnas Perempuan 2019.

¹³⁵ Ibid.

¹³⁶ We Are Social, 2019. “Indonesia Data Report.” <https://datareportal.com/reports/digital-2019-indonesia>

¹³⁷ “Freedom on the Net 2018: Indonesia.” <https://freedomhouse.org/report/freedom-net/2018/indonesia>

¹³⁸ Freedom House, 2019. “Freedom in the World Report: Indonesia.”

make it easier to prosecute cases of defamation relating to online speech. E-government initiatives by the Communications and Information Ministry have made it easier to report alleged violations of the ITE Law, with the Ministry reporting having received 57,984 reports of defamation and 53,455 reports of “content deemed to cause unease among the public” in 2019.¹³⁹ In the past year, internet users have been charged under the law for “offenses” including posting memes of the Jakarta governor,¹⁴⁰ tweeting about injuries suffered by Papuan students in clashes with the police,¹⁴¹ and warning neighbors to wear protective masks against COVID-19.¹⁴² During the assessment, CSO respondents highlighted the chilling effect of the ITE Law on their ability to criticize government performance and to engage in dialogue and protest, with some respondents warning that even a Facebook announcement of a seminar or demonstration could lead to prosecution as “content deemed to cause unease among the public.” Assessment respondents in Papua province also criticized the government’s actions to shut down internet access in the province following unrest in August 2019, as well as restrictions on the ability of foreign journalists to report from Papua and West Papua provinces.¹⁴³

KEY CONFLICT DYNAMICS

OVERVIEW OF CONFLICT IN INDONESIA: LEGACIES AND RISKS

Indonesia has faced challenges from different forms of conflict, including political conflict, identity-based conflict, religious conflict, and land and natural resource conflict. During the New Order period, social conflict was suppressed by a heavy-handed security apparatus, with the state engaging in widespread abuses of human rights. Major human rights violations of the 20th century included the 1965-66 mass killings of alleged communists, which left an estimated 500,000 Indonesians dead;¹⁴⁴ the 1974-1999 Indonesian occupation of East Timor, which led to an estimated 102,800 conflict-related deaths;¹⁴⁵ the 1998 “May Tragedy” in which between 450 and 1200 people were killed and at least 150 women were raped;¹⁴⁶ and the 1997-98 disappearances and killings of activist critics of the government.¹⁴⁷ Separatist conflict in Papua and West Papua provinces¹⁴⁸ has simmered since Indonesia’s incorporation of these territories in 1969, making this the longest-running conflict in Asia. In the years following the New Order, Indonesia experienced a wave of identity-based conflict, including violent conflicts in Aceh, Maluku, Central Kalimantan, Poso, Lombok, West Timor, and East Java.¹⁴⁹ These conflicts emerged out

¹³⁹ The Jakarta Post, 2020. “Pornography Dominates Negative Content Reported to Ministry in 2019.” January 10, 2020.

<https://www.thejakartapost.com/life/2020/01/10/pornography-dominates-negative-content-reported-to-ministry-in-2019.html>

¹⁴⁰ The Jakarta Post, 2019. “Lecturer Reported to Police for Posting Anies Joker Meme on Facebook.” November 2, 2019.

<https://www.thejakartapost.com/news/2019/11/02/lecturer-reported-to-police-for-posting-anies-joker-meme-on-facebook.html>

¹⁴¹ The Jakarta Post, 2019. “Filmmaker Dandhy Laksono Named ‘Hate Speech’ Subject for Tweeting About Clashes in Papua.” September 27, 2019. <https://www.thejakartapost.com/news/2019/09/27/filmmaker-dandhy-laksono-named-hate-speech-suspect-for-tweeting-about-clashes-in-papua.html>

¹⁴² The Jakarta Post, 2020. “Indonesian Homemakers Face Up to Ten Years in Prison for Sharing False Information.” February 7, 2020.

<https://www.thejakartapost.com/news/2020/02/06/indonesian-homemakers-face-up-to-ten-years-in-prison-for-sharing-false-information.html>

¹⁴³ See Committee to Protect Journalists, 2019. “Indonesia Should Restore Internet Access in Restive Papua Region.”

<https://cpj.org/2019/08/indonesia-restore-internet-papua.php>

¹⁴⁴ Baskara Wardaya, 2016. “Backgrounder: What We Know About Indonesia’s 1965 ‘Anti-Communist’ Purge.” *The Conversation*,

<https://theconversation.com/backgrounder-what-we-know-about-indonesias-1965-anti-communist-purge-66338>

¹⁴⁵ Comissao de Acolhimento, Verdade e Reconciliacao (CAVR) Timor Leste, “Conflict-Related Deaths in Timor-Leste 1974-1999: The Findings of the CAVR Report Chega!” <http://www.cavr-timorleste.org/updateFiles/english/CONFLICT-RELATED%20DEATHS.pdf>

¹⁴⁶ Tempo, 2019. “Still No Justice for Survivors, Victims of the May 1998 Tragedy.” May 14, 2019. <https://en.tempo.co/read/1205286/still-no-justice-for-survivors-victims-of-the-may-1998-tragedy>

¹⁴⁷ South China Morning Post, 2018. “Indonesia’s Reformasi Activists Were Burned, Beaten, Electrocuted – And They Still Fear for Their Country.” May 20, 2018. <https://www.scmp.com/week-asia/politics/article/2146839/indonesias-reformasi-activists-were-burned-beaten-electrocuted>

¹⁴⁸ In 1999, the Indonesian government changed the name of the province of Irian Jaya to Papua. In 2003, the government divided the province in two, forming West Papua province and Papua province.

¹⁴⁹ The Asia Society, “Causes of Conflict in Indonesia.” <https://asiasociety.org/causes-conflict-indonesia>

of multiple factors, including legacies of colonialism, state-sponsored transmigration programs that sparked tensions between different ethnic and religious groups, and New Order policies that marginalized local elites and dispossessed people from their traditional lands.¹⁵⁰ By the early 2010s, major ethnic conflicts had waned, with the exception of those in Papua and West Papua provinces where the Indonesian military and separatist groups remain locked in ongoing conflict (see the Papua section below). This tapering off of ethnic conflict was in part due to the political restructuring of the reform period, which disallowed local political parties and thus incentivized inter-ethnic political collaboration, and decentralized substantial political and economic power to the local level, diminishing incentives for large-scale ethnic mobilization.¹⁵¹

While violent ethnic conflict no longer poses an immediate risk to Indonesia's stability, it would be mistaken to conclude that Indonesia is a "post-conflict" nation. With the exception of Aceh, where a peace agreement was brokered in 2005 following the devastating Indian Ocean tsunami, and the Malino Accord, signed in 2002 between warring factions in Maluku, conflict in Indonesia has rarely terminated as a result of comprehensive negotiations to address underlying grievances. State recognition of legacies of conflict and human rights abuses has been incomplete, and proposed transitional justice mechanisms have stalled due to political pressure. This has meant that underlying divisions of identity, as well as grievances around access to political and economic power and resources, have often festered unaddressed, and conflict risks are recurring in the presence of trigger events or political, social, and economic trajectories that re-entrench grievances.

Indeed, the assessment found indications that conflict risk is now escalating in Indonesia, due to both the reemergence of old conflict patterns, including state-backed land expropriation and the involvement of the Indonesian security forces in backing state and corporate land claims, as well as the emergence of new grievances. Currently, the major conflict risks in Indonesia include the intensification of conflict in Papua and West Papua, conflict over land and natural resources, threats of VE and inter-religious conflict, and conflict between migrants and indigenous people.

It is important to note that while conflict takes multiple forms in Indonesia, these different types of conflict frequently overlap. Conflicts over land and natural resources often intersect with identity-based conflict, while conflict over migration often becomes entangled with religious and ethnic tensions. For example, one key pathway of conflict escalation is when land and resource conflict, coupled with increasing climate change pressures on land, drive outmigration from conflict-affected areas, which in turn has the potential to spark new conflicts with host communities. Another key pathway is linked to the environmental degradation often caused by mining and agribusiness activities, which leads to community grievances in both project areas and downstream. Yet another key pathway identified by the assessment is when vertical conflicts between communities and government or corporations take on horizontal elements, escalating conflict between religious or ethnic groups. This has been the case in East Java, where community protests against mining in the Banyuwangi district have expanded into intra-community conflict, with conservative religious groups stigmatizing protestors as "communists," deepening religious cleavages. It is therefore important for interventions to take a holistic view of conflict dynamics, recognizing not just the grievances being articulated by affected communities but the historical dimensions of conflict, its overlap with other social and political factors, and the structural

¹⁵⁰ Ibid.

¹⁵¹ Edward Aspinall, 2010. "The Taming of Ethnic Conflict in Indonesia." *East Asia Forum*. <https://www.eastasiaforum.org/2010/08/05/the-taming-of-ethnic-conflict-in-indonesia/>

factors that escalate it or allow it to continue unchecked. The table below includes some of the key drivers of conflict identified by the assessment as salient across the focus provinces, as well as key structural factors exacerbating conflict.

Key Drivers of Conflict	Structural Factors Exacerbating Conflict
Rising tensions between identity groups, especially around religion, ethnicity, and sexual orientation/gender identity	Lack of transparency in land use decision-making and permitting for natural resource extraction/agribusiness
Appropriation of community land for mining and agribusiness	Persistent corruption and political influence in land use/permitting processes
Infrastructure push driving conflict both in target areas and in areas supplying raw materials/energy	Limited capacity (government/CSOs/private sector) to effectively resolve conflict, as well as overlapping claims to conflict resolution authority
Competition/inequality between indigenous people and migrants	Gol's security approach to conflict has been ineffective in the face of heightened citizen awareness of rights
Vertical conflicts (government/corporations vs. communities) take on horizontal elements (ethnicity, religion, ideology) – “religion is the gasoline poured on conflict”	Decentralization challenges: overlapping regulations, problems with local implementation of national regulations, and national pushback against local regulations
Perceptions that government is corrupt and beholden to corporate and political interests	Stagnation of police and military reform, and a lack of accountability for security sector abuses of power
Perceptions that citizens (including women, youth, persons with disabilities, migrants) are excluded from local government resource allocation decisions	Use of violence to protect corporate and political interests, including by private security/mass organizations/militias, coupled with the “criminalization” of peaceful protest/resistance to land appropriation, helps normalize violence as a tool of power

CONFLICT MITIGATING FACTORS

Mitigating factors are elements that have the potential to dampen violent conflict. They can be thought about as social patterns of resilience. Mitigating factors are not normatively positive or negative. They do, however, play a role in diminishing the likelihood of violence. In the Indonesian context, important mitigating factors include legacies of interfaith tolerance and a strong national identity predicated on diversity, which can be drawn upon by peacebuilding actors to discourage identity-based conflict. Indonesia also has a vibrant and networked set of civil society actors promoting peace, equity and human rights. At the local level, crosscutting social ties, including links based on intermarriage, economic cooperation, and shared participation in governance and educational institutions, often help mitigate against conflict escalation. Additionally, when conflict does turn violent, it has often been limited by citizens' lack of access to small arms and light weapons. Although Indonesia is one of the top five global importers of small arms,¹⁵² these have traditionally been considered a monopoly of the security forces. Indonesia has the lowest per capita rate of registered and unregistered civilian-held firearms in Southeast

¹⁵² Small Arms Survey, 2019. “Trade Update 2019: Transfers, Transparency, and South-east Asia Spotlight.”

Asia¹⁵³ (although some assessment respondents cautioned that private citizens' access to guns is now increasing, especially for the wealthy and politically connected). In addition to these positive resiliencies or "bright spots," violent conflict risk in Indonesia has also been dampened by resiliencies that are more problematic. These include the role of patronage politics in addressing citizens' immediate needs, which temporarily mitigates grievances, thus dampening the risk of social conflict escalating into violence, but ultimately feeds into key structural drivers of conflict. In addition, legacies of authoritarianism and state repression, as well as threats from religious extremists, often dissuade protest and free expression, limiting the spread of conflict but deepening social divides, undermining democratic advancement, and restricting opportunities for constructive conflict resolution.

CONFLICT PREVALENCE AND OVERLAPPING AUTHORITY

Unfortunately, obtaining accurate conflict prevalence data is a challenge in Indonesia due to the presence of diverse conflict reporting mechanisms and a lack of coordinated information sharing across responsible state agencies. There have been attempts to collect comprehensive data, including the National Violence Monitoring System set up by the Ministry of Welfare, however, the system has been defunct since 2014, and suffered from methodological challenges, as it relied on reports of conflict in only 13 provinces, gathering data from newspaper reports which may be subject to censorship pressures from state and corporate actors.¹⁵⁴ In the absence of coordinated data-collection, it is necessary to piece together the puzzle of conflict prevalence from a variety of sources, each of which relies primarily on the number of requests that particular agency or organization has received to monitor or intervene. For example, the Consortium for Agrarian Reform, a CSO, reported 650 land-related conflicts impacting over 650,000 households in 2017. The National Human Rights Commission (*Komnas HAM*) reported receiving 4,800 complaints between 2012 and 2014 (the last years for which public information is available), with an estimated 20% of these related to land.¹⁵⁵ The Republic of Indonesia Ombudsman reported that conflicts over land for oil palm cultivation constituted the largest share of the more than 1,000 land-related complaints it received in 2018.¹⁵⁶ The Ministry of National Development Planning (*Bappenas*) reported a total of 10,802 conflicts, half of which it claims have been resolved.¹⁵⁷ Data on local religious, ethnic, and indigenous-migrant conflict is more challenging to obtain, as very few organizations seek to track these numbers, and when they do, they typically count conflicts that have escalated into violence or that involve violations of national law or human rights conventions.

In addition to posing challenges for conflict data transparency, the large number of governmental and non-governmental actors with conflict resolution authority or conflict mediation programs creates problems of overlapping policy and regulations,¹⁵⁸ as well as competition between agencies. Government agencies with some degree of authority to address conflict include: the Management of Tenurial and

¹⁵³ Ibid.

¹⁵⁴ The Habibie Center, 2014. "Map on Violence in Indonesia (January-April 2014)."

http://snpk.kemendagri.go.id/Docs/Peace_and_Policy_Review_THC_Ed_7_28Augst2014.pdf During

¹⁵⁵ Indonesia's National Commission on Human Rights (Komnas HAM), National Inquiry on the Right of Indigenous Peoples on their Territories in the Forests Zones: Summary of Findings and Recommendations for Improvement of the Law and Policy Concerning Respect, Protection, Compliance and Remedy Relating to the Human Rights of Indigenous Peoples over their territories within the Forest Zones. (Jakarta: Komnas HAM, 2016), p. 7.

¹⁵⁶ Ombudsman RI, 2019. "2018 Ombudsman Annual Report of the Republic of Indonesia (Laporan Tahunan 2018 Ombudsman Republik Indonesia)." <http://ombudsman.go.id/produk?c=19>

¹⁵⁷ BAPPENAS, 2019. "Rencana Pembangunan Jangka Menengah Nasional 2020-2024: Indonesia Berpenghasilan Menengah-Tinggi yang Sejahtera, Adil dan Berkesinambungan," cited in USAID 2019, "Indonesia Land Tenure and Property Rights Assessment."

¹⁵⁸ The National Commission on Violence Against Women's 2018 report on conflict provides a helpful overview of legislation concerning conflict and conflict mitigation passed since 1998. See Komnas Perempuan, 2018. "Menata Langkah Maju: Kajian Perkembangan Kebijakan Penyikapan Konflik Selama 20 Tahun Reformasi untuk Pemajuan Pemenuhan HAM Perempuan dan Pembangunan Perdamaian."

Customary Forest Conflict unit within the KLHK; the Ministry of Agrarian Affairs and Spatial Planning; the National Human Rights Commission; the Republic of Indonesia Ombudsman; the Ministry of Social Affairs; the Ministry of Energy and Mineral Resources; the Directorate General for Social Forestry and Environmental Partnership; the Directorate of Land Expansion and Protection of the Ministry of Agriculture; and the Ministry of Land and Spatial Planning. CSOs and the private sector are also active in conflict resolution, with the CSO Conflict Resolution Unit training mediators to intervene in corporate-community conflicts, the Dispute Settlement Facility of the Roundtable on Sustainable Palm Oil (RSPO) mediating cases involving RSPO members, and a host of local CSOs, NGOs, regional government actors, and even private “land compensation brokers” promising communities redress. The Indonesian military has also claimed authority over social conflict within the nation. This system of overlapping authority leads to competition among conflict resolution actors, as well as confusion and forum shopping by communities, who typically have little access to clear and accurate information about different avenues of redress, their benefits and drawbacks, and how to access them. The assessment found that in the absence of such information, communities often tend to rely upon networks of political patronage to navigate their options, sometimes falling prey to unscrupulous actors or to those seeking to use community grievances to escalate conflict or solidify political backing.

The Gol’s responses to conflict have also sometimes exacerbated the problem. Despite clear evidence, and repeated warnings by governmental and non-governmental agencies of the persistence of conflict in Indonesia, the Gol and local government have often pushed back against suggestions that conflict is a critical issue for the country to address. The National Commission on Violence Against Women, in its 2019 report on conflict and peacebuilding, warns that a government reluctance to acknowledge both historical and contemporary conflict hampers peacebuilding efforts.¹⁵⁹

KEY CONCLUSIONS FOR SECTORAL DEVELOPMENT

ENERGY AND ENVIRONMENT

Conflict in Indonesia, especially conflict around land and natural resource extraction, has clear implications for work in the environmental sector. Conflict may have damaging impacts on forests, biodiversity, air, and water, while climate change and environmental degradation may intensify pressures on scarce resources, exacerbating conflict. These environmental impacts of conflict, as well as drivers of conflict in the environmental sector, mean that it is important for sectoral development work to emphasize conflict sensitivity in planning and implementation. In addition, the environmental sector has an important contribution to make to conflict mitigation efforts by providing information about the potential environmental impacts of different options for conflict resolution. For example, conflicts over land use and corporate concessions are often addressed by providing compensation to community landholders, but these forms of resolution typically do not include provisions for mitigating environmental damage or providing communities with options and training for new socially and environmentally sustainable livelihoods. Ensuring that environmental impact data is part of conflict resolution discussions and that environmental stakeholders are parties to negotiations can help ensure that conflict resolution takes both social and ecological concerns into consideration.

¹⁵⁹ Komnas Perempuan 2019.

HEALTH

During the assessment, teams heard information from respondents that emphasized the importance of conflict sensitivity in the health sector. Respondents discussed the deleterious impact that conflict has on physical and mental health and well-being. Indonesian health data is not disaggregated to show potential disparities between communities that have experienced conflict and those that have not, including disparities in reproductive health, maternal and child health, nutrition, HIV/AIDS, and mental health. However, the global research base,¹⁶⁰ as well as information shared by assessment respondents about insufficient healthcare services available in some conflict-affected communities, especially in parts of Papua, points to the likelihood that these communities have worse health outcomes than non-conflict-affected communities, and suffer from a lack of reliable services. Violence against women and girls may have especially long-lasting health impacts.¹⁶¹ Assessment respondents from the LGBTI community shared concerns that stigma, discrimination, and threats of violence have, in some cases, dissuaded people from seeking care, including for HIV/AIDS. Discriminatory local regulations (e.g. laws that ban contraception for unmarried people) and the spread of extremist ideologies (e.g. beliefs that women should refrain from contraception or from immunizing children) also pose threats to health. The GoI faces challenges with ensuring sufficient health staffing and resources in remote areas, challenges which are exacerbated in areas that are also prone to conflict. In addition, assessment respondents stated that in some areas, the distribution of health resources has exacerbated conflict when resources are perceived to be unfairly allocated, subject to corruption, or situated in areas that are contested by different claimants to power. For example, in South Sulawesi, the healthcare that corporate mining complexes provide to a migrant workforce is perceived to be of better quality than that provided by local government-run clinics, helping to fuel grievances against both migrants and the mining sector. Conflict has also worsened when health sector personnel do not have the capacity to interact with those they serve in ways that are perceived as respectful and trauma-sensitive. The health sector is recommended to integrate conflict sensitivity into its program design and implementation, and to monitor the relationship between health disparities and conflict. (For further information on conflict sensitivity recommendations, see the Recommendations section below.)

HUMAN CAPACITY

The assessment found that education has a key role to play in conflict prevention and mitigation. Often, a lack of educational opportunities leaves young people lacking secure employment and thus more vulnerable to recruitment into conflict or VE. However, it is not only the under-educated who fall prey to conflict. Conflict actors also include those high school and university graduates whose frustrations with being unable to secure decent jobs upon graduation lead them to lose trust in government and to promote or participate in conflict behaviors. Heightened expectations by young graduates, coupled with persistently limited secure employment opportunities for youth, if unaddressed, may constitute a rising security threat when young people take out these frustrations through intolerance or violence. In addition to lacking a robust vocational emphasis, Indonesia's educational system lacks an effective civics curriculum, and its religious education curriculum, which requires students to study their own religion but not others, fails to promote interfaith understanding and tolerance. Additionally, the distribution of

¹⁶⁰ See Wagner, Zachary, Sam Heft-Neal, Zulfiqar Butta, Robert Black, Marshall Burke and Eran Bendavid, 2018. "Armed Conflict and Child Mortality in Africa: A Geospatial Analysis." *The Lancet* 392(10150):857-865.

¹⁶¹ The WHO Multi-Country Study on intimate partner violence found that the global health impacts of gender-based violence were severe and long-lasting. See García-Moreno C, Jansen HA, Ellsberg M, et al., 2006. "Prevalence of intimate partner violence: findings from the WHO multi-country study on women's health and domestic violence." *Lancet* 2006; 368:1260-9.

educational resources has, in some cases, exacerbated conflict dynamics when education benefits are perceived to be unfairly distributed. Corruption in the education sector, which was reported by assessment respondents to be prevalent in many locations, also helps strengthen grievances that drive conflict. This makes it vital for USAID/Indonesia and its Gol and civil society partners to utilize a conflict sensitive lens and Do No Harm analysis, as well as to promote projects and activities that aim to provide education in peacebuilding, pluralism, and interfaith tolerance.

FOCUS PROVINCES

EAST NUSA TENGGARA

The province of NTT consists of 21 regencies and one municipality spread across five major islands (Timor, Flores, Sumba, Alor, and Lembata), covering a land area of 47,931,540 square kilometers. The population was estimated at 5,287,302 in 2017, with an annual growth rate of 1.61%. NTT is majority Christian, with 52% of the population identifying as Catholic, 38.7% as Protestant, 9.1% as Muslim, and 0.2% as other.

NTT has one of the highest rates of poverty in Indonesia. In 2018, 21.35% of the province's population lived in poverty (compared to 9.8% nationally), a figure that has remained stubbornly consistent since 2010.¹⁶² NTT rates far lower than the Indonesian average on the HDI, ranking 32nd out of the nation's 34 provinces. While the official unemployment rate stood at 3.01% in 2018, this figure masks high levels of underemployment and precarious or seasonal employment, particularly in the agricultural and petty trade sectors. NTT's poverty is reflected in its comparatively low health status, with its average life expectancy of 66.07 years lagging behind the national average of 71.06 years.¹⁶³ Educational status in NTT is also quite low in comparison to other regions of Indonesia, with 32.9% of the population lacking an elementary school degree.

Approximately 80% of NTT's population depend upon subsistence-based rainfall-irrigated agriculture for their livelihoods, making them highly vulnerable to climate change risks.¹⁶⁴ Coastal abrasion, landslides, and drought threaten the livelihoods of rural farmers, while fishing communities are experiencing the impact of stronger storms, unpredictable seasons, and lower fish stocks due to overfishing and the prevalence of harmful extraction methods. Climate change has also placed increased pressure on irrigation supplies, with assessment respondents reporting local conflicts around water access.

The impacts of persistent poverty, coupled with climate change, drive rural-urban migration in NTT, with the population of Kupang, the provincial capital, increasing 4.6% per year, a rate that is four times higher than the national average.¹⁶⁵ Urban development in Kupang has been haphazard, with many migrants living in informal settlements, lacking secure access to housing and basic services including clean water and electricity.¹⁶⁶ Labor migration out of the province, as well as human trafficking,¹⁶⁷ have been reported as widespread. Assessment respondents noted that official government figures vastly

¹⁶² Central Statistical Bureau, East Nusa Tenggara Province, 2018. <https://ntt.bps.go.id/dynamic/table/2017/08/31/451/persentase-penduduk-miskin-menurut-kabupaten-kota-di-provinsi-nusa-tenggara-timur-2002-2018.html>

¹⁶³ Salesman, Frans, Stafanus Rodrick Juraman, Rafael Paul and Leonardus W.D. Setiawan, 2018. "Poverty and Society Health Status in East Nusa Tenggara, Indonesia." *International Research Journal of Public and Environmental Health* 5 (7):125-130.

¹⁶⁴ UNDP Fact Sheet: Strategic Planning and Action to Strengthen the Climate Resilience of Rural Communities in Nusa Tenggara Timur. <https://www.id.undp.org/content/dam/indonesia/docs/envi/project/SPARC%20-%20Results%20Sheet.pdf>

¹⁶⁵ UNDP-SCDRR, 2015. "Climate Change Vulnerability Assessment: Kupang City."

¹⁶⁶ Ibid.

¹⁶⁷ Maria Augustina Kleden and Astri Atti, 2019. "Analysis of the Causes of Human Trafficking in East Nusa Tenggara Province." *The Asia Institute of Research Journal of Social and Political Sciences* 2(2):313-319.

underestimate migrant numbers, with recent research conducted by the Ledalero Institute of Philosophy in Flores finding upwards of 200,000 people a year leaving NTT for work in Malaysia.¹⁶⁸ These migrants typically seek out work on palm oil plantations, engaging in illegal crossings that are facilitated by security sector corruption on both sides of the border.¹⁶⁹

Access to land is at the heart of many of NTT's conflicts. Across much of NTT, there are persistent inequalities in land tenure and ownership. In Flores, cultural elites have traditionally held a disproportionate amount of the island's land. Many areas of NTT have traditionally been governed by customary law (*adat*), with land held either communally or by feudal landlords for the benefit of a clan, and its sale prohibited. However, the weakening of these customary systems, coupled with a government push to expand individual land titling programs,¹⁷⁰ has led to new conflict when individuals attempt to use their political influence to register collective land in their own names.¹⁷¹ Land tenure conflicts between local residents and migrants to the area have also been reported.¹⁷²

New infrastructure and tourism development projects championed by Indonesian president Widodo's administration have been hailed as a panacea for NTT's persistent poverty.¹⁷³ These projects are expected to bring jobs and economic growth to areas that have traditionally been neglected by national economic development schemes. Assessment respondents noted that improved roads and telecommunications infrastructure have been especially welcomed by small business owners. At the same time, these projects have also exacerbated conflict over land rights, with outside investors reported to have taken control of much of Flores's coastal land in anticipation of a tourism boom following the designation of Labuan Bajo as a national priority for tourism development.¹⁷⁴ NTT has also experienced boundary disputes sparked by the creation of new districts and the re-drawing of district boundaries as part of the post-1998 reform process.¹⁷⁵ The designation of land as protected forest has also led to conflict between indigenous inhabitants and the government, especially in Flores, where conservation enclosure has led to clashes between local people and police.¹⁷⁶ The island of Komodo has been an especially problematic case of conflict, with local residents subject to repeated threats to remove them from the island to make way for new "ecotourism" resort development.¹⁷⁷

Mining operations have been another source of conflict in NTT.¹⁷⁸ In 2007, plans to develop a gold mine on the island of Lembata, which would have forced the evacuation of half the island's population, were met with local and international outcry, drawing attention to the social and environmental impacts of mining in the province. Since then, more local communities have felt empowered to protest against mining, drawing attention to both the social and environmental impacts of open pit mining and the

¹⁶⁸ Interview, Maumere, January 29, 2020.

¹⁶⁹ Ibid.

¹⁷⁰ The Joko Widodo government has articulated an ambitious goal of ensuring that 21 million new land certificates are issued to farmers without formal title through the National Agrarian Operations Project (PRONA).

¹⁷¹ Emilianus Yakob Sese Tolo, 2016. "Collective Land Certification Policy as an Alternative to Land Conflict Resolution and Rural Development in Flores, Indonesia." *International Journal of Administrative Science and Organization*, May 2016.

¹⁷² Ibid.

¹⁷³ Emilianus Yakob Sese Tolo, 2019. "Weighing Jokowi's Infrastructure Projects in Eastern Indonesia." *New Mandala*, March 28, 2019.

¹⁷⁴ Maribeth Erb, 2017. "The Extractive Industries in East Nusa Tenggara." *Inside Indonesia*. Edition 130: Oct-Dec. 2017.

¹⁷⁵ Maribeth Erb, 2014. "Borders and Insecurities in Western Flores: Contesting Territory on the Margins of the State." *Asian Journal of Social Science* 42(1/2):122-163.

¹⁷⁶ Kriswoyo, Jimmy Pello, and Ludji M. Riwu Kaho, 2019. "Peranan Tiga Pilar dalam Penyelesaian Konflik Tenurial di Taman Wisata Alam Ruteng, Flores, Nusa Tenggara Timur." *Journal Bumi Lestari* 19(1):36-48; John Mansford Prior, 2013. "Land Disputes and the Church: Sobering Thoughts from Flores." In A. Lucas and C. Warren, *Land for the People: The State and Agrarian Conflict in Indonesia*. Ohio University Press.

¹⁷⁷ Interviews, NTT, January 31 and February 1, 2020.

¹⁷⁸ Maribeth Erb, 2016. "Mining and the Conflict Over Values in Nusa Tenggara Timur Province, Eastern Indonesia." *The Extractive Industries and Society* 3(2016):370-382.

undemocratic processes by which concessions have been granted. In Flores, the Catholic Church has played a leading role in organizing community members to resist mining operations and the local government officials who support them.¹⁷⁹ As of 2018, there were 309 active mining licenses in force in NTT,¹⁸⁰ although the current provincial governor has promised to review mining concession agreements and revoke the approval of mines found to cause environmental damage.¹⁸¹

In NTT, land and resource conflicts have been closely entwined with conflicts over political power and governance. Local officials, including district heads, have been accused of corruption in the granting of concessionary agreements and contracts for infrastructure development projects, with several high profile cases referred for prosecution.¹⁸² In 2014, Indonesia's new Local Governance Law 23/2014 was issued in an attempt to address widespread corruption, removing the right to grant mining concessions from district heads and placing it in the hands of the provincial government. While this shift has been hailed by some Gol officials and legislators as an important remedy for corruption, there have been concerns in NTT that re-centralizing concessionary power in Kupang will make it far less possible for communities to have a say in decisions impacting their lives, especially given the challenges of travel in an archipelagic province.¹⁸³ The Widodo administration's emphasis on infrastructure development, aimed at boosting livelihoods in Eastern Indonesia, has also had the side effect of further entrenching corruption in NTT. Graft in the infrastructure development contracting process has been reported as widespread, with one observer claiming that contractors typically pay 10% of a project's total value to the politicians who help ensure their bids win. Politicians are reported to then distribute access to these funds according to their standing in the local parliament.¹⁸⁴ At the same time, NTT's civil society has become more vocal about the problem of corruption in the province, heartened by the success of anti-mining activism in the province, which drew attention to principles of community consultation around development efforts.¹⁸⁵

Conflicts due to tourism development have also increased in NTT. President Jokowi's government aims to make tourism one of the primary contributors to NTT's economic growth. Land-based conflicts have arisen in NTT's tourism enclaves in Flores¹⁸⁶ and West Sumba,¹⁸⁷ typically around the use of communal lands for tourism industries.¹⁸⁸ In addition, there are also conflicts over the control of natural resources, especially clean water.¹⁸⁹

Land has also been deeply entwined with electoral politics in NTT. The high cost of campaigning for political office in Indonesia has meant that in NTT, it has traditionally been customary elite landlords

¹⁷⁹ Max Regus, 2017. "Church-Based Resistance to Mining in Manggarai." *Inside Indonesia*. Edition 130: Oct-Dec. 2017.

¹⁸⁰ JATAM (Jaringan Advokasi Tambang), 2018. "Pilgub NTT Rawan Modus Obrol Izin Tambang." February 26, 2018.

<https://www.jatam.org/2018/02/26/pilgub-ntt-rawan-modus-obral-izin-tambang/>

¹⁸¹ Mongabay, 2018. "Indonesian Province Calls Time-Out on Mining." September 18, 2018. <https://news.mongabay.com/2018/09/indonesian-province-calls-time-out-on-mining/>

¹⁸² Jakarta Globe, 2018. "Bribery Suspect Declared a Governor Nominee." February 13, 2018. <https://jakartaglobe.id/news/bribery-suspect-declared-governor-nominee/>; The Jakarta Post, 2014. "Kupang Mayor to Stand Trial." February 26, 2014.

<https://www.thejakartapost.com/news/2014/02/26/former-kupang-mayor-stand-trial-corruption.html>

¹⁸³ Maribeth Erb, 2017. "The Extractive Industries in East Nusa Tenggara." *Inside Indonesia*. Edition 130: Oct-Dec. 2017.

¹⁸⁴ Emilianus Yakob Sese Tolo, "Voting Out the Landlords in Flores." *New Mandala*, July 16, 2019.

¹⁸⁵ Maribeth Erb, 2011. "Talk of Corruption in Eastern Indonesian Communities: Reactions to Local Government in the Post-Suharto Reform Era." *Asian Journal of Social Sciences* 39(2):171-195.

¹⁸⁶ La Croix International, "Komodo dragons draw tourist dollars, but not for locals," May 11, 2018. <https://international.la-croix.com/news/komodo-dragons-draw-tourist-dollars-but-not-for-locals/7565>

¹⁸⁷ Kompas, 2018. "Pengukuran Tanah, Personel Polisi dan TNI Diserang, 1 Warga Tewas." 26 April, 2018.

<https://regional.kompas.com/read/2018/04/26/23083501/pengukuran-tanah-personel-polisi-dan-tni-diserang-1-warga-tewas>.

¹⁸⁸ Stefanie Remmer, 2017. *Tourism Impact in Labuhan Bajo*, Denpasar: SwissContact Wisata.

¹⁸⁹ Stroma Cole, 2017. "Water worries: An intersectional feminist political ecology of tourism and water in Labuan Bajo, Indonesia," *Annals of Tourism Research*, 2017, vol. 67, issue C, 14-24.

who have the means to support a candidacy. In Flores, political parties have recruited these elite landlords as their legislative candidates, counting on their wealth and influence over their tenants to achieve their electoral goals.¹⁹⁰ Elsewhere in NTT, traditional patronage politics have dominated, with candidates relying on kinship and local social ties to amass constituents, who in turn rely on their political patrons to fill the social and economic gaps caused by a lack of state services.¹⁹¹ However, there are signs that this feudal political pattern may be shifting, with the April 2019 elections seeing customary elite candidates lose to a new slate of candidates whose wealth and power does not derive from traditional authority. As one observer of NTT politics notes, “the increase in government infrastructure projects, especially during Jokowi’s administration, has contributed to the growth of a new rich comprising contractors, bureaucrats, politicians and businessmen,” who have the wealth to challenge the traditional landlord class.¹⁹² Following the 2019 elections, several incidents of conflict were reported between supporters of traditional elites and their political rivals.¹⁹³ Observers of NTT’s politics attribute this shift away from feudal dominance to both the increasing role of “money politics” in Indonesia elections and government and grassroots support for new land certification efforts, which in turn place pressure on traditional landlords to provide individual titles to those occupying communal lands.

NTT has a history of ethnic and religious conflict. In December 1998, its capital, Kupang, was rocked by Christian-Muslim violence. Five mosques were set ablaze during a riot that also left 17 people injured and 511 residents evacuated.¹⁹⁴ Despite this history, Kupang has been ranked as one of the ten most “tolerant” cities in Indonesia.¹⁹⁵ However, there have been sporadic incidents of violence between ethnic groups and between Christians and Muslims in the province.¹⁹⁶ Some scholars note that customary law, as well as histories of inter-religious marriage and everyday forms of civic cooperation, have mitigated against the expansion of religious tensions into broader conflict in NTT.¹⁹⁷ However, others express concern that shifting national trends away from traditions of interfaith tolerance towards more exclusionary forms of Islam are having an impact on NTT’s resilience to religious conflict.¹⁹⁸ Some recent local political campaigns have emphasized religious identity politics, warning NTT’s majority-Christian population of threats from intolerant Islamic factions, especially following the 2017 jailing of former Jakarta governor Basuki Tjahaja Purnama (known popularly as Ahok) for blasphemy.¹⁹⁹ Local peacebuilding actors warn that increased efforts are needed to increase community resilience to trigger events, including social media reports of religious discrimination and violence, with the potential to exacerbate inter-religious tensions.

Finally, NTT still grapples with the legacy of Indonesia’s occupation of Timor Leste (formerly the Indonesian province of East Timor). In 1999, after East Timorese voted overwhelmingly to separate from Indonesia, a decision that was followed by widespread violence and human rights abuses, some

¹⁹⁰ Emilianus Yakob Sese Tolo, “Voting Out the Landlords in Flores.” *New Mandala*, July 16, 2019.

¹⁹¹ Rudi Rohi, 2016. “East Nusa Tenggara: Patronage Politics, Clientelism, and the Hijacking of Social Trust.” In E. Aspinall and M. Sukmajati, *Electoral Dynamics in Indonesia: Money Politics, Patronage, and Clientelism at the Grassroots*. Singapore: NUS Press.

¹⁹² *Ibid.*

¹⁹³ *Ibid.*

¹⁹⁴ CNN, “Indonesian leaders call for calm after riots.” December 1, 1998. <http://edition.cnn.com/WORLD/asiapcf/9812/01/indonesia/>

¹⁹⁵ Tempo, 2018. “10 Kota Paling Toleran di Indonesia, Jakarta Tidak Masuk.” December 8, 2018. <https://nasional.tempo.co/read/1153380/10-kota-paling-toleran-di-indonesia-jakarta-tidak-masuk>

¹⁹⁶ Stella Aleida Hutagalung, 2016. Muslim-Christian Relations in Kupang: Negotiating Space and Maintaining Peace. *The Asia Pacific Journal of Anthropology* 17(5):439-459.

¹⁹⁷ *Ibid.*

¹⁹⁸ Emilianus Yakob Sese Tolo, 2019. “Campaigning in the Shadow of Ahok in NTT.” *New Mandala*, April 15, 2019.

<https://www.newmandala.org/campaigning-in-the-shadow-of-ahok-in-ntt/>

¹⁹⁹ *Ibid.*

250,000 East Timorese crossed the border into West Timor. By 2003, the United Nations High Commissioner for Refugees (UNHCR) declared the end of refugee status for these East Timorese, stating that the majority of them had returned to the new nation of Timor Leste. However, one estimate states that there remain approximately 88,000 refugees from the eastern half of Timor island still resident in West Timor.²⁰⁰ These refugees have diverse backgrounds and needs, and some (including those who had been employed by the Indonesian government, police, and military in East Timor) have found livelihoods and security in NTT.²⁰¹ However, others still live in highly precarious conditions, and their presence as “outsiders” has exacerbated local disputes over land, resources, and customary law.

PAPUA

Papua is the easternmost province of Indonesia. The province is divided into 28 districts and one municipality, the city of Jayapura. The population of Papua is 3,322,526 people (2018 estimate). Papua spans an area of 421,981 km² with a population density of only ten persons per square kilometer. The majority of the population is concentrated in the lowland coastal towns, with the mountainous interior inhabited by an estimated 312 different indigenous groups. The majority of Papua’s population are Protestants (65.48%), followed by Catholics (17.67%), and Muslims 15.89%. The rest are adherents of Hinduism, Buddhism, and other religions. The central government has proposed dividing Papua, and the neighboring province of West Papua, into seven provinces based on *wilayah adat* (customary territories): Mamta (including areas surrounding Jayapura); Saereri (the Biak and Yapen Waropen regions); Anim Ha (the Merauke, Asmat, and Boven Digul regions); La Pago (the Jayawijaya region, home to Dani tribes); Mee Pago (the Nabire region, home to Mee tribes); Domberai (the Manokwari and Bintuni regions); and Bomberai (the Fakfak, Kaimana and surrounding regions). This proposal has been controversial, with some Papuans wary of any move to further divide the region and others hopeful that new provincial structures will bring new government resources.

Demographic issues have long been contentious in Papua. Indonesia’s last national census in 2010 estimated that Papua’s population was growing at a rate of 5.55% a year, the highest in the nation, driven primarily by economic migration to the province.²⁰² The 2010 census also showed that in five of the province’s districts, indigenous Papuans had become a minority. These districts dominated by non-Papuans (Merauke, Nabire, Mimika, Keerom, and Jayapura City) represent the province’s centers of economic growth.²⁰³ Alarmed by these numbers, indigenous rights groups have warned that Papuans are in danger of becoming a minority in their own land.²⁰⁴ However, IPAC cautions that population statistics in Papua are unreliable, and that Papuan elites have “deliberately inflated the numbers as a way to gain money and power” through increased budgetary allocations and seats in local legislatures.²⁰⁵

Migration to Papua has been driven by the promise of natural resource wealth, with the province home to PT Freeport Indonesia and its copper and gold mine, as well as logging, palm oil palm, and agricultural concessions. Papua has been a key target for infrastructure development by the Jokowi administration, with the Trans Papua Highway project aiming to construct 2,700 miles of roadway to connect the

²⁰⁰ Andrey Damaledo, 2018. *Divided Loyalties: Displacement, Belonging and Citizenship Among East Timorese in West Timor*. ANU Press.

²⁰¹ Ibid.

²⁰² Kompas, 2010. “Pertumbuhan Penduduk Papua Tertinggi di Indonesia” (“The Population Growth Rate in Papua is the Highest in Indonesia.” August 18, 2010. <https://regional.kompas.com/read/2010/08/18/03430447/Pertumbuhan.Penduduk.Papua.Tertinggi.di.Indonesia>.

²⁰³ Ibid.

²⁰⁴ Elmslie, “The Great Divide: West Papuan Demographics Revisited; Settlers Dominate Coastal Regions but the Highlands Still Overwhelmingly Papuan,” *Asia Pacific Journal-Japan Focus*, Vol. 15, Issue 2, No.1, January 15, 2017.

²⁰⁵ Institute for the Policy Analysis of Conflict, 2019. “Numbers Matter: The 2020 Census and Conflict in Papua.” October 29, 2019. IPAC Report No. 60.

province's timber, mineral, and agricultural resources to markets. The project has been controversial, with environmental advocates warning of deforestation and biodiversity loss,²⁰⁶ and social advocates raising concerns about the further economic marginalization of indigenous Papuans. In December 2018, Papuan independence fighters in Nduga District took 25 highway construction workers hostage, killing 19 of them, and vowed to carry out more attacks on the road, which they viewed as a symbol of dominance by outside forces. Assessment respondents stated that many indigenous Papuans feel that this infrastructure development is not intended to bolster their well-being but to benefit migrants and to facilitate the extraction of Papua's natural resources.

Despite its abundant natural resources, Papua's population is the poorest in Indonesia. In 2018, 27.53% of the population lived below the poverty line, compared to 9.8% nationally.²⁰⁷ This figure only slightly improved compared to 2017 when the poverty rate numbered 27.76%.²⁰⁸ Papua has an HDI score of 59.09, the lowest in the country. In rural areas, poverty is even more entrenched, with the Nduga District, in the central mountain region, scoring only 27.98 on the HDI. Life expectancy in Papua is also low at 65.14 years, compared to an Indonesian average of 71 years. Papua has also experienced crises of malnutrition and measles due to challenges with ensuring healthcare services reach remote areas.²⁰⁹ Another critical health problem has been the spread of HIV/AIDS, which has been characterized as a low-level generalized epidemic with a prevalence rate estimated at 2.3%, five times higher than elsewhere in the country.²¹⁰ In 2019, the Provincial Health Office of Papua estimated that there were 40,805 HIV-positive people in the province,²¹¹ although some assessment respondents cast doubt on the accuracy of these statistics, stating that many indigenous Papuans no longer trust hospitals and healthcare systems managed by the Indonesian government.

Conflict has threatened Papua since Indonesia's independence from Dutch colonial rule in 1949. Indonesia's first president, Sukarno, demanded that the Netherlands renounce its sovereignty over what was then known as West New Guinea, arguing that, as a part of the former colonial Netherlands East Indies, it rightfully belonged to Indonesia. After Indonesia threatened to invade the territory, the U.S. brokered the 1962 New York Agreement, which stipulated that Indonesia would have the right to administer the territory (then known as West Irian or West Papua) until a referendum could be held to determine whether Papuans wished to join Indonesia or become an independent nation.²¹² While Indonesia insisted that Papua was an integral part of the nation, Papuans did not share an Indonesian nationalist identity and a shared history of participation in anti-colonial struggle. In 1969, Indonesia, under supervision by the United Nations, conducted The Act of Free Choice to determine Papua's fate. However, rather than allowing all Papuans to vote, Indonesia hand-picked 1,022 Papuans to deliberate, who publicly and unanimously voted to join Indonesia. To this day, the Act of Free Choice is evoked as a major historical grievance by advocates of Papuan independence, who call it "The Act of No Choice."

²⁰⁶ William Laurance, 2019. "A Highway Megaproject Tears at the Heart of New Guinea's Rainforest." E360 Yale, January 17, 2019.

<https://e360.yale.edu/features/a-highway-megaproject-tears-at-the-heart-of-papuas-rainforest>

²⁰⁷ The Jakarta Post, 2019. "Poverty Rate at 3.47% in Jakarta, but 27.53% in Papua." July 17, 2019.

<https://www.thejakartapost.com/news/2019/07/17/poverty-rate-at-3-47-in-jakarta-but-27-53-in-papua-bps.html>

²⁰⁸ A person is classified as poor if his income is US\$33/per capita per month or about US\$1 per day. See Central Bureau of Statistics (BPS) Provinsi Papua. <https://papua.bps.go.id/quickMap.html>

²⁰⁹ Voice of America, 2018. "Papua Health Crisis Prompts International Scrutiny, Internal Review." February 7, 2018.

<https://www.voanews.com/east-asia-pacific/papua-health-crisis-prompts-international-scrutiny-internal-review>

²¹⁰ UNFPA Indonesia, 2020. "HIV & AIDS." <https://indonesia.unfpa.org/en/topics/hiv-aids-5>

²¹¹ <https://news.okezone.com/read/2019/05/09/340/2053550/jumlah-pengidap-hiv-aids-di-papua-lebih-dari-40-ribu-orang>

²¹² Richard Chauvel, "Constructing Papuan Nationalism: History, Ethnicity, and Adaptation." Policy Studies No. 14, Washington, East West Center. 2005.

While conflict has been simmering in Papua for over five decades, there are recent signs that conflict dynamics may be shifting towards escalation. In August 2019, Papuan cities were hit by an unprecedented wave of public demonstrations in reaction to incidents of racism directed towards Papuan students studying in Java and Sulawesi. In August, a police officer was shot and killed, and a soldier was ambushed and killed by Papuan fighters. This wave of protest was organized by a coalition of civil society and youth organizations including the National Committee of West Papua (KNPB), the Papuan Students Alliance (AMP), and the Papua Customary Law Council (*Dewan Adat Papua/DAD*).²¹³ Papuan students studying outside the province were called home, and tensions have risen between indigenous Papuans and the militias created by or allied with Indonesian security forces. Security forces have also tightened surveillance of civil society, especially CSOs led by indigenous Papuans.

Conflict between supporters of Papuan independence and the Gol are not the only threats to Papua's peace, however. There is also increasing polarization within Papua itself, as tensions rise along highland/coastal, indigenous/migrant, and inter-clan lines. Since the colonial era, political power in Papua was held by coastal people. Under Indonesian rule, this pattern continued, with coastal elites gaining access to education and political representation and highland peoples marginalized, leading to deep highland resentment towards Indonesian military power and government neglect.²¹⁴ Highland Papuan activist groups formed the core of the KNPB, with some developing ties to the armed Free Papua Movement (*Organisasi Papua Merdeka*, OPM) as well as international Papuan rights advocates.²¹⁵ Over the past decade, however, highland political figures have claimed new power at the provincial level, winning legislative seats and the governorship by emphasizing their grievances against both coastal elites and Jakarta. Some observers have called highland/coastal tensions a "time bomb,"²¹⁶ warning that deep-seated patterns of discrimination, fear, and exploitation threaten to erupt into violence.²¹⁷ In the city of Jayapura, for example, anti-highland sentiments, which characterize "Wamena people" as backwards, violent, and uncivilized, are common among coastal tribes.²¹⁸

Another source of conflict in Papua Province is migration. During the New Order era, the Indonesian government promoted transmigration programs that moved people from the densely populated areas of Indonesia's inner islands - Java, Madura, and Bali - to the outer islands. Papua became a key target of the transmigration program with the aim of not only redistributing the population but also "civilizing" a region seen as backwards and insecure. Prior to August 1999, 2,100,760 hectares of *tanah ulayat* (indigenous communal land) was allocated to the transmigration program. As of 2012, 207,277 transmigrants, comprising 53,853 households, had been relocated to Papua,²¹⁹ occupying 231,620 hectares of land. While the transmigration program ended soon after the fall of the New Order, new waves of economic migration have continued to impact Papua. Inequalities between indigenous people and migrants have sharpened tensions, with migrants having better access to education, healthcare, and financial services.²²⁰ Anti-migrant violence has repeatedly occurred in the province, with major violence

²¹³ 600 out of 1950 students from Yakuimo district were reportedly going home after the Surabaya incident. See, <https://www.cnnindonesia.com/nasional/20190918071346-20-431433/bupati-yahukimo-mahasiswa-papua-pulang-karena-dapat-rekanan>

²¹⁴ Institute for the Policy Analysis of Conflict, 2019. "Numbers Matter: The 2020 Census and Conflict in Papua." October 29, 2019. IPAC Report No. 60.

²¹⁵ Ibid.

²¹⁶ Yulia Indri Sari, 2016. "Papua's Time Bomb." *New Mandala*, January 7, 2016. <https://www.newmandala.org/papuas-time-bomb/>

²¹⁷ Ibid.

²¹⁸ Ibid.

²¹⁹ Levels of "spontaneous" or unsponsored migration has been far larger than government-sponsored transmigration program. By 2000, approximately 560,000 unsponsored migrants had settled in Papua. See, McGibbon, Rodd. (2004). *Plural Society in Peril: Migration, Economic Change, and the Papua Conflict*. Washington: East West Center, p. 36.

²²⁰ McGibbon, Rodd. (2004). *Plural Society in Peril: Migration, Economic Change, and the Papua Conflict*.

taking place in Wamena (2000), Timika (2003), Tolikara (2015), and again in Wamena (2019). Migrants have also joined militia groups pledging loyalty to Indonesia, some of which have engaged in violence against indigenous Papuans. During the demonstrations in August-September 2019, there were reports of attacks carried out by militias that were said to have led to the deaths of at least eight Papuans.²²¹

Decentralization has also exacerbated tensions within Papua. In 2003, Papua was split into two provinces (Papua and West Papua), a division that many Papuans claimed was undertaken out of fear that a united Papuan province posed a greater risk of separatism.²²² Further division of the two provinces has been discussed as a possibility, raising new concerns that a lack of indigenous capacity will lead to more non-Papuans in positions of administrative authority. Despite this apprehension, President Joko Widodo has doubled down on efforts to split the two provinces into five, aligned with the five largest Papuan tribes.²²³ At the same time, Papua has seen the division of a number of existing administrative districts and the creation of new districts, often along tribal lines, reflecting competition among Papuan elites. Some of these newly created districts are sparsely populated, with populations under 50,000; however, they provide access to administrative authority, government funds, and the distribution of civil service positions for their leaders.²²⁴

Conflicts over the control of natural resources have also exacerbated tensions in Papua. The most prominent of these conflicts has been the often-tense relationship between PT Freeport Indonesia, which controls the largest gold mining concession in Indonesia, and Papuan tribes and the local government. Conflicts around the PT Freeport area have frequently escalated into violence. There are also conflicts among civilians in the area, especially among groups who want to control areas around PT Freeport's tailings disposal area in order to mine gold that does not meet Freeport's production standards. As palm oil becomes increasingly important to Papua's economy, new conflicts are also emerging around agricultural concession areas. Land transfers and land grabs have sparked conflict within communities and between communities and corporations and the state, a situation that is likely to escalate as oil palm production expands.²²⁵

In 2001, the Indonesian government introduced special autonomy (*Otonomi Khusus* or *Otsus*) to Papua in an effort to reduce separatist sentiments. Under this scheme, the provincial government has autonomy in all matters except defense, international relations, fiscal and monetary policy, religion, law, and justice. Only indigenous Papuans are entitled to hold top positions at provincial (governor and vice governor) and district levels (district heads and vice district heads). However, the central government retains authority to approve Special Bylaws issued by local government. Special autonomy also provides greater financial transfers to Papua in order to foster economic development. Until 2026, the Papua government is entitled to 80% of revenues from mining, forest, and fishery products and 70% of revenues from oil and gas products. After 2026, the provincial government is scheduled to receive only 50% of these revenues. The Papua government also receives special autonomy funds (*Dana Otonomi*

²²¹ Sidney Jones, 2019. "Violence in Papua Could Get Worse." The Interpreter, October 2, 2019. <https://www.lowyinstitute.org/the-interpreter/violence-papua-could-get-worse>; BBC News, 2019. Dugaan keterlibatan 'milisi' di balik kerusuhan Papua dan Papua Barat: "Tidak ada yang memihak kami, padahal kami sama-sama warga Indonesia," <https://www.bbc.com/indonesia/indonesia-49631556>

²²² See. Richard Chauvel, "Divide and who rules," <https://www.insideindonesia.org/divide-and-who-rules?highlight=WYj3YWIbmEiLCj3YWIbmEncyIsIid3YWIbmEnI0%3D>

²²³ "Divide and Rule," The Jakarta Post editorial, Nov. 19, 2019. <https://www.thejakartapost.com/academia/2019/11/12/divide-and-rule-papua.html>

²²⁴ BBC Indonesia, "Papua: Pemekaran wilayah 'tak libatkan warga asli', diklaim demi kesejahteraan warga lokal." <https://www.bbc.com/indonesia/indonesia-50236081>

²²⁵ Agus Adrianto, Heru Komarudin and Pablo Pacheco, 2019. "Expansion of Oil Palm Plantations in Indonesia's Frontier: Problems of Externalities and the Future of Local and Indigenous Communities." *Land* 8(56).

Khusus) which amount to 2% of the total national General Purpose Fund. These special autonomy funds are set to expire in 2021.

The planned expiration of special autonomy funds can be anticipated to have mixed impacts. On the one hand, the funds have been lauded for their contribution to the province's economic growth,²²⁶ and their expiration will create new development needs that will need to be filled. On the other hand, special autonomy has not only failed as a conflict resolution mechanism, but has exacerbated inequality within the province, benefitting urban areas and mining centers while contributing little to rural development.²²⁷ The funds have also helped drive corruption and elite capture. Finally, while special autonomy has helped drive economic growth in Papua, it has also provoked conflict, both among Papuans and between Papuans and Jakarta over the control of funds allocated for development. Serious efforts to reform governance and implement peace-building efforts will be necessary to mitigate increased conflict with the end of the special autonomy funds.

EAST JAVA

The province of East Java consists of 29 regencies and nine municipalities located on the eastern portion of the island of Java and covering a land area of 47,799,750 square kilometers. Its capital city is Surabaya, Indonesia's second largest city. The population was estimated at 39,744,800 in mid-2019, making it the second most populous province of Indonesia. 96% of the population identifies as Muslim, with 2.4% identifying as Christian, 0.06% as Buddhist, and 0.05% as Hindu.

East Java ranks 15th out of the nation's 34 provinces on the HDI. However, 11.20% of its population was living in poverty in 2017.²²⁸ East Java currently has an average life expectancy of 69.60 years, lagging only slightly behind the national average of 71.06 years.²²⁹ Children in East Java complete an average of 8.6 years of schooling.²³⁰

East Java has experienced both religious conflict and conflicts over land and natural resources. Tensions between majority Sunni Muslims and communities of Shiite Muslims have erupted into violence several times, both on the island of Madura and in the Jember and Lumajang regencies. This conflict has led to a number of deaths as well as internal displacement, with the most intense violence taking place in 2013. Discrimination against the Ahmadiyya minority has also been rampant, with assessment respondents reporting that police have failed to protect these minorities, instead considering them as criminals who follow "deviant" sects.²³¹ East Java has also experienced tensions between Islamic conservatives and those who follow more moderate versions of Islam. East Java is the homeland of the mass organization Nahdlatul Ulama (NU), which has a history of supporting pluralism and interfaith tolerance and rejecting the Islamist ideologies associated with VEOs in Indonesia, making it more difficult for extremist organizations to gain local support in the province. However, conservative-moderate splits within NU have caused tensions at the grassroots level, and assessment respondents indicated that the paramilitary wings of NU, Ansor and Banser, have recently taken more active roles to "root out" extremism, issuing

²²⁶ Resosudarmo, B., Mollet, J., Raya, U., & Kaiwai, H. (2014). Development in Papua after special autonomy. In H. Hill (Ed.), *Regional Dynamics in a Decentralized Indonesia* (pp. 433-459). ISEAS–Yusof Ishak Institute.

²²⁷ Jakarta Post, "When Special Autonomy Funds for Papua End." June 19, 2019. <https://www.thejakartapost.com/academia/2019/06/19/when-special-autonomy-funds-for-papua-end.html>; Widjojo, Muridan S. Ed. (2010), *Papua Road Map: Negotiating the Past, Improving the Present, and Securing the Future*, Jakarta: Yayasan Obor.

²²⁸ East Java Province, 2018. "Provinsi Jawa Timur Dalam Angka 2018 [East Java Province in Numbers]."

²²⁹ Salesman, Frans, Stafanus Rodrick Juraman, Rafael Paul and Leonardus W.D. Setiawan, 2018. "Poverty and Society Health Status in East Nusa Tenggara, Indonesia." *International Research Journal of Public and Environmental Health* 5 (7):125-130.

²³⁰ Central Statistical Bureau, East Java Province, 2018.

²³¹ Interview, East Java, January 21, 2020.

warnings to the Islamic Defenders Front and members of the disbanded Hizbut Tahrir Indonesia (HTI) that they will be attacked if they engage in activities in the province. One assessment respondent stated that religious “violence could explode if there is a trigger event,” including rumors of increased HTI activity or agitation for Shia or Ahmadiyya rights.²³²

East Java has also experienced conflict around mining and plantation agriculture. Mining areas have seen a sixfold expansion since 2012 as competition to tap gold, manganese, and mineral sands increases.²³³ In the district of Lumajang, the expansion of sand mining, both legal and illegal, to fill the increasing needs for construction materials for infrastructure development, has led to numerous local conflicts. In one village in Lumajang, a farmers group protesting the takeover of their fields for sand mining was attacked in 2015, with two farmers tortured and one murdered by thugs hired by the village head who was profiting from the mining deal.²³⁴ In the district of Banyuwangi, conflicts around gold mining operations at the Tumpang Pitu mountain site have involved five villages and several CSOs who have been advocating for the community’s land rights. This case has escalated and taken on horizontal conflict elements with the legal prosecution of several local farmers for “spreading communist ideologies” after they were alleged to have raised a protest banner with a hammer-and-sickle symbol. NU paramilitary groups protested at the trial, alleging that protestors were communist atheists, although demonstrations by villagers have continued at the mining site, with groups of local residents, including women and religious leaders, attempting to block road access to the mine. In this case, assessment respondents shared concerns about the “criminalization of protest,” as well as a lack of government transparency and potential corruption, in the change of designation of the mining site from protected forest to production forest, in the issuance of the mining permit without a full social and environmental impact assessment, and in the 2016 designation of the mine as a Vital National Object requiring protection by the security sector and the blocking of all access to community members’ hereditary lands.²³⁵ Conflict over plantation agriculture has also been growing. While reliable conflict prevalence figures for the province are unavailable, the East Java Consortium for Agrarian Reform (KPA) reports that the province has the highest number of these land disputes in the country.²³⁶ The KPA reports that in the province there are over nine million hectares of plantation sector land in dispute and another 18,500 hectares of disputed forestland.

East Java has also experienced high levels of out-migration, driven by both persistent poverty and new pressures on agricultural livelihoods. Both men and women migrate, with men taking up work in the construction and plantation sectors and women working in the services sector, often as household laborers. Women are reported most vulnerable to trafficking. Assessment respondents reported that the presence of local migrant “brokers” is widespread, and that people are promised commission to persuade family members to migrate, which has led to cases where parents or husbands pressure young women to take up jobs overseas.²³⁷ In many rural areas of East Java, there are challenges with ensuring that children and the elderly receive sufficient education and healthcare given that a majority of productive-age residents have migrated.

²³² Ibid.

²³³ The Jakarta Post, 2017. “Rapid Mine Expansion in East Java May Risk Environment.” January 11, 2017.

²³⁴ Muza Gondowe, 2017. “Mining Conflicts in Lumajang, Indonesia.” M4P Link.

²³⁵ Interview, East Java, January 23, 2020.

²³⁶ Consortium for Agrarian Reform, 2019. “KPA East Java Regional on the Establishment of Provincial Agrarian Reform Task Force.”

²³⁷ Interview, East Java, January 22, 2020.

SOUTH SULAWESI

The province of South Sulawesi is located on the southern peninsula of Sulawesi island, covering a land area of 45,764,530 square kilometers. It consists of 21 regencies and three municipalities, with its capital in Makassar. The population was estimated at 8,771,970 in 2018, with an annual growth rate of 0.79%. 89.62% of South Sulawesi's population identifies as Muslim, with 7.62% identifying as Protestant, 1.54% as Catholic, and 1% as other. South Sulawesi is home to a diverse number of ethnic groups, including the dominant Buginese (41.9%), Makassarese (25.43%), Torajan (9.02%), and Mandarese (6.1%).

South Sulawesi has enjoyed one of the highest rates of economic growth in Indonesia, averaging 7.07% per year over the past five years, the second highest of Indonesia's provinces.²³⁸ In 2018, 9.06% of the province's population lived in poverty (compared to 9.8% nationally), a figure that has decreased over the past five years.²³⁹ South Sulawesi ranks 14th out of the nation's 34 provinces on the Human Development Index (HDI). Health has been a priority development focus for South Sulawesi, and it currently has an average life expectancy of 69.60 years, lagging only slightly behind the national average of 71.06 years.²⁴⁰ Children in South Sulawesi complete an average of 8.02 years of schooling.²⁴¹

The agriculture, forestry and fisheries sectors are a key source of income for the province. South Sulawesi has historically been one of Indonesia's major rice producers, with 5.3 million tons of wetland rice and 180,000 tons of dryland rice produced in 2016. In the same year, 39,900 households were engaged in marine fisheries, producing over 279,000 tons of seafood. South Sulawesi's forest products consist primarily of logs, sawn timber and plywood.²⁴² Another key contributor to South Sulawesi's economic growth has been the mining sector, which grew above the national sector growth rate, expanding by 7.85% in 2018. Growth has also been aided by investment inflows to build nickel smelters, compensating for the effect of the export ban on raw nickel.²⁴³

South Sulawesi has been a major target of the Widodo administration's infrastructure development efforts. The Makassar New Port, built at a cost of over US\$6.4 billion, is one of the most costly infrastructure projects to be developed in Eastern Indonesia. The GoI has also planned for three large dams in the province, as well as a railway connecting the port towns of Makassar and Parepare, strengthening the province's position as Eastern Indonesia's hub.²⁴⁴

Despite South Sulawesi's successes, the assessment identified numerous forms of conflict in the province, with most of these driven by tensions among companies, government and communities. Conflict over fishing rights and overfishing has led to tensions between local fishers and corporate fishers.²⁴⁵ The Bantimurung Bulusaraung National Park, established in 2004 as a conservation area, has also been a site of conflict between indigenous inhabitants of the park and the Ministry of Environment

²³⁸ Emilianus Yakob Sese Tolo, 2019. "Weighing Jokowi's Infrastructure Projects in Eastern Indonesia." *New Mandala*, March 28, 2019.

²³⁹ Central Statistical Bureau, South Sulawesi Province, 2018. <https://ntt.bps.go.id/dynamic/2017/08/31/451/persentase-penduduk-miskin-menurut-kabupaten-kota-di-provinsi-nusa-tenggara-timur-2002-2018.html>

²⁴⁰ Salesman, Frans, Stafanus Rodrick Juraman, Rafael Paul and Leonardus W.D. Setiawan, 2018. "Poverty and Society Health Status in East Nusa Tenggara, Indonesia." *International Research Journal of Public and Environmental Health* 5 (7):125-130.

²⁴¹ Central Statistical Bureau, South Sulawesi Province, 2018. <https://ntt.bps.go.id/dynamic/2017/08/31/451/persentase-penduduk-miskin-menurut-kabupaten-kota-di-provinsi-nusa-tenggara-timur-2002-2018.html>

²⁴² <https://oxfordbusinessgroup.com/analysis/maritime-capital-makassar-s-marine-resources-and-geographical-advantages-are-helping-stimulate>, accessed on 20 February 2020.

²⁴³ <https://www.thejakartapost.com/news/2016/03/23/analysis-sulawesi-an-island-opportunity-amid-economic-slowdown.html>

²⁴⁴ Emilianus Yakob Sese Tolo, 2019. "Weighing Jokowi's Infrastructure Projects in Eastern Indonesia." *New Mandala*, March 28, 2019.

²⁴⁵ Lukman Daris, Wahyuti, and Muhammad Yusuf, 2019. "Conflict Dynamics of Fishery Resources Utilization in Maros District, South Sulawesi Province, Indonesia." *AACL Bioflux* 12(3).

and Forestry.²⁴⁶ In Sorowako, indigenous communities have been in conflict with a nickel mine established in 2004, which they claim was offered a concession without their consultation and illegally displaced them from their land.²⁴⁷ Conflicts have also emerged out of government-sponsored natural resource exploitation, including the reclamation of coastal landscapes. In 2015, the provincial government issued Local Bylaw (*Perda*) No. 4/2015 on Regional Spatial Planning (*Rencana Tata Ruang Wilayah*), allocating 157 hectares to the Center Point of Indonesia reclamation project and 4,000 hectares to additional reclamation projects. Using the same local bylaw, the government plans to open the shoreline on the north coast of Makassar City to extraction activities including sand mining in Takalar district.

Conflicts have also emerged over mining operations and the dangers they pose to livelihoods, safety, and forests. As of November 2018, South Sulawesi's tropical forest cover encompassed 2.1 million hectares. In the mountainous forest regions of Luwu, North Luwu, and East Luwu regencies, there are dozens of mining companies operating without environmental impact assessments or community consent. In 2018, the NGO Walhi recorded 13 major mining companies operating in East Luwu district, 11 in North Luwu, and one in Luwu. Mining has sparked community grievances over lost lands and forest access, as well as environmental damage and health and safety risks, including the dangers of open-pit mines. In the Maros-Pangkep district, limestone mining for cement production has placed pressures on the karst ecosystem. Assessment respondents identified 24 mining business licenses in Tondong Tallasa district consisting of 15 marble mines, five quartz sand mines, one coal mine, and three clay mines, whose permits were issued without community consultation. Illegal mining is also rampant in the province. Walhi identified 26 private companies conducting illegal mining activities in four districts in the province (Sidrap, Bulukumba, Maros, and Takalar). Mining activities have faced increasing public resistance as they impinge upon productive agricultural land, watersheds, and forests, negatively impacting livelihoods and threatening community governance.

Infrastructure development has also led to conflict. Assessment respondents cited the misuse of national Law No. 2/2012 on land procurement for development for public interest, which has become a policy umbrella to boost infrastructure expansion while implying a waiver of farmers' rights to hereditary lands. In 2018, the Makassar Legal Aid Foundation handled 24 land dispute cases spread over nine districts, including Makassar City, Gowa district, Takalar, Bulukumba, Selayar Islands, Bone, Soppeng, Wajo, and Enrekang, up from nine cases in the preceding year. Assessment respondents also highlighted issues of corruption and human rights abuses emerging out of the push for infrastructure development in the province. The Anti-Corruption Committee Sulawesi has identified 54 corruption cases that are pending related to infrastructure contracting, while assessment respondents highlighted increasing human rights abuses perpetrated by local government and forestry agents.

Political conflict is also an issue in South Sulawesi, with some local elites competing to benefit from corrupt development practices. Politics is marked by primordialism, with the election of political leaders generally a contest among the four largest ethnic groups, Bugis, Makassar, Toraja, and Mandar. Ethnic identity issues are used in political campaigns, and party politics is typically dominated by clans, with winning candidates installing their kin as party functionaries. Islamic identity has also played a role in South Sulawesi politics, dating back to the 1950s and 1960s when Kahar Muzakkar led a rebellion against

²⁴⁶ Sitti Rahbiah and Awaluddin Yunus, 2018. "The Social Conflict Between Stakeholders in the Governance of Bantimurung Bulungsaraung National Park, Province of South Sulawesi, Indonesia." *Journal of Advanced Agricultural Technologies*.

²⁴⁷ Kathryn Robinson, 2017. "Stories from Sulawesi." *Inside Indonesia*, Oct-Dec 2017.

the Jakarta government to demand the establishment of an Islamic state in Sulawesi. To this day, the descendants of Muzakkar and his followers have been involved in the promotion of Islamic identity-based resistance narratives not only locally but also at the national level, including initiating the movement for a *fatwa* against former Jakarta governor Ahok. South Sulawesi has also been vulnerable to the spread of VE from other parts of the island, with some Islamist leaders of the Poso conflict fleeing to South Sulawesi, adding to the potential for mobilizing support for VE ideologies. Religious tensions have also risen in the province due to the issuance of a number of local regulations based on sharia law.

Addressing South Sulawesi's conflicts has been challenging. In addition to the problem of corruption, there has been a lack of transparency and accountability on the part of the local government. There has also been a lack of coordinated efforts among national, provincial, and district-level governments. For example, in Luwu district, some local government representatives, working closely with CSOs, have pushed for progressive regional regulations that emphasize community participation and environmental safeguards. However, these efforts have little impact on decision-making about Type A and Type B mining, which falls outside of the authority of local government.²⁴⁸ These tensions between national, provincial, and local authority over natural resource extraction serve to exacerbate citizens' grievances when they feel their local representatives are not empowered to protect their interests. There have, however, been important efforts made by local governments to mitigate conflict, especially for indigenous people. District regulations (*peraturan daerah*) have been issued in five districts to protect indigenous people's rights to land, although some assessment respondents also raised concerns about how to balance indigenous rights with the needs of migrants in a way that does not further conflict.²⁴⁹

EAST KALIMANTAN

East Kalimantan is one of the wealthiest provinces in Indonesia. It has an area of 127,346.92 km² with a population of 3,575,449 (2017) and a low population density (28.07/km²). Its abundant natural resources, including timber, mines, oil and gas, and agricultural plantations, have helped to ensure its status as one of Indonesia's highest per capita income provinces. The province is divided into seven districts and three municipalities, Balikpapan, Samarinda, and Bontang. In 2017, East Kalimantan's population grew by 2.31%, decreasing slightly in 2018 to 2.05% due to a fall in coal prices. East Kalimantan's population is distributed unevenly. Most of the population lives in urban areas such as Samarinda (23.52%) and Balikpapan (17.70%). 85.6% of the population are Muslim, 9.4% Protestant, and 4.2% Catholic, with the remainder identifying as Hindu, Buddhist, or adherents of the traditional religion, Kaharingan. There are a greater number of migrants than indigenous people in the province, and it is ethnically diverse. Javanese make up 29.55% of the total population, Buginese 18.26%, and Banjarese 13.94%, with indigenous ethnic groups (Dayak, Kutai, and Pasir) in the minority.²⁵⁰

East Kalimantan's economy is shaped by the exploitation of its vast natural resources. Since 2000 there has been a shift in its extractive industries. During the New Order era, East Kalimantan was dominated

²⁴⁸ Mining activities are designated as Type A (of "strategic" national interest), Type B (of "vital" national interest, defined as activities that are deemed to have broad social benefit), and Type C (those that are neither A nor B). Type C mining (which, in practice, typically includes the small-scale mining of sand or gravel) could be licensed by district-level government up until 2014, when Ministerial Decree No. 26/1994, Law No. 23/2014 on Local Government retracted that authority to the provincial level. Type A and B mining licenses must be issued at the national level. The Omnibus Bill under consideration in Indonesia's parliament would pull back local authority even further, eliminating local government authority over the issuance and monitoring of all mining permits. See Mongabay 2020, "Unbridled Exploitation: Mining Amendments a Boon for Indonesia's Coal Industry." March 23, 2020. <https://news.mongabay.com/2020/03/indonesia-omnibus-coal-mining-permits/>

²⁴⁹ Interviews, Makassar, January 24, 2020.

²⁵⁰ Dayak refers to autochthonous groups who live mostly in the interior areas of Borneo. It is a broad category used to refer to many tribes who speak different languages, have different customs, and adhere to different religions.

by forest-based industries, including timber and production forest, as well as oil and gas. However, after 2000, the mining industry grew rapidly, with coal mining at the forefront of the sector. Since 1999, the government has issued 1,488 permits for coal mining, with concessions covering an area of 5.2 million hectares. In 2017, East Kalimantan produced 200 million tons of coal, accounting for almost half of national production. In 2009, the provincial government imposed a moratorium on new mining permits, however, the district government can still grant permits for mines under 5,000 hectares. Dependence on natural resources means that the province's economic growth has been tightly linked to the prices of export commodities. During the oil and gas boom of 2011, East Kalimantan's economy grew by 6.47%. However, in the 2013-14 downturn, the provincial economy only grew by 1.4%, and in 2015, it contracted by 4.89%. In 2017, the economy grew by 3.68%.²⁵¹

East Kalimantan has a history of conflict, especially around natural resources. One of the major sources of conflict is coal mining and the impacts that land dispossession and environmental degradation have on indigenous livelihoods. Coal mining in the province has been conducted primarily through open pit methods, and many businesses do not close their mines after they are no longer productive, leading to environmental damage and community safety risks. Indigenous communities have borne the brunt of these environmental impacts, which include the pollution of local water and air.²⁵² Coal has also fueled political conflict, with the sector dominated by local oligarchs with powerful national and local political connections who fund the election of politicians who are then beholden to them to issue permits for extraction.²⁵³ Permitting practices were described by assessment respondents as “out of control,” taking advantage of uncertainty around community land rights.²⁵⁴ In Samarinda, the provincial capital, assessment respondents described the city government as unresponsive to community concerns, with the regional spatial plan allocating 70% of the land area for mining.

Conflicts have also emerged around agricultural concessions and access to land. East Kalimantan is a major palm oil producing region, with two predominant types of cultivation, smallholder and corporate agribusiness. 40% of East Kalimantan's palm oil is produced by smallholders,²⁵⁵ many of whom operate without proper permits and are thus vulnerable to land dispossession. The majority of agricultural conflict involves community claims that their land has been taken over without permission or fair compensation.²⁵⁶ Uncertainty in land ownership rights and a weak land licensing regime has exacerbated the situation. Local government lacks the capacity and will to address these conflicts, some of which have been taking place for decades without clear resolution.²⁵⁷ There have also been reports of exploitative labor practices in the plantation sector.

²⁵¹ See Bappenas, *Seri Pembangunan Wilayah: Provinsi Kalimantan Timur 2015*. Jakarta: Bappenas. 2015.

²⁵² From 2008 to 2018 there were 11 agrarian conflicts in East Kalimantan that involved farmers and mining companies. One farmer was killed, 33 were criminalized, and eight were arrested. Abandoned open mining pits are especially dangerous to children. To this date, 36 children have died from drowning in abandoned mining sites, including 22 deaths in and around Samarinda. Interview, East Kalimantan, February 1, 2020; Muhdar, Muhamad & Nasir, Mohamad & Nurdiana, Juli, 2019. Risk Distribution in Coal Mining: Fighting for Environmental Justice in East Kalimantan, Indonesia 3.

²⁵³ Fünfgeld, Anna. (2016). The State of Coal Mining in East Kalimantan: Towards a Political Ecology of Local Stateness. *ASEAS: Österreichische Zeitschrift für Südostasienwissenschaften*. 9. 147-162. 10.14764/10.ASEAS-2016.1-9.

²⁵⁴ Interview, Samarinda, February 1, 2020.

²⁵⁵ Nabiha Shahab and Dominique Lyons, Palm oil's complex land conflict. <https://forestsnews.cifor.org/60101/palm-oils-complex-land-conflicts?fnl=en>

²⁵⁶ Abram, Nicola & Meijaard, Erik & Wilson, Kerrie & Davis, Jac & Wells, Jessie & Ancrenaz, Marc & Budiharta, Sugeng & Durrant, Alexandra & Fakhruzz, Afif & Runting, Rebecca & Gaveau, D. & Mengersen, Kerrie, 2017. Oil palm–community conflict mapping in Indonesia: A case for better community liaison in planning for development initiatives. *Applied Geography*. 78. 33-44. 10.1016/j.apgeog.2016.10.005.

²⁵⁷ Walhi, 2018. “Sudah 14 tahun, konflik tanah warga dengan PT Perkebunan Kaltim Utama I (Toba Sejahtera Grup), tidak kunjung selesai.” <https://walhi.or.id/sudah-14-tahun-konflik-tanah-warga-dengan-pt-perkebunan-kaltim-utama-i-toba-sejahtera-grup-tidak-kunjung-selesai>

An additional source of conflict in East Kalimantan is migration. The province's natural resources have drawn migrants from other areas of Indonesia. The largest group of migrants is the Javanese, who initially came to East Kalimantan through the New Order-era government-sponsored transmigration program. The second largest group is the Bugis of Sulawesi, and the third largest is the Banjarese, who originate from the neighboring province of South Kalimantan. The boom in extractive industries has led to increasing numbers of migrants, and along with them, new inter-ethnic tensions.²⁵⁸ East Kalimantan has also been impacted by spillover tensions between indigenous people and the Madurese migrant community following violence between Dayaks and Madurese in the neighboring province of Central Kalimantan in 2001 and in West Kalimantan in 1997 and 1999.²⁵⁹ Conflicts have also occurred between Dayak and Bugis tribes. These conflicts have not yet reached the levels of intensity they have in neighboring West Kalimantan and Central Kalimantan provinces, however, assessment respondents reported that there is a potential for these tensions to escalate and widen if Dayaks are not provided with a mechanism to express their grievances. Ethnic groups, including Dayaks, have formed ethnic-oriented mass organizations (*Ormas*) which are used for political mobilization during election times, and between election seasons, some are reported to engage in providing freelance protection services to mining, timber, and plantation companies. One bright spot in the province has been the issuance of provincial regulations acknowledging indigenous people's rights, including rights to land, which, if effectively implemented, have the potential to mitigate indigenous people's grievances.

Another major potential for conflict surrounds the planned relocation of Indonesia's capital. In August 2019, President Widodo announced the decision to move the Indonesian capital from Jakarta to East Kalimantan. The new capital will span parts of two districts, Penajam Paser Utara and Kutai Kertanegara, covering an estimated 180,000 hectares. While many have greeted the proposed relocation with enthusiasm for the economic benefits it will bring, others have warned of environmental challenges linked to potential deforestation, as well as an exacerbation of local conflict dynamics. Relocation plans have been closely linked to Jakarta's political and business interests, with much of the land in the proposed capital site already under the control of tycoons with influence in Indonesian politics.²⁶⁰ Assessment respondents shared serious concerns that the new capital announcement is already provoking land speculation and land grabbing by business interests. In addition, respondents expressed worries that East Kalimantan's indigenous inhabitants will have little say in how their homeland is transformed, and that tensions between indigenous people and migrants will increase with an estimated 1.5 million new migrants. Indeed, just a few days after the announcement of the selection of East Kalimantan as the site for the new capital, ethnic clashes took place between members of the Pasir and Dayak tribes and Buginese migrants in Penajam Paser Utara, leading to 146 houses, one school, and ten kiosks/stalls being burned and 352 families displaced.²⁶¹ While it is not clear whether this episode of violence was directly related to the announcement of the new capital, long-standing tensions between indigenous groups and those seen as outsiders have the potential to escalate with an influx of new migrants and outside capital to the area. It is not clear that the Gol has developed the capacity to engage in careful mitigation of the conflicts that are likely to emerge with the planned capital relocation.

²⁵⁸ Interview, East Kalimantan, February 1, 2020.

²⁵⁹ Jonge, Huub & Nooteboom, Gerben, 2006. Why the Madurese? Ethnic Conflicts in West and East Kalimantan Compared. *Asian Journal of Social Science*. 34. 456-474. 10.1163/156853106778048597.

²⁶⁰ Hashim Djojohadikusumo is the younger brother of Prabowo Subianto, President Joko Widodo's former opponent in the 2014 and 2019 presidential elections, and currently serving a key position in his cabinet as minister of defense.

²⁶¹ Detik News, 2019. "BNPB: 146 Rumah Terbakar Akibat Rusuh di Penajam Paser Utara." October 18, 2019. <https://news.detik.com/berita/d-4750949/bnpb-146-rumah-terbakar-akibat-rusuh-di-penajam-paser-utara>

LOOKING AHEAD: CONFLICT TRAJECTORIES

Looking ahead, the assessment team identified what directions it anticipates conflict dynamics will take in the future. These trajectories represent the team's best thinking about how the conflict dynamics discussed above will evolve in the coming years.

- The Gol's continuing push for infrastructure development and preference for extractive industry leads to increased conflicts over land and natural resources.
- Corruption, as well as lack of transparency and community participation in decision-making, continues to exacerbate conflict, in the absence of robust incentives for elected representatives to resolve, rather than profit from, conflict.
- Corporate use of mass organizations (e.g. paramilitary wings of religious organizations, ethnic organizations, and political parties) to defend interests empowers violent and/or discriminatory actors, heightening horizontal identity conflicts.
- Renewed involvement of the Indonesian military in local conflicts and corporate affairs threatens democratic reforms and diminishes citizen security.
- Identity conflicts continue to deepen along religious, ethnic, and indigenous-migrant lines, especially in areas with high numbers of incoming migrants, including Papua and, with the development of the new national capital, East Kalimantan.
- Decentralization leads to increased inability of politicized local government to fairly and effectively distribute development resources, exacerbating political and identity conflict and deepening citizens' lack of confidence in government.
- Proliferation of misinformation/disinformation and inflammatory/hate speech, including by political actors, continues to exacerbate conflict, while government censorship, surveillance, and criminalization of media users threatens freedom of speech.
- The creation of new local government divisions (*pemekaran*) along identity-based ethnic lines as part of decentralization heightens the salience of ethnic identity and increases majority-minority tensions.
- Bright spots: Civil society continues to push for government transparency, including from decentralized sub national governments, and heightens public awareness of the negative social, political, and economic impacts of conflict.
- Bright spots: Private sector is increasingly cognizant of the economic and reputational costs of conflict, providing leverage points for consolidating public-private cooperation towards the resolution of land and resource conflicts.

The following recommendations provide inputs to USAID/Indonesia's strategic planning in order to support efforts to minimize negative trajectories and build upon bright spots/positive trajectories.

RECOMMENDATIONS

STRATEGIC RECOMMENDATIONS

In response to the conflict dynamics identified in the assessment, this report offers the following recommendations for USAID/Indonesia. This set of strategic recommendations should not be considered exhaustive. USAID/Indonesia is encouraged to draw on the strategic assessment's analysis of key conflict dynamics, as well as its own operational filters, including available resources, timelines, and priorities, to make final programming decisions.

Strategic Direction: USAID is encouraged to consider the following strategic directions:

1. **Support efforts to address the citizen grievances that are driving conflict.** Continue to promote efforts to increase transparency, good governance, and civil society participation in spatial planning, land use decision-making, and permitting, with an emphasis on conflict mitigation. Expand support for CVE efforts to include a robust emphasis on inter-religious peacebuilding and strengthening community resilience to inflammatory messaging that escalates conflict. Ensure that economic growth activities are designed and implemented with a conflict sensitive focus on minimizing economic inequalities between identity groups. Specific opportunities include:

<u>National</u>	<u>Provincial/Local</u>	<u>Community/CSOs</u>
<ul style="list-style-type: none"> • Integrate conflict sensitivity into efforts to increase transparency, good governance, and civil society participation in land use decision-making and permitting • Promote an emphasis on community resilience and interfaith peacebuilding in CVE efforts • Encourage educational reforms to strengthen interfaith tolerance, minority rights, and youth peacebuilding skills • Support efforts to preserve the important role of social and environmental impact assessments in infrastructure development and concessionary decision-making, emphasizing the importance of transparency and conflict sensitivity 	<ul style="list-style-type: none"> • Integrate conflict prevention and mitigation goals into programming designed to support transparent and participatory provincial and district-level spatial planning, land use decision-making, and permitting • Support local government agencies, including FKUBs to better represent minority needs and play a stronger role in conflict prevention • Support indigenous groups, women, youth, people with disabilities, and marginalized populations to advocate for rights to land, inclusion in local decision-making, and access to local government resources 	<ul style="list-style-type: none"> • Support interfaith peacebuilding efforts with a focus on youth capacity-building and media (including digital and social media) literacy • Encourage NGOs and faith-based organizations to promote resilience to trigger events with the potential to spur violence (e.g. elections, media reports, incidents of religious violence) • Leverage existing moderate interfaith leadership efforts to counter extremist messaging • Promote efforts to build the capacity of citizens to advocate for and effectively participate in inclusive village-level planning and budgeting processes • Support civil society violence prevention, tolerance, reconciliation, dialogue, and peace education efforts

2. **Encourage efforts to address the structural conditions that enable conflict to persist and escalate.** Continue to support anti-corruption efforts as well as efforts to strengthen inclusive citizen participation in local government decision-making. Promote Gol policies that protect freedom of expression and the peaceful expression of citizen grievances; build the conflict sensitivity of Gol ministries, agencies, and local government; and strengthen civil society’s capacity to monitor and address human rights abuses. Specific opportunities include:

<u>National</u>	<u>Provincial/Local</u>	<u>Community/CSOs</u>
<ul style="list-style-type: none"> • Integrate conflict prevention and mitigation goals into anti-corruption programming • Support capacity-building for the judicial sector, empowering judges, prosecutors, investigators, and legal defenders with a stronger understanding of environmental issues and customary law • Encourage monitoring of the 2016 ITE Law for abuses of the defamation clause to ensure protection of civil society and environmental advocates and journalists • Encourage security sector reforms that empower military and police to act with conflict sensitivity 	<ul style="list-style-type: none"> • Facilitate networking among district heads to promote their role as environmental defenders and peace advocates • Promote inclusive citizen participation in local government resource allocation decisions, including in village fund planning • Strengthen local government capacity to effectively mitigate and respond to conflict • Support provincial and regional government to engage in coordination efforts to eliminate overlapping and/or contradictory policies and regulations regarding land use, resource extraction, and social conflict 	<ul style="list-style-type: none"> • Encourage capacity-building efforts to promote conflict-sensitive media reporting and networks to empower journalists reporting on land and resource issues • Promote civil society networks to link community-based organizations working on conflict issues • Strengthen the ability of legal defenders to protect journalists, advocates, and communities working on land/resource conflicts from unlawful prosecution and threats • Support the ability of communities to input, access, and use conflict prevalence data and to serve as monitors of data reliability

3. **Assist with the strengthening of national and local conflict resolution infrastructure.** Prioritize the ongoing collection of accurate and comprehensive data on conflict prevalence and key conflict dynamics to enable USAID/Indonesia and its partners to engage in conflict sensitive development planning and to evaluate the effectiveness of interventions designed to address conflict drivers. Partner with national and local government to address the challenge of overlapping and contradictory legal, regulatory, and policy frameworks for land tenure and natural resource exploitation. Partner with Gol, civil society, and private sector actors to ensure conflict resolution efforts are designed and implemented in ways that minimize overlapping authority and contradictory regulations and adhere to best practices for sustainable conflict mitigation and resolution. Support local government and community efforts to empower citizens to monitor government and resist conflict escalation. Leverage the conflict mitigation potential of key government initiatives, including regulations protecting the rights of indigenous people, promoting inclusive participation in conflict resolution efforts, and ensuring transparency in spatial planning, land use, and permitting. Indonesia’s One Map policy, which calls for transparency and coordination around land use, but which has suffered from implementation challenges and reluctance on the part of several Ministries to share data,²⁶² is an important policy tool and should be promoted, with a recognition that overlapping claims to land are not

²⁶² See USAID 2019, “Indonesia Land Tenure and Property Rights Assessment.”

simply technical mapping challenges but conflict resolution challenges. Specific opportunities include:

<u>National</u>	<u>Provincial/Local</u>	<u>Community/CSOs</u>
<ul style="list-style-type: none"> • Develop tools for compiling comprehensive and reliable data on conflict prevalence • Further Gol efforts to address overlapping laws, regulations, and policies on conflict • Promote cross-Ministerial coordination of conflict resolution responsibilities and authority • Foster the development of peace education curricula and teacher training programs • Support the Gol to mount effective conflict prevention efforts, emphasizing the need for resilient communities • Support the Gol to integrate conflict resolution efforts into its implementation of the One Map policy 	<ul style="list-style-type: none"> • Support provincial/district-level social conflict working groups (mandated by the Law on Social Conflict) to address conflicts, share best practices/lessons learned, and develop and utilize effective M&E tools • Assist with development of Gol/civil society coordination mechanisms for the reporting of conflict and information about avenues of redress • Support university capacities to contribute to conflict resolution, with an emphasis on government-academic collaboration and the development of human capacity • Support local-level One Map Working Groups to address conflicts emerging from overlapping land claims 	<ul style="list-style-type: none"> • Develop tools for civil society to monitor elected representatives' commitments to addressing conflict, as well as the security sector's role in managing and/or escalating conflict, enhancing transparency and accountability • Promote efforts to disseminate information to communities on conflict resolution resources and avenues of redress with the aim of mitigating violence and empowering communities against exploitative actors • Strengthen community capacity to effectively collaborate with local government in social conflict working groups

4. **Collaborate with the private sector to promote conflict sensitive investment.** Private sector development has a mitigating impact on conflict when it distributes economic benefits in ways that are perceived as equitable and when it undercuts the ability of corrupt and/or hyper-partisan government actors to mobilize supporters through patronage politics.²⁶³ However, economic growth efforts have not always been planned and implemented with an eye to conflict sensitivity, minimizing the potential for such efforts to play into conflict dynamics and maximizing their potential to address core conflict grievances. USAID/Indonesia is encouraged to partner with the private sector to measure, evaluate, and demonstrate the benefits of conflict-sensitive economic growth and to minimize the economic costs of conflict. Specific opportunities include:

²⁶³ See The World Bank, IEG Insights: The Private Sector in Fragile and Conflict Affected States. https://ieg.worldbankgroup.org/sites/default/files/Data/reports/ieginights_psd.pdf

<u>National:</u>	<u>Provincial/Local</u>	<u>Community/CSOs</u>
<ul style="list-style-type: none"> Collaborate with the private sector to compile data on land/resource conflict, increase understanding of the economic and reputational costs of conflict, and support scalable opportunities for conflict-sensitive economic development 	<ul style="list-style-type: none"> Support the participation of private sector representatives in provincial/district-level social conflict working groups Encourage private sector support for “one stop shops” for communities to seek redress during conflict with corporate actors 	<ul style="list-style-type: none"> Support civil society to effectively monitor security violations by corporate actors Strengthen the capacity of civil society to advocate for transparency around the corporate concession process through the effective implementation of One Map policy

5. Integrate conflict sensitive approaches across development objectives and technical sectors, and throughout the program cycle.

The aim of conflict sensitivity is to minimize the potential of development interventions to do harm by exacerbating conflict, while maximizing their contributions to conflict mitigation and peacebuilding. Because conflict contexts are often dynamic and shifting, conflict sensitivity requires ongoing efforts to track these interactions and respond adaptively to minimize negative effects.²⁶⁴ USAID/Indonesia is encouraged to integrate conflict sensitive approaches across development objectives and technical sectors, and throughout the program cycle. USAID/Indonesia is recommended to monitor conflict contexts and integrate conflict sensitivity considerations into project and activity design and CLA (Collaborating, Learning, and Adapting) efforts. The Mission is also encouraged to develop a core group of staff with expertise in conflict sensitivity, and to collaborate with USAID/CMM to implement conflict sensitivity best practices across Mission portfolios. These recommendations draw from USAID/CMM’s best practices for integrating conflict sensitivity into Mission programs and processes. Specific opportunities include:

- Incorporate conflict sensitivity principles in the Mission CDCS. Consider at least one Development Objective (DO) focused on preventing conflict and/or strengthening the Gol’s ability to effectively address conflict. Consider use of a Mission Order to ensure conflict sensitivity in sectoral programming and MEL.
- Conduct USAID/CMM Conflict Sensitive Aid Training (CSAid) for USAID Mission staff, including technical teams from DRG, Environment, Health, and Economic Growth. The Mission may wish to request that the CSAid training be accompanied by a USAID/CMM-facilitated practicum to work on the Mission’s conflict sensitivity goals.
- Convene a Conflict Advisory Group (CAG) at the USAID/Indonesia Mission, to “champion” conflict sensitivity, helping to mainstream attention to it across the portfolio, with backstop support from USAID/CMM.

²⁶⁴ For an example of USAID’s conflict sensitivity framework, see USAID Office of Conflict Management and Mitigation, 2016. “Conflict Sensitivity in Food Security Programming.” <https://www.usaid.gov/sites/default/files/documents/1866/Conflict-Sensitivity-in-Food-Security-Programming.pdf>

- Institute a system to have Project Appraisal Documents (PADs) reviewed for conflict sensitivity by a Mission conflict expert.
- Require all applicants responding to Requests for Proposals/Requests for Applications (RFP/As) to detail how they will incorporate conflict sensitivity in their activity designs, implementation, and MEL. Ensure that Technical Evaluation Committee (TEC) team reviewers are familiar with conflict sensitivity principles and that conflict sensitivity is explicitly recognized in evaluation criteria.
- Promote Complexity-Aware Monitoring and Evaluation (C-AME) to allow for mid-course adjustments in response to changes in conflict dynamics.²⁶⁵ Address conflict sensitivity in portfolio reviews and explicitly examine potential “Do No Harm” concerns.
- Build Mission capacity to understand the linkages between conflict sensitivity and implementation of the USAID Journey to Self-Reliance principles. Drawing on research demonstrating that conflict is a primary barrier to achieving self-reliance, USAID/Indonesia can champion the application of conflict sensitivity principles both within the Mission and in its collaborations with other development actors, including partner donors, the GoI, and IPs.

As the assessment findings demonstrate, there are core social patterns operant in the country that indicate a rising conflict risk if projected trajectories continue, making it vital that USAID/Indonesia adopt a robust emphasis on conflict sensitivity, including Do No Harm principles. Given this conflict risk, it is important that USAID/Indonesia help staff on technical teams to recognize that conflict sensitivity is vital for all sectoral development in conflict-prone areas.

Within the Mission, it is important to address how USAID/Indonesia development interventions interact with conflict dynamics and how these dynamics may impact USAID/Indonesia’s ability to achieve development results. For example, health or education interventions in conflict-affected regions may spark conflict or violence if they are perceived to be distributing development resources unequally or legitimizing key actors aligned with groups in conflict. Conversely, sectoral development programs may include components that address core grievances driving conflict, such as limited opportunities for secure employment or lack of community trust in government’s ability to make fair, transparent, and participatory decisions around land use. Minimizing the potential for development to exacerbate conflict and maximizing its potential to contribute to peace requires building increased internal capacity to design and manage conflict sensitive programming and to ensure conflict sensitivity principles are incorporated across the Mission portfolio and USAID’s program cycle. By incorporating conflict-sensitive approaches throughout its portfolio, USAID/Indonesia will mitigate the possibility of projects or activities inadvertently fueling conflict and may be able to address core grievances driving conflict or capitalize on mitigating factors to help prevent future conflict.

It is important for Missions to consider how to build the capacity not only of USAID staff but also of IPs. When working with IPs, USAID/Indonesia should consider ensuring that all implementation plans include arrangements for contractors and grantees to train their local staff and local partners in conflict sensitivity. If USAID partners are operating in areas where the potential for tensions between various groups might be heightened, it is recommended that regular training programs be conducted on conflict sensitivity and “Do No Harm” principles. This will help to institutionalize and internalize conflict sensitive practices throughout program implementation and, to the degree possible, maximize

²⁶⁵ USAID 2018. “Program Cycle Discussion Note: Complexity-Aware Monitoring.” https://usaidlearninglab.org/sites/default/files/resource/files/cleared_dn_complexity-aware_monitoring.pdf

peacebuilding opportunities that arise over the course of the project. USAID/Indonesia may also consider hosting learning events with partners in advance of program portfolio reviews to update and share perspectives on conflict dynamics.

Integrating conflict sensitivity throughout Mission programs and processes is a crucial element of USAID/Indonesia's support for Journey to Self-Reliance principles. Conflict, violence, and violent extremism block countries from achieving self-reliance by undermining development gains. By promoting conflict sensitivity within USAID/Indonesia, as well as in the Mission's collaborations with other development actors, including partner donors, the Gol, and IPs, USAID/Indonesia can help mitigate conflict risks and support Indonesia's progress on the Journey to Self-Reliance. USAID/Indonesia is also recommended to supplement its use of the Indonesia Country Roadmap with Secondary Self-Reliance Metrics to more closely track its risks for conflict.²⁶⁶

²⁶⁶ A number of indicators in the Journey to Self-Reliance Secondary Metrics Compendium may be useful for this purpose. These may include the Global Impunity Index, Peoples Under Threat, Risk of Mass Killing, Group Grievances, Power Distributed by Social Group, Political Terror Scale, Violence Against Civilians, Civil and Ethnic War Casualties, Security Apparatus, Terrorist Attack Incidence and Casualties, International Homicide Rate, Political Stability and the Absence of Violence, and Order and Security, among others.