

Indonesia News Digest #29 - August 1-8, 2006

Saturday 28 October 2006, by [ASAP](#) (Date first published: 8 August 2006).

Contents

- [TABLE OF CONTENTS](#)
- [NEWS & ISSUES](#)
- [ACEH](#)
- [WEST PAPUA](#)
- [ANTI-WAR PROTESTS](#)
- [HUMAN RIGHTS/LAW](#)
- [LABOUR ISSUES](#)
- [POLITICS/POLITICAL PARTIES](#)
- [GOVERNMENT/CIVIL SERVICE](#)
- [WAR ON CORRUPTION](#)
- [ENVIRONMENT](#)
- [HEALTH & EDUCATION](#)
- [MINING & ENERGY](#)
- [ECONOMY & INVESTMENT](#)

TABLE OF CONTENTS

NEWS & ISSUES

* American Senate discussing financing equipment for TNI

* Media foments intolerance, critics charge

* Makassar gripped by racial tension after alleged rape attempt

* Lawyers to sue VP over quake funds

* A friend at arm's length

* Scholars question survey linking Islam and violence

* Indonesia scholar, reformer Lev dies

ACEH

- * Inong Aceh League rejects governance law
- * Conflict over introduction of sharia
- * Peace in Aceh spurs illegal logging boom
- * GAM wants Aceh governance law revised to meet peace deal
- * SBY asks Aceh monitors to stay
- * Freedom tastes good for pardoned GAM prisoners
- * Women, the poor singled out by Aceh sharia enforcers: ICG
- * One in 10 Aceh children 'malnourished'
- * Acehnese in Denmark disappointed with Aceh Governance Law

WEST PAPUA

- * President agrees on evaluation of Papua special autonomy law
- * Papuan asylum detention overturned
- * Hundreds of Papuan students still hiding in forests
- * Papuan asylum seeker says visa refusal was political
- * Indonesia blamed for rights abuses
- * Papuans continue protesting trial
- * Papuan defendants refuse to take part in court hearing

ANTI-WAR PROTESTS

- * Bandung students arrested in protest against Israel
- * Thousands rally against Israeli attacks
- * Indonesia anti-Israel rallies draw wide spectrum
- * Indonesian Muslims protest Israel offensive

- * Solidarity actions against Israel occupation

HUMAN RIGHTS/LAW

- * Komnas seeks to summon 12 soldiers
- * Consumers still left wanting despite protection law

LABOUR ISSUES

- * Jakarta bus drivers strike over back pay
- * Government to pay bus drivers' salaries by mid August
- * Reality bites for spouses, children of PPD employees

POLITICS/POLITICAL PARTIES

- * Candidates say no to Sharia-based bylaws
- * Is selling a political party like selling a ship?
- * Mass rally launches new electoral party

GOVERNMENT/CIVIL SERVICE

- * Lawmakers still trotting the globe
- * Lawmakers' names kept secret
- * Lawmakers make power plays for relief funds

WAR ON CORRUPTION

- * Finance Ministry asked to revoke licenses of crooked auditors
- * Court accused of resisting reform

ENVIRONMENT

- * Experts say hot mudflow may be unstoppable
- * Good report, but not enough
- * Environmental damage a multifaceted problem
- * A threat to Indonesia's rich biodiversity

- * Forests need '120 years to recover'
- * Waterfront reclamation 'spells disaster'

HEALTH & EDUCATION

- * Indonesia: worst hit by bird flu with two new deaths
- * Document warns of disasters in public health
- * SBY told to stop Sampoerna expansion

MINING & ENERGY

- * NGOs: Java mining licenses need review
- * House Speaker urges immediate review of mining contracts

ECONOMY & INVESTMENT

- * Risky Business - Indonesia's sinking economy
- * 'Public clean water will get worse'

NEWS & ISSUES

American Senate discussing financing equipment for TNI

Tempo Interactive - August 1, 2006

Rieka Rahadiana, Jakarta — The US Senate Appropriation Committee Bill is discussing an increase of foreign military financing proposed by the US Administration.

The aid that will be granted under the Senate Bill amounting to US\$10 million is intended to for purchasing heavy equipment and repairs to defense system equipment. This large amount of funds will also be allocated for education, terrorism deterrents and maritime security.

The United States-Indonesia Society President Ambassador Alphonse La Porta made the above statement (1/8) after a meeting with Indonesian Defense Minister Juwono Sudarsono yesterday in his office.

La Porta said that Chris Hill, Assistant Secretary

at the Department of Internal Affairs for East Asia and Pacific Affairs, will be visiting Indonesia as a follow-up.

"He and the Indonesian government might discuss an increase in aid for defense and other sectors," he said. La Porta added that the US Administration recently discussed a strategic partnership with Indonesia.

After the US embargo on Indonesia was lifted, according to him, the US Senate welcomed any attempts from Indonesia to improve relations between Indonesia and the US. "The Senate's agreement to increase aid is a good signal," said La Porta.

Media foments intolerance, critics charge

Jakarta Post - August 8, 2006

Ary Hermawan, Jakarta — Critics are accusing the Indonesian media of encouraging intolerance by failing to cover issues thoroughly.

Even when the media has tried to be objective in its reporting, it has often misled its audience through a poor understanding of religious terms, critics said. They added that the end result has been to justify or even inspire acts of intolerance.

The media "is taking part in triggering and exacerbating conflicts," said Siti Musdah Mulia, secretary-general of the International Conference for Religion and Peace (ICRP). She was speaking on the sidelines of a discussion on media and diversity held here Monday by the Alliance of Independent Journalists (AJI).

Musda pointed to the example of the stigma attached to the Ahmadiyah religious group. "We could see the media frequently using the phrase 'the allegedly heretical Ahmadiyah sect' in their reporting on the group. If this is continually stated, the public will think that the group is truly heretical," she said.

She also criticized the way the media depicted the Lia Eden community by focusing on its differences from mainstream religion. "We don't need to highlight Lia Eden saying that she had left Islam and had told her followers to abandon the daily prayers and to eat pork, as this definitely provokes anger and strong feelings among Muslims," she said.

She suggested that the media cover the positive sides of the two minority groups instead of trying to expose differences that could mislead the public.

Jalaludin Rakhmat, an expert from the Padjajaran University, said the media always elected to report on controversies because they considered them newsworthy, thus failing to support diversity. "Hardliners are definitely more newsworthy than pluralists," he said.

The Indonesian Survey Institute (LSI) found in a recent study, however, that people who had access to mass media were mostly more tolerant than those who did not.

LSI surveyed 1200 people in 33 provinces from Jan. 23 to 27. They found that 46 percent of those who read newspapers or watch television at least once a week said they didn't mind people of other faiths building houses of worship in their neighborhood. Meanwhile, 36 percent of people who never read newspapers had the same attitude.

The survey also found that 71 percent of the respondents agreed with the mission of Nadhlatul Ulama, the country's largest Muslim organization, which promotes pluralism and tolerance.

Eleven percent said they agreed with the mission of the Indonesian Mujahedin Council (MMI), which favors imposing Islamic law in the country. Another 2.5 percent said they agreed with the mission of the Islamic Liberal Network. The survey also found that Indonesians were mostly tolerant in dealing with ethnic differences. More than 90 percent of those surveyed said they did not mind living next to people of other ethnic backgrounds.

The survey found they became less tolerant, however, when dealing with religious differences. Of those surveyed, 42 percent said they

disapproved of the establishment of houses of worship in their neighborhood by other faiths.

"They are more intolerant of homosexuals and transvestites," said Iman Suherman of LSI. Sixty-one percent said they did not mind having transvestites as neighbors, while 43 percent were willing to live next to homosexuals.

The findings also indicated that the public is intolerant toward communists. "Sixty-six percent of those who had access to the media said they did not like communists or the Indonesian Communist Party," said Iman. He added that might be fed by the annual television broadcast of a movie on the aborted 1965 coup every Sept. 30 on television.

Makassar gripped by racial tension after alleged rape attempt

Jakarta Post - August 8, 2006

Andi Hajramurni, Makassar — Tensions were running high Monday in Makassar, South Sulawesi, as dozens of university students held sometimes violent protests and threatened to expel ethnic Chinese from the city after a Chinese-Indonesian man was accused of attempting to rape his indigenous maid.

This is the second time in the past two months that students in the provincial capital have taken to the streets to denounce an alleged crime committed by a Chinese-Indonesian employer against his maid.

Two months ago students protested after an ethnic Chinese man was arrested for allegedly murdering his maid. This latest protest came after a man allegedly attempted to rape his maid Friday night. The suspect's wife reportedly walked in during the act and immediately notified the police.

The suspect fled, while the victim was taken by officers to Bhayangkara Hospital for treatment.

Makassar Police chief Sr. Comr. Andi Nurman Tahir said the suspect surrendered himself to authorities Sunday and was now being detained at

police headquarters for questioning. If charged and convicted of attempted rape, he could face at least five years in jail.

News of the alleged crime was greeted Monday by a violent protest by dozens of students, including some from the South Sulawesi regency of Sinjai, where the maid is from. The rallied in front of the suspect's house and pelted it with stones, breaking several windows. Five students were arrested and questioned at Makassar Police Headquarters.

Another group of students held a rally in front of Muhammadiyah University in the city. Several of the students threatened to "sweep" Chinese-Indonesians out of the city, and attempted to stop vehicles driven by ethnic Chinese.

"We are still haunted by the torture and murder in May (of a maid by a Chinese-Indonesian man), and now a Chinese-Indonesian has committed a similar crime. We deplore and condemn this incident," said one of the students, Fajar.

The protest in front of the suspect's house attracted the attention of local residents, who gathered at the scene on Jl. Sangir to get a closer look. The large crowd forced businesses in the area to close their doors. Police officers escorted the wife and children of the suspect to police headquarters for their protection.

As of evening the situation along Jl. Sangir remained tense as more people continued to arrive, ignoring the police's order to disperse. Dozens of police officers have been deployed to the area to prevent any violence, and a police helicopter has been monitoring the situation from the air.

Makassar Police chief Nurman urged the students and the public to remain calm. He told them it was a criminal matter and was being handled by the police. "We urge the students and the public not to blow up the incident. The accused is being processed and the victim is safe," he said.

Jakarta Post - August 7, 2006

Yogyakarta — A team of lawyers representing Yogyakarta earthquake victims plan to sue Vice President Jusuf Kalla for allegedly lying about the provision of relief aid.

The deadline set by an association of 60 lawyers for Kalla to apologize for his remarks passed last week. "The Vice President gave no response and therefore we will file a lawsuit soon," Irsyad Thamrin, the coordinator of the lawyers, said.

They said Kalla had failed to honor the government's promise to provide between Rp 10 million and Rp 30 million (about US\$1,100 — \$3,300) in reconstruction funds for quake victims who lost their homes in the May 27 quake.

Irsyad told tempointeratif the sums of money given to the victims were far lower.

A friend at arm's length

Star Tribune - August 6, 2006

Dave Hage, Jakarta — If you were an American president scanning the map for allies in the war on terror, sooner or later your finger would surely fall on Indonesia.

It has more Muslims than any other nation — some 200 million in an overall population of 240 million. Yet it is also a parliamentary republic with a free press, a constitution that guarantees religious pluralism and, since the authoritarian leader Suharto stepped down in 1998, an increasingly vibrant democracy. And as Indonesians will proudly tell you, it has a long tradition of moderate clerics and politicians who battled against radical Islamists.

Indonesia, however, has pointedly declined to join President Bush's "coalition of the willing." It sent no troops to Afghanistan, opposes the US occupation of Iraq, and just two months ago rebuffed Defense Secretary Donald Rumsfeld when he asked for help with a naval interdiction program

to catch rogue vessels at sea.

"Your country is so powerful that it tends to create anxiety and resentment, especially among Islamic peoples," Defense Minister Juwono Sudarsono told a group of visiting journalists in late June. "It's better that anti-terror measures be left to local authorities than be orchestrated by the United States."

Indonesia's ambivalence is echoed across South Asia, home to two-thirds of the world's Muslims. It's a region where religious moderates, intellectuals and veteran politicians are engaged in a delicate balancing act — marginalizing the extremists and prosecuting terrorists while honoring a religion that, to most Muslims, stands for social justice, national liberation and personal rectitude. Westerners who have stigmatized Islam since 9/11 do no favors to these moderates, and the United States cannot make lasting progress against Islamic extremism until Americans understand this struggle.

To be sure, Indonesia does not come to this debate with clean hands.

Its military committed grave human rights abuses against separatist activists in Aceh and East Timor, and its corrupt police have largely looked the other way in recent years when Islamic extremists attacked Christians and rival Muslim sects. The current president, Susilo Bambang Yudhoyono, is regarded as a reformer but gets only lukewarm praise from human-rights advocates.

Yet its perspective is important, for it embodies a series of challenges that face devout but moderate Muslims across the world today.

Spend a day in Jakarta, a smoggy metropolis of 9 million people, and you will understand that Indonesians are not anti-American. They drink Starbucks coffee, watch NASCAR on TV and, when possible, send their children to the United States for college. The nation's founding leaders turned to America's Federalist Papers when they were drafting their own constitution on independence from the Dutch after 1945.

Nor is Indonesia naive about terrorism. It is home to Jemaah Islamiyah, one of the world's most

violent and notorious Islamist groups, and it has been the victim of three major terror bombings since 2002. Today there are bomb barriers, metal detectors and uniformed guards at most of Jakarta's big hotels and shopping malls.

Instead, Indonesians' reluctance stems from a belief that the United States has chosen the wrong strategy in combating Islamic extremists.

Their ambivalence dates back to President Bush's opening manifesto after 9/11, that "you are either with us or against us in the war on terror." That played poorly in a country where the Christian West is associated with 300 years of brutal colonialism and where leaders rapidly lose credibility if they are seen as mere extensions of American diplomacy.

The US invasion of Iraq only hardened this skepticism. Indonesian Muslims are no fans of Saddam Hussein, whom they regard as a secular fascist who persecuted his own people. But they also understand that he was no ally of Osama bin Laden, and the US occupation of Iraq now looks like a military blunder that is costing rising numbers of civilian lives — Muslim civilian lives.

"I had a meeting with President Bush, and I told him that what you are doing in Iraq is taking the law into your own hands," Azyumardi Azra, rector of the prestigious State Islamic University, said in an interview. "By doing that you have undercut the idea of democracy in Indonesian minds."

Indonesia's own democracy, of course, is young and imperfect. But there is no question about the country's commitment to fighting terrorism. Since 2002, when a blast killed more than 200 tourists in Bali, the government has arrested and tried hundreds of bomb conspirators, and today many face sentences of death or life in prison. This year the government introduced legislation to prosecute Islamist splinter groups guilty of violent civil disobedience.

In the long run, Indonesia possesses something even more powerful — a tradition of pluralism and political discourse that provides a model for reconciling the finest traditions of Islam with the principles of liberal democracy to advance the

interests of Muslims in the developing world. The future of democracy in Indonesia is not guaranteed, but on election day in 2004 the country staged the largest one-day voter turnout in world history.

Anyone who visits the Muslim societies of Asia today will find that the anti-American rhetoric of Osama bin Laden and other radicals obscures an important truth. America's highest ideals — the rule of law, religious tolerance, freedom of speech and government transparency — still have immense appeal to most of the world's Muslims. They are struggling to put those ideals into practice in the face of corruption and poverty, but they understand something that Americans are just learning — that extremism can be defeated only by taking Islam back from the extremists.

Scholars question survey linking Islam and violence

Jakarta Post - August 4, 2006

Ridwan Max Sijabat, Jakarta — Muslim scholars are questioning a recent survey that suggested there is a relationship between Islam and violence in Indonesia, saying the survey was not based on a true understanding of Islamic doctrines and of economic and cultural factors in the country.

According to the survey of 1,200 Muslims in 30 of Indonesia's 33 provinces, 0.1 percent of respondents admitted involvement in demolishing or burning churches constructed without official permits. Another 1.3 percent said they had committed "intimidation" of those they considered to have blasphemed Islam.

The survey, conducted by the Center for Islamic and Social Studies (PPIM), was carried out from 2001 to this year. It also found 43.5 percent of respondents said they were ready to "wage war" on threatening non-Muslim groups.

PPIM researcher Jajat Burhanudin attributed these hostile tendencies to a simplistic understanding of Islamic teachings.

Chaider Bamualim, chairman of the Center for the Study of Religion and Culture (CSRC), questioned the survey's methodology and said the researchers' perceptions of Islamic norms and doctrines may be inaccurate.

Based on the percentage of respondents who said they had committed, or were willing to commit violence, Chaider said it was highly questionable that hundreds of thousands of Muslims have admitted using violence in the name of religion, "and that Islamic educational institutions such as the pesantren and madrasah have encouraged their students to commit violence," he said.

Chaider, an alumni of the Gontor Islamic Boarding School, said Islam had a great number of norms and doctrines, but only a small number allowed the use of violence, in a context which could not be compared to that of groups presently using violence and intimidation in the name of religion.

The rector of Syarif Hidayatullah Islamic University, Azyumardi Azra, said most violent incidents have been triggered by economic and cultural factors. "The agents behind the violence are incidentally Muslims but it is exaggerating to conclude that the way the Muslims have behaved is encouraged by religious factors," he said.

Azyumardi, who addressed a discussion on the survey last week, said local cultures were quite familiar with the use of violence. He cited the custom of revenge called carok in Madurese culture and tribal wars in Papuan culture.

Azyumardi added that poverty and the high rate of unemployment in urban areas have also encouraged poor Muslims to use force or join militant organizations to express their frustration over unfavorable economic conditions, rampant corruption and political instability.

The two scholars agreed, however, that clerics and other Islamic figures, in cooperation with the government, should work diligently not only to review old Islamic doctrines and norms to make them applicable to the modern age, but also to seek role models for Muslims.

Indonesia scholar, reformer Lev dies

Associated Press - August 2, 2006

Seattle — Daniel Lev, a leading Indonesia scholar and longtime University of Washington professor, died Saturday following a battle with lung cancer. He was 72.

Lev spent years working with lawyers, scholars and dissidents to improve the Indonesian legal system. His efforts won him many friends in Indonesia, and in the past few months a steady stream of visitors traveled from there to say final goodbyes.

Earlier this year, Lev turned over most of his notes, documents and books to the Center for Study of Law and Policy, a non-governmental organization in Jakarta, which comprises 25 to 30 young lawyers who research reform issues.

Lev worked closely with scholars, journalists, reformers and the military to further the cause of human rights in Indonesia, Judith Henchy, who heads the UW libraries' Southeast Asia section, said when his document donation was announced.

Lev also embraced the language and culture of Indonesia. Many of his research materials are in the native language.

Lev began his teaching career at the University of California, Berkeley, and he went to the University of Washington in the 1970s. He retired in 1999, after years as a political science professor and researcher. He also established the school's political science honors program.

ACEH

Inong Aceh League rejects governance law

Liputan 6 - August 8, 2006

Lhokseumawe — Around 1000 women from the Inong Aceh League demonstrated in the North Aceh city of Lhokseumawe on Monday August 7. They were

demanding that the Indonesian Government, the Free Aceh Movement (GAM), the Aceh Monitoring Mission (AMM) and the Crisis Management Initiative (CMI) revise the Law on Aceh Governance as it is not in accordance with the Helsinki Memorandum of Understanding (MoU).

Inong Aceh League chairperson Sabariah Nasier is asking that the use of the legal terms on the issue of authority that is extremely limited in the political field and on human rights issues accommodate the MoU that was signed by the Indonesian government and GAM in Helsinki.

After giving speeches, the demonstrators who came from the North Aceh regency and Lhokseumawe held a march around the city through Jl. Protokol. In order to maintain order, a number of police officers directed traffic.

It is not just Inong Aceh that has protesting the Aceh Governance Law, GAM has also raised question over several articles in the law that was ratified by the House of Representatives on July 11. In order to resolve these problems the government should facilitate a meeting between GAM and the AMM to study the problematic articles.

[Translated by James Balowski.]

Conflict over introduction of sharia

Radio Australia - August 2, 2006

Indonesia may well be the world's largest Muslim country, but only Aceh has the legal right to apply Islamic law in full. Aceh was granted the right as part of the search for a political solution to the long-running separatist conflict in the fiercely independent and deeply religious region. Yet Aceh's attempts at shariah enforcement have quickly come in for criticism for being heavy handed, and discriminatory against women and the poor.

Presenter/Interviewer: Emily Bourke

Speakers: Hafid Abbas, Director General for the

Protection of Human Rights in Indonesia; Tim Lindsey, Indonesian law expert, Melbourne University

Bourke: Even before the Aceh peace settlement... many other areas of Indonesia were taking advantage of post-Suharto regional autonomy laws to pass sharia-inspired rules on a whole range of issues.

These moves have sparked a major debate in Indonesia over how far provincial governments can go with these religiously-based local laws.

Indonesian law expert Professor Tim Lindsey says what began with legislation on health, education and governance is increasingly a crackdown on moral conduct.

Lindsey: This is an ultra conservative, isolated interpretation of Islamic norms that is linked into a revival of Acehnese identity. The Acehnese have been asking for this right to implement the Sharia system which is not just in courts, but in governance more broadly, since the 1940s and 1950s. So this is nothing new but the implementation is extraordinary. This is the single most dramatic and radical attempt to introduce an Islamic polity in south east Asia in the last couple of hundred years.

Bourke: You say that the Acehnese have been asking for this, are there some who are now asking whether it was a good idea to begin with?

Lindsey: Certainly women's groups and women's activists and many women for that matter are becoming aware that the sharia system is extremely limiting for them. It's not just a matter of forcing women to wear head covering it's a matter of moving to exclude them from public space. So we've had women arrested for sexual, or supposed sexual crimes because of the way they dress and behave. We've had attempts to exclude women from public transport. Now, when that happens it basically becomes impossible for women to get to work.

Bourke: Concern is growing that more than 20 other provinces are moving to implement their own versions of Sharia law — which will be in breach of constitutional law. But it appears the central

authorities are preparing to strike back.

Hafid Abbas is the Director General for the Protection of Human Rights in Indonesia with the justice ministry. He says all local laws will now have to be brought into line with the national, secular legal code within five years.

Abbas: I would put all these things in a matrix, a kind of agreement, or an MOU between my office and the local districts because since the year 2004 I have established a district committee for human rights action plan implementation and at a national level we have put institutions in full so similarly at province and district levels so they are all my partners to put this agenda as a government agenda and every minute, every hour and every day it is to be monitored what is the progress for this agenda's implementation.

Bourke: While human rights groups are on a mission to harmonise the two legal systems, some remain sceptical. As Indonesian law expert Tim Lindsey explains.

Lindsey: The fact is what's happening now in Indonesia is a proliferation of probably unconstitutional and probably illegal hardline sharia regulations and these can be dealt with in three ways. Either the ministry of home affairs can just strike them out. Secondly, someone could appeal the regulations and take them to the Supreme Court and there is some suggestion that this will happen soon, and thirdly the parliament, could pass a law over-ruling local laws so it's quite easy to do. But the question is political will and the government and parliamentarians are nervous and don't want to touch it. They have to bite the bullet on this because it's becoming an explosive political issue.

Bourke: Hafid Abbas from the Justice Ministry says the political will is growing and there is a genuine desire for Indonesia to be what he calls a shining example of human rights and democracy.

Abbas: This is a new culture of Indonesian democracy can you imagine Indonesia soon after Suharto stepped down we had minus 15 percent of economic growth but now we are expecting to approach six percent now and our income is approaching 1550, so it's a quantum leap for

Indonesia that we would like to prove to the world that through democracy and human rights Indonesia can jump up.

Peace in Aceh spurs illegal logging boom

Associated Press - August 4, 2006

Lam Kabeue — Rebels in Indonesia's Aceh province are trading their guns for chain saws and cashing in on a logging binge that is jeopardizing the future of the world's third largest tropical forest reserves.

It's a cruel conjunction of good news and bad news: The rebellion is over, but peace has opened previously inaccessible virgin forests to illegal logging. Meanwhile, 130,000 homes destroyed by the tsunami of December 2004 need replacing, and demand for timber is almost insatiable.

"Everyone is getting into the logging business," says Taydin, 25, who spent five years fighting a guerrilla war against the Indonesian army in Aceh's jungles on the island of Sumatra.

When peace took hold last year, Taydin found himself unemployed and desperate for cash, so he joined dozens of other former rebels who are cutting down prized 100-year-old Meranti and Semantuk trees.

He says he has no permit to cut wood and bribes police to let him transport it to the provincial capital, Banda Aceh. "People have no work, so selling the wood is a good way to make money," said Taydin, who, like many Indonesians, goes by one name.

Indonesia, whose tropical forest reserves are the world's largest after the Amazon and the Congo basin, has lost around 40% of its canopy to loggers in the last 50 years.

At this rate of deforestation — an area the size of New Jersey lost each year — lowland trees of Sumatra and the neighboring island of Borneo will disappear by 2010, according to Friends of the

Earth and the World Wildlife Fund, or WWF.

Aceh was largely protected during a decades-long separatist insurgency, with logging primarily limited to rebels and rogue elements within the military. But last year's peace deal opened up previously inaccessible virgin forests.

Local and international aid groups that rushed here after the earthquake and tsunami are in a bind, having to balance the need to build quickly against their duty to use legal timber.

Several have been caught buying from illegal sources, while others have had to redesign homes with less wood or delay construction while seeking legitimate supplies.

With commercial logging outlawed in Aceh since 2001, most have turned to other parts of Indonesia for lumber, a strategy criticized by the WWF, since up to 70% of Indonesia's timber is protected. It says agencies should import wood instead, but so far, only four have done so.

"They talk about respecting environmental values and ensuring long-term effectiveness of their projects," said Ralph Ashton of the WWF, which has donated two shipments of imported timber, with a third due this month. "But a lot of agencies are getting timber from unsustainable sources," he said.

Some logging occurs in the Leuser and Ulu Masen ecosystems, which have some of the richest rainforests in Southeast Asia and are home to endangered rhinos, elephants, tigers and orangutans.

If the practice continues, "animals will lose their habitat, and we expect to see increased conflict between humans and wildlife," said Ilarius Wibisono, whose group, Fauna & Flora International, monitors the 750,000-hectare Masen forest. "It's already happening," he said. "We had one tiger killed by villagers in Montasik because it ate their livestock."

The coastal village of Lhoong is typical of the transformation taking place in many mountain hamlets, where villagers have joined former rebels in logging illegally, sometimes with the tacit

approval of local authorities.

Once considered too dangerous because of the war, it is now alive with the buzz of chain saws. Men load timber they admit is illegal into trucks.

"Before, no one dared go to the mountains," said Aini, 26, a villager. As she talked with a reporter, a steady stream of loggers passed by on a dirt road lined with piles of freshly cut wood. "We warn them about the negative effects of logging," she said, "but it's all about the money."

Leuser International Foundation, in a report this year, said at least 120,000 metric tons of illegal Leuser logs were trucked to the port city of Medan in 2005. Some were then transported across Sumatra to the tsunami-hit coast and sold to aid groups, it said.

Among those accused of using illegal wood to build homes or fishing boats is a Turkish organization, the International Brotherhood and Solidarity Association, which said it did so unwittingly, and Medecins Sans Frontieres Belgium.

"We got timber from a supplier whom we thought was kosher," said MSF Belgium's spokesman Erwin van Land. "In all honesty, in that emergency, we didn't have the resources to determine where the supplier would get the wood from," he said. "When we were told that some of the wood was potentially from illegal logging, we were already quite far into the boat project."

International aid agencies say compliance can be difficult, given an Indonesian system where timber documents are sometimes forged and officials bribed.

Complicating matters further, few aid groups have the experts on staff to navigate the system and inspect mills to make sure their suppliers are legal, especially when they are rushing to alleviate a disaster.

"Obtaining timber is not complex, but if you haven't planned appropriately and don't have the expertise, the simplest answer is just to go out and buy the timber in front of you," the WWF's Ashton said.

Aceh's reconstruction requires an estimated 400,000 cubic meters of lumber, and with more than 100 agencies building homes, some have had to wait weeks for delivery. Even the United Nations has had shipments held up by paperwork disputes with the government.

Lumber prices, too, have jumped significantly, forcing some agencies to scale back reconstruction plans.

CARE International said it stopped buying from Aceh in May and has suspended construction of 1,400 homes because it hasn't found a legitimate supplier outside the province.

"The international community has to be pragmatic," said CARE's Rossella Bartoloni. Legal timber sources are essential, she said, "but we can't allow the lack of one construction material to stop communities from starting their new lives."

GAM wants Aceh governance law revised to meet peace deal

Jakarta Post - August 3, 2006

Nani Afrida, Banda Aceh — The Free Aceh Movement (GAM) has demanded the immediate revision of a number of articles of the Aceh Governance Law that are not in compliance with the Helsinki peace deal.

After five months of deliberations, the House of Representatives passed the Aceh governance bill into law in July to a cold reception, although legislators said the law would bring greater autonomy and peace to the conflict-torn province. The law was drafted following the signing of a peace deal in Helsinki, Finland, in August last year.

"There are several articles that are not in compliance with the peace deal. We want those articles to be revised just as stipulated by the peace deal," GAM's senior representative Irwandi Yusuf said in a press conference in Banda Aceh on Wednesday.

The event was attended by Muhammad Nazar from the Aceh Referendum Information Center (SIRA), GAM's spokesman Munawarliza Zain and Bahtiar Abdullah.

Irwandi said GAM had studied the law as well as discussed it with legal experts in Malaysia and found articles that were not in accordance with the peace deal. For instance, the peace deal states that all policies made by the central government that are related to Aceh must be approved by the Aceh government and legislative council, whereas the law says it need only be consultation. "These changes are critical," Irwandi said.

Moreover, GAM found more articles in the law that curtail the Aceh government's authority. For instance, Article 11 of the law allows the central government to directly intervene in Aceh, whereas the peace deal divides authority between the central government and Aceh. "That single article could block other articles, which is dangerous," Irwandi said.

GAM also questioned the articles on the role of the Indonesian Military (TNI) in Aceh and on a human rights court that will only try violations after the bill was made into law. "According to the peace deal, there should be only 14,500 TNI personnel in Aceh for defense purpose. But the law did not say that. In fact, the TNI has another role, involvement in the reconstruction process (following the December 2004 tsunami)," Irwandi said.

The law, he said, had also failed to touch on several issues disclosed in the peace deal, such as Aceh's access to the international community and a civil court for the military.

He said GAM would ask the government to amend the articles it objected to. GAM will also bring the case to the Aceh Monitoring Mission, which will raise the matter with the government. "For articles that are OK, please go ahead and implement them. But for those that need revision, revise them first," Irwandi said.

SBY asks Aceh monitors to stay

Jakarta Post - August 3, 2006

Jakarta — President Susilo Bambang Yudhoyono has asked foreign monitors in Aceh to stay on through the province's crucial elections, planned for later this year, a spokeswoman said Wednesday.

The international Aceh Monitoring Mission (AMM) was established in September 2005 to oversee a peace agreement between rebels and the government. The pact was signed after the devastating 2004 Asian tsunami, which killed at least 131,000 in the region.

The mission's financiers in Brussels are considering the request from President Yudhoyono, spokeswoman Faye Belnis said as quoted by AP.

AMM head Pieter Feith said both the Indonesian government and the Free Aceh Movement (GAM) had asked the organization to extend its mandate. He said staying longer "will not cause a problem for us", but added that the final decision will be made in Brussels.

Aceh elections were initially set for August, but the timetable was postponed so authorities could carry out a census. They are now planned for November. Under the newly-enacted Aceh governance law, non-partisan candidates are allowed to contest local direct elections. The move paves the way for former GAM rebels to take part in the elections.

Local media outlets have touted the pairing of Ibrahim Hasyim and Cut Idawani as independent candidates in the upcoming gubernatorial election.

Meanwhile, the People's Voter Education Network (JPPR) said Wednesday it plans to host a series of public debates among candidates before the elections. In a press statement, the non-governmental organization said debates are planned in 19 districts across Aceh for candidates running in the mayoral and regental elections.

A similar forum would take place for Aceh gubernatorial contenders, it added. "As many as 6,482 volunteers of JPPR in 3,166 villages there are ready to help electoral candidates, including

independent ones, appear in public debates to present their visions and programs," JPPR national coordinator Adung A. Rochman was quoted as saying in the statement.

"This step is taken as part of the people's political education and to give them access to balanced and objective information," he added.

Freedom tastes good for pardoned GAM prisoners

Jakarta Post - August 2, 2006

Thirty former members of the Free Aceh Movement (GAM), who were recently released from prison, arrived back home Tuesday in Banda Aceh, Nanggroe Aceh Darussalam.

Arriving on commercial flights, the former convicts were greeted by GAM officials, including former GAM finance minister Muhammad Usman Lampoh Awe and spokesman Munawarliza Zain, as well as a group from the Aceh Monitoring Mission (AMM).

Abu Hindon, GAM's commander in Deli who was incarcerated in North Sumatra's Tanjung Gusta Penitentiary for his alleged role in the Medan bombing, was seen among the group. He was unable to hold back tears.

Another former prisoner, Raju, said eight of them had been released from the penitentiary but three others remained. "I'm so happy to be free but I'm also sad since some of our friends are not yet free like us," said the 29-year-old Raju, who served two years of his eight-year term. "As a GAM member my job was to set the bomb, to ensure the soldiers did not only stay in Aceh but in other places as well," he said.

Hundreds of former rebels were released from prison following the signing of a decree granting amnesty and unconditional release to members of GAM by President Susilo Bambang Yudhoyono.

The amnesty is a key condition of the landmark peace deal signed in Helsinki on Aug. 15. It has been granted to people who were involved with GAM,

including Indonesian nationals and former Indonesian nationals who have taken up foreign citizenship.

GAM spokesman Munawarliza said Tuesday that 34 former GAM members remained in a number of penitentiaries across the country. They were not granted amnesty by the government because they were imprisoned for crimes such as bombings, the possession of firearms and robbery. "We're working to ensure all GAM prisoners are released as required in the Helsinki peace deal," he said.

He also hoped the government would continue to pay attention to former GAM convicts who had been released. "There's a need to provide the released prisoners with financial assistance so they can be independent."

Women, the poor singled out by Aceh sharia enforcers: ICG

Jakarta Post - August 2, 2006

Jakarta — Women and the poor are experiencing unfair treatment due to overzealous enforcement of sharia bylaws in Nanggroe Aceh Darussalam, an influential think tank said.

The Brussels-based International Crisis Group (ICG) said in a report made available to The Jakarta Post on Monday that haphazardly recruited, poorly disciplined and inadequately supervised sharia police were practicing a form of moral vigilantism that singled out women and the poor.

In the 25-page report, the ICG recorded numerous instances in which the two groups were targets in anti-vice raids under the bylaws, known as qanun.

"Women complain that they are disproportionately the targets of sharia police raids, with far more operations against them for not wearing headscarves, or jilbab, than against men for not attending Friday prayer," the report said.

In depicting the sharia police's unprofessional and discriminatory attitude, it detailed the

arrest of three non-governmental activists at a UN seminar for not wearing the jilbab. "If I don't wear the jilbab, that should be between me and my God — not me and the sharia police," a woman was quoted as saying in the report.

The report also disclosed an incident of sharia police personnel intimidating a young woman who returned home after 9 p.m.

The ICG also criticized the use of corporal punishment for alcoholism and gambling that it said was discriminatory. "From the start, the canings have been controversial... because those arrested have been overwhelmingly 'little people', men playing cards for stakes of less than US\$1," the report said.

Quoting local people dismayed by the implementation of corporal punishment, the ICG questioned the exclusion of gambling rings allegedly protected by the police from crackdowns. "The sense is high in Aceh that women and the poor are the primary target of sharia enforcement," the report said.

Aceh is the only province in the country that has the legal right to apply Islamic law. Numerous legislation has been issued by the central government to give the Acehnese the right to enforce sharia in the province, known for its strong Islamic traditions.

The recently endorsed Aceh Governance Law reinforces the province's special status for Islam, with Article 125 stipulating that the enforcement of sharia concerns faith, worship and moral character.

Qanun have been enacted in criminalizing the sale and consumption of alcohol, gambling and illicit relations between men and women.

One of the most notorious qanun is No. 11/2002 on the implementation of Islamic law in the areas of faith, worship and dissemination of Islamic teachings. It has been used to punish women who do not wear headscarves in public.

One in 10 Aceh children 'malnourished'

Jakarta Post - August 2, 2006

Tb. Arie Rukmantara, Jakarta — Nearly 10 percent of more than 500,000 children under five years old living in tsunami-devastated Aceh and Nias Island are acutely malnourished and not 60 percent as earlier claimed, Unicef says.

In a recent survey, the UN agency says children outside the devastated areas are fairing just as badly, with little differences in rates in other provinces in nearby North Sumatra.

"Around 9.8 percent of children under five years in Aceh and Nias are suffering from moderate to severe acute malnutrition," Lely Djuhari, a Unicef spokeswoman for the Aceh and Nias program, told The Jakarta Post.

The figure makes children in northern Sumatra considerably less likely to suffer from malnutrition than those in other areas, if the percentage is compared to the national average of 28 percent.

Lely said the health and nutrition survey was carried out last September by the Health Ministry, UN agencies, academic institutions and non-governmental organizations. It covered 20 districts across Aceh and Nias and North Sumatra, involving a total population of 3.65 million.

Lely said UNICEF did not agree with last week's reports sourced from a supervisor at the Aceh-Nias Reconstruction and Rehabilitation Agency (BRR) that an estimated 60 percent of Acehnese children under five were malnourished, mostly of them living in emergency camps for tsunami victims. "The figure is not correct," Lely said but declined to elaborate.

Children were judged to be suffering from moderate malnutrition if they weighed less than 80 percent of their normal weight by height, while those with cases of severe acute malnutrition weighed less than 70 percent of their normal weight, Lely said.

However, Unicef also noted malnutrition cases had been found in Aceh prior to the 2004 tsunami.

Lely said the survey found no significant differences in children living in areas that were not affected by the tsunami. "The Acehnese people were suffering from poor nutrition before the tsunami because of various causes," she said.

The resource-rich province had been embroiled in separatist conflict for almost 30 years until last August when the government and the Free Aceh Movement signed a peace accord in Helsinki, Finland.

UNICEF said during the conflict many Acehnese mothers did not exclusively breast feed babies until the age of six months. Nor were many children immunized from diseases or given constant supplies of nutritious food.

Parents were often ignorant about the best kinds of food to feed their children, and pregnant women were not getting proper nutrition and ended up giving birth to low-weight babies, the group said. The situation was exacerbated because local people rarely had access to clean water and good sanitation.

An advisor to the Children's Legal Aid Institute for Aceh, Cut Hasniati said the malnutrition rate showed agencies working in the tsunami-devastated areas were not implementing health programs properly.

"What the government, the BRR, donors and all related agencies have to do now is to monitor (children) and to make sure their health programs, such as distributing milk and other nutritious food, are implemented routinely and effectively," said Hasniati, who is a former BRR director for children and women.

Health Ministry director for community nutrition Ina Hernawati said the findings were not surprising since the government had earlier identified some areas in Aceh and Nias with high rates of malnutrition before the tsunami.

She said the people should not directly link the malnutrition cases with the tsunami. "Malnutrition is not just caused by one factor — a lack of

intake nutritious food — because there are also indirect factors, such as poverty, culture, health behavior and levels of awareness," Ina said.

She said Indonesia still faced a high prevalence rate of malnutrition with 28 percent of its 18 million children suffering from malnourishment.

To address the problem, Ina said her office had deployed hundreds of medical officials in Aceh and Nias to help improve health services for local people and increase their health awareness.

Acehnese in Denmark disappointed with Aceh Governance Law

Aceh Kita - August 1, 2006

Denmark — On Monday July 31, members of the Acehnese community residing in Denmark sent a special letter to the High Representative of the European Union Javier Solana and the secretary general of the United Nations Kofi Annan.

The letter, which was signed by representatives of the Acehnese community in Denmark, was expressing their dissatisfaction with a number of articles in the Aceh Governance Law (UU-PA) that they believe are not in compliance with the Helsinki Memorandum of Understanding (MoU). The letter also protested several acts of violence that have taken place in Aceh since the peace deal was signed.

"In the letter [we] also asked that the CMI [Crisis Management Initiative], the European Union, the Aceh Monitoring Mission (AMM) and the international community to continue to use the Helsinki MoU as a reference in supporting a resolution to the Aceh question", said Acehnese community representative Adnan Daud when speaking with Aceh Kita.

The letter was also sent to the chairperson of the CMI (the mediator and facilitator of the peace negotiations), former Finnish president Martti Ahtisaari, the head of the AMM Pieter Feith, Amnesty International, Human Rights Watch and a number of European Union member states and

countries in South-East Asia that are involved in the AMM. [dzie]

[Translated by James Balowski.]

WEST PAPUA

President agrees on evaluation of Papua special autonomy law

Antara News - August 1, 2006

Jayapura — President Soesilo Bambang Yudhoyono has agreed to evaluate Law No.21/2001 on Papua Special Autonomy in view of the latest developments in the easternmost Indonesian region.

"The President feels that it is time for an evaluation of the law which has been in effect in the last three years," presidential spokesman Andi Malarangeng disclosed following a meeting between the head of state and the Papua People's Council (MRP) here Friday night.

The evaluation of the Papua Special Autonomy Law is necessary in connection with, among others, the plan to increase the number of provinces and regencies in Papua, which has partly been realized.

MRP Chairman Agus Alue Alua, meanwhile, said that the evaluation of the Law is needed to find out whether there are items that do not serve the Papuan people's interests. "It is therefore necessary to make an evaluation first before actually revising the Law," he said.

Giving an example, he cited the need to amend Article 76, which stipulates that the establishment of new provinces must get the approval from the MRP and the Regional Legislative Council (DPRD) after examining matters relating to social and cultural unity, human resources readiness, economic potentials and future developments of the region.

"Article 76 must become the core of the regulation on the establishment of new provinces and regencies in Papua, instead of merely made effective as an additional regulation," he said, adding that the creation of new provinces and

regencies must be protected by a legal umbrella.

Concerning West Irian Jaya province, he said that formally the province has been established, though at first the MRP opposed the presence of that province. "But the law on this issue must be reviewed," he stressed. "We have asked the President to delay the implementation of the plan on the establishment of new provinces and regencies in Papua pending a clarification on the legal status of the plan," the MRP chairman said.

Home Minister M.Ma'ruf said on the occasion that one of the articles in the Law on Papua Special Autonomy stipulates that it must be revised once in every three years.

The revision to be made by taking account of inputs from the MRP, the Papua provincial administration, the Papua DPRD and the West Irian Jaya provincial administration is expected to improve conditions in Papua, the minister said. "We have six months in 2007 to prepare the revision of this law," he added.

Papuan asylum detention overturned

Melbourne Age - August 1, 2006

Michael Gordon — A Federal Government decision to deny a Papuan asylum seeker refugee status in Australia has been overturned by the independent Refugee Review Tribunal.

In a judgement that is likely to reignite tension with Indonesia, the tribunal ruled yesterday that David Wainggai, who has been detained on Christmas island since January, was owed protection by Australia under the terms of the refugee convention.

The judgement comes more than two months after the Immigration Department denied Mr Wainggai refugee status on the grounds that he had the right to live in Japan.

That decision came after lawyers acting for Mr Wainggai accused the Government of blocking a

decision on his refugee status claim in order to "advance relations with Indonesia" and to deter other Papuans from seeking asylum. The Government rejected the allegation.

A relieved Mr Wainggai said through his lawyer, David Manne, last night that he was "incredibly happy that justice has finally been done".

Mr Manne said Mr Wainggai had found it increasingly difficult being held in immigration detention on Christmas island and was starting to relive the nightmares of his father, Thomas, who died in prison in Jakarta eight years after being arrested during a flag-raising ceremony in Papua. "The priority now is to get David a visa so that he can rejoin the other West Papuan refugees in Melbourne," Mr Manne said.

Mr Wainggai was among 43 Papuan asylum seekers who landed on Cape York on January 17. He other 42 asylum seekers were determined to be refugees and were granted temporary protection visas on March 23.

Indonesian protests over the granting of these visas prompted the Government to announce a tougher border protection policy under which all future unauthorised boat arrivals would be processed on Nauru.

The new policy, which is being opposed by several Government MPs as unnecessary and as lacking in compassion, is due to be debated when Federal Parliament resumes next week.

Immigration Minister Senator Amanda Vanstone last night distanced the Government from yesterday's decision, saying the tribunal was "a final independent merits review body and I am unable to direct members in their decision-making".

But while Senator Vanstone said decisions of the tribunal turned on "individual circumstances and claims in each case", the decision is likely to harden the resolve of MPs opposed to the new legislation.

Mr Manne said the written decision by the tribunal cited in great detail "a catalogue of systemic human rights abuses being perpetuated by Indonesia authorities against West Papuans".

This included a report by the Yale Law School of April 2004 claiming the available evidence "strongly suggested the Indonesia military had engaged in widespread violence and extra-judicial killings and subjected Papuan men and women to acts of torture, rape and sexual violence".

According to Mr Manne, the report said human rights abuses had caused the displacement of many Papuans from their homes and in many cases constituted crimes against humanity under international law.

Hundreds of Papuan students still hiding in forests

SPM News - August 5, 2006

Hundreds of Papuan students on the run from the police following the clashes on 16 March this year are still hiding in the forests around Jayapura District and City, and the District of Keerom. They are too frightened to return home because they are being hunted by the TNI/Polri.

The SGI (Joint Intelligence Task Force) headed by district police chief of Jayawijaya Robert Djonsoe are still engaged in covert operations to find the students.

Arnold Omba of the Pepera Front who is on the wanted list (DPO) told SPM News Numbay, via cellular phone half an hour ago that they are moving from place to place to evade the SGI. He confirmed that there were hundreds of students hiding in the forest but none had yet crossed over the border to PNG.

"It's difficult to cross the border because the TNI/Polri have blocked it," he said. "Djonsoe's militias have been able to block traditional paths making it more difficult for us to move and we are still in the forest near Abepura. This is why I can still get a phone signal."

Although the students may not be on the wanted list, they are afraid to return to the city, for fear of being arrested and subjected to torture in

police custody to force them to make confessions about things they did not do. News about the intimidation suffered by Bobii and his friends before their court hearing has been heard everywhere.

The 16 March Clash was the result of a provocation by TNI/Polri intelligence. It was a scenario set by senior police officers without the knowledge of their subordinates, including Arizona Rahman and others who were then targeted by the students. It was a deliberate trick by the police as a way to push for the banning of the Pepera Front, to take over the policing of the Freeport-Rio Tinto location and secure promotions for themselves, according to SMPNews.

Papuan asylum seeker says visa refusal was political

Melbourne Age - August 3, 2006

Andra Jackson — A Papuan asylum seeker whose visa refusal has been overturned says he believes the refusal was made on political grounds to appease Indonesia.

"It was like an international bargain," said David Wainggai, 28, the only one of 43 Papuan asylum seekers not granted a temporary protection visa in March.

Speaking from the Christmas Island detention centre where he has been held since January 19, he said he was happy with the Refugee Review Tribunal's decision overturning the Immigration Department's refusal to grant him protection.

"Everyone has congratulated me. The news has spread very fast in this place. Even the hospital knows," he said.

Mr Wainggai is confident he will get a visa, "even if she (Immigration Minister Amanda Vanstone) refuses it, the minister has to send the case back to the RRT and the RRT will just say the same thing again.

"I can be patient for this last decision," he said. He hoped to come to Melbourne, where 10 members of his family live. Senator Vanstone will study the the tribunal's decision.

Mr Wainggai said his claim for protection was as strong as the other 42 , the only difference was that "maybe they (Immigration) thought I can have a chance to live in Japan, but there was no chance without a valid passport.

"When I heard my visa application was rejected, I was very afraid. I thought they were bringing me back to Indonesia.

"That really scared me. I couldn't sleep for two weeks." Mr Wainggai said he would have been in danger if he had been returned to Papua.

"I always feel under threat in West Papua, and my aunt and uncle tell me to watch out because my father is the founder of the independence movement — Thomas Wainggai who died in in Indonesian custody." Mr Wainggai said he had to hide his true identity and make out his uncle had found him abandoned as a baby in the undergrowth.

He said the boat carrying the 43 asylum seekers from the north of Papua in January almost didn't make it, after he was taken in custody by Indonesian police at the start of the journey. The asylum seekers pulled in at the island of Sorong and attended church but the islanders, suspecting the strangers might be terrorists, called police.

The group fled but Mr Wainggai was caught and questioned for two hours. "They took my identification papers. They even asked about the boat and who built it," he said. Suspicion was averted when "we said we came for a traditional festival".

Indonesia blamed for rights abuses

Melbourne Age - August 2, 2006

Jewel Topsfield and Michelle Grattan, Canberra — Papua independence activist David Wainggai could

be at risk of "serious harm" from Indonesian military or security forces if sent home, the Refugee Review Tribunal has warned.

The tribunal, which overturned a Government decision to deny protection to Mr Wainggai, concluded that violence and human rights abuses in Papua meant Mr Wainggai could come to the "adverse attention of the Indonesian authorities".

Immigration Minister Amanda Vanstone yesterday refused to rule out an appeal. The Indonesian Government played down the finding. In Jakarta, a Foreign Affairs spokesman, Desra Percaya, said: "We have moved beyond the issue. It is the matter for Australia to resolve."

In a 24-page decision, seen by The Age, the tribunal rejected the Government's assertion that Mr Wainggai, 29, could be sent to Japan, where he held a temporary visa that expired in September. The tribunal said he could be refused landing permission there and face "a real chance" of being sent to Indonesia.

Mr Wainggai claimed he feared returning to Papua because of his political profile, Papuan ethnicity and membership of a particular social group comprising his family. "The tribunal accepts that members of (his) family suffered various forms of punishment over a protracted period under Indonesian rule." Support for independence had led to the "incarceration of his father, mother and cousin". His father was a high-profile advocate of Papuan independence who died serving a 20-year prison term for treason — "unfurling the flag of West Melanesia and for expressing his pro-independence views".

The tribunal said Mr Wainggai feared the Indonesian military and security forces "because the Indonesian authorities have a history of violence and oppression of dissidents and in particular supporters of the pro-independence movement. "The Indonesian authorities will not accept or approve of (his) pro-independence views or his behaviour," it said.

Despite Indonesia's claims that it does not abuse human rights in Papua, the tribunal highlighted country information reports indicating that "notwithstanding current Government policy

statements on obtaining peaceful resolutions of the Papuan situation, human rights abuses by the Indonesian police and military continue to occur in response to the pro-separatist movement".

Recent reports indicated that someone flying the Papua Morning Star flag "would have serious consequences if apprehended by the Indonesian authorities", the tribunal said.

Mr Wainggai said in a statutory declaration that the Indonesians had "poisoned my father because they don't like smart people who tell the truth" and most Papuans knew of someone who'd been "killed for raising our flag".

Senator Vanstone said she would read the tribunal finding before deciding on an appeal. "The department's decision was that the person had an entitlement to reside in another place (Japan) and, as I've been advised, the Refugee Review Tribunal is not satisfied with the ease with which that right could be taken up," she said.

Mr Percaya said that a meeting between Prime Minister John Howard and Indonesian President Susilo Bambang Yudhoyono had determined that the two countries would look to the future.

Mr Wainggai arrived with 42 other Papuans, who were granted protection visas in March, inflaming tensions with Indonesia and leading to proposed laws — still not passed because of a backbench revolt — in which Australia would process future unauthorised boat arrivals on Nauru.

Papuans continue protesting trial

Jakarta Post - August 2, 2006

Ary Hermawan, Jakarta — Seven men charged with the 2002 murders of two American nationals and an Indonesian in Papua province said Tuesday they would rather die than stand trial in Jakarta.

The defendants insisted they should be tried in Timika, Papua, where the killings took place. "We don't want to be tried here. We refuse to be tried (in Jakarta) even if we have to be shot dead," said defendant Rev. Ishaq Onamawe, 54, after being

forced to appear at the Central Jakarta District Court.

The other six suspects are Antonius Wamang, 30, Agustinus Anggaibak, 23, Yulianus Deikme, 26, Esau Onawame, 23, Hardi Sugumol, 34, and Yairus Kiwak, 52.

They are charged with killing US nationals Ricky Lynn Spier, 44, and Edwin Leon Burgen, 71, and their Indonesian colleague, FX Bambang Riwanto, during an armed attack near the PT Freeport Indonesia gold and copper mine in Timika.

The suspects refused to answer questions posed to them during Tuesday's trial. Judge Andriani Nurdin decided to suspend the proceedings for 30 minutes at the request of the suspects' lawyers, before adjourning the trial until Aug. 8.

The suspects were not prepared to enter their pleas at the hearing, nor were their lawyers from the Indonesian Legal Aid and Human Rights Association (PBHI), who skipped the previous session at the request of their clients.

"I don't know if the prosecutors made any change in the indictments when they were read out at the last session because our clients were unable to understand the contents of the indictments," chief lawyer Johnson Panjaitan told the court. Only Wamang and Ishaq speak Indonesian fluently.

At the beginning of the session Andriani pleaded with the suspects to sit in front of her as defendants, but they remained glued to their seats in the visitors' section. The police officers who had forcibly brought them into the courtroom did not move them to the defendants' chairs.

Andriani then ordered the defense lawyers to persuade them to move, but still to no avail. The Papuans instead reiterated their objection to being tried in Jakarta.

Police have said the seven suspects were all members of the Free Papua Movement (OPM), but Johnson maintained they were "just ordinary people".

Aloy Renwarin, a lawyer for Wamang, claimed earlier this year that his client admitted he had

fired 30 shots during the attack on the vehicles carrying the Americans. But Wamang also implicated the military in the attack, he was quoted by AFP as saying. The seven suspects were arrested in January in an operation involving the US Federal Bureau of Investigation.

Wamang, the leader of the group, was allegedly an OPM commander. He was indicted for the attack by a US grand jury in 2004. All seven men could face the death penalty if convicted.

Papua-based rights groups have alleged that the military ordered the attack to ensure that Freeport would continue making large cash payments to it for security in and around the mine.

Papuan defendants refuse to take part in court hearing

Kompas - August 2, 2006

Jakarta — The judges in the Central Jakarta District Court have had to postpone the court hearing into the shooting of three PT Freeport employees. In addition to the defense attorney not being ready, Antonius Wamang and his six colleagues are still refusing to be tried in Jakarta.

The hearing on Tuesday August 1 was already set to hear the defense speech or response to the charges by Wamang's lawyer Johnson Pandjaitan. Wamang and his colleagues are being tried for the premeditated murder and mistreatment of three PT Freeport employees leading to their death and the injuring of several other people in August 2002.

Andriani Nurdin opened the hearing and the defendants were even ready and waiting in the spectator's gallery. When the judge called the defendants forward however, Wamang remained motionless until a security officers forcibly brought him forward and sat him in the defendant's chair.

It was at this moment that one of Wamang's colleagues Reverend Ishak shouted that they had

been deceived. All eyes turn to look at Ishak, and Wamang, who was already seated in the defendant's chair, moved back to join his colleagues. Pandjaitan tried to persuade the seven Timika residents to take part in the hearing but they continued to refuse.

In the end the hearing was suspended for 30 minutes in order for Pandjaitan to speak with the defendants. The defendants however stood fast and remained seated in the spectator's gallery. When the judge asked who was ready to come forward to the defendant's seat the seven remained silent. Likewise when the judge asked about their health. Finally the judge postponed the hearing until August 8.

Pandjaitan said that his clients were not refusing to face trial but are only asking that the court hearing be moved to the Timika District Court. (ANA)

[Translated by James Balowski.]

ANTI-WAR PROTESTS

Bandung students arrested in protest against Israel

Jakarta Post - August 8, 2006

Yuli Tri Suwarni, Bandung — Police arrested at least 15 students Monday during a protest against Israeli military aggression in Palestine and Lebanon in front of the Sate Building on Jl. Diponegoro in Bandung.

The students were arrested after they attempted to lower the Indonesian flag flying in front of the West Java gubernatorial office. "We didn't cause any disturbances, so why were we arrested?" asked Noto, one of the students from the Muslim Students Association who took part in the protest.

Noto said the students attempted to lower the flag to show that Indonesia was mourning the deaths of Palestinian and Lebanese citizens as a result of the Israeli bombardments.

During the protest, which began at 10 a.m., the students delivered speeches urging people to

boycott American products. They also urged the United Nations to halt Israel's military onslaught. "Dissolve the UN if it is unable to stop the Israeli violence and military aggression, which has violated human rights," one of the students said.

The protesters also urged the Organization of the Islamic Conference and the Arab League to come to the aid of Palestine and Lebanon. During the rally, the students burned tires and an Israeli flag.

Up to 50 police officers forcibly dispersed the students when they attempted to enter the grounds of the Sate Building and lower the flag. The detained students were transported to the Central Bandung Police station.

Central Bandung Police chief Adj. Sr. Comr. Mashudi said the students were detained for holding an illegal rally and attempting to lower the Indonesian flag.

"They are not entitled to lower the flag as they like. The flag belongs to the country, the people and the Republic of Indonesia. It is not a personal possession," Mashudi said. He said the students could be charged under Article 154 of the Criminal Code on insulting a state symbol.

Thousands rally against Israeli attacks

Jakarta Post - August 7, 2006

Jakarta — Leaders of major religions came together Sunday in a united stance against Israeli attacks on Lebanon, with thousands bringing traffic to a standstill on main thoroughfares in Jakarta.

The rally and most of the ones held concurrently in Yogyakarta, Surabaya, Makassar and Medan were organized by the Muslim-based Prosperous Justice Party (PKS).

In Jakarta, an estimated tens of thousands of protesters — much smaller than the "One Million

Followers" theme of organizers — marched from Hotel Indonesia traffic circle to the US Embassy. They also stopped in front of the UN representative office on Jl. Thamrin, where protest leaders led shouts of criticism at the international body for failing to bring an end to the Israeli bombardment.

Protesters began to mass at the traffic circle at noon, with more people joining the protest as it got underway, their swelling number swarming the street and blocking traffic. Service on the Blok M-Kota route of the TransJakarta Busway was temporarily rerouted.

Supporters of hard-line groups and PKS have predominated in previous rallies against Tel Aviv but Sunday's rally also included Catholics, Christians and Buddhists.

They yelled anti-Israeli and American slogans as they carried banners appealing for peace, with messages including "Give Peace a Chance" and "Save Children, Say No to War".

People's Consultative Assembly Speaker and PKS leader Hidayat Nur Wahid told the crowd in front of the UN building that Israel must halt its aggression. He also demanded that leaders of the Jewish nation should be tried for war crimes in the International Court of Justice.

Hidayat, along with Indonesian Ulema Council (MUI) chief Din Syamsuddin and popular cleric Abdullah Gymnastiar, signed a petition demanding Washington stop its support for Israel and practicing a double standard in the Middle East conflict.

MUI deputy chairman Amidhan also said the world must make Israel take responsibility for its actions against civilians in Lebanon and Palestine. "Israel should be taken before the International Court of Justice because it has killed many children and women," he said.

US Ambassador B. Lynn Pascoe refused to meet with representatives of the protesters, although Din said the US Embassy had been informed there would be a protest. "We will note this as an uncooperative attitude," he said.

Indonesia anti-Israel rallies draw wide spectrum

Reuters - August 6, 2006

Telly Nathalia, Jakarta — Protesters from a wide ideological and religious spectrum demonstrated in cities across Indonesia on Sunday against Israeli actions in Lebanon, but a key rally in Jakarta drew far fewer participants than forecast.

The leader of Indonesia's second-largest Muslim group, Muhammadiyah, had spoken earlier of a million person march, but less than 2,000 appeared at the capital's main traffic circle to hear speeches condemning Israel and the United States. About 5,000 attended when the protest shifted to the US embassy.

However, the demonstration attracted not just Muslims but senior Protestant, Catholic and Buddhist officials and various non-governmental and labor organization representatives.

Many participants wore headbands calling Israeli Prime Minister Ehud Olmert and President Bush terrorists. Banners read "Go to hell Zionists," "Give a chance to Peace" and "Aggression is human crime." "My friends and I today together are called to say: Indonesia, Indonesia, get together. Israel, Israel, destroy it. America, America, terrorists," said Leo Sunkarisma, a Buddhist representative.

The chairman of the Church Alliance in Indonesia, Andreas Yawangoe, said: "We are here because we disagree with the crime which is committed by Israel."

Muhammadiyah chairman Din Syamsuddin said the US ambassador had been asked to meet protest representatives but declined. "We take this as an attitude that doesn't respect international cooperation. We don't hate the American people and nation but we reject the US policy," Syamsuddin told the crowd.

About 600 police, and a water cannon, were on guard at the US embassy, which is fortified with concrete roadblocks and concertina wire.

The embassy warned last week of possible violence from protests but the demonstration was peaceful with some family groups picnicking under trees during the speeches.

In Yogyakarta in Indonesia's Java island heartland, about 1,500 members of the Islamic-oriented Prosperous Justice Party also demonstrated on Sunday, according to local media. They called on Indonesian Muslims to assist Lebanon and the Palestinian territories against Israeli attacks and for a boycott of US goods.

Indonesia is the world's most populous Muslim nation, with some 85 percent of its 220 million people following the faith.

Protests were also reported in Surabaya, Indonesia's second most populous city after Jakarta, and Medan, its third largest.

Israel has been involved in military action in Lebanon since early July, when the militant Hizbollah group captured two Israeli soldiers and killed eight in a cross-border raid.

Hizbollah has put up fierce resistance and fired 2,600 rockets into Israel. Hizbollah has killed 87 Israelis. Lebanon says more than 900 people, mostly civilians, have been killed by Israeli attacks. Indonesia has no diplomatic relations with Israel and historically has been a staunch supporter of the Palestinians.

Indonesian Muslims protest Israel offensive

Agence France Presse - August 6, 2006

Jakarta — Thousands of Indonesians have held street rallies to condemn Israel's offensive in the Middle East as the capital Jakarta braced for a major protest.

The demonstration in the capital of the world's most populous Muslim nation, dubbed the "action of millions of believers," was to march through the city centre and end up at the US embassy here.

Jakarta police said they were expecting thousands

to take part in the rallies, which come a day after the Asian Muslim Youth Movement said it was prepared to send hardliners to attack Jewish interests in countries that back Israel.

In Indonesia's second-largest city Surabaya, some 1,500 Muslims held a march Sunday to condemn Israeli attacks in Lebanon and the Gaza Strip, ElShinta radio reported. The demonstrators also raised funds for aid with a "one dollar, one person" campaign that has already raised some 150 million rupiah (16,500 dollars), the report said.

In the city of Yogyakarta, some 3,000 people from various Islamic organisations gathered near the city's main post office to hold an open protest against Israel and the United States, it said. A similar protest involving hundreds of people took place in the city of Medan, it said.

Solidarity actions against Israel occupation

PRD News - August 3, 2006

Zely Ariane, Jakarta — On Monday, 31st July 2006, Indonesian Solidarity to Palestine and Lebanon held a solidarity action to protest Israel and America's war against Palestine and Lebanon. There were at least 200 protesters rallied toward US Embassy in Jl. Merdeka Jakarta. This solidarity initiated by several mass organizations such Indonesian Student League for Democracy (LMND); Indonesian National Student Movement (GMNI), Islamic Student Association (HMI), some Human Rights NGO's and People's Democratic Party (PRD).

This was the first Indonesian democratic solidarity initiative after Israel launched its war against Palestinian and Lebanese. The earlier solidarity action was held by the Justice and Prosperous Party (PKS) and several Islamic organizations. So far, the war against Palestine and Lebanon was narrowed by the issue of the Muslim war against Zionist (Zionism) only. That is why the protest action held today took a further campaign related the US imperialism role in the ongoing conflict in Palestine and Middle East.

"The war on Palestine and Middle East were not only Muslims issues. The ongoing conflicts in Middle East sourced on the US oil imperialism and war against terror. These have been problems of the people around the world from any religions and nations. The problem of violence against humanity caused by US imperialism had united the oppressed people's interest from Africa, Latin America and Asia," Dita Sari, a chairperson of PRD stressed this point in her oration.

She also stated that the government of SBY-Kalla statement to condemn the Israel's assault had never been enough, but also assertively breaks the diplomatic relation between Indonesia and US-the giant supporter of Israel's military fund with \$10 billion a year.

A moment after we finished the protest, a statement is made by Desra Percaya, a spokesperson of Indonesian Foreign Affairs Departement, to push the UN Security Council to initiate ceasefire.

HUMAN RIGHTS/LAW

Komnas seeks to summon 12 soldiers

Jakarta Post - August 8, 2006

Ridwan Max Sijabat, Jakarta — The National Commission on Human Rights (Komnas-HAM) has asked the Central Jakarta District Court to use its authority to grill 12 soldiers, including two generals, over their alleged involvement in the disappearance of 14 pro-democracy activists between 1997 and 1998.

The rights body has twice summoned the 12 servicemen and two civilians, but they have refused to appear. "We have formally asked the court to summon the servicemen by force," Komnas-HAM chairman Abdul Hakim Garuda Nusantara said here on Monday.

Among the 12 military officers are former chief of Indonesian Military General Affairs Lt. Gen. (ret) Djamari Chaniago, former Army spokesman Brig. Gen. (ret) Afiffudin Thaib and Col. Abdul Salam of the Army Special Forces (Kopassus).

The other nine are from the Kopassus group based

in Cijantung, East Jakarta. They were part of the so-called Mawar (Rose) Team, whose involvement in the abductions has already been established.

Eleven of the team's members have been convicted and dismissed from military service.

Previously, the rights body summoned former TNI commander Gen. Wiranto, former Kopassus chief Lt. Gen. (ret) Prabowo Subianto and former chief of the Jakarta Military Command Lt. Gen. Safrie Syamsudin but they all refused to appear, arguing that the case was closed when the 11 soldiers were sentenced.

Ruswiati Suryasaputra, who leads the rights body's team of investigators, said the case was still far from over because 14 of the 20 abducted activists were still missing. She said Komnas-HAM needed to summon the soldiers not to prosecute them, but to gain information.

"We have the authority to investigate the cases to clarify whether the 14 are still alive or not. If they are still alive, their relatives need to know their whereabouts, or if they are dead they want to know where they were buried," she said. "If they refuse to show up before the inquiry team, the court could use force to bring them to the dock," she added.

Safroedin Bahar, Komnas-HAM's commissioner for protection of communal rights, said it was unfortunate that the servicemen were defying the summons. He added that all people, including military personnel, were equal before the law. The military, he said, should set a good example by complying.

Consumers still left wanting despite protection law

Jakarta Post - August 5, 2006

Hera Diani, Jakarta — The passing of the consumer protection law seven years ago was lauded as a landmark step toward allowing public recourse against poor and negligent service.

But it would be hard to say today that the public is much better off. Confusion and ignorance on all sides continue to plague its haphazard implementation, and legal experts point out it is riddled with flaws.

In one case, where children became ill after eating donated cookies that were past their sell-by-date, the police turned to the Criminal Code in their investigation.

In another, a consumer who felt cheated after purchasing a cellular phone card sued for Rp 500 million compensation, despite a loss of only Rp 9,000 (a little less than US\$1).

And doctors and lawyers have refused to be tried under the law, saying their practices are not business oriented.

Consumer activist Agus Pambagio said indifferent businesspeople, permissive consumers unaware of their rights and law enforcers similarly ignorant about consumer protection regulations all contributed to its unsatisfactory implementation.

"In the case of the expired cookies, for instance, the police should have used the consumer protection law," he said in a discussion Friday.

Johannes Gunawan, a law professor from Bandung's Parahyangan Catholic University and a member of National Consumer Protection Agency, said in the discussion that branches of the agency should be available in every city and regency. "There are only eight active branches all over the country. Even these have poor facilities and human resources."

Johannes said the real problem was the rushed drafting of the law, which he believed was in need of immediate amendment, particularly to divide the areas of consumer goods and consumer services. He also faulted courts in consumer cases for opting for criminal sanctions, instead of considering penal or administrative measures.

"Criminal sanctions should be the last resort. However, the move is understandable because the penal sanctions stipulated in the law are too light and unattractive to consumer. And the administrative sanctions have no clear

regulations."

The definition of businesses, he added, must be revised because economic activities could encompass both profit-oriented professions and livelihoods. "Doctors and lawyers who have refused to be included in this law fall into the latter category. They do indeed provide services to patients."

Both men urged the public to study up on the law's tenets and use it to their benefit while awaiting its amendment. They noted that Article 18 bans standardized contracts, but that these were the norm for parking agencies and insurance companies.

LABOUR ISSUES

Jakarta bus drivers strike over back pay

Jakarta Post - August 1, 2006

Jakarta — Hundreds of bus drivers from state-owned transportation company PPD went on strike Monday over nine months of unpaid salaries.

The drivers drove their buses to the Presidential Palace in Central Jakarta to air their grievances. With hundreds of buses clogging the TransJakarta busway lane along Jl. Merdeka Barat, busway passengers were forced to queue for about an hour. The strike also left hundreds of PPD passengers stranded, forcing them to take more-expensive air-conditioned PATAS buses.

Striking drivers demanded a meeting with President Susilo Bambang Yudhoyono, but were blocked by lines of police officers. Some pushing and shoving ensued, but there were no serious clashes.

The drivers demanded their back salaries be paid before Independence Day on Aug. 17. They also demanded changes to the management of PPD. They threatened to seize the company's assets if their demands were not met. Robinson Hasibuan, the secretary of the Indonesian Transportation Federation of the Prosperous Labor Union, refused to meet with presidential spokesman Andi Mallarangeng.

"Why do we want to meet Andi? He's just a

spokesperson. If the President has not spoken (about this matter) what would Andi have to say to me?" Robinson said as quoted by detik.com newsportal.

Some 2,000 PPD bus drivers and co-drivers have reportedly not been paid in nine months because of the company's financial problems. The total unpaid salaries amount to Rp 43.2 billion (US\$4.7 million).

"Almost every crew member at the bus company is unable to provide for their families," bus driver Slamet said as quoted by the newsportal.

PPD finance director Hendarko told The Jakarta Post the company was suffering monthly losses of about Rp 3.9 billion. "Salaries for the bus drivers total Rp 4.8 billion per month," he said.

He said in 2002 the government stopped subsidizing the company, which operates about 300 busses. The government halted the subsidies to encourage the company to seek outside financing.

Hendarko said the company planned to downsize its workforce from 4,300 to 3,700 this year to save on operating costs. "We also plan to sell four PPD depots to the city administration. We will use the money from the sales for severance pay for dismissed workers," he said.

Jakarta Deputy Governor Fauzi Bowo earlier confirmed the city planned to purchase the depots. According to the Jakarta Transportation Agency, the deal will cost the city about Rp 400 billion.

Government to pay bus drivers' salaries by mid August

Jakarta Post - August 2, 2006

Jakarta — After two days of bad traffic jams in several areas and hundreds of stranded passengers, bus drivers succeeded Tuesday in winning eight months' worth of back salary from the government.

The drivers, from state-owned Perusahaan Pengangkutan Djakarta (PPD), also agreed to resume

operations Wednesday. After receiving representatives of the protesters, State Minister for State Enterprises Sugiharto and Transportation Minister Hatta Rajasa said the drivers would be paid by August 16 at the latest.

"The payments will be made with funds drawn from other state companies," Sugiharto said, although he did not say which companies in particular would be providing the money.

The government has said it also plans to revamp PPD's management using a "holistic approach" and will make further decisions on the company's future in September.

Meanwhile, the secretary of the Indonesian Transportation Federation of the Prosperous Labor Union, Robinson Hasibuan, said bus drivers would accept the decision of the government, whether it decided to dissolve or privatize PPD. "As long as the government pays our salaries first," he added.

The drivers' demonstrations Monday and Tuesday caused severe traffic jams along Jl. Sudirman and Jl. M.H. Thamrin, as about 80 buses drove in a convoy to the Presidential Palace. Corridor I of the TransJakarta Busway, the Blok M-Kota route, was closed due to the protest.

Some 2,000 PPD bus drivers and co-drivers had reportedly not been paid in eight months because of the company's financial problems.

PPD finance director Hendarko has previously told The Jakarta Post that the company suffers monthly losses of about Rp 3.9 billion, while it needs Rp 4.8 billion a month to pay its drivers. The company plans to fire 600 of its 4,300 employees this year to save on operating costs. PPD owns 14 depots and 300 buses.

Separately, Jakarta governor Sutiyoso said the Jakarta administration was willing to take over PPD as a city-owned company as long as the "restructuring" of the company's management had already been settled.

The city also plans to buy four PPD depots, worth about Rp 420 billion, to be used as TransJakarta busses depots. "We have allocated Rp 41 billion in the city's additional spending budget, currently

being deliberated by the city council, to buy one depot this year. We will allocate more funds in next year's budget to buy three more depots," he said.

Reality bites for spouses, children of PPD employees

Jakarta Post - August 2, 2006

Jakarta — Marlise Hutagalung, an employee of state-owned transportation company PPD, cried as she asked to meet the transportation minister and the state minister for state enterprises.

"I'm hungry," she said Tuesday, "My salary has not been paid for nine months... my children don't go to school anymore." She represented the anger of thousands of PPD staff and their families, who have been living in Jakarta with no money.

The bus drivers staged a strike Monday and Tuesday, many accompanied by wives, husbands and children. The protests caused severe traffic jams in Jakarta's main streets and halted the operation of the Blok M-Kota route of the TransJakarta busway system, as the protesters used the lane for their bus convoy.

Their cries were answered by the State Minister for State Enterprises Sugiharto and Transportation Minister Hatta Rajasa, who promised to pay eight months' back pay by August 16.

However, for many the damage has already been done. The company's Rp 3.9 billion in losses per month mean some 2,000 PPD drivers are reported to have not been paid for nine months.

A mother lost her child to a preventable illness. Children dropped out of school. Households broke up. Families have become entangled in debt. And they are just a few of the problems the employees have had to deal with.

A wife of a PPD bus driver and mother of two children, Nur, who followed the protest, said Tuesday she did not mind the heat as long as she

could send a message to the higher authorities about her family's misery.

She said that her child had bronchitis and needed continuous medical treatment. "We have stopped her treatment because we don't have any money," she said.

Medical treatment has been a serious problem for the families of PPD bus drivers, as the company has been late in paying the state-owned insurance company Jamsostek, causing hospitals to refuse PPD bus drivers' insurance cards.

Ermiyati, wife of bus driver Parisman, said her child had died because they had not been able to afford the hospital.

Children's education has also been a problem. Nur said that her first child could not enter elementary school, because she did not have the money to buy the entrance application form. "I didn't have Rp 100,000 to get the form," she said.

Ina, 42, a mother of five, said that her household could not bear the financial constraints, resulting her child dropping out of junior high school. "My youngest child, who is eight, has not entered elementary school yet, because we just don't have the money," she said.

PPD bus driver Ikyani, who brought his fourth grader son, said he had not been able to pay his three children's school fees for seven months. He said that he already borrowed Rp 5 million to make ends meet.

Nur and Ina said that the general good stores in their neighborhoods had stopped trusting them. "At first stores allowed us to owe them money for goods. Now they do not trust us to pay our debts," Ina said.

Mudasinah, 42, said that her family owed millions of rupiah. "I could not even go home to Bantul (Central Java) to visit my parents. Their house collapsed in the May earthquake."

Ina said many marriages had been ruined as household economies had fallen apart. "Some wives left their husbands after they said they could not feed the family," she said.

POLITICS/POLITICAL PARTIES

Candidates say no to Sharia-based bylaws

Jakarta Post - August 1, 2006

Jakarta — Economist Faisal Basri and former environment minister Sarwono Kusumaatmaja have both said they will firmly oppose any sharia-based ordinances in the capital city should they be elected governor in the 2007 election.

Faisal and Sarwono spoke in a debate held Monday by campaign management group Sukses Kandidat Consultant, which was founded by former state minister for regional autonomy Ryaas Rashid.

Faisal and Sarwono, who made themselves available to the Jakarta chapter of the Indonesian Democratic Party of Struggle (PDI-P), were the only candidates to attend the debate.

Incumbent deputy governor Fauzi Bowo, National Police deputy chief Adang Daradjatun and former transportation minister Agum Gumelar, who are all also running for election, did not respond to the invitation. Organizers would only say that the three were busy and had been unable to confirm their attendance.

During the three-hour debate, Faisal said that if he were to become Jakarta's next governor, he would not issue any sharia-based ordinances.

"It's final. (Bylaws) with Islamic sharia are not allowed," said Faisal, who was once general secretary of the National Mandate Party. "We are committed to being a secular country, and that means separating state affairs from religion," he said. He added that the state was committed to guaranteeing the right to believe in any religion.

Meanwhile, Sarwono said that according to the Constitution and the 2004 Law on Regional Autonomy, local authorities were not allowed to regulate the religious affairs of the public.

Since the passage of the regional autonomy law in 2000, 22 municipalities and regencies in Indonesia have implemented bylaws showing the influence of sharia, including stipulations on Koranic literacy among schoolchildren, obliging women to wear

headscarves in public and heavy punishments for adultery, drinking and gambling.

Such laws have raised concerns about efforts to turn Indonesia into a theocratic state. The PDI-P has repeatedly said it opposes the issuance of sharia-based bylaws in various areas in Indonesia.

Faisal also said his mission was to "bring Jakarta to the gate of happiness." He also said that he would make Jakarta an inspiration for development in other areas in Indonesia and would fight corruption.

"Even though I'm a civilian candidate and do not have any military background, I can be very firm," he said. He said that he could outdo governor Sutiyoso when it came to fighting corruption. "I think Sutiyoso is not firm enough in fighting corruption," he said.

Meanwhile, Sarwono said that he would apply Jakarta's autonomy as much as possible. "Jakarta can no longer be a satellite for the central government," he said.

Poor performances from public servants also concerned him, Sarwono said. Jakarta's first-ever direct gubernatorial elections will be held July next year.

For the elections the Golkar party has planned to join forces in a coalition with the National Mandate Party, the United Development Party, the National Awakening Party and the Prosperous Peace Party. The PDI-P also raised possible plans for a coalition with other parties.

Is selling a political party like selling a ship?

Kompas - August 8, 2006

Windoro Adi — It was just like the good old days when on the afternoon of Friday July 28, RMH Heroe Syswanto NS Soerio Soebagio, who is affectionately called Sys NS, appeared once again in an event at a hotel in Jakarta. Smelling seat, looking fetching and escorted by a young woman, he still

prefers to appear in the style of a celebrity even though it was a political affair.

During the event, he introduced an embryonic political party that he has pioneered along with 186 others, called the Unitary State of the Republic of Indonesia Party (P-NKRI)(1). A number of activists were present as well as politicians from the Democrat Party, the Golkar Party and the Indonesian Democratic Party of Struggle (PDI-P).

After giving a number of interviews, he asked for comments and criticisms and led a discussion about the expectations of experts, political observers and the public with regard to the P-NKRI and Sys NS himself.

Political observer Sukardi Rinakit who was present as one of the speakers advised Sys and his party to use local symbols and language if it wants to quickly become known and accepted by the public. According to Rinakit, political consumers are divided in their tastes, as is the case with consumers in a free market. It is impossible for a political party to hope to be able to win votes from every single consumer.

Another speaker, the deputy executive director of the Indonesian Survey Circle, Mohammad Qodari, said that the P-NKRI had a clear category of political consumers, youth. "If it is to base itself on consumers' needs, the P-NKRI must concentrate its attention on issues of education and recreation, because this is what the young people who will become the P-NKRI's choice of political consumers want", said Qodari. Sys agreed.

The United People's Party (PPR) pioneered by Muspani, a grassroots figure from Bengkulu, and the National Liberation Party of Unity (Papernas) that is in the process of being formed by youth activists such as Dita Indah Sari, are looking to a different category of consumers. The PPR has chosen to prioritise the constituency in rural areas and the interior, particularly farmers, while Papernas is targeting workers, farmers and students.

Although the three are categorised as nationalist political parties, the PPR and Papernas are choosing to target a constituency from the middle

to lower socio-economic group, while P-NKRI has chosen to aim at a constituency from the urban middle-class.

'Dugem' and mud

Sys explained that the P-NKRI is indeed targeting young voters who currently total as much as 20 percent of the total number of voters nationally. The problem is that youth voters have an apolitical attitude. Because of this therefore, in order to attract their support, a package is needed that is in accordance with their world.

Sys then gave an interpretation of the P-NKRI as being a young people's "funky" party and began serving up political chit-chat that appeared originate from any old source, full of uniquely youthful jokes that were packaged for consumption by cosmopolitan youth who are undoubtedly part of 'dugem'(2).

The PPR is different again. A political party that has build a network among farmer groups and local non-government organisations, including legal aid foundations, it prefers to "wallow in the mud" with farmers and villagers to struggle over local issues including conducting advocacy and mobilising protests. A cultural approach through developing traditional art events as well as self-defence is also being used.

"We established a political party to erase the stigma that were are only provocateurs, rioters, [that we] don't care about the country, are selling our nation's self-respect and have no [sense of] nationalism. Whereas we are only conducting political education for farmers and local people. We have never taught or practiced violence. [But we] have often been the victims of violence", said Muspani with a grin.

It is not surprising therefore if the party is not too concerned with gaining seats in the legislative elections, the election of regional heads or winning the presidential elections. "We have referred all of this to our friends in the regions. If they want the PPR to participate in the 2009 legislative elections. Yeah fine. But don't dream about victory. Just try it first", said a member of the Bengkulu Regional House of Representatives who was contacted on Tuesday

August 1.

This is different from the spirit of Papernas activists who are fired up with the desire to win quick victories in the elections as though they are not intimidated by the failures they experienced in the last elections when the founders of the Peoples Democratic Party (PRD/1999) and the Party of United Popular Opposition (Popor/2003) returned to the political stage targeting the same constituency.

According to the general chairperson of the Papernas Preparatory Committee, Dominggus Oktavianus Tobu Kiik, their earlier failures were not because of an error in the choice of their target constituency, but rather because of the various weaknesses of their parties. Papernas' chances this time are far better. We have also learnt from our mistakes", said Dominggus last Thursday.

This time round, Papernas has obtained support from and has built networks with farmer organisations, workers and students, activists as well as the urban poor. A number of organisations have declared that they will support Papernas including the National Student League for Democracy (LMND), the PRD, the Indonesian National Front for Labour Struggle (FNPBI), the National Farmers Union (STN), the Indonesian Automotive Trade Union (SPOI), the Indonesian Transportation Trade Union for Struggle (SBTPI) as well as the Papernas Trade Union Federation (GSPP).

Dominggus expressed optimism that Papernas' position in the 2009 general elections will be better than that of the PRD or Popor. "The public needs a new hope from a new party as was reflected in the victories of the Democratic Party and the Justice and Prosperity Party"(3), he said.

The party has taken up the slogan "Free from foreign domination" under their three banners of national unity: "Abolish the foreign debt, take over the mining industries and resurrect the national industry".

One of Papernas' founders, Iwan, conceded that Papernas had drawn part of its "fire" of struggle from Latin America. And this cannot be separated from the voice of the majority from Papernas'

trade union supporters and networks.

If you want to look more closely at what the similarity are between the three parties, well there is only one, they are all equally prepared to give it a shot.

Surprising

University of Indonesia sociologist Imam Prasodjo and Indonesian Institute of Science (LIPI) political observer Ikrar Nusa Bhakti expressed their surprise at the emergence of these three new political parties. They say that current conditions have almost closed any opportunity for new political parties to get any votes, moreover to even pass the threshold. "Just taking 10 percent of the votes obtained by the PDI-P or Golkar would be remarkable", said Bhakti.

Prasodjo has made a similar observation saying that in the future the situation for the existing political parties will increasingly be one of growth and decline, both among nationalist as well as religious based political parties. "Within nationalist circles, the ones that remain popular are only the PDI-P and Golkar, while in religious circles, the ones that are still considered capable of articulating their [the people's] wishes are the PKB (National Awakening Party), PAN (National Mandate Party) and the PKS (Justice and Prosperity and Party). The Democrat (Party) and PPP (United Development Party) have increasingly declined because they are incapable of managing the public's emotions and carrying out their function as a political party", said Prasodjo.

Nationalist parties have a basis among the floating masses while the religious parties have a bases among the mass organisations that support them such as PAN and its Muhammadiyah (Indonesia's second largest Islamic mass organisation). The PKB and its pocket of supporters in the pesantrens (traditional Islamic boarding schools) along with the PKS that relies on the educated middle class.

In order to win votes, these political parties are still depending on the charisma of their leaders although this has begun to be accompanied with their capacity to build networks. "The only one that is relatively stable and even experiencing advances is the PKS", said Bhakti. "Nevertheless,

even this political party is experiencing a slump in its [vote getting] performance", he continued.

Bhakti agreed. "The PKS has started to become inconsistent and started to appear as if it only want's to sell an image. Look at their political position with regard to the fuel price increases", he asserted.

Prasodjo is of the view that these new political parties can expect to obtain a better vote if the public becomes fed up with or sick of the old political parties. "If things remain in a state of status quo, at most they will only get a scattering of votes from the big political parties and this could mean that they fail to obtain seats in parliament, or even to pass the threshold outright", he said.

Prasodjo is not convinced that the new political parties are capable of building the emotional or functional strength, which he said aims to build public trust in the relevant political party. Emotional strength said Prasodjo, is built through action or their charismatic leaders, while functional strength is based on the performance of the political parties cadre, particularly in building networks.

"Take the Golkar Party for example. This political party has actually not been too successful in developing emotional strength, but the party is still superior in building its functional strengths", said Prasodjo.

Prasodjo is of the view that it is not yet certain if efforts to build class-consciousness among the poor will become a 'glue' for the poor. "It was different with Karl Marx. He astutely developed a contrasting relationship between labour and capital. But now, it is only limited to the term Marhaenism(4). It's too superficial", he said.

According to Prasodjo, the only thing that can be done by the new political parties in order to be successful is to build networks because they do not have sufficient charismatic national figures.

Prasodjo estimates that it will still be 10 years before these new parties will be able to reach the target of being a "merchant ship" (another term for political vehicle) for pairs of candidates

that participate in the election of regional heads, providing voting services for the large political parties or partners in a coalition of political parties.

Bhakti disagreed. "Don't forget, the victory of a pair of candidates in the election of regional heads or a presidential election is not determined by the political vehicle or the 'ship' they use, but is based more on the success of the non-party campaign team of the candidates in projecting their image. What is sold is the leadership figure who is assisted in projecting their image by their campaign team", he said.

So continued the political researcher from LIPI, the process is exactly like a producer offering their trading goods. In presidential elections and the election of regional heads, money is not in fact the determining factor for political parties. This is different with the legislative elections. "Nevertheless, political parties need money to maintain their 'ship' so that it is suitable for use", said Bhakti

Notes:

1. NKRI - Negara Kesatuan Republik Indonesia, the Unitary State of the Republic of Indonesia. A term which is often used in the context of nationalism and the desire to maintain the integrity of the Indonesian nation.
2. Dugem - Dunia Gemerlap, glittering world. Going to cafes at night and listening to live music.
3. The term Marhaenism (Marhaenisme) was coined by Sukarno, the founding president of Indonesia. It was derived from the name of a poor farmer, Marhaen, who Sukarno is reputed to have met in the Priangan highlands near Bogor, West Java - a "wong cilik" or "little person" who owned their own means of production but did not become an evil capitalist (i.e. petty bourgeois).
4. The Democrat Party (of President Susilo Bambang Yudhoyono) and the Islamic based Justice and Prosperity Party both made big gains in the 2006 legislative elections despite having not significant mass base of support. This was largely due to being able to project an image of being "clean" and the public's dissatisfaction with

large parties such as the Indonesian Democratic Party of Struggle that traditionally appealed to the interests of ordinary people.

[Translated by James Balowski.]

Mass rally launches new electoral party

Green Left Weekly - August 2, 2006

Max Lane, Jakarta — On July 23, 1500 people attended a rally at the National Library of Indonesia to publicly launch a new political party — the Preparatory Committee of the National Liberation Party of Unity (KP-Papernas) — for the 2009 Indonesian elections. Most of those attending were from poor districts in and around Jakarta. The majority were women.

The KP-Papernas had already held a conference, elected the preparatory committee, set out some basic policies, and elected as its chairperson Domingus Kiuk, the chairperson of the Indonesian National Front for Workers Struggle (FNPBI), the country's radical left-wing trade union organisation. It was announced at the rally that Papernas would hold a founding congress in November.

The main initiator of the new party project is the People's Democratic Party (PRD), a radical left activist party whose current chairperson is well-known labour rights activist Dita Sari.

The PRD was formed in the early 1990s and played a leading role in the struggle to overthrow the Suharto dictatorship. Since the fall of Suharto in 1998, the well-financed parliamentary parties, led by various factions of the political and business elite and embedded in traditional patron-client networks, have dominated the political scene.

The PRD stood in the first elections after the fall of Suharto, held in 1999, but was overshadowed in media coverage by the elite parties. In the 2004 elections the PRD helped form Popor (Party of Popular Opposition) — an alliance of the PRD and other pro-democracy and left

activist groups. Formed just a few months before the elections, Popor was unable to meet the stringent requirements to be registered to have its candidates on the ballot.

Under current Indonesian law, in order for a party to gain electoral registration, it must show it has branches in more than 50% of the country's 33 provinces, and in each of the provinces where it has members it must show it has branches in more than 50% of the districts, and in each district more than 30% of the sub-districts.

The party must prove to the electoral commission that each of these branches has a functioning office. The names of the members of the local branch executive, together with copies of their ID cards, must be submitted to the electoral commission.

These requirements are clearly formulated to make it difficult for new parties, especially a party whose social base is among the poor and that therefore does not have the money to "buy" branches.

The PRD's new electoral party initiative, by reaching out to people beyond its own ranks and supporters, aims at overcoming the restrictive electoral laws. It also aims to try to start the process of overcoming the extreme fragmentation that has been a fundamental characteristic of social protest and the progressive movement since the fall of Suharto.

Of the nine organizations that are now affiliated to KP-Papernas, three are not formally associated with the PRD. These are the Workers Struggle Solidarity Group (GSPB), the Indonesian Buddhist Students Association (Hikmahbudhi) and the Indonesian Struggle Transportation Union (SBTP).

The other six are the PRD itself and PRD-led social movement organisations — the FNPBI, the People's Cultural Work Network (Jaker), the National Student League for Democracy (LMND), the National Farmers Union (STN) and the Urban Poor Union (SRMK). Most of the 1500 people at the July 23 rally were from the SRMK.

"We had an intensive discussion within the PRD whether to help launch Papernas now, with just a few outside forces or whether to try to bring in

more forces first", PRD secretary-general Agus Jabu told Green Left Weekly. "But the fragmentation of the movement, with deep localism and also sectoralism, may have meant that we just negotiated and negotiated for weeks with no real commitment. We decided it was best to start now and let Papernas be the vehicle for more political education work around the need for unity among the progressive forces."

In his speech at the Papernas launch, Domingus Kiuk stressed the need for unity among the working poor to build a movement to defeat imperialist domination of Indonesian. He explained KP-Papernas's stance of campaigning for what is being called the "Tri Panji" (Three Banners) of struggle — repudiation of the foreign debt; nationalisation of the oil, gas and electricity industries; and implementation of a national-planned industrialisation program.

High-profile and well-respected journalist and political commentator Wimar Witoelar addressed the rally, expressing his support for the Papernas project. Also expressing support were representatives of the Consortium for Agrarian Reform (KPA), a network of small farmers, farm workers and indigenous community organisations across Indonesia, and representatives of associations campaigning for compensation to victims of the Suharto regime.

Others who addressed the rally were Mohammed Soubari, a prominent intellectual and critic from the NGO sector; Sukardi Rinakit, secretary-general of the Indonesian Nationalist Association; Nursyahbani Katjasungkana, one of Indonesia's most prominent women's activist who is now a member of the National Awakening Party (PKB), which is associated with former president Abdurrahman Wahid.

Dita Sari spoke on behalf of the PRD, affirming its support for the Tri Pani and for the Papernas project. "It is the mothers here today, concerned about the future of their families, that again and again show the militancy that we need to fight for the Tri Panji", she said. "And it is the youth that develop the new ideas that we need."

GOVERNMENT/CIVIL SERVICE

Lawmakers still trotting the globe

Jakarta Post - August 1, 2006

M. Taufiqurrahman, Jakarta — After one batch of lawmakers was spotted on a shopping spree in the Middle East, a second group of legislators is set to leave for Latin America later this week.

Twenty-six members of the House of Representatives Legislation Body (Baleg) are slated to leave the country on Aug. 6 for Argentina and Brazil for what they are calling a comparative study of lawmaking processes.

The Deputy Chairwoman of Baleg, Nursjahbani Katjasungkana, said the group had an obligation to broaden its knowledge of lawmaking. "The House standing order mandates Baleg to take overseas trips to study the legislative processes of other countries," she told The Jakarta Post.

Nursjahbani said Baleg members would meet with members of parliament, law and justice ministers, governors, mayors and academics from local universities in the two countries to learn how legislation has affected economic development there.

She said Baleg members initially hoped to visit Russia, Sweden or Switzerland but later found out that the parliaments in those countries were in recess.

"I later came up with the idea of visiting Latin American countries because they have been successful in staving off Western influence. Maybe we can copy something from them," said Nursjahbani, referring to recent nationalization drives in Bolivia, Venezuela and Argentina, among other countries. Each Baleg member will receive US\$270 per day to cover living expenses.

The trip to Latin American countries was planned when the public outcry over a sojourn by another group of lawmakers had barely subsided. Eleven members of House Commission I on foreign affairs are now in Iran, Abu Dhabi and Dubai for what is considered an official visit.

Media Indonesia daily reported that the lawmakers, who are traveling with their spouses, did not all agree on the nature of the trip. Some said the journey was part of their minor haj pilgrimage to Mecca.

Legislator Bomer Pasaribu of the Golkar Party, who will soon depart on the trip to Argentina and Brazil, defended his colleagues' penchant for overseas travel. He said such trips broadened lawmakers' horizons.

"That is something that you won't get from the Internet. Besides, when I was still a manpower minister I knew officials from the lower level at my office often made trips abroad, it's nothing unusual," he told the Post.

House watchdogs, however, begged to differ. Sebastian Salang, the secretary-general of the Forum of Citizens Concerned about the Indonesian Legislature, said lawmakers were breaking their promise not to pursue personal gain.

"After public outcry over a trip to Egypt earlier this year, the House leadership said it would ban lawmakers from traveling abroad, but the present trip proves otherwise," Sebastian told the Post.

In the aftermath of that trip, a lawmaker of the National Mandate Party (PAN), Djoko Edy Sutjipto Abdurrahman, was given the axe by his political faction for defying a party mandate to shun overseas travel. "It is obvious that even a dismissal is not enough to dissuade House members from traveling abroad," Sebastian said.

Lawmakers' names kept secret

Jakarta Post - August 8, 2006

Jakarta — The House of Representatives speaker is refusing to submit the names of lawmakers accused of blackmailing government officials for disaster relief funds to the body's disciplinary committee.

Agung Laksono said he had received the names of the lawmakers from the Coordinating Ministry for

the People's Welfare.

However, Agung said he had no evidence the members had breached the House's code of ethics. "I will wait for further developments (before submitting the names)," he said.

Ministry secretary Sutejo Yuwono claimed last week that several House members had threatened to block a government budget proposal on disaster relief unless their regions received a share of the money.

The lawmakers had insisted on receiving the funds although their constituents were not affected by disasters, Sutejo said.

Lawmakers make power plays for relief funds

Jakarta Post - August 3, 2006

Ridwan Max Sijabat, Jakarta — The recent major disasters have not only forced the government to review this year's budget, but have also tempted legislators at the House of Representatives to try to dip into a pot of additional relief aid.

The House has approved an extra Rp 1.7 trillion (US\$1.8 million) in disaster aid. Lawmakers visiting their respective constituents in the current recess period are fighting for their shares.

Lalumara Satriwangsa, special staff at the office of the Coordinating Minister for the People's Welfare, revealed Tuesday that a number of lawmakers had asked for some of the funds. Secretary to the minister Soetedjo Yuwono said several members of the House's budget committee had threatened to reject the government's proposed additional funding unless their requests for a share were met. "I have in my pocket the names of seven lawmakers who resorted to threats to get what they want," Soetedjo said.

Of the Rp 2.7 trillion in additional funding that the government proposed, only Rp 1.7 trillion has been approved by the budget committee. The figure

was high in anticipation of further disasters in the remaining four months of the budget year. Two deadly earthquakes and a tsunami recently devastated areas on or near Java's southern coast, especially Yogyakarta and Pangandaran. A flash flood claimed more than 500 lives in Sinjai, South Sulawesi.

House Speaker Agung Laksono vowed to ask Coordinating Minister for the People's Welfare Aburizal Bakrie to name lawmakers who were attempting to seek personal gain from the funds, saying such a practice was against the House's code of ethics.

"We want to know the names of the lawmakers who resorted to threats. They will face the House's disciplinary committee if we have evidence they are involved in power-brokering," he said.

He said lawmakers could not be punished if they filed their proposals through the relevant commissions, however, because politically they were responsible for fighting for their constituents' interests.

Deputy chairman of the disciplinary committee Gayus Lumbuun and chairman of the budgetary committee Emir Moeis criticized the lawmakers, saying the proposals should come from the regions, while the function of lawmakers is to monitor the budget and its implementation in the field.

"The government has to distribute the additional funds to disaster-prone regions while the House has to exercise their control function to ensure the funds are used properly to handle natural disasters and not spend it to build or rehabilitate hospitals," said Emir.

Several lawmakers, according to Soetedjo, asked for some of the additional relief money to renovate state hospitals in North Tapanuli regency, North Sumatra, and in flood-stricken Sinjai regency, South Sulawesi. Soetedjo said the two proposals were turned down.

Gayus called on Minister Aburizal to not only name the lawmakers but also to provide material evidence for the House's ethics committee to follow up the allegations. "The two government officers should be available to give their

testimony," he said, adding that the legislators could be dismissed if they were proven guilty of abusing their power.

Last year, a similar situation made headlines when several legislators mobilized political support from their colleagues to approve the allocation of autonomy funds to certain regions.

WAR ON CORRUPTION

Finance Ministry asked to revoke licenses of crooked auditors

Jakarta Post - August 8, 2006

Andi Haswidi, Jakarta — The Supreme Audit Agency (BPK) has urged the Finance Ministry to revoke the business licenses of a number of accounting and appraisal firms due to malpractice and misrepresentation.

"We have reported these accounting and appraisal firms to the finance minister, and have suggested that their business licenses be revoked, as well as the individual professional licenses of their partners," said BPK director Anwar Nasution in Jakarta on Monday.

However, Anwar refused to name and shame the firms involved, saying only that they had all been reported to the ministry earlier this month.

Anwar said that many accounting firms involved in auditing the books of state-owned enterprises, for example, had been guilty of unprofessional conduct, including giving inflated and misleading figures in their reports.

"Their fees are reported to be unreasonably high. We suspect that part of the fees actually constitute bribes," he was quoted as saying by Antara.

"The accounts have to depict the real condition of the company being audited," he said. "If the accounts are not reliable, then they are of no use," he said. "One of the causes of the 1997 crisis was the unreliability of the reports issued by accounting firms and government auditors. Back then, the substance of these reports was determined by how

large the bribe was,"he said."We have to reform the culture in the accounting industry," he added.

Anwar said that accounting scams also took place in the developed world, such as those involving major companies like the United States-based Enron and the Italy's Farmalat.

Meanwhile, Indonesian Accountants Association (IAI) spokesman Franky Setiawan said that his association had not been notified by the BPK of the names of the individuals or companies that had been reported to the finance ministry.

Franky said that the IAI was solely responsible for membership issues. He said that under the current regulations, an accountant had to be registered as a member of the IAI before he could practice. "If the finance minister decides to revoke their licenses, than we will automatically revoke their membership," he said.

In order to improve professionalism, the IAI would have all of its members assessed by an independent agency called the Quality Review Board. "The function of the board is basically to assess quality control within accounting firms. The program will be launched around September or October," Franky explained.

Franky said that during the initial stage, the board would prioritize the assessment of high-profile accounting firms that audited the accounts of banks, publicly listed companies and other businesses involving the public.

"We have more than 400 members. These assessments could take three or four years to finish, but, of course, we will prioritize the important ones and the ones that have to potential to prejudice the public," he said.

Court accused of resisting reform

Jakarta Post - August 3, 2006

Ary Hermawan, Jakarta — Anticorruption activists are attacking the Supreme Court for what they call

its strong resistance to internal judicial reforms being advocated by the independent Judicial Commission.

"We could all see the resistance from the Supreme Court when it decided to ignore recommendations and ideas from the Judicial Commission," Indonesia Corruption Watch coordinator Teten Masduki told a seminar here marking the commission's first anniversary Wednesday.

Despite being invited, neither Supreme Court Chief Justice Bagir Manan nor his representatives showed up. "His absence is a blatant signal of defiance against judicial reform. He has no shame," Teten said.

The commission was established last year to select and supervise judges. Conflict between the two bodies began after the Supreme Court rejected the Judicial Commission's recommendation that the government review dozens of judges. The tension has been escalating as both sides prepare revisions to the 2004 Law on the Judicial Commission.

Judicial Commission chief Busyro Muqoddas said he would file a request that the House of Representatives review the law in order for the commission to get greater or "proportional" authority.

Meanwhile, 40 justices of the Supreme Court have filed a request for the Constitutional Court to review the law in a bid to reduce the Judicial Commission's power. The commission also asked President Susilo Bambang Yudhoyono to broaden its powers by issuing a regulation in lieu of law. However, the President declined.

State Secretary Yusril Ihza Mahendra said there was no compelling reason for the President to issue such a regulation. Yusril said the government did not agree with the commission's claim that there was an urgent need for the regulation in order to strengthen its efforts to carry out judicial reforms.

In response, Busyro Muqoddas said the government's refusal was an indication of its lack of support for judicial reform within the Supreme Court.

Teten said the Judicial Commission could not accomplish much during its first year, while the level of corruption in the judicial system was so high that it could "no longer be supervised".

"The only way to clean up our judiciary is by replacing all the justices, as proposed by the Judicial Commission," he said. "This is the irony of the Judicial Commission. It was built with a great ambition (to clean up the judicial system), but has failed to gain political support from the government and the House that jointly created it," Teten added.

Busyro said the commission had investigated 360 of 860 cases against judges based on reports from the public. "We have sent 18 recommendations to the Supreme Court but none of them have been followed up," he said. "It's a good thing. It means that we have to be more patient," he said, jokingly.

Benny K. Harman, a member of House Commission III on law, legislation, human rights and security, said the Judicial Commission had been structured as an auxiliary agency that could easily be ignored. "Its authority to carry out supervision is limited," he said.

ENVIRONMENT

Experts say hot mudflow may be unstoppable

Jakarta Post - August 8, 2006

Tb. Arie Rukmantara, Jakarta — More than two months after hot toxic mud began to gush out of a gas well in Sidoarjo, East Java, experts warn that no technology may be able to stop it.

They urged the government Monday to consider evacuating and relocating people and businesses in the affected area.

Veteran geologist Andang Bachtiar said the government and oil and gas prospector Lapindo Brantas Inc. had tried various tactics to stop the mudflow, but to no avail.

After locating the source of the mud, workers dug relief wells. When that effort failed, they tried intercepting the stream, but with equally poor

results, Andang said.

"It (the mud flow) is even worsening. Over the weekend it was gushing 10 meters into the air," told a discussion on mining and ecology organized by the Mining Advocacy Network (Jatam).

"Rather than spending more money to stop the flow, which has so far been useless, the government and the company should prepare a 'game over' scenario," said Andang, who is an oil and gas consultant for the Environment Ministry. "Leave the region sinking and compensate for the lost land, houses and businesses."

Andang, who is also a former chairman of the Indonesian Geologists Association, said Lapindo could then find ways to make the best use of the more than 30,000 tons of mud that spew out of the earth every day.

"I suggest a move to prevent the company from going bankrupt. What if the mud keeps flowing for another year or two? Will the company still have the money to keep compensating people's losses?" he said.

The sludge has inundated about 210 hectares of land, forcing more than 6,000 people to flee and shutting several nearby factories. Hundreds of people have lost their jobs and dozens have been admitted to hospitals with respiratory problems.

Environmentalists believe the hot mud contains elements that are threatening to human health. However, the government has yet to publish its analysis of the mud's chemical contents.

Lapindo Brantas Inc. is partly owned by the family of Coordinating Minister for the People's Welfare Aburizal Bakrie.

Andang said similar mudflows could be found throughout Java and Bali, most of them still spewing liquid sediment. "Some of them are centuries old and are still flowing," he said. There is a mudflow in Kuwu, Central Java. Geologists also say Mount Anyar in East Java is made of mud that spewed out of the earth centuries ago.

Meanwhile, Greenomics Indonesia executive director

Elfian Effendi said Lapindo could go bankrupt if it is held responsible for the losses caused by what he termed the company's "flawed" operations. "According to our economic calculations, Lapindo should prepare Rp 33.27 trillion (US\$3.66 billion) in compensation funds," he told the audience at the discussion.

He said that amount was based on various costs ranging from restoring the affected land, managing social impacts, removing the mud, cleansing the area, repairing ecological damage, and compensating businesses for their losses.

Good report, but not enough

Jakarta Post - August 8, 2006

Environmentalists have praised the government for issuing a transparent report on the state of the nation's environment, but have criticized it for failing to inform the public of the greater threats the environment is facing — weak regulations and the global economy.

Chalid Muhammad of the Indonesian Forum for the Environment (WAHLI) said the 2005 State of the Environment report had succeeded in informing the public that the environment was in a critical condition.

However, it failed to show that the government's erroneous perspective on development was a major factor that caused such a situation, he added.

"The report failed to show that environmental degradation, which is bringing about ecological disasters, originated way back to 1967, when the doctrine 'all for development' began," he said.

He believed that legislation passed in 1967 on foreign investment, mining and forestry was very exploitative, allowing giant mining operations and logging concessions to begin operating. That exploitative spirit still colored subsequent revisions to the legislation, he added.

"Overexploitation has resulted in ecological disasters — that is unavoidable," he said.

Mubariq Ahmad of the World Wide Fund for Nature Indonesia lamented that the government forgot to put in the "global footprint" of ecological threats in the report.

He cited that world's growing economies, such as China and India, would further degrade our natural resources because they imported a lot of raw materials from Indonesia.

"China's timber industry is growing at a rate of 20 percent per year. Where do you think they get the wood from?" he said, adding that China's hunger for timber would put most of our forests at risk.

He also mentioned the threat of Europe's thirst for biofuel, which would promote more conversion of forests to oil palm plantations.

"The fact is only one day after European governments announced that they would subsidize biofuel, many foreign businessmen went to Kalimantan and Papua to offer investment in oil palm plantations," he said. "Do you think such investment will not cause any harm to our environment?" he asked.

Environmental damage a multifaceted problem

Jakarta Post - August 8, 2006

A grim illustration of the rapid degradation of Indonesia's environment is recorded in 2005 State of Environment, a document published recently by the Office of the State Minister of the Environment.

The report looks at disasters that have ravaged parts of the archipelago and the even greater threats posed by sanitation shortcomings and increased economic globalization.

The Jakarta Post's Tubagus Arie Rukmantara examines aspects of the report, which runs to more than 290 pages, in the articles below: Many Indonesians no doubt wish they will never again have to hear the song News to Friends, by noted

folk singer Ebiet G. Ade — the tune that is all over the radio and TV every time a disaster hits a part of the country.

However, according to Professor Suparkah of the Indonesian Institute of Sciences, the song is likely to be played for some time yet. Suparkah says disasters here are unavoidable because the country is located in the Pacific's "Ring of Fire", where a string of volcanoes and fault lines put the whole archipelago under constant threat.

But it is not only natural disasters that Indonesians have to fear. The Office of the State Minister for the Environment has come to the conclusion that the many catastrophes hitting the country are being worsened by the rapid destruction of the environment.

"Environmental degradation is getting worse every day; that is why we have compiled a 'state of the environment' report to allow us to analyze the causes of the series of disasters that we have recently faced," State Minister of the Environment Rachmat Witoelar said at the report's launch.

The recently published 2005 State of Environment Report highlights the rapid degradation of the nation's forests, seas, air and fresh water resources and notes that these, combined with a general lack of spatial planning, greatly affect public health.

The 295-page report notes that the country's more than 120 million hectares of forest, the world's third-largest tropical rain forest, are rapidly vanishing, with a deforestation rate rising from more than 2 million hectares in previous years to 3.5 million ha last year.

The usual causes — unchecked illegal logging, forest fires and land conversion — are blamed for forest destruction.

However, the report also notes that deforestation is likely to accelerate because more protected forests are set to be cleared as the cash-strapped government allows 13 mining companies to convert areas into producing zones. Of the 13, six filed requests to turn more than 300,000 ha into mining sites last year, the report said.

Some experts, meanwhile, have challenged the idea that deforestation is the major cause of natural disasters that affect populations. They say population growth and inappropriate spatial planning are the main reason for the large number of human fatalities. Nevertheless, all experts agree that deforestation often increases the size and intensity of disasters.

The grim picture extends beyond the forests to marine areas, which make up two-thirds of the country's territory.

The report said of the country's 51,000 square kilometers of coral reef areas, only 5.8 percent are well-preserved, a decrease from 2004 when 6.8 percent were in good condition. Indonesia's coral reef areas are the largest in Southeast Asia.

Meanwhile, about 57 percent of the country's 9.2 million hectares of mangrove forests are in a critical condition, increasing the risks of soil erosion and flooding for people living along the nation's 81,000 square kilometers of coastline.

The Indonesian Forum for the Environment (Walhi) said the degradation of marine resources meant more than 750 coastal villages were flooded in 2005 or suffered from erosion-related problems, posing serious health and economic risks to more than 16 million coastal people and three million fishermen.

The report predicts large-scale floods are likely to continue in the future and it notes that of the country's 400 "watershed" areas — land that drains rain into marshes, streams, rivers, lakes or groundwater — 62 are in critical or damaged condition.

Of the 62 damaged watershed areas, 17 are in Java, where about half of the nation's population live. The report said in the past five years, more than 54 million hectares, or almost 7 percent, of the country's total watershed areas, have been converted to other functions, including residential areas.

While the number of recorded floods and landslides dropped to 41 from 106 in 2004, the intensity of these disasters was worse, causing more loss of life and higher material and economic losses.

However, the report did not quantify data on the loss of life or the economic costs of last year's natural disasters.

"These conditions are caused by the fact that the nation's development does not yet take into account the need for an ecological balance and is merely about exploiting natural resources," Agus Prabowo, environment director at the National Development Planning Agency, told a discussion on the environment and disasters recently.

One cost that can be quantified is the amount the government has earmarked for environmental disasters this year — Rp 4 trillion (about US\$440 million) from the 2006 state budget. The money is designated for environmental programs across all ministries and 58 percent has already been apportioned to rehabilitate environmentally damaged areas, while another 18 percent has been allotted to handle the effects of pollution.

"If the government does not change the way it manages natural resources soon and revise all regulations that are exploitation-oriented, the country's development will only yield more ecological disasters," Walhi executive director Chalid Muhammad said.

A threat to Indonesia's rich biodiversity

Jakarta Post - August 8, 2006

Despite sobering statistics about environmental degradation last year, the 2005 State of the Environment report also highlights some welcome news about the stratosphere above the archipelago and more findings of new species.

Citing observation data from the National Aeronautics and Space Agency, the report says the stratospheric ozone layer above Indonesia has improved to a level that could reduce the amount of harmful ultraviolet radiation reaching the Earth.

Experts believe that the stratospheric layer of the atmosphere, where 90 percent of the ozone

exists, blocks exposure to harmful ultraviolet rays, which could cause eye cataracts and decrease human immunity, as well as affect crops and sea plankton that would disrupt the marine food chain.

The report said that in the last few years, stratospheric ozone concentration ranged between 216 dobson units (DU) and 248 DU.

The ozone layer is considered normal when it measures about 300 Dobson Units (equal to three millimeters), while a hole occurs when its thickness reduces to 100 Dobson Units.

Decreasing usage of aerosol and other ozone-depleting compounds (ODS), due to the government's continuous efforts to phase out the use of such compounds in the country greatly contributed to the improved condition, the report said.

Deputy to the state minister for the environment Masnellyarti Hilman said the government had cut the use of ozone-depleting substances by around 4,100 metric tons since 1994, when ozone layer protection programs began in the country. "Our next challenge is to cut 6,325 metric tons of ODS (traded here) by the end of 2007," she said recently.

The government believes the biggest challenge it is facing is widespread smuggling and illegal trade in ODS. It is estimated that around 4,000 metric tons of ODS is circulating in the country, used mostly by air-conditioning servicing stations that service old refrigerators and outdated car air-conditioning systems.

Another heartening development indicated in the report is that more new species were discovered last year, placing Indonesia as the one of the world's richest countries in terms of biodiversity.

The report highlighted the finding of scores of new animal and plant species in Foya Mountain, Papua, by a group of scientists from Conservation International Indonesia, who dubbed the place "the closest place to the Garden of Eden you're going to find on Earth".

The scientists found 24 types of palm tree, of which five were declared new species, and another

550 species of plant. They also found dozens of rare species of animals including from kangaroo, amphibians, birds and butterflies.

However, rapid deforestation, which last year totaled more than three million hectares, threatened research in revealing the truth about the country's biodiversity.

"All that pride means nothing if deforestation and the destruction of the habitats that are home to those species is continually taking place, as it is at present," said Banjar Y. Laban, the Forestry Ministry's director of conservation areas, in a statement following the recent discovery of a snake with the ability to spontaneously change color in West Kalimantan province, called *Enhydryis gyii*, or known locally as the Kapuas-Mud Snake.

The report also exposed imminent threats from diminishing wetlands areas on Java island, of which there are about 1,000 hectares in Greater Jakarta that have been converted into residential and industrial areas.

Citing Wetlands International Indonesia data, the report said the country's remaining wetlands stood at about 1,300 hectares last year, compared with over 2,300 hectares in 2004.

World Wide Fund for Nature executive director Mubariq Ahmad warned that such rapid disappearance of habitat could halt further the findings of new species across Indonesia.

He cited as an example that in Kalimantan alone, at least one new species of animal has been found every month in the last 10 years. "The country's worsening environmental condition is a threat to uncovering more knowledge about our biodiversity," he told The Jakarta Post. (Tb. Arie Rukmantara)

Forests need '120 years to recover'

Jakarta Post - August 7, 2006

Jakarta — Indonesian deforestation has been so severe it would take 120 years to regain the 60

million hectares of lost forests, Forestry Minister M.S. Kaban says.

Kaban said in Padang, West Sumatra, on Saturday that 60 million hectares of pristine forests had been lost over the past 20 years due to over-exploitation, land conversion, natural disasters and forest fires.

The government's reforestation efforts could only recover about 600,000 hectares per year, he said, meaning that full regrowth would take between 100 and 120 years.

"But if deforestation continues at the current rate, the recovery time will be even longer," he said, adding that the reforestation program cost Rp 3 trillion (about US\$330 million) annually.

Indonesia is one of the world's most heavily forested countries with about 130 million hectares of forest land.

However, the country also has the world's worst deforestation rate at 2.8 million hectares a year, causing state losses of some US\$5 billion. The most common problems are rampant illegal logging, forest fires and land conversion for giant plantations and mining operations.

Kaban, who chairs the Crescent Star Party (PBB), said he was disheartened by the fact that many major illegal loggers were arrested only to be acquitted by courts. "They always escape justice, while the government takes the blame," he said.

Aside from causing state losses, the timber barons and financiers of illegal logging are impoverishing people who live in close proximity to forests.

"People who live in areas that have become centers of illegal logging mostly become poor," he said. "Meanwhile, the barons are enjoying their holidays in Hong Kong, Singapore and Malaysia," he added, referring to countries widely alleged to be transportation hubs for Indonesia's illegally felled timber.

He said that local people who worked for loggers might receive up to Rp 2 million for helping cut down some of the precious old trees near their homes. "They also live in constant fear of

arrest," he said.

More than a dozen financial backers arrested by the government for involvement in illegal logging last year were all acquitted by the courts due to "lack of evidence". Hundreds of people across the country have also been arrested by police and forest rangers for illegal logging.

"I've met some of them. They had to leave their wives and children to work deep inside the forest, where they are ravaged by mosquitoes and at constant risk of arrest," Kaban said. He was referring to illegal loggers in Kalimantan and Papua, from where much of the some 10 million cubic meters of timber smuggled out of the country annually comes from.

Waterfront reclamation 'spells disaster'

Jakarta Post - August 7, 2006

Adianto P. Simamora, Jakarta — Governor Sutiyoso's plan to push ahead with massive land reclamation project along 32 kilometers of the city's northern coastline will cause an ecological and economic disaster, the state environment ministry and green activists say.

The controversial reclamation would add about 2,700 hectares to the city in an upmarket waterfront project, where the administration would designate land to industrial parks, hotels, office buildings, and upscale accommodation for up to 1.19 million residents.

The State Ministry for the Environment and the Indonesian Forum for the Environment (Walhi) said the reclamation would only cause more flooding and pollution in the city, destroy fisheries, mangrove areas and coral reefs and displace thousands of residents living in coastal communities.

Walhi has threatened to take the city to court if it goes ahead with the project in October.

"This is the third time we have voiced our opposition to the reclamation plan. Our research

finds that the project will cause bigger ecological and economic losses than the economic value gained by the administration," Slamet Daryoni, the executive director of Walhi's Jakarta chapter told The Jakarta Post.

He said during the next 50 years, it was projected the project would generate Rp 572 trillion (US\$57 billion) in extra income for the city, while Wahli estimated the total ecological and social damage it would cause over that period was worth Rp 3,499 trillion.

The likely costs of coping with the extra flooding and pollution and the resulting damage to communities and industry, Walhi said could amount to Rp 2,927 trillion.

Responding to Walhi, Governor Sutiyoso said that activists had assessed the project in a "one-sided" way. "We see it from a macro point of view. Jakarta's population is increasing, while we have no more land. Where else should we develop the city?" he said.

He said coastal reclamations were a common practice in coastal cities in the world. "Some 72 percent of coastal cities in the world undergo reclamations," he said.

He said if project was dangerous to the environment, the administration would not hesitate to stop it. "We would end the project (if it was environmentally harmful). However, the project so far has been thoroughly researched by experts," he said.

Sutiyoso has fought the environment ministry since it issued a 2003 ministerial decree rejecting the project. The decree was based on a recommendation of the Central Environmental Impact Analysis Commission, which assessed the environmental impact documents submitted by waterfront city management company PB Pantura.

The assessment found that the planned reclamation project would cause extra flooding in Jakarta, increase the sea level in other coastal areas by 12 centimeters, worsen pollution in the Thousand Islands regency, destroy the marine ecosystem and cause thousands of fishermen to lose their livelihoods. Companies involved in the reclamation

project have appealed the case to the State Administrative Court in 2004 and won. Wahli and the ministry subsequently appealed the case to the Supreme Court.

Slamet said that the administration could not continue the reclamation as Supreme Court had yet to issue a verdict on the project.

To move the project on, the city later set up its own environmental group to report to the Jakarta Environmental Impact Agency (Bapedalda). The agency later issued the companies with an environmental assessment (Amdal) allowing them to go ahead with the project. "It is also not appropriate to use an Amdal issued by the city administration. It must be issued by the minister," Slamet said.

The project involves areas in three provinces; Cilincing in Bekasi, West Java and Penjaringan in Tangerang of Banten.

Mediana Johanna Uguy an ecologist with the Indonesian Christen University said the reclamation would destroy the ecological functions of the coastline, wiping out the remaining mangrove forests and coral reefs. "However, it can also add value to Jakarta by making it a waterfront city like have been developed in several countries," she said.

She said the city administration needed to deal seriously with the myriad of problems that unchecked and shoddily planned development was causing. "Jakarta always asks cities upstream to improve the environment while the administration continue to destroy its own land by building commercial areas," she said.

Neither did the waterfront development plan do anything to deal with the increasing numbers of poor people flocking to the city from poorer areas.

Sutiyoso's megapolitan concept joining Jakarta with Bogor, Depok, Tangerang and Bekasi (Jabodetabek), was supposed to deal with this issue, she said.

HEALTH & EDUCATION

Indonesia: worst hit by bird flu with two new deaths

Agence France Presse - August 8, 2006

Victor Tjahjadi, Jakarta — Two Indonesian teenagers are confirmed to have died of bird flu, making the nation the world's worst-hit in terms of human fatalities with 44 deaths recognised by the World Health Organisation.

Indonesia reported its first bird flu deaths in July last year and has seen a steady rise in its toll since then as it has failed to carry out the widespread culls seen in other countries hard-hit by the deadly H5N1 virus.

The world's first lab-confirmed human-to-human transmission of bird flu occurred in the archipelago nation three months ago in a cluster of seven deaths, sparking serious concern among scientists.

That raised the spectre of a dangerous viral mutation that may have permitted efficient transmission among people, bringing nearer a global human flu pandemic with the potential to kill millions.

But the slight mutation that took place was determined to be insignificant.

The latest two deaths in the world's fourth most populous nation were a 16-year-old boy who died Monday night and a 16-year-old girl who died Tuesday, both from Jakarta or its surroundings.

"Samples from both of them have been confirmed as positive by both a health ministry laboratory and by the US NAMRU (Naval Medical Research Unit) laboratory," said Runizar Ruzin, from the health ministry's bird flu center.

The ministry last week changed its method for confirming a bird flu death to the World Health Organisation.

Previously samples were considered positive if tested at a WHO-affiliated laboratory, usually in Hong Kong. But if two national laboratories

confirm H5N1, it is now reported to the WHO as a death.

The US lab is affiliated to the US Centers for Disease Control in Atlanta.

I Nyoman Kandun, the director of the health ministry's communicable disease control center, confirmed both cases but declined to give further details.

Both victims were thought to have come into contact with dead or sick poultry, health officials said.

Ruzin defended the government, which has been accused of failing to act quickly to stem the virus's spread, saying its fight has been "excellent." "The health ministry has been dispatching more teams now to carry out surveillance on poultry and humans across the country," he said.

Meanwhile an Indonesian health official alleged that patient treatment at Sulianti Saroso hospital, where many Indonesian patients including the teenage boy have been admitted, was inadequate.

"Their lives are treated very cheaply because doctors who are assigned to monitor them are not experts but fresh graduates" from medical schools who are assigned as interns there, said the official on condition of anonymity.

The official said that when specialized doctors are available, they do not personally examine them "but instead only issue orders by phone" to nurses.

"Other bird flu-designated hospitals in other regions... try hard to save their patients because they have a team of specialized doctors working together," he said.

Animal husbandry officials also said Tuesday that H5N1 had spread in poultry to Indonesia's remote Papua province, which borders Papua New Guinea.

The Timika district animal husbandry office has since slaughtered hundreds of chickens, sprayed disinfectant and banned the transport of poultry out of the affected area.

The virus has already been detected in 27 other provinces out of 33 in the Indonesian archipelago.

Document warns of disasters in public health

Jakarta Post - August 8, 2006

Aside from the increasing threat of natural disasters as a consequence of environmental degradation, the 2005 State of the Environment report also warns of a looming crisis in public health, health experts and environmentalists say.

The annual report, which was first released in 2001, underlined the threat to public health due to worsening environmental conditions, causing various illnesses and the spending of billions of rupiah for treatment and medication.

"Health problems are the downstream indicator of what's happening in the environment," Health Ministry director for environmental health Wan Alkadri told The Jakarta Post.

He said the environment was among the four major aspects that determined the level of human health. The three others were behavior, health facilities and genetic factors. "Between 50 to 60 percent of sick people are sick because their environment is getting worse," he said.

Last year's State of the Environment report clearly showed that most Indonesians face health risks from polluted air, toxic water and tons of piles of solid waste, he said. The report said of the 10 major cities monitored, only Semarang in Central Java and Palangkaraya in Central Kalimantan had 200 days of clean air in 12 months.

Jakarta had only 29 days, Bandung 40, Surabaya 21 and Medan 24 days of healthy air. On the remaining days, the cities' air contained harmful compounds, such as carbon monoxide, nitrogen dioxide and particulate matter.

"Polluted air can cause health risks from respiratory problems to cancer," Wan Alkadri said, adding that it would also reduce the nation's

productivity and boost spending on medicine.

He also pointed out that seasonal forest fires that produced harmful haze worsened the already poor air quality. The 2005 State of the Environment report said forest fires occurred in over 13,000 hectares of forest, in Sumatra, Java and Kalimantan.

"The haze increases the concentration of nitrogen, ash and scores of hazardous compounds in the air. This will cause acute respiratory infection," he said.

World Wide Fund for Nature executive director Mubariq Ahmad warned that besides polluting the air, forest fires also deforested much of Indonesia's pristine forests that are a vital component for regulating water supply.

The report said the country possessed 6 percent of the world's water supply; alternatively, 21 percent of the water supply for the Asia Pacific is here. However, forest and wetland conversion have degraded the nation's water supply. The report said groundwater had dropped to between 40 meters and 80 meters below the soil surface.

On the other hand, much of the country's rivers, one of the most vital water sources, were heavily polluted. Over 30 rivers across the country contained high levels of chemicals and human waste.

"If people consume contaminated water, they'll suffer diarrhea," Wan Alkadri said. Last year, 5,000 people in Indonesia suffered from diarrhea with a fatality rate of about 2 percent.

The report also highlighted the outbreak of bird flu, which has infected 54 people and killed at least 41 of them, as a consequence of negligence in spatial planning.

Deputy to the State Minister for the Environment Isa Karmisa Ardiputra said his office required poultry farms to be located hundreds of meters away from residential areas.

"Violations of spatial planning regulations have partly contributed to rampant spread of H5N1 because it allows the deadly virus to infect

people more easily," he said.

Wan Alkadri warned, "should environmental conditions in the country worsen, health disasters will occur in the near future". (Tb. Arie Rukmantara)

SBY told to stop Sampoerna expansion

Jakarta Post - August 5, 2006

Jakarta — The National Movement to Prevent Smoking Problems has asked President Susilo Bambang Yudhoyono to stop the expansion of cigarette companies in the country.

The organization, consisting of 21 NGOs and professional organizations, criticized the government's issuance of a permit to the country's largest cigarette company, PT HM Sampoerna, to build a new factory in Karawang regency, West Java.

"The new factory is able to produce nine billion cigarettes per year. This will be an insidious danger for the youth and poor people because it will increase cigarettes' availability in the country," said Farid Anfasa Moeloek, chairman of the Indonesian Doctors Association (IDI), which is part of the National Movement to Prevent Smoking Problems.

He said about Rp 50 billion (US\$5.5 million) in cash aid that the government provided annually to low-income citizens would only be wasted on cigarettes.

Widyastuti Soerojo of the Anti-Smoking Foundation said any benefits from the new factory, expected to employ about 12,000 people, would ultimately be meaningless since millions of people could potentially die from increased smoking.

MINING & ENERGY

NGOs: Java mining licenses need review

Jakarta Post - August 7, 2006

Tb. Arie Rukmantara, Jakarta — The government should halt all resource exploration on the densely-populated island of Java, since it does not have adequate safety measures to mitigate mining-related accidents, environmental groups say.

The Network for Mining Advocacy (Jatam) and the Indonesian Forum for Environment (Walhi) demanded that the government immediately review the licenses of all oil and gas explorations and operations on Java to anticipate accidents that could endanger lives.

During the review period, they added, all mining operations should be suspended until the government established procedures to mitigate the impacts of mining accidents. "The people's protection and safety must be a priority in granting oil and gas mining permits," said the groups in a joint press statement.

Jatam and Walhi accused the government of dealing poorly with mining accidents, as reflected in its management of the recent explosion at PetroChina's exploratory site in Bojonegoro regency, East Java. Authorities have also failed to stop the flow of hot toxic mud from the PT Lapindo Brantas gas well in Sidoarjo, East Java.

The explosion killed at least one person and displaced thousands. The toxic mud has flooded hundreds of hectares of land, forcing thousands to flee, and has caused respiratory problems for local residents. The mud incident has also cost local businesses billions of rupiah.

Although police have arrested the directors of Lapindo, which is owned by the family of State Minister for the People's Welfare Aburizal Bakrie, the government has not revoked the company's operating license.

"It seems that the government is only capable of collecting taxes and royalties from oil and gas operations," said Walhi mining and energy campaigner Torry Kuswardono.

He said accidents involving mining operations have always brought suffering to local people, while

the companies that caused the problems were often allowed to continue operating.

"We understand that East Java has rich oil and gas potential, but its geological structures are prone to drilling accidents," said Jatam energy campaigner Andrie S. Wijaya.

He said about 13 million people are living in 16 of the 20 oil and gas mining blocks on Java. Those facilities are operated by state-owned Pertamina and foreign companies such as British Petroleum, US-based Exxon Mobile, Santos of Australia and China's PetroChina.

"Considering the poor capacity of our government (to prevent accidents) and the existing weak regulations, the lives of those people are at risk," he said.

However, Andrie said he realized that scrapping all mining activities was impossible in East Java, which is home to abundant energy: approximately 283 million barrels of oil and 5.2 trillion standard cubic feet of proven and potential gas capacity.

"A strict and sound protocol on standard operating procedures for exploration and exploitation could prevent people from suffering in accidents," he said, adding that Malaysia and China had adopted such procedures.

House Speaker urges immediate review of mining contracts

Jakarta Post - August 4, 2006

Ridwan Max Sijabat, Jakarta — House Speaker Agung Laksono joined growing calls Thursday for the immediate review of production-sharing contracts granted to multinational corporations to ensure they provided optimal benefits to the state and public.

He said contracts should be terminated with foreign companies that failed to honor contract stipulations, did not contribute sufficient funds

to community development programs and caused environmental degradation.

"Mining contracts granted to PT Freeport Indonesia in Timika, Papua, ExxonMobile in several provinces and to domestic companies in protected forests should be reviewed because they provided lower contribution to the state and locals," Agung said.

He was responding to the increasing opposition to this year's granting of a contract to ExxonMobile to operate the potentially lucrative Cepu oil and gas field in Central Java. The appointment of the US multinational followed a protracted and acrimonious tussle with state oil and gas firm PT Pertamina.

Critics say some groups whipped up nationalistic sentiments during the dispute, especially as it drew to a close.

An alliance of 109 politicians, including former People's Consultative Assembly speaker Amien Rais, former Finance Minister Fuad Bawazier, environmental activists, retired servicemen and former government officials grouped in the Popular Movement for Salvaging of the Cepu Block (GRPBC) filed a class action Thursday against the government for granting the right to the US multinational.

A group of leading lawyers filed the suit at the Central Jakarta District Court.

Agung said the review was crucial due to the lack of supervision from the government of the multinational corporations' operations, damage to the environment and their small contribution to local community development. "The review should first be conducted by relevant ministers to ensure a comprehensive evaluation," he said.

On Wednesday, the Energy and Mineral Resources Ministry's director general for oil and gas, Luluk Sumiarso, said the government was devising a new policy to increase the ownership of local companies in the oil and gas sector, and also ensure more benefits to surrounding communities.

Environmentalists and politicians have expressed opposition to the renewal of Freeport's mining contract because they claim the allocation of 1

percent of the company's annual profit to local community development has failed to improve the welfare of local tribes. They also allege massive environmental pollution at the site.

"Ideally, the giant foreign mining companies should give a small part of their shares to local communities, aside from their contribution to local community development," Agung said.

He also regretted the House's approval in 2003 of the government's granting of contracts to 43 mining companies to operate in protected forests.

Meanwhile, the executive director of the Indonesian Environmental Forum (Walhi), Chalid Muhammad, urged the House to review the government's policy because of a lack of concern for environmental protection.

"The granting of contracts or forest concessions to foreign and domestic companies has benefited only certain government officials and political parties, instead of being based on environmental and local development considerations."

Chalid, along with other activists participating in the class action, also said the government must take responsibility for the disastrous May 29 mudflow accident at a gas well in the East Java town of Sidoarjo. It has caused huge losses to industry in East Java due to the disruption of distribution routes and forced the evacuation of surrounding communities.

"The... incidents are strong evidence that densely populated Java is not feasible for such large mining activities..." he said.

ECONOMY & INVESTMENT

Risky Business - Indonesia's sinking economy

Asia Times - August 4, 2006

Jephraim P Gundzik — Indonesian government officials and foreign analysts are excessively optimistic about the country's medium-term economic outlook. Economic growth in 2005 was much weaker than indicated by Indonesia's questionable national-accounts statistics. In 2006, economic

growth will struggle to reach 3%, while an economic recession appears likely in 2007. Much weaker-than-expected economic growth could accelerate capital flight and trigger the devaluation of the rupiah in the next 12 months.

Despite devastation and dislocation caused by the December 2004 tsunami, political and social instability caused by the removal of fuel-price subsidies, surging inflation, and interest rates and capital flight, real GDP (gross domestic product) growth surged ahead in 2005, reaching a nine-year high of 5.6%. Rather than an indication of profound underlying economic strength, Indonesia's very surprising economic performance in 2005 was the result of shortcomings in the country's national-accounts statistics produced by Badan Pusat Statistik (BPS, or Statistics Indonesia).

These shortcomings were apparent in the 275% real growth of statistical discrepancies used to balance expenditure-based GDP with production-based GDP by BPS in 2005. The meteoric growth of statistical discrepancies accounted for more than one-half of the real growth of expenditure-based GDP last year. In other words, without the growth of statistical discrepancies, real GDP growth would have been below 3% in 2005.

The large statistical discrepancies in 2005 balanced lower expenditure-based GDP against higher production-based GDP. Examining production-based GDP, the only sector that experienced unusually strong growth was wholesale and retail trade. Agriculture and manufacturing output, which combined account for 42% of total production-based GDP, weakened in 2005. Construction and services output, which account for another 15% of production-based GDP, were flat. Mining output, which accounts for 10% of production-based GDP, registered a very weak recovery.

Meanwhile, real growth of wholesale and retail trade, which accounts for 17% of production-based GDP, nearly doubled in 2005 to 9%. The strong growth of trade stands in contrast to slowing domestic demand indicated by weaker manufacturing output and import growth. Manufacturing growth slowed to a real rate of 4.5% in 2005 from 6.4% in 2004. Import growth slowed to 26% in 2005 from 43%

in 2004.

Slowing manufacturing and import growth imply that fewer goods circulated in the economy in 2005. As a result, the surge in wholesale and retail trade was entirely accounted for by higher prices or inflation. The GDP deflator should offset inflation in calculating real GDP. It appears that Indonesia's GDP deflator greatly understated inflation in 2005, prompting the large addition to expenditure-based GDP from statistical discrepancies.

Unless data are being purposefully manipulated by authorities, the large statistical discrepancies and the understated GDP deflator of 2005 should be washed out in 2006, leaving economic growth much lower. Economic growth will also be pushed lower in 2006 by further deceleration of private consumption and investment growth as well as weakening government expenditure — a product of decentralization and deteriorating governance.

Economic reality check

Collapsing real wages, high inflation, rising unemployment and contracting consumer credit are likely to push real growth in private consumption expenditure to about 2% in 2006 from 4% in 2005. Last year, consumer price inflation hit 17% as a result of fuel-price hikes administered by President Susilo Bambang Yudhoyono's government in March and October. The surge of inflation is estimated to have pushed real wages lower by 12% in 2005. Though inflation will decline in the final quarter of 2006 as last October's fuel-price hike falls out of inflation calculations, inflation will remain quite high.

Consumer price inflation has proved quite sticky in the first seven months of 2006, remaining above 15%. Last year's fuel price hikes are still feeding through the economy. Rising international oil prices, driven higher by instability in the Middle East and the onslaught of hurricane season in the United States, could force the Yudhoyono government to raise domestic fuel prices again, or lose its hard-earned fiscal credibility. Consumer price inflation will probably be close to 11% in 2006, pushing real wages down a further 8%.

In 2005, unemployment breached 10%, marking

Indonesia's highest unemployment rate in modern times. The unemployment rate will climb higher in 2006 as manufacturing output slows further. According to the Industry Ministry, growth in industrial production was a paltry 2.4% in the first half of 2006 against the government's target of 7%. Falling real wages and rising unemployment have brought very rapid real consumer credit growth, which was about 20% in 2005, to a screeching halt in the first half of 2006.

The credit crunch that has ensnared consumers in 2006 was already problematic for corporate borrowers last year. In 2005, real corporate credit for investment began contracting while the real growth of corporate credit for working capital slowed to single digits. In the first five months of 2006, real total corporate credit contracted by 14%. In addition to falling incomes and earnings, the very sharp contraction of consumer and corporate credit thus far in 2006 has been driven by soaring non-performing loans in the banking sector, especially among Indonesia's largest banks, which are state-owned.

In the midst of a credit crunch and slowing manufacturing output growth, private-sector investment growth can not be expected to accelerate in 2006. Slowing export growth will also undermine investment. In 2005, export growth of 20% was fueled mainly by rising prices for Indonesia's commodity exports. In the first five months of 2006, export growth slowed to about 12%. Slowing external demand will push export growth down further in the second half of 2006.

In 2005, strong growth of government consumption and investment expenditure offset weakening private consumption and investment growth. This is not likely to be repeated in 2006. In the first six months of this year, total government expenditure was only 30% of the amount budgeted for the entire year. Weak and deteriorating governance arising from fiscal decentralization will make it very difficult for the government's expenditure targets to met.

Indonesia's regional governments, which are responsible for planning and executing about one-half of total government expenditures, are ill-prepared for such a task. As a result, a large proportion of central government funds allocated

to regional governments have simply been shunted into the banking system, inflating deposit growth and opening the door to greater corruption. Though indications of broad-based economic weakness are manifold, Indonesian government officials, multilateral lenders and most analysts continue to believe economic growth will remain above 5% in 2006 and will accelerate in 2007. A rude awakening may be close at hand.

Expectations meet reality

While Indonesia's second-quarter GDP growth statistics won't be released by BPS until mid-August, recently released second-quarter GDP growth statistics in the United States offer a preview of what's to come. Real economic growth in the US slowed to 2.5%, much weaker than the 3.5% consensus forecast. Worse, inflation has moved sharply higher. Consumer and producer price inflation in the US reached an annualized rate of 4.5% and 5%, respectively in the first half of 2006. Core inflation has also increased sharply, reaching an 11-year high in June of 2.4%.

Higher energy prices, inflation and interest rates have already begun to slow the world's largest economy. This slowdown may accelerate in the second half of 2006, pitching the US economy into recession in 2007. Increasing instability in the Middle East and waning global oil supply carries enormous potential to push international oil prices toward US\$125 per barrel over the next several months. Higher energy prices will push US inflation and interest rates up, leaving economic growth much weaker. A US economic recession in 2007, or even a slowdown in real GDP growth below 2%, will have strong negative implications for many countries especially those that are dependent on commodity exports such as Indonesia.

Misleading national-accounts statistics in 2005 and misplaced expectations for economic growth in 2006 have attracted a substantial amount of foreign portfolio investment to Indonesia over the past 18 months. The lion's share of this investment is parked in domestic government debt securities. This investment is very sensitive to exchange-rate depreciation. Weaker-than-expected economic growth in Indonesia, especially weaker export growth, could begin to undermine the rupiah, triggering foreign-capital flight.

In addition to foreign-capital flight, domestic-capital flight could accelerate sharply if wildly optimistic economic expectations are not met. Domestic-capital flight, which can be discerned in the “errors and omissions” component of Indonesia’s balance of payments, has increased steadily over the past several years. Last year, domestic-capital flight amounted to nearly \$10 billion.

Slowing economic growth and an accompanying increase in political and social instability could encourage accelerated domestic-capital flight in 2006 and 2007. The combination of foreign and domestic capital flight could easily swamp Indonesia’s foreign-exchange reserves of \$34 billion, prompting the devaluation of the rupiah.

Sound dire? Very few anticipated the capital flight that triggered balance-of-payments crises and exchange-rate devaluations in several emerging markets over the past 10 years. These crises and devaluations occurred when misplaced expectations suddenly met economic reality. Expectations are very high in Indonesia. Reality may be hard pressed to meet these expectations.

[Jephraim P Gundzik is president of Condor Advisers, which provides investment risk analysis to individuals and institutions worldwide.]

‘Public clean water will get worse’

Jakarta Post - August 2, 2006

Officials and city councillors were angered by the sale of 49 percent of water company PT Lyonnaise Jaya (Palyja)’s shares. Although the France-based company said the decision was made in an attempt to improve its management, many were skeptical. The Jakarta Post asked two activists their views on the matter.

Azas Tigor Nainggolan, is chairman of the Jakarta Resident’s Forum in JL. Kalimalang, East Jakarta. He lives with his family in the Matraman area in East Jakarta:

(Governor) Sutiyoso's administration named Palyja and Thames PAM Jaya as water operators for Jakarta because the two firms, with their huge funds and professionalism, pledged to make giving better service to customers a priority.

The story then changed when the administration and the City Council rejected their demands to increase water tariffs in the city a few months ago.

Selling 49 percent of their shares to investors sent the sign that Palyja had given up operating their business Jakarta.

It might be a way to minimize potential financial losses if the administration continues to reject the water tariff increase. I also predict that Palyja will not extend its business in the city after 2008.

Selling the shares also means that the business matters more than public service. There is no investor interested in buying the shares offered by Palyja without seeing their benefits. Once this happens, public clean water will further worsen.

The administration and City Council must seriously study Palyja's move. They must know the exact reasons for the share sale. The administration must also prepare alternatives from now on for substitute operators. Let's give it back to the city operator company (PT PAM Jaya).

Slamet Daryoni, is the executive director of the Jakarta chapter of the Indonesian Environmental Forum (Walhi) in Bukit Duri, South Jakarta. He lives with his family in Bekasi:

We have long opposed the privatization of the water company in Jakarta because it becomes business-oriented and means the public does not have a basic right: access to clean water.

Our recent study in certain areas in Jakarta showed that residents who were customers of the water operators had to allocate 30 percent of their monthly income just to get clean water. They had to buy water from water vendors due to the poor quality of tap water.

I suspect that Palyja wants to wash its hands of

the responsibility to upgrade pipe infrastructure. During its eight years of operation, the company has only improved about four percent of the pipe infrastructure from the previous of 48 percent to 52 percent. It shows their lack of seriousness to increase the number of residents who can enjoy clean water.

I hope the water operators and the city administration can take responsibility for their failure to provide residents with access to clean water.