ARTICLE

Strategic Group Formation for Carbon Governance in Indonesia after the Indian Ocean Tsunami 2004

Jonatan A. Lassa*

United Nations University, Bonn 53113, Germany

Abstract This article indentifies the carbon governance landscape after a complex and large-scale disaster by identifying the formation of new strategic groups and the utilization of resources policies. The article highlights the post-disaster context of land use, land-use change, and forestry (LULUCF). In particular it examines the power issue surrounding carbon management in Aceh Province, Indonesia, after the Indian Ocean tsunami (IOT) 2004. The author proposes a new institutional framework, namely the Strategic Framework for Sustainability Analysis (SFSA). The SFSA uses a series of strategic group analyses, combined with strategic resources identification and strategic policy to analyze LULUCF problems. The strategic groups in LULUCF are those that hold the decision-making power to discourage/encourage sustainability of local natural resources. Each group is assumed to reposition itself strategically in order to gain more control over resources. The IOT 2004 has led Aceh to exercise its own sustainability policies, which are set through many initiatives such as a moratorium on logging, a sustainable palm oil policy, livelihood-based carbon conservation projects, and green development policies, including disaster risk reduction.

Keywords carbon governance, Indian Ocean Tsunami, LULUCF, strategic groups, sustainability

1 Introduction

Carbon management through LULUCF in Aceh Province, the westernmost province of Indonesia, remains complex. The large-scale reconstruction efforts since the IOT coupled with the legacy of a long standing civil war and persistent poverty makes sustainable natural resource management challenging. This is especially the case when local institutions are too weak to set a sustainable development policy, a problem exacerbated by the IOT catastrophe.

One particular environmental problem is the huge demand in timber consumption for reconstruction after the IOT. Recent data indicate that illegal logging is still widespread in Aceh. Available data show that the total timber supply from natural forests in Aceh annually was around 1.3 million cubic

meters (produced by 10 listed concessionaries) – 400 percent more than what is locally needed (the local annual demand in 2008 was 260,000 cubic meters (Blacket and Irianto 2007, 58)). Of the 2,528 cases of illegal land-use and illegal forest management practices in Leuser ecosystem region (*Kawasan Ekosistim Leuser* or KEL – see Figure 1) distributed in 15 districts, 56 percent is due to illegal logging and 36 percent due to poaching and encroachment. Sawmill, lumber mill, timber mill, hunting, road opening, and mining make up the remaining causes of land clearance (Leuser International Foundation, cited in SIPIL 2008).

Both illegal logging and encroachment in the KEL were facilitated by the road networks that provided easy access to the natural forest. The problematic character of road network development was raised by the IUCN-UNESCO joint monitoring report for 2006 and 2007 (Hitchcock and Meyers 2006; IUCN-UNESCO 2007). The IUCN-UNESCO report noted that the construction of new road networks is a key threat to the Aceh Rainforest around the KEL. Paradoxically security issues during the civil war, between the1970s and 2005, had meant that road networks were not developed. Hence inherently slower rates of deforestation occurred in this insecure era. But the tsunami in 2004 facilitated changes at the political level, including a new peace deal. Infrastructure investments poured into the province and hence increased demand for forest resources to serve the long-term reconstruction projects.

Another problem in the recent discourse of sustainable development of Aceh is the practice of scapegoating small-scale farmers and their poverty as the root causes of environmental degradation, including deforestation. Recently, in the *Ecosystem Marketplace* (www.ecosystemmarketplace.com), a land-use assessor from Carbon Conservation stated that: "deforestation isn't caused by big companies coming in and chopping down trees but the poor people are the root cause of deforestation. It's caused by local people having no other source of income than the forests."

This view was challenged by JKMA (*Jaringan Komunitas Masyarakat Adat* or the Aceh Indigenous People's Network), which asserted that the neo-liberal market is not a solution for Aceh's land-use problems. The Acehnese traditions (*Adat*), with its units of governance such as the *Mukims* (comparable
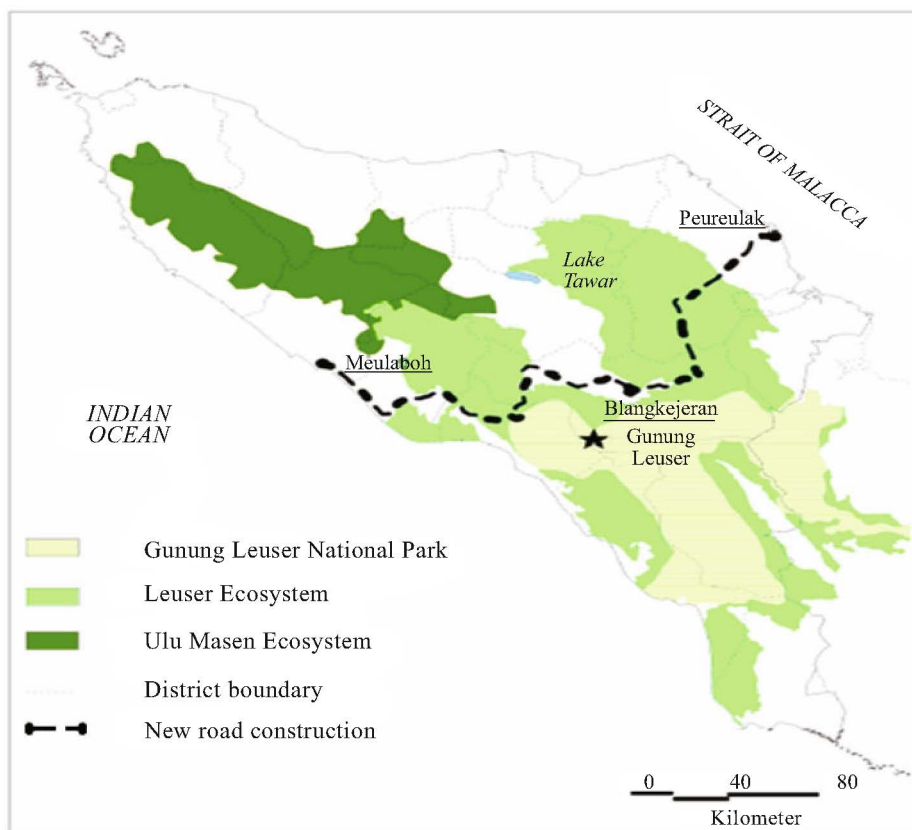
* E-mail: jonatan.lassa@gmail.com

Figure 1.   Ulu Masen and Leuser ecosystems of Aceh
Source: de Koninck, Bernard, and Girard 2007.

with sub-district), are still seen by JKMA as the last defense to resist ecological destruction. *Adat* is also considered a tool for decelerating the speed of ecological degradation in Aceh.

Forest conversion is also in conflict with mineral mining and palm oil development, which are both part of the provincial development plans. The total area allowed for mining exploration (including land being surveyed) is 455,327 ha or nearly 8 percent of total land use in Aceh. Data shows that the contribution of the non-oil and gas mining (quarrying) sector to the regional GDP (Gross Domestic Product) is trivial (less than 1 percent – Source: Aceh Statistical Bureau 2007).

More than 250,000 ha of palm oil plantations existed in Aceh as of 2008. Lack of clear and reliable data presented by different actors made the planning of palm oil expansion difficult. Palm oil industries at provincial, national, and international levels (for example, Malaysia) have a strong interest in expanding in Aceh. The creation of the Aceh Plantation Development Authority (APDA or in *Bahasa* means *Badan Pengembangan Perkebunan Aceh*) – a government body modeled on the Malaysian Government's Federal Land Development Authority (FELDA) – is expected to develop an additional 350,000 ha of palm oil plantation.

The key characteristic of the social-political power landscape within the context of LUCF in Aceh is its high level of uncertainty. Spatial planning is one area that suffers from internal competition within and between different levels of

governance (central, provincial, and district) and external competition with various organizations including local reconstruction actors and international donors.

Volatility of commitment on sustainable development in Aceh can be witnessed through the periodical change of the provincial administration. A new attempt to establish a moratorium logging policy in Aceh (simply referred to as "the Moratorium") developed by the new provincial government, has been praised because of its stronger commitment to combat illegal logging followed by a clear follow-up plan for future forest planning. The thirteenth Conference of Parties (COP 13) in Bali, Indonesia provided a new momentum for the provincial government to fine tune its new policy, namely the Aceh Green Vision (AVG). The rebranded policy aims to reduce emissions from deforestation and forest degradation (REDD) with planned financial support from voluntary markets.

2   Research Questions

The main objective of this research is to understand the power and policy landscape of the LULUCF sector in Aceh after the Indian Ocean tsunami of 2004. This includes identifying the strategic groups and powerful actors who have an interest in strategic resources/commodities. This research is

based on the following question: how has the power and policy landscape in the LULUCF sector been (re)formed towards future multi-dimensional sustainability after the 2004 tsunami? The area focuses for this research is on the Ulu Massen and Leuser ecosystems in Aceh (Figure 1). The ecosystems have been considered as a potential area for carbon management under the reducing emissions from deforestation and forest degradation (REDD) initiatives starting in 2008 in Aceh.

3   Methods of Research

A literature review of academic and grey literature was conducted alongside open ended interviews with key stakeholders and participant observation. Interviewees included representatives of strategic groups such as civil society activists, experts on Aceh LULUCF, government officials (various government bureaus) and provincial legislators. The author worked in Aceh between 2005 and 2007 as a program coordinator for a Dutch organization called Hivos, committed for civil society organization (CSO) capacity development, and became familiar with many of the individual actors and organizations crucial to sustainable development in Aceh. This enabled access to relevant stakeholders and documents as well as participation in a number of Aceh related mailing lists. Working in the region also enabled the research to benefit from an ethnographic approach and participant observation.

Two focus group discussions (FGDs) were also conducted with two local CSOs. The first was with JKMA's key activists. The second was an organized workshop with the Working Group Besabo Pakat (WGBP) on climate change and forestry. Both FGDs were conducted in Banda Aceh during July and August 2008.

4   Conceptual Framework

In this article, a definition of strategic resource (such as carbon) governance follows the definition of Center for International Forestry Research (CIFOR), which emphasizes how decisions related to carbon and its stakeholders' interests are made. Strategic resource governance suggests "…who are responsible, how they wield their power, and how they are held accountable. It encompasses decision-making processes and institutions at local, national, regional and global levels. In the context of an increasingly globalised forest sector yet also increasingly decentralised system of management, policy makers, forest managers and stakeholders face competing pressures emanating from both local and global processes" (CIFOR 2008).

Managing natural resources such as forest, land, carbon, and palm oil are hypothetically subject to the interests of several groups in Aceh today. This includes government bureaucrats, palm oil companies, donors/lenders and interna-

tional organizations, legislators, CSO, ex-combatants, and other interested groups. These groups operate through certain means such as the building of coalitions, the creation of symbolic capital, the use of consultancy services in government offices, the employment of aid diplomacy, the exploitation of time pressure given the rushed nature of post disaster intervention, competition for credible data, the engagement of social capital, the building of trust, the careful use of discretionary power, the encouragement of public participation in setting agendas, the sharing of power, and the incorporation of populist approaches to natural resource management such as equity, legitimacy, the development of indigenous-based policies, or the facilitation of collective action of the poor and disadvantaged. As previously held elsewhere in Indonesia, natural resource management is shaped by institutions that are characterized by formal institutional arrangements such as laws, multilevel regulations, and governmental acts, in addition to informal institutional arrangement that include traditional customs and the *Adat* system. Both the formal and informal management rules experience different levels of enforcement to serve sustainable natural resource management (McCarthy 2006). This article argues that in mapping the power landscape of natural resource management, it is important to look at the existing and emerging institutions and organizations that (may) shape and modify the state of land-use change and forestry (LUCF) in the past, today, and in the future. The author used Llywellyn's definition of an organization as "an arena for the 'doing' of a multiplicity of projects; where agents may be informed or ignorant about the project of others. Also, agential projects may conflict or complement, spatially intersect or run in parallel and be continuous or disconnected in time" (Llywellyn 2007, 134).

The Strategic Framework for Sustainability Analysis (SFSA) tool was developed during a field visit in Aceh in July 2008. It is considered a suitable method to map the power landscape in LULUCF sectors. SFSA is an analytical method suitable for a governance analysis of a post-disaster and post-conflict context. The SFSA is an extension of strategic group analysis in which strategic groups are defined as individuals bound by a common interest who protect or extend shared outcomes. These interests drive strategic movements so that programs can improve gains in the long-term (Evers and Shield 1990). "Strategic groups are neither elites nor social classes. They cut across hierarchies, its members do not carry cards or identification tags, and they may follow different lifestyles and follow different beliefs. They are, however, united by one common goal: to secure present and future chances to gain access to resources; to share chances of appropriation of resources and their distribution" (Evers and Benedikter 2009, 4).

Evers and Gerke state that an important condition for the formation of strategic groups can be either "a sudden increase in the membership of a quasi group" but "not the absolute size as such" in which the "members seek an appropriate share of wealth and power available in a society" (Evers and Gerke 2009, 5). The logical implication and relevancy of this

analytical theory is that (old and new) strategic groups may eventually be strengthen, formed or even dissolved after a natural disaster or man-made disaster such as conflict and civil war. In fact, strategic groups are not the sum of individuals that form the strategic groups but rather the networks of individuals and organizations with common interest that clarify operational strategic frameworks that shape environmental governance in the aftermath of large-scale disasters, such as the case of tsunami 2004.

Therefore, the SFSA can be viewed as a tool for understanding carbon governance through LULUCF. Strategic groups are formed when opportunities for new resources are created, usually with the development and adoption of new technology (Evers and Shield 1990) or global economic and environmental changes, including major disasters such as the Indian Ocean tsunami in 2004. In Table 1, some existing strategic groups are identified while some new potential strategic groups are noted as emerging. Strategic groups can be classified according to whether economic resources are accessed individually, collectively, or cooperatively. Such groups try to develop or modify conditions in order to maintain or improve the results of appropriation. To this end, strategic groups engage and promote the transformation of the political system in two ways: (1) the hybridization of expansion into new areas in anticipation of new outcomes; and (2) the stabilization of the appropriation of resource outcomes based on the monitoring of the resources themselves (Evers and Shield 1990). The latter process creates and strengthens new emerging class formations. However this article does not suggest that each strategic group comprises fully rational agents. Some identified groups have decision-making power based on their historical path. Prolonged civil war in Aceh coupled with exposure to other risks and poverty as well as the occurrence of the Indian Ocean tsunami in 2004 often make it difficult for local actors to make strategic decisions in advance. "Instead, their strategies unfold as they interact with the changes in this dynamic production environment" (Kaag et al. 2003, 14).

Currently, there is an ongoing effort by the government to employ qualified bureaucrats for high-level positions at the provincial departments/agencies by using a more transparent and accountable employment evaluation mechanism. This trend provides an improved opportunity for university professors to compete with career bureaucrats in accessing high level administrative positions. Therefore, academia has now become a new strategic group. In a complex situation like Aceh, knowledge-based policies are the best option to reduce high-level economic, social, cultural, and political uncertainties (Evers and Gerke 2005). Instead, other strategic groups such as CSOs, palm oil companies, international donors, the ex-combatants, and traditional leaders will receive particular scrutiny. Although it is recognized that academia appears an emerging strategic group, it will not be discussed in details because of the time constraint in the field and the research design did not anticipate the findings. Furthermore, academia is partly represented in the experts' group. However, it is worth noting that the increasing roles of academia and CSOs are partly enforced by the present elected political regime that originated from both worlds.

5   Research Findings

5.1   Local CSOs as a Strategic Group

Aceh CSOs have been severely affected by the IOT 2004. International organizations previously considered that Aceh CSOs needed support due to a lack of technical capacity; the loss of human resources after the 2004 tsunami (27 percent of NGO staff were lost in the IOT 2004 – either dead or missing); and a lack of capacity in the local CSOs' programs[i] (25 percent of NGOs' offices and 52 percent of NGOs staff houses were damaged or destroyed by the earthquake and tsunami). "Brain drain" is the other problem experienced by the local NGOs in Aceh, where at least 20% of their staff have been recruited by international aid organizations (OCHA

Table 1.   Strategic framework for sustainability analysis in Aceh

Strategic Resources	(Emerging) Strategic Groups	Strategic Options/Policy
• Land	• Government Bureaucrats	• Alliance building
• Forest (Timber)	• Malaysian palm oil companies (emerging)	• Consultancy services
• Carbon	• Indonesian business groups	• Aid diplomacy (conditionality)
• Palm Oil	• Civil society organizations	• Time pressure
• Knowledge	• Donors/International NGOs	• Myths and facts
• Time	• Consultants/experts (emerging)	• Data wars
• Mining Resources	• University professors	• Social capital
• Reconstruction Aid	• Local political parties (emerging)	• Trust-building
• Development Funds	• Religious leaders	• Public participation agenda
	• ex-Aceh militias group	• Power-sharing
	• Aceh Independent Movement (GAM)	• Administrative power
	• Parliamentary forums (emerging)	• Equity and legitimacy
	• Market for ecosystem services	• Anti-poverty policies
	• Media groups	• Facilitating collective action of the poor
	• Traditional leaders	

and MiSPI 2005). The context for CSOs changed rapidly as of 2008. The local CSOs are becoming a very influential strategic group in Aceh today as some local CSO activists have been able to play advisory roles at local government and local/national political parties. Another visible evidence is that the present key leaders in Aceh Province such as the Governor and Vice-Governor have been long part of CSOs' movements in Aceh. Mutual cooperation between local watchdog organizations and the media, such as the Association of Independent Journalists, provides a clear indication about the importance of CSOs within the public policy arena. Local CSOs' influence in LUCF advocacy and monitoring has been recognized through community participation and they regularly provide constructive input to several forums. For example, the Aceh Friends of the Earth (Walhi Aceh) is considered a permanent member of the Spatial Planning Committee, the Environmental Impact Assessment Committee, and the Forestry Redesign team. Within the Aceh context, as is also common throughout Indonesia, CSOs have played roles in the process of issuing mining permits (generally environmental impact assessments) and some pseudo-legislative roles such as proactive involvement in drafting local laws (*qanun* in Acehnese).

The current Aceh administration has to date improved the role and position of local CSOs, strongly indicated by the major stake held by local CSO activists within the governor's technical advisory team. There is an indication of a paradigm shift within the current government as well as local NGOs in which positive changes have been achieved through dialogue (Budi 2008). The Governor and Vice-Governor now openly support CSO events such as the recent JKMA Annual Conference conducted in April 2008 and attended by over 800 grass root representatives from over 600 *Mukims* (the traditional governance territory at local level practiced during colonial time). The JKMA maintains that currently there is a mutually beneficial relationship between the government and JKMA that allows JKMA to provide direct input or constructive criticism of existing policies (Budi 2008). JKMA has openly admitted to taking a firm position as a good policy entrepreneur that knows how to properly approach the government. Other environmental groups, however, might prefer to keep some distance from the government in order to maintain a critical perspective as government watchdogs.

There is also an unwritten division of roles amongst various Acehnese CSO forums. The environment and natural resource management has been mandated to Walhi Aceh, human rights issues are tackled by the Koalisi NGO HAM (Coalition of Human Rights NGOs), while more specific issues are handled by other NGO forums such as the Aceh Civil Society Task Force (ACSTF). In addition to this division of roles amongst local CSOs, other non-governmental organizations also play an active role in handling issues on natural resource management. Innovative advocacy approaches provide insights for future involvement with different governmental departments. A good example is the

organization Eye on Aceh, an advocate on issues relating to the palm oil industry. As explained by its principal director, the active involvement of Eye on Aceh began by concentrating its activities within the Department of Forestry and Plantation Aceh. This effort enhanced ownership of the initiatives among the Department staff. It also increased the capacity and confidence of the Department staff to further strive for the sustainability of their programs (Lesley 2008).

Another innovative advocacy effort is the recent work by ACSTF in projecting four scenarios for the development of Aceh by 2017. These potential outcomes were developed by CSOs through public consultations. The scenarios touched on issues of land use, forest management, and flood hazards. The ACSTF worked together with CSOs to identify the risks of policies chosen for each scenario as well as the ideal development policies that should offer the least risk for Aceh (Amiruddin, Achdian, and Ishak 2007).

The legacy of CSOs advocacy style during the New Order totalitarian regime of President Suharto can still be seen in Aceh (and elsewhere in Indonesia) in the predictable, accommodating response of CSOs to governmental agencies. Such a reactive approach is the result of the various acts of repression by the state apparatus during Suharto's New Order era. This condition ended with the fall of the regime in 1998. But in the context of Aceh, state and especially military repression continued until it was partially eradicated in 2005 with the Helsinki peace accord. In general, innovations within the local CSOs are not homegrown and most of the local CSOs' existing programs are highly donor-driven. This may be justified by the transitional context of Aceh, where development shifted from post-tsunami to post-conflict reconstruction and rehabilitation. This was acknowledged by an activist who viewed that since 2001 local NGOs in Aceh had limited control over its own programs. Although there is a genuine local response to unsustainable natural resource management and other factors that are harmful to the local environment, homegrown ideas are still few and even these few ideas are challenged by other strategic groups, most notably donors and international non-governmental organizations (Antariksa 2008).

Initially, local CSOs responded very slowly to new resource management issues, for example those relating to carbon and palm oil that are important for strategic movements. The slowness of their response is mainly due to the lack of knowledge on these issues. This was admitted during an FGD with the WGBP. Of all the FGD participants, only a small minority had a very limited understanding of carbon trading and why it is important in Aceh. Most interviewees did not have clear answers to questions on how local CSOs view carbon management projects in Aceh. CSOs preferred to ask about policy mechanisms and impact, such as the distribution of benefits to the poor. Some organizations, for instance Walhi Aceh, also link carbon trading and other policies with the issue of justice between North and South countries (Walhi 2007).

5.2   Experts as Strategic Groups

Experts can be a strategic group as their position in policy making is crucial. The important roles played by experts for the local governments in Aceh in the LULUCF sector can be seen from the following example. A spatial planning consultant, who was scheduled to draft the provincial spatial planning guide for Aceh, was killed in the tsunami on 26 December 2004. Despite the draft being complete and ready for presentation on 27 December, this significantly delayed the endorsement of the spatial plan. Delays were caused by several factors: (1) many changes happened very quickly due to the tsunami and rendered the old draft less relevant; (2) the 2006 draft did not include the new lessons learnt from the tsunami that would improve disaster risk management and promote improved future hazard/risk analysis; (3) the spatial planning document for Aceh was not compatible with the national spatial planning requirements or even with the spatial planning documents of the rest of Sumatra Island; and (4) the draft needed to be made compatible with the recently promoted Aceh Green Vision (AGV). To this end, expert knowledge was very much needed.

Formal spatial planning procedures give more weight to expert knowledge. The power to define space/spatiality is practically in the hands of consultants and experts hired to do the job. Their discretionary power is prone to bias either due to pressure from certain interests, for example powerful groups such as donors and lenders, or due to the so-called "knowledge trap" where the data, information, and knowledge are implemented without any understanding of the corresponding unknowns of local context and dynamics (Evers, Gerke, and Menkhoff 2006).

Efforts to organize local experts and consultants through an organizational setting, such as IMPACT – a local resource pool of experts supported by the United Nations Development Programme (UNDP) are building on the premise that local NGOs and community-based organizations (CBOs) also need input from expert knowledge of their own. These experts and consultants are not neutral agents. Their proximity to their donors/payers or markets may result in the further marginalization of already marginal groups.

5.3   Donors/International NGOs as Strategic Group

In Aceh today there is still a great deal of tropical rainforest with high potential benefit for marketing ecosystem services. Therefore, donors and international conservation NGOs may have strong interests in having access to the forest management as well as LULUCF based resource management. International donors (such as the World Bank and other development banks) may function as a new strategic group that serves their own interest. There are strong indications that big aggressive lenders and donors shape international investment plans that are in fact moving away from environmentally responsible and sustainable development policies. For example, initial support from international financial institutions for the new highway network in the highland route will cut across the protected forest situated in both Ulu Masen and Leuser ecosystems. Concerns over such support were expressed very strongly in the 2006 and 2007 UNESCO World Forest Heritage monitoring reports (UNESCO 2006, 2007).

There are also concerns about how donors influenced government decision-making processes due to a lack of transparency. Field work indicates that local CSOs such as Walhi Aceh and JKMA viewed all development banks as aggressive lenders because at least one of the lenders uses the transitional context of Aceh as a means to increase its lending performance (Budi 2008; Antariksa 2008). The CSOs cannot ascertain how much influence development banks have on the Government of Aceh because there is no locally accessible data on the size of the loans provided to the local government in the post-tsunami setting.

Another concern raised during interviews was the strategic action made by donors and international NGOs through placement of experts in certain governmental bodies. These experts and consultants may be biased in favor of the donor's interests. It is commonly believed locally that there are strong collaborations between donors (often using experts or consultants) in an effort to become involved in drafting environmental legislation. This process often goes unnoticed and suffers from a lack of transparency. Often the public does not know how different stakeholders' interests are being exercised. This involves other strategic groups – the so-called lobbyist groups – especially at the national level. These aid elites are involved in policy drafting (characterized by high level meetings) in which documents are first drafted in English, then (if a larger community is lucky) they are translated into Bahasa Indonesian, and then, if possible, into the local language – depending on whether the donors believe locals need to be informed.

If Thorburn's analysis that donors are the least trusted at the village level is correct (Thorburn 2008), then a similar trend may also be occurring at the elite level, which requires further research. Local CSOs are already providing alternatives in order to break through this lack of transparency and participation in development programs. The birth of local grant-making organizations such as the Aceh Development Fund (http://adfaceh.org) and Aceh People Forum (http://apf.or.id) signaled the growing role of local donors that may be more open and supportive to local initiatives.

One of the pitfalls regarding the decentralization process in Indonesia is that the local governments are allowed to deal directly with international lenders. These large-scale lenders always use local spatial planning as a basis to push forward their own interests and agendas. For example, even before the formal process to endorse the new spatial plans for Aceh were drafted by Bappeda Aceh (Regional Body of Planning and Development) , one international lender had already approved a new loan for the construction of the Jantho-Takengon highway to be included in the 2008 fiscal year.
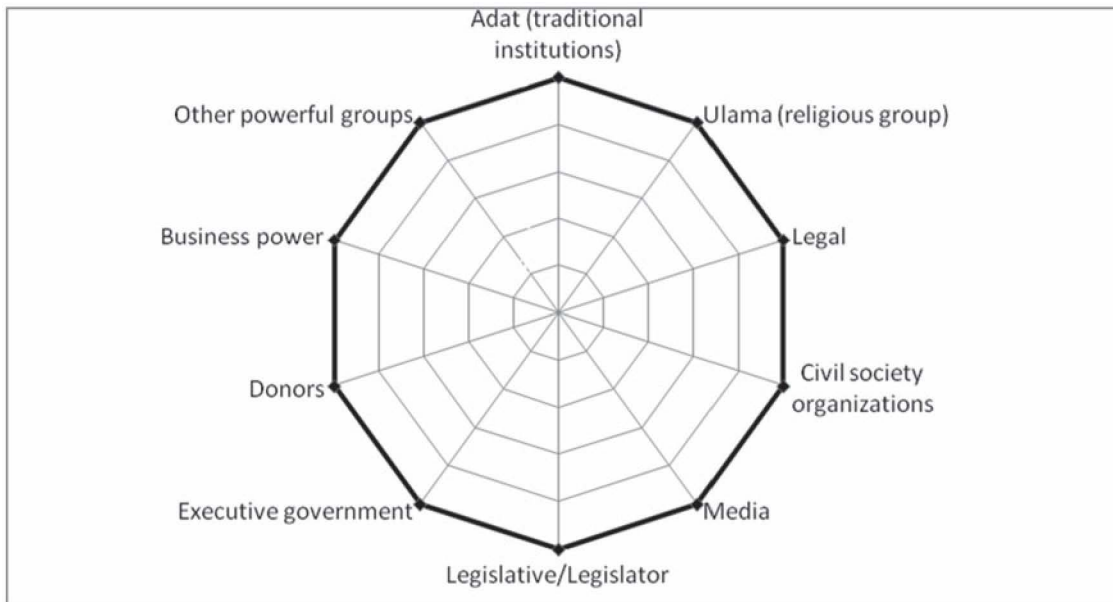
Figure 2.   Present model of Aceh environmental governance

5.4   Traditional Leaders

Despite the large amount of resources invested by donors and international NGOs in the reconstruction process, a recent survey of 530 households by Thorburn (2008) in 18 villages indicated that village communities perceive NGOs and donor facilitators as the least trusted actors among those in a position to lead. This did not mean that the most-trusted leaders at the village level, the *keuchik* or village head and informal leaders composing the *Tuha Peuet* (permanent council of elders) encouraged participatory decision-making processes. One finding from Thorburn's survey showed that in the majority of the surveyed villages, community members seek to solve their problems through participative informal community mechanisms such as village meetings and institutions, or smaller groupings of family and neighbors.

The reemergence of religious groups (*Ulama*) and their roles in environment and natural resource management has been understudied. The Ulama's Consultative Assembly (*Majelis Permusyawaratan Ulama* or MPU) has gained their power through local law (*qanun*) No. 9/2003, which regulates the relationship between MPU as the highest religious institution and the executive government and legislative institutions. This *qanun* has made MPU Aceh's form of governance different from the rest of the Indonesian provinces as it has recognized an additional agency to the existing local division of powers between executive, legislative, and judicial institutions. However, Figure 2 gives a different story as, in fact, there are more actors involved in the environmental management business.

Amid the resurrection of the *Adat* at the policy level[ii] as a new manager of strategic natural resources such as land use and forest (Syarif 2003, 2008), the current local government is under pressure from various forces such as markets, international donors, and other strategic groups. *Mukim* is an administrative unit of *Adat*. The *Mukim* is still construed as an informal structure in both works of foreign scholars and local NGOs (Fitzpatrick 2007; McCarthy 2005; Thorburn 2008). At a community meeting in Bener Meriah in 2006, some participants argued for the need to revitalize the *Mukim* as a formal player in the governance structure with clear rights to land use and natural resource management (Harley 2008, 229). The *Mukim* discourse is one way to respond to the uncertainties in dealing with forest and land-use problems that occur when existing formal institutions become involved. In responding to the uncertainties in natural resource management at the local level, local CBOs with strong influence at the *Mukim* level (such as JKMA) currently hold the view that *Mukim*-based natural resource management is the last defense to decelerate ecological destruction and degradation. As a result, the reputation of *Adat* as an influential conservation regime has increased (McCarthy 2006).

5.5   Bureaucrats Going Green?

The so-called "green policy" was expected to solve many environmental and natural resource management problems. It has been promoted in Aceh since 2005[iii], before the current governor invested time and effort to develop a "richer" Aceh Green Vision, with the help of knowledge services (experts or consultants) provided by donors. Therefore, some existing environmental policies are already in place, such as the obligation to conduct Environmental Impact Assessment (EIA) for forest-based projects and palm oil plantation development. But these early environmental regulations are widely considered to be useless. During a discussion with the head of

the Environmental Impact Agency for the Aceh Province (*Bapedal*) in 2008, it was mentioned that the activities of *Bapedal* are all about "being green." Reality is considerably different, because the office is weakened by a very low annual budget, poor human resources, and other problems and cannot function properly. In the Bapedal annual report, *The State of the Regional Environmental Status of 2007* (Aceh Environmental Agency 2007) for the province of Aceh, there is a clear indication that basic requirements for it to function are not fully met. Legislators are blamed for not prioritizing support for *Bapedal*'s environmental monitoring activities, since *Bapedal* has the mandate to enforce the law when environmental crime occurs. Walhi Aceh has previously tried to push the legislature and *Bappeda* to increase the annual budget for *Bapedal* to function properly.

The discourse on the green movement within and between the departments of the Government of Aceh has progressed as evidenced by the Aceh Green Conferences in 2005, 2007 and 2008. The possibility of bureaucrats leading the green movement through law enforcement and better implementation of environmental policy in Aceh can only be realized if the other strategic groups such as donors, CSOs, and experts work together. Rather than reinventing the wheel and creating more *ad hoc* institutions and organizations, support is needed to implement existing environmental protection mechanisms.

5.6. Palm Oil Companies

The common feature of all the strategic groups in the LUCF sector in Aceh is the promotion of an anti-poverty agenda. For instance, FELDA (Federal Land and Development Authority), the world's largest fully integrated palm oil-based group, with 92 factories in Malaysia (Eye on Ache 2007) currently enjoys the attention and trust from the Government of Aceh and is looking for land to open new palm oil plantations. It is now involved in the Government of Aceh's palm oil for the orphans program, designed to assist around 100,000 children orphaned by the conflict through the future benefit of palm oil production (SIPIL 2008).

Investors in the palm oil sector have to protect their reputational image. Currently, some companies are proposing to clear land for palm oil plantation in Aceh. These companies include PT Astra Agro Lestari (Indonesian-owned, requesting 200,000 ha), YPEIM (Yayasan Pengembangan Economy Islam Malaysia; Malaysian-owned, requesting 185,000 ha), FELDA (Malaysian-owned, requesting 45,000 ha), and other large companies from Indonesia. This demand cannot be met due to the lack of available land. In the current palm oil negotiations with the Government of Aceh, Malaysian companies seem to be welcome (especially by several groups in Aceh) mainly due to their ability to take advantage of the social, historical, and cultural ties between Aceh and Malaysia. Islamic values, such as caring for orphans and the poor, are often used in the local newspapers to promote the idea that cooperation between the government and these companies is socially responsible. Social, historical, and cultural ties are also used in the recent loans and debt negotiations. In addition, FELDA and YPEIM are much more involved and proactive in providing inputs for the drafting of plantation and land-related regulations. At least on the surface, the Malaysian companies have more comparative and competitive advantages in terms of lobbying power than their competitors in dealing with the palm oil business in Aceh.

The business groups engaged in palm oil production are growing in terms of the number and size of their plantations, making them a strategic group that is pragmatic and united in their pursuit of profit. Such business interests will inevitably collide with existing government regulations that supposedly protect the environment. The involvement of legislatures and executives in changing the status of forests from protected into industrial is one such example – this in fact creates a problem for carbon conservation because some natural carbon sequestration is in danger due to regulations that allow the palm oil industry to operate in peat swamp forests. Consequently, the drained swamp forests are prone to forest fire, thus emitting more carbon. There is a need to encourage and increase cooperation between the Forestry and Plantations Department with CSOs, international NGOs and donors ready to anticipate and deal with clashes between environmental sustainability and business interests. Such cooperation has begun recently in an effort to institutionalize internationally-recognized regulatory mechanisms such as the Roundtable on Sustainable Palm Oil (RSPO)[iv].

6   Collision and Coalition of Strategic Groups

Policy change related to sustainable forest governance must take into consideration collisions and coalitions between various strategic groups. A perception survey conducted among 199 CSOs activists in 21 districts may be used as a preliminary indicator to compare some strategic groups that were mapped out in Figure 3 (Nababan and Demos 2007).

The district government staff has always operated within sets of laws, regulations, and administrative arrangements that are ambiguous and open to multiple interpretations (McCarty 2006). This has created opportunities for corrupted environmental management to pick and choose laws or regulations that justify their new policies. These bureaucrats (from all levels) are good examples of strategic groups that have colluded with other strategic groups such as the logging and palm oil companies. Furthermore, they can select particular laws/regulations that allow them to facilitate revenue and capital accumulation for certain bureaucratic groups at the district level (McCarty 2006). In contrast, press and media still function as the main channel for local views and complaints. Legal enforcement officers were also mentioned as the persons to go to for complaints. The long-standing partnership between mass media (especially the Aceh Association of Independent Journalists – AAJI) and the local corruption
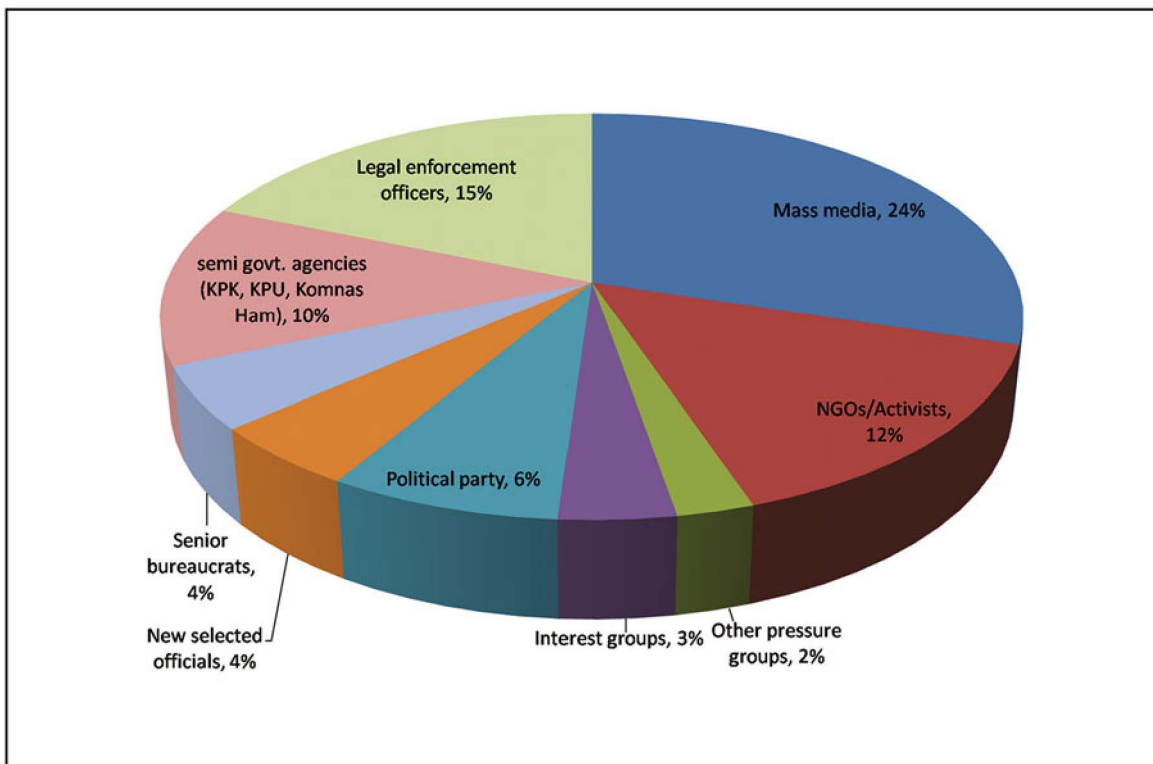
Figure 3.   Where people send their complaints
Source: Modified from Demos' dataset 30 April 2007 (Nababan and Demos 2007).

and environmental watchdogs should be seen as another coalition between strategic groups.

Although the ex-military members of Aceh Independent Movement[v] and local political parties are not discussed in this paper, however, their significance as a strategic group must also be considered. Their potential to influence environmental problems and agrarian conflict may also contribute to the (un)sustainable development of Aceh. Collision and coalition between the strategic groups require further in-depth studies.

7   Sustainability and Strategic Groups

What is strategic to the groups may conflict with the sustainable use of natural resource. Strategic action from every stakeholder group in regards to the sustainable management of land use and forest, or sustainable development in general, must be measured within the criteria for sustainability. Some existing environmental and resource management policies can now be tested against these criteria. What was originally claimed as important for the sustainable use of natural resource management and the sustainable livelihoods of poor people will often not turn out as many stakeholders claim.

The AGV may raise more questions and doubts than provide answers. Based on several interviews with local government officials, legislative members, and national and local NGOs including CBOs and Women's organizations, some concerned responses can be drawn. First, in terms of a policy making process, AGV is seen as a secret trading business where only the distant brokers have all the necessary information. Second, the approach was seen by CSOs as a secret trading type of policy creation that will increase transaction cost because it decreases trust, discourages early inputs, and delays early warnings of problems. Finally, such an approach does not use existing resources and capacities, which creates an atmosphere of favouritism rather than common ownership.

Therefore, although the term green in the AGV conveys the meaning of sustainability, in practice, early efforts to formulate AGV seem to have a tenuous commitment on the principles of sustainability. As noted earlier, it is probably inappropriate to view the AGV as merely a vision. Anecdotal information suggests that the supporters of the vision are not from the insiders (government officials such as *Bappeda* employees and sectoral provincial department officials) as might be anticipated, but merely outsiders drawn from donor organizations and consultants.

In mid-2008, *Bappeda* (the Aceh Development Planning Board) officially presented a draft of spatial planning at the Spatial Planning Meeting for Sumatra Island. It was quite surprising that the formal representative of *Bappeda* did not say anything about AGV. Finally, one of the government

forestry experts took the initiative to share "the vision", which apparently was not shared by the *Bappeda* senior management staff presented at the meeting.

Some good practices can be derived from the advocacy model introduced by Eye on Aceh through their activities in the palm oil sector. As explained by the Director of Eye on Aceh, their effort started by embedding their initiative within the Department of Forestry and Plantation in Aceh (Lesley 2008). They considered this vital not only to build ownership of the initiatives, but also to increase the capacity and the confidence of the Department's staff (Lesley 2008).

Enforcement by forest paramilitary *Polisi Hutan* (hereafter Polhut)[vi] may (and may not) make a significant contribution to the Moratorium. However, the history of forest management in Aceh is not encouraging. When the Leuser Management Unit (LMU) was formed in the mid-1990s to manage the Leuser ecosystem in the Sumatra rainforest, it created a new zoning system that was enforced by intensified paramilitary law enforcement. This effort failed (McCarthy 2006). Overreliance on a target figure of 3,000 newly recruited Polhut officers for enforcement can create unforeseen costs and risks that are invisible to decision makers.

Based on interviews with key local CSOs and also during a workshop with WGBP, it is clear that participation of the REDD policy has been low. Thorburn (2008) believes that trust remained low due to the long term conflict in the region. Furthermore, the initiators of the project did not seriously invest in trust building, which requires adequate consultation processes between the locals and the elites (Thorburn 2008). The Women Volunteers for Humanity (RPUK) stressed that the project managers justified limited local participation on the premise that local knowledge of carbon management-related issues was low. This elitist attitude is inexcusable (Khairani 2008). There is simply no guarantee that local people (even at the elite level such as local CSOs) will support the management of a new carbon fund resource if they cannot see any benefit for themselves. The risk of the forest-use moratorium to the poor, whose lands are not certified, indicate that the policy was constructed without adequately consulting with the grass root community. "Logging is permitted for trees only on people's agricultural/certified land" (Blackett and Irianto 2007, 23). Cases exist where people were criminalized due to logging on their own uncertified land (Modus Aceh 2009). The concept of land certification is rooted in the private property regime, while land ownership in Aceh is managed partly by informal/*Adat* mechanisms. Lessons learned from other parts of the world, such as in Mexico, demonstrate that carbon management through voluntary market does not necessarily benefit the direct resource guardians and users (Corbera, Kosoy, and Martinez 2007; Corbera, Brown, and Adger 2007). Currently, the concern over illegal logging seems to be limited to how to spend the district government budget by inserting questionable items into the budget, such as the purchase arms (presumably for the Polhut or Forest Rangers) and the acquisition of Closed-circuit television (Blakckett and Irianto 2007). The

recruitment of Polhut itself seems to ignore the complexities of the illegal logging networks. Since before the conflict, there has always been a logging network that extended from the village to the central government level. As an early example, in 1995, Aceh Selatan has 5 operational sawmills (all without small-scale logging licenses) and one of which was owned by the local government's business company (McCarthy 2006).

Community based monitoring systems are still not considered seriously and should be encouraged. The lack of participation in the moratorium could increase the transaction costs. Existing CSOs have already empowered local watchdog networks (*Mukim* base and *Adat* base), which can be considered as a limited monitoring mechanism that could be further capitalized (Syarif 2003, 2008). This preliminary arrangement shows the importance of participation in enforcing the moratorium that is currently lacking.

8   Final Discussion

Understanding the strategic groups in post disaster settings is important for multi-dimension sustainability. In the case of Aceh, the IOT 2004 has shaped a context where different (and old) strategic groups (such as the different groups of combatants) were able to develop a peace deal. The disaster has opened up new opportunities that were unthinkable prior to IOT 2004, such as carbon resource management. An analysis of the emergence of new strategic groups in the power landscape of environmental governance is therefore needed in order to understand how sustainability is shaped and reshaped after a large-scale disaster such as the 2004 tsunami. This means that the use of Strategic Framework for Sustainability Analysis (SFSA) is relevant and can be an option for future environmental governance research such as REDD and climate mitigation in a disaster context but also beyond disaster context. However, more research is needed for the improvement.

Looking at the process of carbon management policy today in Aceh, there are risks of the "knowledge trap" due to the ignorance or dismissal of factors that support sustainability, specifically, the principles of participation and legitimacy (Adger et al. 2002). It is arguably inappropriate to downplay the carbon management policy (such as AGV) as merely a vision because it may still evolve into a new regime of spatial planning and land-use management. There is anecdotal information that the circle that promotes carbon management policy is not dominated by the official local stakeholders of government officials such as *Bappeda*, and sectoral provincial departments but by donors and expatriate experts (Lesley 2008). Early identification of the supporters of the AGV provided clues to the emergence of new powerful groups that will form in the future, including the supporters of and the opposition to AGV. It is crucial to understand the dynamics of power and interests of the local stakeholders (McCarthy 2000) in the present carbon governance in Aceh.

Previous account on strategic groups' influence on Aceh Rainforest suggests that student group and CSOs have maintained their positive influence as pressure groups that watch the forest user groups (McCarthy 2002).

Thorp, Stewart, and Heyer (2005) discuss a simple yet difficult question: When and how far is group formation a route out of chronic poverty? This is a rhetorical question in that the poor have many difficulties in forming groups. "Successful groups formed among the poor often exclude the poorest, particularly those associated with market functions. It is the political function of groups that is of primary importance in helping to overcome marginalization and social exclusion experienced by the poorest" (Thorp, Stewart, and Heyer 2005, 907).

Overall, in order to minimize the high level of uncertainty in Aceh, every policy in managing strategic resources (palm oil, carbon, biodiversity) that has strong links with the other strategic resources (forest, land) requires certain democratic processes that should not be compromised. The actions of many strategic groups are not based on the interest in or a commitment to sustainability. Therefore, every policy should be confronted with the principles of sustainability in order to ensure that the outcomes of strategic resource management are equitable.

The designing of LUCF management policy and its message delivery should recognize the equity pattern of all stakeholders. Spatial distribution of flood risk due to forest loss probably follows patterns of economic inequality. While the benefits are enjoyed by a small minority, those who are exposed to the risk of LUCF mismanagement constitute the majority of the local population. Carbon management policy is often based on high-level decisions from government officials and donors, excluding grass roots priorities and public participation. In a country where public perceptions are not known to the government, LUCF policy is legitimately made, but also often masked, by affirmative action for the protection of the forest and land.

However, the risk of using strategic group analysis is that the very poorest or simply the poor are not adequately represented in the existing strategic groups. However, the inclusion of the grass roots as a strategic group is possible as previous study from Thailand showed that networks of poor farmers can transform themselves into a strategic group, which made possible resistance and alternatives to powerful strategic groups such as the coalition between forest corporate and military business (Pye 2005). This should be an important question among scholars in development, disaster and hazard, and environmental governance studies for future research.

Acknowledgments

Notes

i Based on documents of some international development and relief organizations such as UNDP. http://www.undp.or.id/pubs/docs/AcehNiasNews-June08.pdf.

ii See formal regulations such as Perda Number 7 Year 2000; Qanun Number 4 Year 2003 on Mukim; and Qanun Number 5 Year 2003 on Gampong.

iii Officials inside the government such as Dinas Marine and Fisheries, Dinas Bapedal, Bappeda, and DPRA, (legislative) during off the record discussions strongly assert that the origin of the very idea of green policy has been born since 2005 and maintain that this is proven by formal publication by the previous governor.

iv RSPO is a multi-stakeholder platform. The members are palm oil producers, traders, processors, consumer goods manufacturers, retailers, banks, environmental NGOs, and social NGOs. The group aims to promote the production, procurement, and use of sustainable palm oil.

v It is previously known as Gerakan Aceh Merdeka (GAM); Now it is named Aceh Transitional Committee.

vi Polisi Hutan can be loosely translated as forest police or forest guards. The term is softened when translated as forest facilitators in the Concept Notes of AGV, July 2008 (final draft).

References

Adger, W. N., K. Brown, J. Fairbrass, A. Jordan, J. Paavola, S. Rosendo, and G. Seyfang. 2002. *Governance for Sustainability: Towards a 'Thick' Understanding of Environmental Decision Making.* Centre for Social and Economical Research on the Global Environment (CSERGE), University of East Anglia, CSERGE Working Paper, EDM. 02–04.

Aceh Environmental Agency. 2007. *Regional Environmental Status of 2007 (Status Lingkungan Hidup Daerah Provinsi Nanggroe Aceh Darussalam Tahun 2007).* Report of Pemerintah Provinsi Nanggroe Aceh Darussalam. December 2007.

Amiruddin, Achdian, and O. S. Ishak. 2007. *Aceh in Transition: Draft Future Scenario of Aceh 2007–2017.* Banda Aceh: Aceh Civil Society Task Force ACSTF.

Antariksa, B. 2008. Director of Walhi Aceh, Personal Interview. 13 August 2008.

Blackett, H., and N. Irianto. 2007. *Forest Resources and Forest Industries in Aceh.* Research Report—FAO Forestry Programme for Early Rehabilitation in Asian Tsunami-Affected Countries.

Budi. 2008. Executive Director of JKMA, Personal Interview. 26 July 2008.

Corbera, E., K. Brown, and N. Adger. 2007. The Equity and Legitimacy of Markets for Ecosystem Services. *Development and Change* 38 (4): 587–613.

Corbera, E., N. Kosoy, and M. Martınez. 2007. Equity Implications of Marketing Ecosystem Services in Protected Areas and Rural Communities: Case Studies from Meso-America. *Global Environmental Change* 17 (3–4): 365–80.

CIFOR. 2008. Governance Definition. http://www.cifor.cgiar.org/about-us/how-we-work/forests-and-governance-programme.html.

Evers, H. D., S. Gerke, and G. Menkhoff. 2006. Little Understood Knowledge Trap. *Development and Cooperation* 33 (6): 246–47.

Evers, H. D., and S. Gerke. 2005. *Knowledge is Power: Experts as Strategic Group*. ZEF Working Paper 8a.

——. 2009. *Strategic Groups Analysis*. ZEF Working Paper 34.

Evers, H. D., and S. Benedikter. 2009. *Strategic Group Formation in the Mekong Delta—The Development of a Modern Hydraulic Society*. ZEF Working Paper 35.

Evers, H. D., and T. Shield. 1990. *Strategic Groups: Comparative Study on States, Bureaucracy and Class Formation in the Third World (Kelompok-Kelompok Strategis: Studi Perbandingan Tentang Negara, Birokrasi dan Pembentukan Kelas di Negara Dunia Ketiga)*. Yayasan Obor.

Eye on Aceh. 2007. *The 'Golden' Crop? Palm Oil in Post-Tsunami Aceh*. Eye on Aceh Research Report. http://www.aceh-eye.org/data_files/english_format/ngo/ngo_eoa_2007_09_00.pdf.

Fitzpatrick, D. 2007. *Managing Conflict and Sustaining Recovery: Land Administration Reform in Tsunami Affected Aceh*. Oxfam International Policy Paper.

Harley, ed. 2008. *Mukim from Time to Time (Mukim Dari Masa Ke Masa)*. Banda Aceh: JKMA.

Hitchcock, P., and K. Meyers. 2006. *Report on the IUCN-UNESCO World Heritage Monitoring Mission to the Tropical Rainforest Heritage Of Sumatra, Indonesia*. 25 February–5 March 2006

IUCN-UNESCO. 2007. *Tropical Rainforest Heritage of Sumatra, Indonesia*. Joint Reactive Monitoring Mission, 5–11 March 2007.

Kaag, M. M. A., J. Brons, M. E. de Bruijn, J. W. M. van Dijk, L. J. de Haan, G. Nooteboom, and A. Zoomers. 2003. *Poverty is Bad. Ways Forward in Livelihood Research*. CERES Pathways of Development Seminar Paper, Utrecht, 6 February 2003.

Khairani, A. 2008. Director of the Women Volunteers for Humanity (RPUK). Informal Conversation. 5 August 2008.

de Koninck, R., S. Bernard, and M. Girard. 2007. *Aceh's Forests as an Asset for Reconstruction?* First International Conference of Aceh and Indian Ocean Studies: Asia Research Institute, National University of Singapore and Rehabilitation Agency, Banda Aceh, Indonesia. 24–27 February 2007.

Lesley, M. 2008. EOA Director. Personal interview, 15 August 2008.

Llywellyn, S. 2007. Introducing the Agents. *Organizational Studies* 28 (2): 133–53.

McCarthy, J. 2000. *"Wild Logging": The Rise and Fall of Logging Networks and Biodiversity Conservation Projects on Sumatra's Rainforest Frontier*. Occasional Paper No. 31, CIFOR, Bogor.

——. 2002. Power and Interest on Sumatra's Rainforest Frontier: Clientelist Coalitions, Illegal Logging and Conservation in the Alas Valley. *Journal of Southeast Asian Studies* 33 (1): 77–106.

——. 2005. Between Adat and State: Institutional Arrangements on Sumatra's Forest Frontier. *Human Ecology* 33 (1): 57–82.

——. 2006. *The Fourth Circle: A Political Ecology of Sumatra's Rainforest Frontier*. Stanford: Stanford University Press.

Modus Aceh. 2009. *Criminalized Because of Chopping Trees in Their Own Garden*. Modus Aceh, Seventh Edition, Year VII. 3 June 2009.

Nababan, A., and Demos. 2007. *Politization of Aceh Democracy: Towards A Meaningful Human Rights Based Democracy (Politisasi Demokrasi Aceh: Menuju Demokrasi Berbasis Hak Asasi Manusia Yang Bermakna)*. Executive report on the research on democracy in Aceh following the MoU signing in Helsinki. Banda Aceh: Demos.

OCHA and MiSPI. 2005. Directory of Local NGOs in Aceh. February 2005 Edition.

Pye, O. 2005. Forest Policy and Strategic Groups in Thailand. *Internationales Asienforum* 36 (3–4): 311–16.

SIPIL. 2008. Palm Oil for the Orphan (*Sawit Untuk Anak Yatim)*. 8th Edition, Year I, 15–30 July 2008.

Syarif, S. M. 2003. *Towards Sovereign Village and Hamlet (Menuju Kedaulatan Mukim dan Gampong: Riwang U Seunobok)*. Banda Aceh: Yayasan Rumpun Bambu.

——. 2008. *Towards Gampong and Mukim Based Spatial Management in Aceh (Menuju Pengelolaan Kawasan Berbasis Gampong dan Mukim di Aceh Rayeuk)*. Banda Aceh: Yayasan Rumpun Bambu.

Thorburn, C. 2001. *Regime Change—Prospects for Community-Based Resource Management in Post-New Order Indonesia*. Paper presented at the IASCP Inaugural Pacific Regional Meeting, 2–4 September 2001, Brisbane, Australia.

——. 2008. *Village Government in Aceh, Three Years after the Tsunami*. Paper CSEASWP1–08. Center for Southeast Asia Studies, University of California, Berkeley.

Thorp, R., F. Stewart, and A. Heyer. 2005. When and How Far is Group Formation a Route Out of Chronic Poverty? *World Development* 33 (6): 907–20.

UNESCO. 2006. *World Forest Heritage Monitoring Report*. Joint IUCN – UNESCO Monitoring Mission, 25 February–5 March 2006. http://whc.unesco.org/archive/2006/mis1167-2006.pdf.

——. 2007. *World Forest Heritage Monitoring Report*. Joint IUCN – UNESCO Reactive Monitoring mission, 5–11 March 2007. http://whc.unesco.org/document/8808.

Walhi. 2007. *WALHI Disagree Carbon Trading for Climate Change Mitigation*. www.walhi.or.id/en.

Zwick, S. 2008. Painting the Town REDD: Merrill Lynch Inks Massive Voluntary Forest Deal. *The Ecosystem Marketplace*, 8 Feb 2008. www.ecosystemmarketplace.com.