Rebels and aid in the context of peacebuilding and humanitarian disaster: A comparison of the Free Aceh Movement (GAM) and the Tamil Tigers (LTTE)

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Abstract
Development aid and humanitarian assistance are increasingly subject to conditionalities aimed to secure progress in peace talks and curb rebel predatory behaviour. Comparing how GAM in Aceh and the LTTE in Sri Lanka strategized on the basis of aid before and after the 2004 Indian Ocean tsunami disaster, this article shows that rebel leaderships use peace negotiations to push for control over the administration of aid as a means to expand their governance capacities as de facto state actors. I argue that while peace conditionalities may encourage peace talks and ceasefires that provide space for humanitarian assistance to reach those in need, it is a poor tool to curb rebel predatory behaviour and encourage peace settlements. Yet, as is illustrated by the GAM case, conditionalities may have positive effects on long-term peace in the immediate post-settlement phase. The findings suggest that at this stage of the peacebuilding process, inclusion of rebels into the formal aid bureaucracy may work to encourage the transformation of militarist structures to secure political stability.

Introduction
This article analyses how rebel groups strategize on the basis of development aid and how these strategies impact on the outcomes of peace processes. In recent years, the literature has given a great deal of attention to the limits of international involvement in producing peace. One of the major dilemmas linked to external involvement concerns the potential negative effects of aid on conflict, specifically how rebel groups divert aid away from civilians to further their own economic and political goals (De Waal 1997; Anderson 1999; Collier et.al. 2002). After several failed humanitarian interventions since the 1990s that did not meet the international and local expectations for long-term peacebuilding (Paris 2004), the international community pushed for more robust interventions that included the use of peace conditionalities, i.e. the use of aid as carrots and sticks to secure progress in peace negotiations (Boyce 2002). In spite of this turn towards the use of conditionalities, there is little knowledge about how rebel groups strategize on the basis of development and
humanitarian aid during peace processes, and specifically how they adapt their strategies to aid conditionalities. This theoretical void is surprising considering that it is precisely when protagonists are engaged in peace talks, agree to cease fires, and when fighting recedes that foreign assistance peaks. It is also at such political conjunctures that donors and NGOs expect humanitarian assistance to be instrumental in rebuilding the social, economic, and political structures that have been torn down by war (Goodhand 2006).

This article addresses this theoretical void through a comparison of the rebel-aid strategies of two recently demobilised rebel groups, the Free Aceh Movement (GAM) in Indonesia’s Aceh province and the Tamil Tigers of Tamil Eelam (LTTE). It focuses on how the two rebel groups adapted to incoming aid during the course of internationally led peace negotiations and against the backdrop of a major humanitarian crisis, the 2004 Indian Ocean Tsunami disaster. Apart from the shared experiences of armed separatist mobilization and the tsunami disaster, the point of departure for the comparison of GAM and the LTTE lies with the remarkable similarity in the international responses to Aceh and Sri Lanka. Despite the fact that the conflicts were of different intensities, from 2000 onwards international involvement in Aceh and Sri Lanka took the form of combined efforts to facilitate peace negotiations between separatist rebels and their governments and to deliver humanitarian assistance. The post-tsunami responses, I argue, were directly shaped by these experiences.

In its quest to establish a Tamil state in the North of Sri Lanka, the LTTE had evolved into one of the most militarily advanced rebel groups in the world, able to hold territory for extended periods of time relying on a vast diaspora for its support (Rupesinghe 2006; Orjuela 2008). GAM, on the other hand, was a much smaller, much weaker rebel group that was formally led by an exiled leadership that had mobilised since the mid-1970s to establish Aceh as an independent state (Reid 2006; Sulaiman 2006). Despite the differences in military capacity, both groups were considered to pose a serious threat to their respective governments for close to three decades. The recent international responses to the crises in Aceh and Sri Lanka reflected preconceptions about the linkages between development and conflict resolution. In Aceh, a Geneva-based NGO, the Henry Dunant Centre (HDC) spearheaded peace negotiations between GAM and the Indonesian government in 1999 placing conditionalities on aid to reach a series of ceasefires that could end a mounting humanitarian crisis in the province (Barakat et.al 2002). In Sri Lanka, the Norwegian-led peace talks between the LTTE and the Sri Lankan government, known as the Fifth peace process initiated in 2002, followed a similar path linking aid transfers to the signing of a Ceasefire Agreements
(CFA) and the expectation that the LTTE and the Sri Lankan government would be able to collaborate on providing humanitarian relief and development to the war-torn areas of the island (Shanmugaratnam et.al. 2008). As the discussion below shows, both processes stalled on the issue of aid administration and both sides came to view development provision as a contentious issue. When the tsunami struck in December 2004 and the extent of the humanitarian crises became evident, the issue of humanitarian assistance again became the key motivation for international involvement (Shanmugaratnam et.al. 2008). Nevertheless, the outcomes to the peace processes diverted. The former Finnish Maarti Ahtisaari headed negotiations between GAM and the Indonesian government, which produced an agreement where the rebels abandoned their separatist claims in order to transform into a political party and compete in local elections (Sindre 2011). In Sri Lanka, the process had the opposite outcome. Unable to reach a settlement, the ceasefire collapsed, and the conflict re-escalated leading to a devastating civilian bloodshed and the final collapse of the LTTE in May 2009.

This paper argues that the way that aid was implemented and how the two rebel groups strategized differently with regard to aid contributed to shaping these diverging outcomes. Arguing that existing theories on rebel aid interaction are unable to account for the precise mechanisms for how aid impacts on conflicts, the article makes theoretical inferences regarding the implications of peace conditionalities on the outcome of peace processes.

The subsequent discussion identifies a theoretical gap in our current understanding of the effects of aid on conflict, proposing to assess the civilian political strategies of the rebel movements in order to explain the dynamics of rebel aid interaction. It then proceeds with a brief methodological discussion that focuses on the kinds of data upon which the analysis is based. The empirical discussion of GAM and the LTTE is divided into two main sections, before and after the 2004 Indian Ocean Tsunami, showing that post-tsunami responses were directly shaped by the dynamics of rebel-aid interaction in previous years.

**Theory and methods: The dynamics of rebel-aid interaction**

To date, scholars have largely focused on the potential hazards of introducing aid into a conflict area, warning that rebel groups in particular will seek to abuse aid and humanitarian assistance to secure their own position in war. One approach seeks to identify how external factors such as international actors and NGOs influence conflict outcomes focusing on the economic incentive structures of rebel groups. Building on the notion of a “resource curse,” (Ross 1999) a central argument is that the influx of aid will shape not only the dynamics of
armed conflict, but also the outcome (Berdal et al. 2000; Collier et al. 2002). International aid is a valuable resource that provides rebels with the incentives and resources to continue fighting (Duffield 1994; De Waal 1997; Anderson 1999). The literature identifies two avenues through which rebel groups strategize on the basis of aid. One assertion is that armed rebels seek to gain access to aid through direct resource accumulation either by diverting food and medicines towards their own fighters or via the collection of taxes and fees (Duffield 1994; Anderson 1999). Alternatively, aid contributes to creating a so-called ‘substitution effect,’ referring to a more complex scenario that occurs when international agencies assume the responsibility for the welfare of civilians living in war zones. Anderson (2001: 4) argues that ‘the aid they provide serves to free up whatever internal resources exist for the pursuit of warfare’. Linked to the processes of peacebuilding, both avenues have played part in strengthening rebel groups during ceasefires. Instead of securing humanitarian relief and welfare to civilians in the long run, influx of development aid has indirectly contributed to the collapse of peace processes and prolongation of armed conflict (Duffield 1994; De Waal 1997; Anderson 1999; Paris 2004). A second approach, which has received less attention in recent years, assesses the political effects of aid on conflict. In addition to the financial gains associated with international aid, it is clear that insurgents also benefit politically from welcoming humanitarian assistance as part of their strategy to build popular and international legitimacy (Dudouet 2010). A related hazard is thus that aid also becomes instrumental to the wider strategic thinking of how to maximize the rebel movements’ political goals within the restrained environment of armed confrontation and war.

It is the desire to curb any of these economic and political impacts of aid on conflict that has led to the incorporation of conditionality approaches into peacebuilding efforts (Boyce 2002; Paris 2002; Uvin 2002). Yet, little is known about the long-term effects of conditionality approaches on conflict resolution, let alone any positive effects on the outcome of peace negotiations (Boyce 2002). This has to do, I argue, with the difficulty in identifying the processes that are actually affected by international aid and the specific kinds of outcomes that these processes produce. Does the incorporation of conditionality approaches alter the predatory behaviour of rebel groups? In this article, I show that the incorporation of conditionality approaches can produce rebel strategies that enhance the civilian, non-military aspect of the insurgent organisation.

In the comparison of GAM and the LTTE, I focus on how the two rebel groups adapted their strategies to incoming aid that was also subject to peace conditionalities. Recent
work on rebel governance shows that it is this aspect of the rebel politics where the effects of aid are most visible (Mampilly 2011). A focus on the civilian political strategies of the rebel movements enables me to move the research agenda beyond rebel strategies as defined by the binary of legitimate versus illegitimate behaviour, which has dominated the field for some time, towards assessing the structures that are actually shaped by incoming aid. The comparison of GAM and the LTTE shows that international aid in these contexts had the potential to transform the status of belligerents as well as the rebel organisation itself. I show this with regard to both GAM and the LTTE, although the parameters within which this transformation occurred differed. Specifically, the LTTE integrated aid into their strategy to pull away from the Sri Lankan state, while GAM became closer integrated into the state apparatus. Ultimately, these mechanisms contributed to the different outcomes of the conflicts.

Importantly, my analysis departs from other approaches in that it takes into consideration the evolution of peace processes as well as shifts in the dynamics of international involvement as marked by the 2004 Indian Ocean Tsunami disaster. Too often, external intervention into conflict and post-conflict settings make the false presumption that rebel group behaviour is predominantly driven by predatory banditry, when in reality aid often proves to be an avenue for expanding and strengthening the rebel organisation. While the initial analysis of the strategies of GAM and the LTTE towards aid surely demonstrates that aid conditionalities, worked poorly to curb insurgent predatory behaviour, it also shows that both groups adapted their aid strategies significantly over time.

It should be noted that the article does not aim to provide a complete explanation for the success and failure of international involvement in Aceh and Sri Lanka; several complementary factors were determinant. Yet, this article takes a new approach in that it focuses on the shifting rebel strategies in light of how international aid was administered and implemented in the two contexts. These additional elements should be less wedded to such explanatory factors as the difference in military strength of GAM and the LTTE, or the way that peace talks are administered more generally.

The empirical account for the evolution of strategies towards international aid is based on qualitative data collected in the field and from secondary micro-level studies that include a number of reports and evaluations. Regarding the GAM-case, primary data was collected through semi-structured and focus group interviews with around fifty GAM members, and with aid workers and civil society activists during three field visits in the period from 2006-
The focus of the interviews was the political transformation of GAM. The issue of aid and aid distribution emerged as a natural part of the discussion of post-tsunami politics. The continuities with the HDC-period was drawn independently by at least five of the rebel commanders and followed up in subsequent interviews laying the foundation for the findings presented in this article. The GAM-case forms the baseline for the comparison with the LTTE, a case that has played part in a highly polarised and contentious scholarly discourse (see Sarvananthan 2007; Stokke 2007). To compensate for the limited access to the field caused by the deteriorating security situation in Sri Lanka since 2006, some information was collected through semi-structured interviews with several LTTE affiliates from the group’s political wing, analysts, and representatives from the international aid community outside of Sri Lanka as well as during a trip to Colombo in 2009. I also cite public interviews and letters in order to report the groups’, especially the LTTE’s, official strategies towards aid and to illustrate the empirical arguments presented. It is my conviction that any assessment of rebel strategies and the effects of those strategies necessitate interviews with the actors themselves (see Richards 2005). Yet, in the absence of field data, I have also relied on secondary sources including field notes, news reports, and interviews with other field workers. There are some obvious limitations in having to rely on secondary material of this kind, including a potential mismatch between the groups’ publicly stated perspectives and their actions. There might also be a disjunction between the views of the military and political leaderships of the organisations depending on their relative powers at any given time. That said, in the analytical process, I assumed that preferences were fixed before investigating the fit between the theoretical expectations and the empirical data (George et.al. 2005). In an attempt to limit bias, I have continuously sought information that would counter the perspectives raised by informants and found in these documents. For example, I report the possibility that mid-level commanders within GAM had preferences different from those of their leadership. As for the logic of comparison, the two cases allow for assessment of variations across contexts and over time that are subject to similar kinds of external interventions.

**International peace mediation: a new terrain for rebel-aid interaction**

**The LTTE**

It was the onset of a major humanitarian crisis inside the conflict zone of Sri Lanka, combined with a military stalemate that served as a catalyst for the onset of the Fifth peace process. The
use of peace conditionalities was motivated by the expectation that development aid could contribute to resolving the core grievances of underdevelopment and inequality and create incentives for collaboration between the rebels and the government (Uyangoda and Perera 2003). The signing of the Ceasefire Agreement (CFA) in February 2002 marked the beginning of such collaborative efforts and the decision by the two sides to jointly address the immediate humanitarian and rehabilitation needs in the war zone. On the part of the LTTE, the decision to welcome international aid workers marked a notable shift from its introvert position towards a strategy of seeking international recognition as a de facto state actor. In the negotiations, the strategy of behaving as a state actor translated into the LTTE seeking autonomy in the reconstruction process inside the areas under their military control. This push for state recognition was first and foremost visible at the civilian level of the rebel organisation enabled by the CFA. The period 2001-2004 thus saw a formidable transformation of the rebel organisation into a complex politico-military administrative structure that ultimately sought to minimise the role of the Sri Lankan state inside rebel held territories, give legitimacy to the LTTE, and award the LTTE autonomic powers over the reconstruction process (Mampilly 2009). Specifically, they included the formalisation of judiciary and penal codes and some attempts at replicating establishing LTTE-run schools and health centres (Stokke 2006: 1022; Mampilly 2011). The efficiency and even legitimacy of these rebel institutions were highly debatable, but they nevertheless reflected a central political strategy of the LTTE leadership.

With the onset of the Fifth peace process, the most important transformation occurred within the organisation itself with the establishment of several political secretariats set up to handle the outward communication with the international community, administer the peace process and the massive aid inflows to the region. The peace process created a new setting to which the LTTE’s political wing, the Peace Secretariat located in Kilinochchi, obtained a more central role as they actively lobbied for recognition and support from donors, NGOs, and diplomats. This perception of the LTTE behaving like a state materialised itself as international leaders and representatives of major donors flew into Kilinochchi to meet with the LTTE to discuss alternatives for how to best channel and administer the vast sums of aid money that were ready to be dispatched. In this regard, representatives in the aid community viewed the rebel leadership’s focus on development as a potential basis for political

1 Statement of the Royal Norwegian Embassy, Colombo, 3 November 2002.
transformation of the conflict itself. Such perceptions held by donor representatives and several NGOs seemed to converge nicely with the LTTE’s own critique of the of the central government’s treatment of the Tamil minority. Quotes from a representative from the Asian Development Bank (ADB) serves a good illustration: ‘because of an inefficient bureaucracy, the people are not getting services in the north, even if allocations have been made,’ followed by the LTTE’s own calls for ‘a new innovative administrative structure’ to handle development.\(^3\) The first effort at establishing cooperation between the two sides was through the establishment of a number of joint sub-committees to assess the needs linked to development, rehabilitation, and reconstruction. The so-called Sub-committee for Immediate Humanitarian and Rehabilitation Needs in the North and East (SIHRN) was established at the second round of negotiations in October 2002 and became a meeting place for exploring how to handle the transfers of development funds. The Norwegian facilitators judged the meetings and negotiations as constructive noting that previously ‘the parties had had few settings where they could actually talk and discuss the common objective, which was the delivery of foreign relief aid.’\(^4\) Initially the discussions in the SIHRN led to the formulation of several plans for joint needs-assessments. Yet, the LTTE rejected all three of the government proposals, stating that they were awarded too little independent control. In an open response to a government draft proposal in May 2003, Anton Balasingham, the LTTE chief negotiator further clarifies the LTTE’s position on the reconstruction issue:

\[\ldots\text{the draft suggests that the LTTE can enjoy equal representation at the decision-making bodies (in the policy board and project committee) but ‘the administration should primarily employ Tamils living in the North and East.’}\]

This means the LTTE’s political representatives cannot play any role in the administrative structure.\(^5\)

The LTTE strategy was thus to demand substantive powers vis-à-vis donors and the state as well as guaranteed positions in its executive bodies. This was spelled out in their own proposal for an Interim Self-Governing Authority (ISGA) in October 2003. The ISGA-

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\(^4\) Personal communication, member of the Sri Lankan Monitoring Mission.

\(^5\) Open letter to Norwegian facilitator Vidar Helgesen, 23 May 2003, Interim administration proposal letter.
proposal awarded the LTTE practical autonomy not only in the reconstruction process and the rehabilitation and resettlement of IDPs, but also ‘the control over the marine and offshore resources of the adjacent seas’, autonomy to carry out land appropriation of private land as well as raising of revenue and taxes. The LTTE’s proposal that donor funds be channelled directly through a rebel-controlled office would effectively diminish the role of the Sri Lankan state and strengthen the LTTE governance capacity in the rebel-controlled territories. It confirmed the Sinhalese opposition’s growing fear that the pressure for an interim development administration was a step towards institutionalizing political devolution to the LTTE, effectively undermining the unitary state model (Uyangoda 2006). As the hope of reaching any kind of joint agreement on development administration dwindled, the Peace Secretariat turned inwards towards the rebel organisation and established the ‘Planning and Development Secretariat’ (PDS) in January 2004. The LTTE presented the PDS as an NGO through which diaspora funds and eventually donor funds could be directly channelled towards rehabilitation of the Tamil areas. Tamilschelavan, the senior political ideologue of the LTTE peace strategy, described it as ‘the pivotal unit that will identify the needs of the people and formulate plans to carry out quick implementation with the assistance of experts from the Tamil diaspora’ (cited in Stokke 2006: 1033). The PDS was a final attempt to materialise its strategy to bolster its administrative apparatus by selling it off as a humanitarian NGO.

The LTTE’s insistence on an interim administration was a central factor explaining the mounting political crisis in Colombo that led to electoral reshuffling and the replacement of the UNF government with the more hard-line and anti-peace line of the UPFA led coalition in April 2004. The negotiations thus stalled on the issue of administering the reconstruction process. Yet, an important evolution had occurred. At this stage of the peace process, one had seen the materialisation of an entirely new political strategy for reaching autonomy on behalf of the LTTE. It had, however, only resulted in a series of draft proposals and the PDS, which had little real role within the rebel administrative apparatus (Mampilly 2009). Nevertheless, even though the LTTE remained on the US and EU lists of terrorist organisations thus lacking the kind of legitimacy that they craved within the international system; within NGO circles the rebel leadership has improved their standing. To some international NGOs, there was a perception that the LTTE leadership had willingly laid the foundation for a potential transformation towards non-military means. This is where the LTTE strategy departs dramatically from that in Aceh, where the leadership’s strategy to gain legitimacy through

6 Text available at http://news.bbc.co.uk/2/hi/south_asia/3232913.stm
bringing in development failed to produce any kinds of transformation of the rebel apparatus on the ground.

**GAM**

GAM’s motivation to participate in negotiations with the Indonesian government, led by an international NGO, the Henry Dunant Centre (HDC) in the period 2000-2003, was to build international legitimacy as a state actor in the process of gaining autonomy. On part of the donors it was the identification of an imminent conflict-related humanitarian disaster following the escalation of the three-decade long separatist conflict that gave the impetus for unprecedented international involvement in Aceh. The stated goal of the negotiators was similar to those made in Sri Lanka, namely ‘to reduce the risk of further conflict, and thus reduce the humanitarian consequences’ of conflict by finding a common platform of collaboration for distributing humanitarian assistance (Barakat et. al. 2000). Formally, the outcome of negotiations proved to be quite successful. An agreement to implement a ‘Humanitarian Pause’ in May 2000 was designed to secure the free flow of humanitarian aid to IDP camps. The Humanitarian Pause was followed by a ‘Moratorium on Violence’ in January 2001 and a more comprehensive ‘Secession of Hostilities Agreement’ in December 2002. On the paper, collaboration between the Indonesian military (TNI) and GAM, was forged through the establishment of joint committees that would handle security issues and the distribution of humanitarian assistance respectively (Barakat et. al. 2002). Yet, in spite on the promise engrained in the formal establishment of collaborative mechanisms and ceasefires, the HDC-process was void of political content and largely failed to address the real concerns of the conflict, namely the political status of Aceh. The negotiations stalled on issues relating to the content of the committees, their location, membership, and general purpose. On the ground, NGOs reported of military clashes and intensified competition over the control of the aid distribution between TNI personnel and affiliated militias and GAM rebels (Human Rights Watch 2001). More than anything the deteriorating security situation showed that there was a growing disparity between what the official GAM leadership could promise and how the rebel commanders perceived of the situation on the ground.

Initially, and in spite of the rebel leadership’s commitment to collaborate on delivering humanitarian assistance to civilians, GAM’s actions in the field was characterised by a classical predatory behaviour of seeking a variety of funding sources in order to maximise position and survival. These ranged from classical intimidation of opponents and civilians to
more elaborate institutional set-ups to handle the diversion of humanitarian aid from aid agencies, revenue collection from makeshift checkpoints, internal taxation, looting of businesses, kidnapping, systematic expropriation and sale of illicit goods, and torching of public buildings (Barakat et al. 2002; ICG 2003; Hedman 2005). That said, the strategy of diverting humanitarian aid ought not be interpreted solely as a zero-sum predatory game over economic resources. In contrast to Sri Lanka where the LTTE welcomed international donors into their territories and adapted the rebel organisation so as to fulfil the conditions placed upon them as part of the peace process, GAM commanders in the field viewed donors as extensions of the Indonesian government’s war efforts rather than as neutral donors.7

A primary concern, and one that is usually overlooked in discussions of rebel-aid interaction, concerns the issue of how the rebels themselves perceive of donor positionality vis-à-vis the state. Interviews with rebel commanders in Aceh indicate that NGOs were perceived of as too restricted and reliant on the Indonesian government in the identification of humanitarian needs and the distribution of relief aid. Especially, the decisions on the localities of IDP-camps and the process of identifying communities and victims in need of humanitarian assistance emerged as key contentious issues in the negotiation and in the field (Human Rights Watch 2001; Barakat et. al. 2002). The fact that most of the relevant international NGOs such as the UNDP and the World Bank alongside the major donor countries, usually represented by their embassies in Jakarta, viewed assistance to Aceh in light of their wider Indonesia-engagement, created a specific set of conditions for how the international community could and would deal with GAM and Aceh. First and foremost, the donors displayed reluctance to publicly discuss or engage directly with the Aceh-issue, fearful that this would hamper their overall bilateral relations with Indonesia. Second, the fact that GAM remained relatively unknown and their plea for independence was perceived as far less legitimate than for instance that of East Timor, placed an additional shield on the type of donor engagement seen as viable for Aceh.8

Against this backdrop, the HDC’s positionality as a new NGO proved attractive to donors who preferred to limit their direct engagement in Aceh to humanitarian assistance rather than engaging directly with the conflict. Norway, for instance, transferred development funds to the HDC that were earmarked towards its engagement in Aceh already in 2000, but

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7 Interviews GAM commanders Aceh in August 2006 and February 2007.
8 Anonymous interviews with NGO representatives and analysts involved.
the involvement in the peace process was not publicised until late 2002.\(^9\) In addition, the fact that the Indonesian government was determined to remain the main provider of humanitarian assistance to its regions and retain the main responsibility for compensating victims served to create a direct link between international humanitarian assistance and the Indonesian government’s strategy of weakening the rebels. Against this backdrop, GAM commanders came to view any ceasefire agreement and the collaborative committees as part of the TNI’s plan to wheel back rebel-held territory. Hence, GAM’s hesitancy towards humanitarian aid in the field was in part conditioned by how the rebels perceived of foreign relief aid vis-à-vis the government with hostility and suspicion.\(^{10}\)

The actions became a logical extension of the military and political capacity of the rebel organisation, deviating from the official strategy of the rebel leadership. In the context of conflict escalation and territorial expansion, GAM’s activities on the ground became increasingly defined by the day-to-day war effort. Rebel power thus became increasingly engrained into the already existing structure of economic extraction, which was ultimately shaped by personalised favouritism and neo-patrimonialism (Schultze 2004). The evolution of GAM commanders into an alternative rebel elite was in particular characterised by their partnership with large capital, the government and the military (Sulaiman et. al. 2007: 226). In this context, rebel commanders operating on the ground saw few real advantages in contributing to securing humanitarian assistance to the government-run IDP-camps.

This was in contrast to the expectations of the GAM leadership’s negotiation strategy, which was driven by the goal of gaining international legitimacy and to improve its image domestically. Against this backdrop, the HDC process stumbled into the same negotiation scenario as had the Fifth peace process in Sri Lanka, where conditionalities worked to produce temporary ceasefires, but failed to have the expected transformative effects on the overall conflict dynamics. That said, while the LTTE’s insistence on continuing to negotiate on the basis of aid and the decision to establish the PDS, secured them at least some legitimacy amongst international NGOs, the GAM leadership’s failure to curb the kind of predatory manipulation of aid described above reinforced the perception held by many of the NGOs operating in Aceh of GAM as primarily driven by predatory motives. The withdrawal of the International Red Cross and the remaining NGOs due to the deteriorating security

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\(^9\) PRDU internal report, commissioned by the HDC: What role can an independent humanitarian organisation play in defusing conflict? (2001 and 2002), can be obtained from the author upon request.

\(^{10}\) Personal interviews with GAM commanders confirmed that they perceived of international NGOs to be primarily loyal to the Indonesian government.
situation ultimately led to the collapse of the HDC process and the re-intensification of conflict.

**Rebels and aid in the context of the tsunami-disaster**

*The LTTE*

The 2004 Indian Ocean tsunami caused massive devastation along the rebel-held coastal areas in Sri Lanka and did reignite the hopes for the collaboration on an interim administration to handle post-tsunami reconstruction. Although the disaster did trigger the resumption of the peace talks for a short period of time with the two sides publicly agreeing to collaborate on tsunami relief aid, the disaster dramatically altered the context of peace negotiations. The LTTE, the Sri Lankan government, and the international community all made seemingly independent strategic choices that aimed to maximise their own output within the parameters of an increasingly polarised situation on the ground. Combined, these independent strategic decisions and actions contributed to the dramatic escalation of the conflict that saw the bloodshed of several thousand civilians caught in the crossfire between rebel forces and the Sri Lankan army.

The most important immediate effect of the disaster was the insurance of continued donor involvement (Goodhand et. al 2005: 87). The disaster thus marked a dramatic shift in the international aid strategy towards Sri Lanka. In contrast to the previous period, the three billion US dollars that were pledged for reconstruction alongside an additional one billion dollars that were to be channelled through NGOs, was not linked to a general policy on progress in the peace talks (Mampilly 2009). Instead the issue of how to address the conflict and the LTTE in particular was left to the individual NGOs, many of which had little experience of providing relief aid in a conflict area. Sensing that all their efforts at gaining control over development funds in the previous months and years had failed, the LTTE leadership now moved swiftly to ensure that donors came to view the LTTE aid distribution apparatus as the speediest means for distributing relief aid to civilians and for managing the rehabilitation of affected communities within the rebel-held territories.12

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11 S Ranjan, the General Secretary of the LTTE Peace Secretariat to Bistandsaktuelt 2, September 2005; President Kumaratunge’s response to JVP General Secretary Tilvyn Silva’s letter on June 6, 2005, available at www.dailynews.lk/2005/06/16/pol05.htm
12 Personal communication with LTTE affiliates, 2008 and 2009.
The massive and uncoordinated influx of foreign NGOs in the immediate aftermath of the disaster enabled the LTTE an unexpected opportunity to become directly involved in the administration and distribution of relief aid. The military efficiency of the LTTE as well as the proximity to the local population meant that they had in place a comparatively efficient apparatus to handle and coordinate immediate rescue operations. The Planning and Development Secretariat (PDS), for instance, became one of the most significant administrative offices to handle relations with aid actors and donors. From the main office in Kilinochchi, the LTTE moved quickly to establish several district offices along the coast (Mampilly 2009: 314). In addition, the Tamil Rehabilitation Organisation (TRO), the rebel-affiliated aid organisation set up and funded by the Tamil diaspora community became a central organisation within the LTTE civilian apparatus (Stokke 2006). According to one report from Vanni district, rebel operations were centralised and well-coordinated with regard to both immediate rescue – and more long-term relief operations by the LTTE military apparatus, the PDS and the TRO (Frerks et.al 2005). A PDS-coordinator described the operations as a speedy coordinated effort to which ‘initially the sea Tigers rescued the survivors and wounded, and the TRO provided cooked food. The Tamil Eelam Health Services, directly under LTTE military control, were on duty within one hour of the tsunami’ (Frerks et.al. 2005: 18). Such reports were in contrast to criticism by international NGOs and donors of the Sri Lankan government’s slow and inefficient response to the disaster. One analyst described the government-led entity, the Centre for National Operations (CNO), which was to coordinate the government relief efforts in all disaster-affected localities as a ‘centralised bureaucratic entity... extremely slow in delegating responsibilities to local authorities’ (Uyangoda 2006: 347). In the absence of efficient mechanisms on the government side to channel relief aid to the affected populations inside rebel held territories, aid organisations bypassed bilateral channels and established partnerships with the LTTE at the local level instead. This was particularly true for many of the smaller relief aid organisations and NGOs, many of which received funding directly from the World Bank and the ADB, sought out ways to start up projects at the speediest possible rate. The LTTE used their advantageous position as a military actor to take control over the reconstruction process, very much at the cost of other non-state actors and civil society. To many of the NGOs, the Tamil Rehabilitation Organisation (TRO) was considered the only viable alternative through which to establish much-needed local collaboration. As a coordinator of the PDS emergency task force explained, ‘the PDS and TRO received a lot of aid from INGOs. The policy was that all
aid was channelled through the TRO warehouses and thus inequities and tensions would be avoided. In this way, goods would end up with the intended users and not in the market as otherwise would be the case’ (Frerks et. al. 2005: 18-19). The TRO was also the primary recipient of funds from the diaspora community earmarked for tsunami reconstruction.

But even though the LTTE leadership gained some recognition by donors, the conflict continued to escalate. Evidence of re-militarisation of LTTE structures were surfaced with reports surfacing that local NGOs were pressured to work with the TRO on tsunami reconstruction (Amnesty International 2006) alongside reports of recruitment of child soldiers from amongst tsunami-orphans (Goodhand et.al. 2005). This was especially true for the Eastern province where the LTTE central command was rapidly losing control following intensification of the conflict with the Karuna breakaway faction. Faced with such reports alongside a general uneasiness of the donors to collaborate directly with the LTTE, the donor community and the Norwegian facilitators pushed for renewed talks on the basis of tsunami-reconstruction. In June 2005, the parties agreed on a new joint interim structure limited to handle tsunami reconstruction, the Tsunami Relief Council (TRC). The part of the deal that concerned the concrete structure for aid distribution at the local level, the Post-Tsunami Operational Management Structure (P-TOMS) located the financial office of the Regional Committees of the TRC for the Northern Province in the rebel-capital of Kilinochchi. The P-TOMS thus reaffirmed the LTTE stand that autonomy combined with a guaranteed position for the LTTE was necessary in order to ensure fulfilment of development and more long-term demands for self-determination.

The P-TOMS also represented a donor endorsement of a framework that forced through collaboration by the two sides by ensuring veto rights while at the same time bypassing the central state’s own bureaucratic structures. Not surprisingly, however, radical Sinhala parties again expressed suspicion that the international community in its interactions with the LTTE greatly compromised the government, claiming that any kind of interim mechanism to handle tsunami-relief money violated the territorial integrity of Sri Lankan state.13 On this basis, the following month, the Sri Lanka Supreme Court ruled the P-TOMS to be unconstitutional. At the same time, international criticism against the LTTE intensified leading to the rebel leadership sensing increased alienation. The primary response by the LTTE was to withdraw from the political process after boycotting the November 2005

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13 The content of JVP General Secretary M Tilvyn Silva’s letter on June 6, 2005, referred www.dailynews.lk/2005/06/16/pol05.htm
elections. The removal of a Tamil component in the electoral process not only cleared the way for Sinhala radical forces to gain power on the platform of a return to pre-2000 strategy of war for peace, it also served to delegitimise the LTTE as a serious political entity paving the way for remilitarisation and conflict escalation by both sides (Human Rights Watch 2008).

Following the immediate humanitarian crisis that accompanied the tsunami disaster, the LTTE strategy of managing aid distribution as part of their project of securing autonomy succeeded for a short period. Thus, the raison d’être for the rebel-aid apparatus had always been to assist the LTTE’s military efforts to secure maximum possible autonomy in the designated Tamil area. This strategy contrasts starkly with the aims of the international community, which expected that collaboration on development would foster the political transformation of the LTTE into a political party that could be accommodated within a reformed Sri Lankan political system (Goodhand 2006; Uyangoda 2006). As the following analysis of GAM in the post-tsunami setting shows, the rebel leadership in Aceh displayed a similar logic of strategically using aid to maximise their political relevance. But in stark contrast to the LTTE, in the context of de-escalating conflict, the scale and structure of international engagement in Aceh fostered the political transformation of GAM characterised by inclusion rather than autonomy and exclusion as its primary goal.

**GAM**

Post-tsunami reconstruction in Aceh paralleled the resumption of internationally facilitated peace talks between GAM and the Indonesian government, this time with the support of the Helsinki-based Crisis Management Initiative (CMI). With the signing of the MoU in August 2005, GAM replaced their claim to autonomy with a strategy of inclusion into the Indonesian political system. In contrast to the HDC-process where aid played directly into the conflict structure, post-tsunami humanitarian aid opened an alternative avenue for strengthening the civilian political capacities of the rebel movement with GAM as a legitimate political actor. Aid thus became instrumental in transforming the rebel military structures into a civilian political movement.

The immensity of the humanitarian crisis and the way the Indonesian government and the TNI responded in its immediate aftermath impacted directly on the activities of donors and aid actors. Echoing the xenophobia of an earlier era, the immediate response of the TNI and the Indonesian government was one of considerable anxiety about the presence of foreign humanitarian and military actors in Aceh fearing that international criticism against military
campaigns in Aceh would weaken the military control and trigger a resurgence of separatist demands or force the government into giving concessions to the rebels in an eventual settlement.\textsuperscript{14} In contrast to the slow response of the Sri Lankan government, the Indonesian government moved quickly to hinder what they feared would be an international take-over of the situation. Although the government’s own ‘Master Plan’ for the reconstruction and rehabilitation efforts was not ready until April 2005, draft versions of the document were circulation as early as February (Bappenas 2005). A series of early post-tsunami government statements also called for continued strict state control and the centralisation of relief and reconstruction efforts. As had been the case during the HDC-period, such centralisation and control efforts included calls for official registration of the activities of humanitarian actors, journalists, volunteers and foreign military personnel (Hedman 2009: 64). The introduction of a temporary relocation program for displaced persons were also oddly reminiscent of the military strategies of the TNI towards civilians living in the war zone in the past (Ramly 2005) and was met with opposition and criticism from the affected populations and parts of the aid community (Hedman 2009: 64). Relief aid personnel reported that Indonesian security forces were harassing civilians in temporary shelters and that they felt threatened by military checkpoints along the main routes between the disaster-affected areas (Sukma 2006).\textsuperscript{15} Donors viewed with suspicion the government’s corruption record and its past record of human rights violations in Aceh.

Combined with past experiences of aid abuse, the share size of the reconstruction fund led to intensified pressure for an alternative solution to any kind of centralisation and government control of the reconstruction efforts. The Agency for the Rehabilitation and Reconstruction for Aceh and Nias, (BRR) was established in April 2005 and was located in Banda Aceh. The BRR was tasked to receive, coordinate and hand out the over 300 million dollars in fund from the government’s Master Plan for reconstruction and to ensure that the various programs of the Multi Donor Trust Fund ear-marked post-tsunami reconstruction valued at more than 400 million dollars were completed by the end of 2012. In other words, in contrast to the process in Sri Lanka, post-tsunami reconstruction and rehabilitation in Aceh bypassed the politics of war. It was formally detached from the peace process, which was re-instituted in Helsinki that winter.

\textsuperscript{14} Personal interviews, General Leonard (TNI), AMM representative, Aceh, August 2006.
\textsuperscript{15} Personal interview, AMM representatives, IOM representatives and UNDP representatives, Aceh and Jakarta, August and September 2006.
In contrast to the LTTE leadership who played a constructive role in mediating and negotiating the parameters of potential interim administration for disaster management, the GAM leadership was not directly involved in or even consulted on the framework for how to administer post-tsunami reconstruction. Locked in negotiations in Helsinki, the rebel leadership felt increasingly alienated from the political processes on the ground. In light of the move to bypass the government and the military in the reconstruction effort, the rebel leadership was also forced to re-assess their own strategy in relation to donors and the state. Their main concern became one of how GAM, as a non-state actor with little international recognition, could gain strategic influence over the reconstruction process as well as in the long-term facilitation of international involvement in Aceh. One senior figure said that ‘we realised that reconstruction and rehabilitation was central to our long-term goals, and when the process was first set in motion (and) the BRR was established, it became obvious that we had to find a way to participate.’\(^{16}\) An activist stressed similar concerns saying that ‘not only is the government very corrupt; it also has a special agenda in Aceh. Therefore it was crucial that their involvement in the reconstruction process and the BRR is limited…and that Acehnese are included in the process.’\(^{17}\)

The internal debate within the rebel movement also carry witness of a strategic shift in its focus towards how to link the rebel apparatus to the reconstruction process. Civil society organisations concerned with long-term peace also pressured for alternatives that could foster inclusion of GAM in decision making bodies in the aftermath of a settlement. The rebel leadership was also well aware that if subordinates felt they were not adequately compensated in the peace settlement, they could act as spoilers and defect from the agreement by inciting violence.\(^{18}\)

The MoU provided such a framework, but required the transformation of the rebel movement into a civilian political organisation and party. In the volatile climate after the signing of the MoU, it was crucial for rebel commanders to move fast in order to get out of the mud and into the corridors of power. In the absence of any other formal channels through which rebels could gain immediate representation, the aid apparatus set up following the tsunami and in light of post-conflict reconstruction provided an avenue toward more formal inclusion. The implementation of a peace agreement also meant the collapse of the rebel

\(^{16}\) Personal interview Bachtiar Abdullah, GAM leadership, Aceh, June 2008.
\(^{17}\) Personal interview, Shadiah Marhaban, SIRA, Aceh, May 2008
\(^{18}\) Personal interviews with GAM representatives, AMM representatives and international observers, Aceh August 2006.
revenue system in its current form and rebel commanders feared being side-lined from the rapid changes that took place on the ground. As one commander noted, ‘we had very few opportunities to make a living when the tsunami came, we did what we had to do...at least after the MoU we could move freely and get jobs. Even though the international NGOs do not hire enough ex-GAM, some have given us jobs.’

Precisely because the MoU stipulated only limited powers to GAM, the institutions established to handle transfers of government allocations and international funds for post tsunami and post-conflict reconstruction became the main arena for linking rebels to the formal apparatus of power. This was a determinant factor for the long-term positionality of GAM during the critical 16 months between the signing of the MoU, the first post-conflict elections for governor and mayors held in December 2006, and the DPRA elections that were scheduled for the spring of 2009. Until then, GAM commanders retained no formal executive powers. The former BRR-head, Kuntoro notes that ‘the MoU suggests that GAM can work in the BRR. So it is with great sincerity that we provide them with the opportunity to work together in this institution’ (Kunturo Mangkusubroto cited in APRT 2008). A quick count of the number of ex-combatants who in February 2007 said they worked for the BRR, ranging from mid-level administrative positions to low-level office clerks, ‘contractors’, drivers, coordinators, or ad hoc small jobs revealed that the BRR had become one of the main patronage machineries for the former rebels.

The centrality of aid institutions for strengthening the civilian capacities of GAM in the immediate post-conflict period was further accelerated by the establishment of the Aceh Reintegration Agency (Badan Reintegrasi Aceh, BRA) directly related to post-conflict reconstruction. The BRA was tasked to channel and coordinate reintegration funds to former combatants and victims of the conflict. While the BRA funds were allocated over the national budget, the BRA administration itself was located under the Governor’s office. This meant that from its inception and especially after GAM’s former intelligence chief, Irwandi Yusuf was elected Governor of Aceh in April 2006, the BRA secured the former rebels control over the reintegration process.

This inclusion of GAM was especially important in terms of capacity building, but also for building patronage networks and formalising their powers in Aceh while awaiting the 2009 elections. As noted by Nur Djuli, the former head of the BRA and senior figure within GAM, the inclusion of GAM alongside regime critics from civil society was crucial for the

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After having signed the MoU, gaining access to the institutional apparatus of the aid administration, most notably the BRR and the BRA, became an important avenue for securing political relevance and partial control over key political processes when they were stripped of other powers. In this regard, integration into the aid bureaucracy proved important for facilitating the transformation of GAM into a politico-bureaucratic organisation that was able to win elections and govern through that mandate.

**Conclusion**

In this article I have shown, through a comparison of GAM and the LTTE, how rebel leaderships participate in peace negotiations and agree to ceasefires with the aim to control the administration of international aid as a means to improve their governance capacities and attract legitimacy as de facto state actors. Previous theoretical work on rebel groups and peacebuilding focuses largely on their personalities as potential spoilers or on their relative military powers (Stedman 1997, Collier and Hoeffler 2002). This study differs in that it pays greater attention to the strategic interactions between rebel groups and the international aid apparatus in contexts where aid is subject to conditionalities.

The article has sought to make two contributions. First, the analysis demonstrates that rebel groups adapt their strategies and their organisation to the international aid apparatus by pushing for as much control over the administration of aid as possible. Rather than being predators bent on the greedy manipulation of aid to individual advancement, my analysis shows that when aid is tied to conditionalities, rebel leaderships seek to use the event of humanitarian crises to bargain for settlement terms that it expects will reward them with partial autonomy over reconstruction funds as a means to expand their governing capacities as de facto state actors and governments in waiting.

Second, the preceding analysis demonstrates that in the absence of a peace agreement that addresses the core political questions of the conflict, the use of aid conditionalities such as promoting joint collaborations in the administration of aid between protagonists to encourage conflict resolution, heightens tensions while taking attention away from the core issues of the conflict. That said, as the trajectory GAM shows: inclusion of rebels into the formal aid bureaucracy may work to encourage the transformation of militarist structures necessary to secure political stability in the volatile period after a peace agreement has been signed.

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In the cases discussed here, prior to the tsunami-disaster both rebel leaderships pushed for control over aid in the negotiation process. But while the LTTE adhered to the CFA while continuing to produce proposals of an interim solution, GAM lacked the organisational capacity to bolster that strategy internally and turned to a classical pattern of predatory behaviour. In the aftermath of the tsunami-disaster, these diverging trajectories produced different aid responses in the two contexts. By giving up their claims to sovereignty, the GAM leadership could optimise the strategy to gain partial control over the redistribution of aid resources and expand their governance capacities to secure their continued political relevance in the post-conflict phase. This has been central to the political transformation of GAM from a guerrilla army into a political movement with an effective bureaucratic profile. In contrast, the emergence of a rather complex rebel administrative system in Sri Lanka had led analysts to predict similar kinds of transformations, but failed to materialise. Here the continued entanglement of the goals of international recognition, development provision, and autonomy demands were irreconcilable with the compromises required for a comprehensive settlement to be reached.

By identifying these diverging trajectories of rebel-aid interaction, I am able to demonstrate the plausibility of a potentially causal mechanism that can explain how aid sometimes impacts positively on peace and at other times not. Previous theories that have sought to explain the impact of aid on conflict have, as mentioned, only focused on the negative cases, i.e. those cases where aid has contributed to prolonging conflict (Alex de Waal 1997, Anderson 1999). The implications of my argument differ: the international aid apparatus becomes automatically entangled into the multiple strategies and capacities of rebel groups as well as governments. Placing aid at the centre of peace negotiations without taking into account the civilian political capacities and strategies of the rebel groups can only be effective to a certain extent: It can certainly promote much-needed ceasefires that enable humanitarian aid to get through, but has definite limitations in terms of producing the expected transformative effects that are necessary for long-term conflict resolution.

There are several things this article does not do. It has not provided an exhaustive explanation for the different outcomes to the peace processes in these two contexts, nor has it discussed alternative political discourses and motives of the protagonists. Doing so would be beyond the scope of this article, and otherwise take focus away from the specific processes of rebel-aid interactions first identified here. Also the article specifies only one of several possible causal mechanisms that link peacebuilding strategies to the outcome of peace
processes. Despite these limitations, the argument still generates some relevant implications for policymakers. Closer attention to the links between the insurgents administrative capacities and strategies towards aid and how these interact with the international aid apparatus will give better insights into the conditions under which aid can have a constructively positive impact on peace. In doing so one can then make adaptations in order to amplify the positive effects of aid on conflict resolution. Future research could test the hypothesis developed here against a larger number of insurgencies where the international community are engaged in the parallel processes of peacebuilding and humanitarian assistance, natural or man-made.

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