ACTIVIST AND PRESS BACKGROUNDER
ON EXXONMOBIL ACTIVITIES IN NORTH ACEH*

ExxonMobil is “morally, politically and legally responsible for crimes against humanity in Aceh”\(^1\)

"Exxon Mobil’s less-than-arm's length detachment from the military must be judged a short-term gain and a long-term miscalculation"\(^2\)

"Rather than cut and run from trouble spots, we will work to change them."\(^3\)

When articles in the Winter of 1998, in Business Week and The Boston Globe, reported that Acehnese non-governmental organizations had accused ExxonMobil Corporation (then Mobil Oil) of “human rights abuses” in Aceh, Mobil Indonesia executive vice president, Neil Duffin, responded: "I can frankly say that we have no knowledge of that happening."\(^4\)

A former ExxonMobil employee debunked ExxonMobil's claim: “There wasn't a single person in Aceh who didn't know that massacres were taking place”, says H. Sayed Mudhahar, a former public relations manager for P.T. Arun. Faisal Putra, an attorney in Lhokseumawe who intends to sue Mobil on behalf of victims, agrees: “The crimes occurred over a long period of time. Mobil Oil cannot utter the words, 'We didn't know'.”\(^5\)

This backgrounder and the documentation cited in appendix A below illustrates the degree to which ExxonMobil can not use the defense of professed ignorance to avoid responsibility for the predictable impacts of its current security arrangements with the Indonesian military and police in North Aceh, Indonesia.

The accusations, which surfaced in 1998, allege that ExxonMobil's wholly owned subsidiary, Mobil Oil Indonesia (MOI), "provided crucial logistic support to the army"; that buildings and facilities for Post A13 and Rancong, provided by MOI, were used (by the military) for interrogating and torturing local people, that the company's excavators were used to dig mass graves for military victims in the Sentang and Tengkorak hills, and that its roads were used to bring victims to the mass graves.\(^6\) So far 14 mass graves have been identified. One is on Pertamina-owned land less than four kilometres from a Mobil gas-drilling site. Pertamina is ExxonMobil's production sharing partner in the PT Arun gas operations, in North Aceh district of the Indonesian province of Aceh. **

Evidence indicates that ExxonMobil can not credibly pretend it does not know that security operations undertaken in response to its "security concerns" will continue and even increase such violations. This evidence may be found in documents prepared by U.S. government sources, well-respected international human rights organizations, such as Amnesty International and Human Rights Watch, and in reports of Special Rapporteurs from the office of the UN High Commission for Human Rights provided below. ***

This backgrounder documents that the Indonesian army and police, in North Aceh, continue to commit systematic human rights violations for which they were notorious under the dictator Suharto. In fact, human rights violations throughout Aceh seem to have increased since the informal end of the eight-year military operations (DOM) in August 1998. The armed forces of Indonesia might appear to outside observers as a caricature of terror and brutality; but their impacts on the local populations are deadly.

The documentation below also helps us to understand the root causes of extreme violence in Aceh. On March 12, 2001, the government of Abdurrahman Wahid, under pressure from the military, gave the go-ahead to the Indonesian Armed Forces, the TNI, to launch a 'limited security operation' in Aceh.\(^7\) Three days before, ExxonMobil, which oversees the operations at the massive Arun gas fields in Aceh, had announced that it was suspending operations because of the security situation.\(^8\) The deployment of thousands of additional troops in Aceh justified on the pretext of providing security for ExxonMobil means that thousands more troops are competing to supplement inadequate salaries by taking on non-military work - some of it legal and some of it illegal.\(^9\) The official 2000 defence-and-security budget was "according to the Minister of Defense, only sufficient to cover about 25 per cent of minimal operating costs."\(^10\)

Any objective analysis of the reports referred to below must conclude that the worsening situation is due to an increase in armed operations against insurgents - the Free Aceh Movement or GAM, the military claim to be launching to guarantee the territorial integrity of Indonesia. However, the increase in violations are likely due to a violent rivalry between the military and police for access to lucrative opportunities in legal and illegal business. These opportunities in

---

\(^2\)  see Appendix B
\(^3\)  see Appendix A
Aceh - especially around the highly profitable gas operations of ExxonMobil, provide ample incentive to the military and police to avoid withdrawing inorganic forces from the province. As evidenced by previous calls for security officers to be held responsible for human rights abuses in Aceh, made following a 1998 withdrawal, such a withdrawal would also likely result in demands for accountability for atrocities committed in Aceh. Accountability is something that has yet to effect the military forces responsible for atrocities in Aceh or East Timor.

The military and police businesses in Aceh, include providing protection, extortion, drug-running, illegal timber harvesting, illegal fishing, illegal mining, and prostitution, are in competition with each other. As a result of this competition, the military and police, often in collusion with civilian government officials, have generated violent disturbances to justify military or police "solutions" to non-existent threats. The International Crisis Group reported in September 2000, that "(t)he military units exploit the opportunities available in disturbed regions, to supplement their incomes, especially by offering protection services." The report found that these claims cannot be dismissed out of hand and the documentation of a "rivalry" between the police and military below supports the theory that the security problems for ExxonMobil are due in large part to causes other than insurgency threats.

The shutting down of operations in Aceh has serious repercussions for the Indonesian economy. ExxonMobil has shown that it has the power to place conditions on the Indonesian government and armed forces before it is willing to resume operations. Munir, a well-respected human rights lawyer, observed the effect of the shutdown, stating "(t)his stopping of production gives the government the perfect excuse to bring in the military." Why doesn't ExxonMobil insist on an end to human rights abuses by the Indonesian armed forces around its facilities as a condition of resuming operations?

The security operations have already had predictable lethal results for the local population. A report dated December 13, 2000, found that villagers from five villages around Point A of ExxonMobil's operations had complained to ExxonMobil that violent incidents had increased since the company hired 100 Indonesian soldiers to guard the point. On May 15, 2001, the Sydney Morning Herald reported that "troops bashed two Indonesian journalists in front of a mosque…in North Aceh." The story went on to detail a recent attack by soldiers who had "killed a four-month old baby by pouring boiling water over him, attacked other villagers and looted everything of value." The United States Agency for International Development cited a report that one week prior to this incident, "the office of the Aceh chapter of the national human rights commission in Banda Aceh was shot at…by a group of police on patrol." The Jakarta Post reported that Diswanda Wahyu, who had been taken into police custody on Friday, was found dead with (a) gunshot wound on Saturday". On April 18th, the Associated Press reported that government forces killed a five-year old girl and her father, when, according to a witness, paramilitary policemen "fired blindly.

The following documentation raises serious questions about ExxonMobil's culpability for widespread human rights abuses, committed in the past. Specifically, this backgrounder seeks to outline the history of human rights violations in Aceh, in and around the main areas of ExxonMobil's business activities. As a result, we hope to have illustrated the need for it to review its security arrangements and to have put the corporation on notice for future abuses.

The security operations have already had predictable lethal results for the local population. A report dated December 13, 2000, found that villagers from five villages around Point A of ExxonMobil's operations had complained to ExxonMobil that violent incidents had increased since the company hired 100 Indonesian soldiers to guard the point. On May 15, 2001, the Sydney Morning Herald reported that "troops bashed two Indonesian journalists in front of a mosque…in North Aceh." The story went on to detail a recent attack by soldiers who had "killed a four-month old baby by pouring boiling water over him, attacked other villagers and looted everything of value." The United States Agency for International Development cited a report that one week prior to this incident, "the office of the Aceh chapter of the national human rights commission in Banda Aceh was shot at…by a group of police on patrol." The Jakarta Post reported that Diswanda Wahyu, who had been taken into police custody on Friday, was found dead with (a) gunshot wound on Saturday". On April 18th, the Associated Press reported that government forces killed a five-year old girl and her father, when, according to a witness, paramilitary policemen "fired blindly.

The following documentation raises serious questions about ExxonMobil's culpability for widespread human rights abuses, committed in the past. Specifically, this backgrounder seeks to outline the history of human rights violations in Aceh, in and around the main areas of ExxonMobil's business activities. As a result, we hope to have illustrated the need for it to review its security arrangements and to have put the corporation on notice for future abuses.

The documentation referred to in appendices below, all available to ExxonMobil's executives and their spokespersons, indicates that ExxonMobil has had clear and compelling evidence available to it, at least since 1992, that serious and widespread human rights violations by Indonesian security forces were occurring in Aceh. Furthermore, the sources cited below offer a clear indictment of ExxonMobil for its "complicity of silence" about the primary cause of human rights abuses: namely, the Indonesian security forces, a large contingent of which are hired to provide security to ExxonMobil's operations in the district of North Aceh. Having silently accepted the pretext for more military to come to Aceh to provide "security" for its business activities, ExxonMobil is liable. Because ExxonMobil continues to pay Indonesian military and police to provide security for its operations, it is doubly liable.

The documents indicate that justified grievances by locals against ExxonMobil are probably underreported. The corruption of the Indonesian justice system is well-known. In the United States, where the court system is generally acceptable, the corporation entered into a costly litigation battle, which resulted in ExxonMobil being found guilty of "trying to cheat the state out of oil royalties". Jurors levied punitive fines of $3.4 billion dollars against the corporation based on internal corporate documents that "indicated Exxon was aware it was shortchanging the state but thought it had enough muscle to get away with it". The documents revealed that the company had "subject(ed) the issue of whether (to) obey the law to dispassionate cost-benefit analysis". Similar calculations and use of unthinkable "muscle" in Aceh are resulting in atrocities. Under such conditions, Acehnese villagers face one of the most brutal militaries as well as the world's largest corporation and scofflaw.

Those seeking to bring ExxonMobil towards being a responsible corporate actor can do the following:

*** see Appendix B
i. join the boycott of ExxonMobil being launched because of its deceptive representations regarding global warming and its refusal to invest in alternative energy (see campaignexxonmobil.org);

ii. call your government representatives (Congressional switchboard: 202-224-3121) to demand that ExxonMobil make public statements condemning violence by the Indonesian military and police around its facilities and throughout Aceh and adopt security arrangements which do not result in human rights violations;

iii. urge ExxonMobil to condemn publicly the crimes committed by the security forces it hires, to support an independent investigatory body to assess fully crimes already committed and the degree of ExxonMobil's culpability, to join the Voluntary Principles on Security and Human Rights accepted by oil, gas, and mining sector leaders, and to demand ExxonMobil to accept the latter as legally binding on its security operations.

For more information, please contact Robert Jereski, Executive Director of the International Forum for Aceh, at (212) 973-1782 or through e-mail at ifaem@yahoo.com
Appendix A - What ExxonMobil Knows About the History of Abuses by the Indonesian Armed Forces in Aceh

I. U.S. Government: State Department:

- Announced, in February 2001, that there were credible reports of "53 cases of forced disappearance involving 69 persons had occurred between January 1 and the end of November."
- Found that "(p)olice and army personnel also routinely respond to attacks on soldiers by engaging in indiscriminate violence against bystanders."
- Reported, in February 2001, "numerous credible reports that the army and police continued routinely to torture detainees in Aceh. For example, on August 27, police detained three local workers of the international NGO Oxfam, and beat them while they were detained. According to Amnesty International, police pulled out one worker's fingernails and burned him with cigarettes."
- Reported that, in North Aceh, where ExxonMobil is based, "a group of armed men in army fatigues raped 4 women and sexually molested 12 others; they also beat severely 6 men and robbed their families; no persons had been charged by year's end."
- Found, in February 2001, that "(t)here are numerous instances of the use of intimidation, sometimes by the military, and often by hired "thugs," to acquire land for development projects, particularly in areas claimed by indigenous people" and that "(s)uch intimidation has been used in Aceh."
- Found, in 2001, that the "armed forces (TNI) are... not fully accountable to civilian authority."
- Found that "the overall human rights situation worsened during the year"
- Reported, in February 2001, " Security forces were responsible for numerous instances of, at times indiscriminate, shooting of civilians, torture, rape, beatings and other abuse, and arbitrary detention in Aceh"
- Found " the disappearance of dozens of civilians, including Jafar Siddiq Hamzah, a nongovernmental organization (NGO) activist, and Tengku Hashiruddin Daud, an Acehnese Member of Parliament."
- Reported, in 2001, that "(s)ecurity forces systematically employed arbitrary arrest and detention without trial in Aceh."
- Reported, in 2001, "(r)apes and sexual exploitation by security forces continued to be a problem"
- Reported, in 2001, "journalists continued to suffer intimidation and assaults."
- Reported, in 2001, "the judiciary remains subordinate to the executive, suffers from corruption, and does not always ensure due process."
- Found in February 2001 "(i)n Aceh army and police personnel committed many extrajudicial killings and used excessive force or directed force against noncombatants"
- Reported, in 1994, that "(i)n Indonesia, extrajudicial arrests and detentions, as well as torture of those in custody, continued."
- Reported, in 1997, that "(t)he Government continued to commit serious human rights abuses."
- Stated that "reports of extrajudicial killings--including killings of unarmed civilians, disappearances, and torture and mistreatment of detainees by security forces continued."
- Found that, in provinces of Indonesia where separatist movements exist, "legal protections against torture are inadequate, and security forces continued to torture and mistreat detainees" including instances in Aceh.
- Found, in 1998, "numerous instances of the use of intimidation, sometimes by the military, and often by hired 'thugs' to acquire land for development projects" including instances in Aceh.
- Reported that "residents living in an area needed for a new cement factory in Aceh were paid less than the equivalent of 20 cents per square meter of land, which they felt was inadequate compensation."
- Reported, in 1999, that "(s)erious human rights abuses in Aceh continued through May,...including political and other extrajudicial killing"
- Reported that "(throughout Indonesia s)ecurity forces also were responsible for numerous instances of indiscriminate shooting of civilians, torture, rape, beatings and other abuse, and arbitrary detention"
- Stated that preliminary findings of the National Human Rights Commission "reported 1,010 incidents of torture in North Aceh between 1989 and 1998."
- Found that "(i)n Aceh there were credible reports of mass graves and killings carried out by security forces in the past and into 1998."
- Reported National Human Rights Commission findings that "'well organized group' had carried out the disappearances of...student and NGO activists, and concluded that there were strong indications that 'elements' of the security forces were involved."
- Reported on a military investigation of the above-mentioned 'disappearances' which found that "special forces personnel were involved in the disappearances but claimed that this resulted from 'procedural errors' and excesses in violation of the law."
- Reported, in 1999, that "despite admitting his involvement in the abduction of the nine activists who reappeared, General Prabowo (in charge of military operations in Aceh) was discharged honorably from the military, and as of year's end no legal action had been taken against him."
- Found that "(i)n Aceh the military forces and national police committed numerous extrajudicial killings and used excessive force to quell separatist movements."n48
- Reported that "(m)ilitary forces…resorted to force in order to disrupt peaceful demonstrations."n49
- Found, in 1999, "credible reports of the disappearance of dozens of civilians"n50
- Reported, in 1999, that "(h)uman rights monitors, both international and locally based, reported that the military continued routinely to torture detainees in Aceh. Methods of torture documented in the past included beating, whipping, electric shock, and rape."n51
- Reported that "(o)n January 3, TNI forces shot and killed 5 civilians and wounded 25 others in a raid on Kandang village, just outside of Lhokseumawe [ed. near where ExxonMobil is based]."n52
- Reported that "(i)n February in Aceh military troops opened fire on a crowd of several thousands persons after issuing an order for them to disperse."n53
- Found that "(o)n May 3, troops opened fire on unarmed demonstrators in Krueng Geukeh, north of Lhokseumawe, Aceh, killing at least 40 persons and wounding over 100 more. Many of the dead and wounded persons were shot in the back."n54
- Stated that "(o)n July 23 to 24, the military killed at least 50 Acehnese civilians in the area around Beutong Ateuh, West Aceh. Military spokesmen claimed that the deaths were the result of an exchange of fire between the troops and armed separatist rebels, although no military personnel were injured. Credible human rights monitors described the incident as an unprovoked massacre of unarmed civilians."n55
- Reported that "(o)n February security forces in Aceh detained a 7-month-old baby, Muhammad Ardiansyah, of Morong village, along with his mother Ainsyah. Ainsyah alleged that her captors suspended her baby by his legs and left him in the sun for several hours."n56

II. United States Government: Congress

- Made findings in May 2001, based on "supporting documentation from the United States Department of State and other reliable sources" that the Indonesian armed forces have committed "widespread acts of torture, rape, disappearance and extra-judicial executions against…Acehnese civilians."n57
- Expressed "deep concern over ongoing human rights violations" committed by the Indonesian armed forces against civilians in Aceh.n58
- Found that "Indonesian armed forces have announced that they are initiating 'limited military operations' in Aceh, where the Exxon-Mobil gas company has suspended operations due to security concerns.n59

III. United Nation High Commission for Human Rights

- Observed, through its experts, a "pattern of serious human rights violations" in Aceh including torture, extrajudicial executions of civilians, and death threats against human rights organizations personnel and called for investigation and prosecution of the crimes.n60
- Reported, based on the visit in 1998 of U.N. Special Rapporteur on Violence against Women Radhika Coomaraswamy, "that rape and sexual violence had been 'used quite extensively' by sections of the military as 'a means of intimidation and torture' during the Soeharto era.n61
- Reported, based on its Special Rapporteur On Torture, that "torture is said to be practiced rather routinely.n62

IV. TAPOL (The Indonesian Human Rights Campaign)

- Observed, as of February 2000, the "marked increase in the use of (intimidation, torture, disappearances and murder) by members of the security forces against civilian activists and civilians in general" resulting from the implementation of a new police operation called OSRIII.n63
- Observed that, by March 2000, Indonesian President Wahid is "bereft of any control over the security forces and their operations in Aceh."n64
- Reported that, since 1980, there had been a "systematic use of state violence in (Aceh)"n65
- Referred to reports of 39,000 widows resulting from that violence.n66
- Noted that since the lifting of Aceh's statuts as a Military Operational area (DOM) in August, 1989, "violence in Aceh (had) steadily intensified"n67
- Noted the findings of a recent parliamentary investigation team, formed in July, 1998, which reported the discovery of 12 mass graves, all within the industrialized districts of North Aceh, Pidie, and East Aceh.n58
- Noted that the chief of the Armed Forces, General Wiranto, declared that DOM was withdrawn in August, 1998.
- Observed that, as a result of its official withdrawal from Aceh "the military needed the threat of GAM (the insurgent group) to 'justify' its continued presence and operations in Aceh."
- Noted the apparent admission of extra-judicial execution by then Chief of Police, Brigadier-General Bachrumsyah Kasman, that of the 157 'terrorists' captured by security forces between May and December 1999, 77 had died and 12 had been injured.
- Found that the military launched a series of operations amounting to a) Intimidation, b) Overt massacres, c) War of attrition - the return to 'shock therapy' (see Amnesty International, below) and d) Targeting of civilian activists.
- Reported evidence "that the ensuing violence was initiated and encouraged by members of the local security forces, in order to associate civilian unrest and instability in Aceh with the withdrawal of the troops."
- Observed that, on January 3, 1999, eyewitnesses in Pusong village near Lhokseumawe, reported 40 unarmed civilians were killed by "soldiers…shooting at fleeing civilians."
- Observed that, on January 6, 1999, "27 (civilians) were hospitalized, four of whom died" when "in one of the worst ever recorded cases of clearly premeditated extra-judicial executions", fifty or more soldiers raided the KNPI building in North Aceh, near Lhokseumawe.
- Reported that, on May 3, 1999, at least 46 unarmed civilians were killed, 156 gunshot wounds were inflicted, and ten people were 'disappeared' by members of Air Defence Artillery 001 and 113 battalions in Simpang KKA, North Aceh.
- Reported that, on May 25, 1999, five women and children were "shot dead in their vehicle" by special police unit (PPRM) when the vehicle's tire blew out in Alue Nireh, North Aceh.
- Noted that 5 student activists from FARMIDIA (Student Movement for Reform) were detained and beaten by members of the security forces as they returned from a meeting with officials at PT Arun (owned 30% by ExxonMobil), in Lhokseumawe.
- Observed that in January and February 2000, there was a "sharp increase in the number of…bodies being found on the roadside" as well as "a spate" of recently dug mass graves, some near the ExxonMobil pipeline.

V. Human Rights Watch

- Reported, with Amnesty International, that, as of December 8, 2000, "(i)n Aceh, the systematic targeting of activists by security forces has been underway for months."
- Condemned the assassination of three human rights monitors under circumstances which suggested "deliberate targeting of human rights defenders by the Indonesian security forces", noted that "(t)he military has made it clear for some time that they want the dialogue stopped and killing members of the monitoring team is one way to do it."
- Noted that "hardliners in the military and government continue to impede efforts to do justice for past atrocities" and that "reports of new atrocities continue to emerge, particularly against civilians in conflict zones."
- Reported after the execution of three humanitarian workers, blamed by the Indonesian police on the insurgent group, Aceh Merdeka Movement, known as 'GAM', that "(t)he Indonesia government is allowing its security forces to target humanitarian workers in Aceh, just as it allowed militias to target such workers in West Timor."
- Observed "a notable increase in the targeting of human rights defenders, humanitarian workers, and political activists in recent weeks -- the Police Mobile Brigade (Brimob) in particular have been implicated in many of the latest violations."
- Recognized, in May 2000, the predictable effect of counterinsurgency operations, warned that "(c)ounterinsurgency operations, however, have relied heavily on roadblocks and brutal house-to-house searches often accompanied by indiscriminate violence against unarmed civilians. Hundreds have been killed."
- Reported that "GAM abuses are real, and no one should romanticize the movement. But those abuses pale beside Indonesian army and police excesses."
- Outlined, in August 1999, cases of torture, "disappearance", extra-judicial execution, between August 1998-April 1999, by the Indonesian armed forces in ExxonMobil's base, Lhokseumawe, which local sources indicated were due to the fact that "relations between the police and the military were very bad."


- Reported, in August 1999, evidence that violence surrounding troop removal in Lhokseumawe, North Aceh, where ExxonMobil is based, was engineered by Indonesian armed forces "unhappy at leaving lucrative extra budgetary sources of income, such as illegal logging and marijuana cultivation."89
- Reported that "(o)ne result of (military control of operations), … had implications for some of the violence later on, (namely, an ongoing) legacy of bad blood between the police and army."90
- Warned, in August, 1999, that new military operations and increased troop deployment, "is likely to mean disaster for ordinary Acehnese."91
- Reported that, "(w)hile army, police, and GAM were all responsible for abuses, including extrajudicial executions of civilians, the violations were disproportionately on the government side."92
- Found that "(i)n Aceh, Papua, and the Moluccas, human rights defenders operated at great risk. The worst conditions were in Aceh, where assassinations were commonplace and perpetrators seldom identified. On January 31, Sukardi, a volunteer with the Bamboo Thicket Institute (Yayasan Rumpun Bambu Indonesia), a local environmental and human rights group based in Aceh, "disappeared"; his naked and bullet-riddled corpse was found on February93
- Dozens of other activists and local humanitarian aid workers were beaten and threatened, apparently because security forces suspected them of supporting the rebels.94

VI. Amnesty International

- Noted, on May 17, 2000, the Indonesian government's failure to prosecute commanding officers, in the only trials for serious human rights abuses committed in Aceh.95
- Noted its earlier warning against deployment of more Indonesian military to Aceh and called for an end to the then "recent dramatic escalation in human rights violations in Aceh"96
- Reported that, as of September, 2000, killings, 'disappearances' and arbitrary detention are "widespread."97
- Found that "(r)isks to human rights defenders and humanitarian workers are due to the security forces being permitted to act "outside the rule of law"98
- Reported, in November 2000, many acts of activists being detained without charge, tortured or killed.99
- Noted, in February 2001, increasing similarities between the current government and that of the dictator Suharto, in the continuing "(commission) of serious violations, including unlawful killings, torture and arbitrary detentions in (Aceh)."100
- Expressed concern with the resurrection of "trials of political activists", notably Mohammad Nazar of the non-violent activist organization, SIRA, whom AI recognized as a "prisoner of conscience".101
- Observed that "for ten years, the Indonesian security forces have killed with impunity in Aceh" and called for an immediate halt to serious human rights violations.102
- Noted "the continued lack of accountability for security force members and insist(ed) that rapid progress (be) made on investigating past cases.103
- Noted that "the hundreds of unlawful killings and "disappearances" which took place during (the) years (of the military operation) left thousands of children orphaned or with only one parent and claimed that similar repression continues "today".104
- Reported, May 2000, serious abuses, including "widespread violations that have taken place in Aceh since 1989"105
- Noted, in 1993, that "the worst killings in Aceh, the methods and techniques employed, and the public comments made by military officers in the region, suggest strongly that extrajudicial execution (were) part of a deliberate and coordinated counter-insurgency strategy"106
- Found that "(m)ost of the victims have been ordinary villagers living in areas of suspected rebel activity, including Aceh Utara (North Aceh)"107
- Reported, based on its Special Rapporteur On Torture, that "torture is said to be practiced rather routinely".108
- Observed "political killing may be a central aspect of Indonesian Government policy."109
- Quoted a human rights lawyer who had visited Aceh between October and November 1990 as saying "(i)t's got to the point where villagers say they are bored of having to bury bodies they fish out of the river. It happens pretty much every day in some areas."110
- Quoted a report that "a group of 56 detainees, being transported from the Kopassus camp at Rancong, were summarily executed by Indonesian troops on 12 September 1990 at Bukit Panglima, about 27 kilometers along the road from Bireuen, (North) Aceh"111
- Quoted a military spokesperson who dismissed reports of hundreds of "mysterious killings and "claimed that "only 20 or 30' corpses had been found, in spite of clear evidence that the number was far greater."112
- Reported that "(t)hose principally responsible for the torture of Acehnese political detainees have been military officials, sometimes high ranking officers."\textsuperscript{113}
- Found that "(i)ncidents of torture and ill-treatment are reported to have taken place at virtually every level of the military command structure, and in dozens of different security force installations."\textsuperscript{114}
- Found these incidents to be "concentrated in the districts of Pidie, (North) Aceh and Aceh Timur"\textsuperscript{115}
- Listed (in 1993) the following centers of torture - [ed. near or at ExxonMobil facilities]: Kopassus Camp, Kreung Geukeuh, Rancong, North Aceh, as well as Resort Military Command (KOREM/011) in Lhokseumawe, North Aceh and District Military Command (KODIM) in Lhokseumawe, North Aceh\textsuperscript{116}
- Reported that "Drs Ismail bin Gani, a father of four and a civil servant at the office of the Regent of Pidie was arrested and tortured by military authorities in March 1992 and held incommunicado for two months at the Kopassus headquarters in Rancong. He was reportedly tortured to extract a confession."\textsuperscript{117}
- Found that "(r)esidents of Buloh Blang Arah told a national human rights organization that scores of people from Sidomulyo, Kota Makmur, (North) Aceh, were killed and dumped into a mass grave. They said the victims were made to stand at the edge of a steep ravine and then shot. The bodies reportedly fell into the ravine and were then covered over with earthmoving equipment."\textsuperscript{118}

VII. Kontras-Aceh (Commission for Disappearances and Victims of Violence in Aceh)
- Reported that "ExxonMobil spent Rp 5 billion (around $530,000) per month on security forces" including payments to at least 17 military and police stations with a total of 1,000 personnel financed by the company\textsuperscript{119}
- Stated that ExxonMobil was "morally, politically and legally responsible for crimes against humanity in Aceh"\textsuperscript{120}

VIII. Down To Earth, International Campaign for Ecological Justice in Indonesia
- Citing what appeared as "limitless opportunities to profit financially from this economically fertile region", reported that "(t)he elite military Kopassus command (in Aceh), under Suharto's son-in-law Prabowo Subianto, was thought to control the local marijuana business and, in one area at least, took control of gold mining."\textsuperscript{121}
- Reported that "(i)n October (2000) there were reports of an exchange of fire between military (TNI) and mobile brigade police (Brimob) personnel, when Brimob tried to stop and confiscate logs from a TNI truck."\textsuperscript{122}

IX. Project Underground
- Reported that "(f)our inhabitants of Desa Ampeh, in North Aceh, on the Indonesian island of Sumatra are suing Mobil Indonesia for 10 billion rupiah (US$1.33 million) for taking their land and for taking over a cemetery to use as an airfield at P.T. Arun"\textsuperscript{123}
- Reported that a local farmer, Yusuf Kasim, was payed "US$4 a night to stand guard over a borrowed excavator to prevent anyone from siphoning fuel from its tank"\textsuperscript{124}
- Reported that ExxonMobil operations "have devastated local communities who depend on agriculture and fish farming, through forced relocations, numerous oil and industrial spills into the rivers, sea and bay, erosion of their riverside gardens, and extreme noise pollution"\textsuperscript{125}

X. Press Accounts:
a) The Jakarta Post
- Reported that "top government officials have said that retired TNI officers loyal to former president Soeharto were involved in the bombings" of churches around Christmas\textsuperscript{126}
- Opined, on March 24, 2001, that "(it is) still find it hard to believe that the Free Aceh Movement members are alone responsible for the security problems. We don't think they are so stupid as to go as far as killing the goose that lays the golden egg for their future prosperity."\textsuperscript{127}
- Reported, on May 6, 2001, that Police Chief of Aceh [ed. a self-avowed admirer of Hitler\textsuperscript{128}] was accused by the Chairman of Human Rights Coalition NGO of being personally responsible for the murder, while in police custody, of a 15-year old boy, Diswanda Wahyu\textsuperscript{129}
b) BusinessWeek

- Reported that a local NGO had accused Mobil Oil Indonesia [ed. now a wholly-owned subsidiary of ExxonMobil] of "(providing) crucial logistic support to the army, including earth-moving equipment that was used to dig mass graves"\(^{130}\)
- Reported that a local NGO alleged "a local Mobil employee...(had been) seize(d)...on company property without a warrant (and) that the employee has not been seen since.\(^ {131}\)
- Reported that Mobil "flatly deny(ed) allegations that (it) knew of any human rights abuses in the Aceh area in the early 1990s.\(^ {132}\)
- Found that "one (mass) grave is on Pertamina-owned land...less than three miles from a Mobil gas-drilling site.\(^ {133}\)
- Reported "other suspected graves in close proximity to Mobil operations, such as (those at) Rancong"\(^ {134}\)
- Reported that "two contractors say they told local Mobil managers that they had found human body parts close to Mobil sites\(^ {135}\)
- Cited a former Mobil employee as claiming "rumors of massacres and of reports that Mobil equipment was being used to dig graves were frequently discussed at workplaces and in a company cafeteria.\(^ {136}\)
- Cited Mobil managers as insisting that they had "no record of the army using (its help for anything but peaceful purposes.\(^ {137}\)
- Quoted Mobil Chairman Lucio A. Noto as saying "if anything happened because somebody used the equipment in a wrong way, I'm sorry about that.\(^ {138}\)
- Provided a history of resentment of locals over the hiring of non-locals by Mobil
- Described an increase in violent clashes that resulted in the eventual large increase, in 1990, in Indonesian military, including the "feared Army Special Forces [ed. Kopassus]\(^ {139}\)
- Described the provision of logistical support in the form of housing and other buildings, including Rancong, on PT Arun land and Post A-13 at Mobil's Arun gas field.\(^ {140}\)
- Described how the arrival of a large military presence around Mobil's facilities soon provided evidence of "the military's gruesome handiwork...strewn _everywhere_.\(^ {141}\)
- Reported a Mobil contractor claims to have informed a Mobil manager that along a road leading to a Mobil oil well known as D2, he had found "pigs feeding...on human bones...in what appeared to be a bulldozed pit"\(^ {142}\)
- Reported a Mobil contractor claims to have informed a Mobil manager that the army had "rounded up and executed Acehnese villagers\(^ {143}\)
- Reported another Mobil contractor claims to have informed a Mobil heavy-equipment supervisor that he had discovered a severed human leg, while testing soil samples for Mobil\(^ {144}\)
- Described one area which was known by locals as "Skull Hill" because it had a "stench of rotting human flesh...that could be smelled half a mile away". And reported that it had been acquired by Pertamina for Mobil to develop and had been crossed by a road traveled daily by Mobil employees between 1990 and 1991.\(^ {145}\)
- Cited a former employee from Mobil's planning department who claimed that Mobil used its equipment to widen a road through the village of Bukit Sentang, in 1991, where, in 1990 and 1991 massacres occurred\(^ {146}\)
- Cited a farmer, Yusuf Kasim, paid $4 a night by the army to stand guard over an excavator, who testified that he "watched soldiers execute 60 to 70 blindfolded Acehnese men at a time with M-16 rifles, shooting them in the back so they tumbled face-first into a mass grave\(^ {147}\)
- Cited evidence that T. Abdullah Baharuddin, a Mobil employee, who was taken from the office of Mobil's production department by an army officer, who had "asked permission from Baharuddin's superiors" on July 10, 1990. His widow complained to Mobil's public relations manager and over a year later, received a letter stating that Baharuddin's "employment had been terminated" and provided for "serverance pay in line with existing company policy"\(^ {148}\)

\(^{130}\)\(^{131}\)\(^{132}\)\(^{133}\)\(^{134}\)\(^{135}\)\(^{136}\)\(^{137}\)\(^{138}\)\(^{139}\)\(^{140}\)\(^{141}\)\(^{142}\)\(^{143}\)\(^{144}\)\(^{145}\)\(^{146}\)\(^{147}\)\(^{148}\)

c) Bloomberg

- Claimed that "Exxon Mobil's less-than-arm's length detachment from the military must be judged a short-term gain and a long-term miscalculation"\(^ {149}\)
- Finding that "Exxon Mobil, by all accounts, became far too cozy with the Indonesian military during the Suharto years"\(^ {150}\)
- Noted that "the (ExxonMobil) plant's record is speckled with the kind of environmental messes American corporations get away with in the Third World far easier than they do in the first.\(^ {151}\)
- Reported that the "unrest" in Aceh is "obviously strengthening those elements that want to reclaim the army's place in the national polity\(^ {152}\)
- Stating that "the reality (of politics in Indonesia) supports the widely held suspicion that elements of the army...are at least partly behind the violence directed at Exxon's plant and personnel"\(^ {153}\)
d) The Wall Street Journal
- Reported, in September 2000, that "the same military accused of atrocities against the rebel movement and local population provides Mobil with security services."\(^{154}\)
- Quoted "(a) spokesman for the Indonesian armed forces, Graito Usodo, confirmed...that troops in the area had been involved in "excesses," and that it was conceivable some may have occurred at A-13 'and at other camps in the area.'"\(^{155}\)
- Reported, through its Asia edition (AE), that "Mobil's contract obliges it to rely on the Indonesian military for on-site security -- the same military that has been implicated in a string of high-profile human-rights abuses in its decade-long campaign against GAM"\(^{156}\)
- Reported, in AE, that "human-rights and legal-aid groups in Lhokseumawe say they have received numerous reports of abuses by troops in and around Mobil facilities."\(^{157}\)
- Reported, in AE, that "[villagers] suspected of being GAM were brought (to) and tortured" in Post A-13 barracks across from a Mobil gas well, which Mobil claimed was in the control of the Indonesian military\(^{158}\)

e) The Washington Post
- Printed the editorial of a senior policy analyst for the International Crisis Group, on December 27, 2001, which condemned the "plain and brutal political assassination" of three humanitarian volunteers by the Indonesian police\(^{159}\)
- Mentioned that the Indonesian police blamed this well-documented execution on the Free Aceh Movement\(^{160}\)

f) Associated Press
- Quoted the Chairman of the local chapter of Indonesia Legal Aid, referring to ExxonMobil's knowledge of abuses during military operations period (1990-1998) stating that "(ExxonMobil) have helped since the beginning of the operation"\(^{161}\)
- Cited critics claims that "Mobil provided camps, electricity, communications and other facilities to the armed forces at a time when it was widely known that a military campaign was under way"\(^{162}\)
- Reported that "(p)olice said restless soldiers shot at and hit a commuter plane chartered by ExxonMobil" and quoted a regional military chief as denying this and blaming the incident on the Free Aceh Movement.\(^{163}\)

h) Petromindo
- Quoted a villager living near ExxonMobil facilities in Lhoksukon as claiming that "(t)he waste management made by the company is very bad. The pollution caused by the company have worried thousands of people"\(^{164}\)
- Quoted villagers as claiming "ExxonMobil which produces gas for the Arun natural gas liquefaction plant has brought more harm than benefits to the local people."\(^{165}\)
Appendix B - Economic and Political dimensions of ExxonMobil Corporation's Activities in Aceh

**EXXONMOBIL CORPORATION**

Market Capitalization, Year 2001: $285 billion\(^{166}\)
ExxonMobil’s Revenues for 2000: $210 billion\(^{167}\)
Cash reserves currently held by ExxonMobil: $10.9 billion\(^{168}\)

**INDONESIA**

OPEC member and the largest natural gas exporter in the world
Indonesia's Oil and Gas Export Revenues as percentage of GDP estimated in 2000: 30%\(^{169}\)
Indonesia's Gas Revenues for the last decade: $40 billion\(^{170}\)

**EXXONMOBIL IN ACEH**

Province of Aceh’s contribution to Indonesian position as largest liquid natural gas (NLG) producer: ExxonMobil’s PT Arun facilities in Aceh were considered “the jewel in the company's crown”\(^{171}\)
ExxonMobil describes its relationship to the dictator, Suharto: "From the very beginning, Mobil and the government of Indonesia partnered for mutual benefit."\(^{172}\)
ExxonMobil promises that it will "work to change (conditions in trouble spots)"\(^{173}\)
Province of Aceh contribution to Indonesia's LNG as percentage of total revenues in 2000: 40%\(^{174}\)
Contribution of Aceh operation to the global natural-gas output of ExxonMobil: 7%\(^{175}\)
Contribution of Aceh LNG operation to ExxonMobil revenue in 2000: $1.7 billion\(^{176}\)
Average annual contribution to net income for ExxonMobil: $300 million and $500 million\(^{177}\)
Percentage of 2000 earnings for ExxonMobil from Aceh operations: 2.8% of the $17.7 billion\(^{178}\)
Arun Field potential future earnings for ExxonMobil: Contracts to provide NLG good through 2018\(^{179}\)
Major customers: Japan and South Korea\(^{180}\)

**HISTORY OF OPERATIONS IN ACEH**

Year entered into production sharing agreement with Pertamina (Indonesian state oil company): 1968
Discovery of largest liquid natural gas (LNG) field in the world: 1971
LNG first exported: 1978
Creation of PT Arun as joint venture between Mobil Oil Indonesia (MOI) and Pertamina (P), and Japanese-Indonesia LNG Co (J-I NLG Co.).:
Ownership of PT Arun: Pertamina::55%; MOI::30%; J-I NLG Co.::15%
Revenues from PT Arun: In the early 1990s 25% of ExxonMobil’s global revenues\(^{181}\)
Revenues in 2000 of PT Arun: $1.7 billion\(^{182}\)
Profit sharing between ExxonMobil and Pertamina: 30% (EM)::70% (P)\(^{183}\)
ExxonMobil’s contract with Pertamina dates from the era of former dictator Suharto, and gives the U.S. company the right to operate the field and get 30% of revenues from gas sales. Pertamina gets 70% of revenues under the profit-sharing arrangement.\(^{184}\)
FOOTNOTES

1 Quoted in Down-to-Earth Newsletter, Down to Earth, February, 2001.
3 "How Staying the course benefits others", Oped piece, undated.
5 ibid. Shari. See also Tim Kell's, "The Roots of Acehnese Rebellion - 1989-1992Cornell University, 1995, which claims that, in 1991, insurgent activity reached a peak, "with most incidents occurring in areas around the Lhokseumawe industrial zone" where ExxonMobil (Mobil, at the time) had much of its activities. Pg. 72.
6 ibid Shari
9 Opct. ICG Asia Report #9, pg. 15, 18. Citing "widespread perception that elements in the military might be encouraging violent incidents in order to strengthen their case for the application of emergency law" and claiming that "violent incidents continued to take place which, according to some observers, may have been provoked by elements of the military in order to sabotage (a cease-fire) agreement".
10 ibid.
12 Indonesia: Keeping the Military Under Control, ICG Asia Report #9, International Crisis Group, (Banda Aceh/Jakarta/Brussels), 7 December, 2000. Pgs. 18. Reporting that it is an "open secret" that the military is involved in these illegal enterprises.
13 ibid. pg. 20.
14 "Violence at Multinationals - When Will the Violence Stop?", Mardiyah Chamim, Zainal Bakri (Lhokseumawe), Mohammad Khaif (Mataram), Jupernalis Samosir (Riau) and Dewi Rina (Jakarta)/SZ TEMPO Magazine, March 20 - 26, 2001.
16 ibid.
21 "When Big Oil Gets Too Slick, Mike France, BusinessWeek, April 9, 2001.
22 ibid. italics mine
23 ibid.
25 ibid.
26 ibid.
27 ibid.
28 ibid.
29 ibid.
30 ibid.
31 ibid.
32 ibid.
33 ibid.
34 ibid.
37 ibid.
38 ibid.
40 ibid.


UN Special Rapporteur on Torture, 1992 report.


Ibid. in Section III: Background to the Shootings.

ibid.

ibid.

ibid.

ibid.

ibid.


ibid.


ibid.

ibid.

ibid.


ibid.

UN Special Rapporteur on Torture, 1992 report.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

As reported in Down-to-Earth Newsletter, Down to Earth, February, 2001.

ibid.

Aceh: ecological war zone, Down to Earth No. 47, Down to Earth, November 2000.

ibid.

Mobil Operations In Sumatra (Indonesia) Investigated As Villagers Sue, Drillbits & Tailings, December 21, 1998.

ibid.

ibid.


LNG plant under siege, Editorial, The Jakarta Post, March 24, 2001

Interview, Serambi Indonesia, October 15, 2000, pg. 3. Police Chief Rasyidi admits to admiring the ability of Hitler to colonize 'all the wary from England (sic) to Russia (sic)'

opcit. Note 16.

opcit. Shari

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.

ibid.
ibid.

148  ibid.
149  ibid.
151  ibid.
153  ibid.
154  "Three Dead Samaritans", Anna Husarska, Editorials and Opinions, The Washington Post, December 27, 2000. The editorial did not mention that, prior to being executed, the stripped and beaten humanitarian workers had been brought to the security post of ExxonMobil. See testimony of survivor at hrw.org
155  ibid.
157  ibid.
159  Local residents protest ExxonMobil over pollution, Petromindo, February 14, 2001.
160  ibid. Quoting an interview in 1991 with the Governor of Aceh, Ibrahim Hasan, Tim Kell (see note 86) writes that "development has occurred (in Aceh) with little regard to local social conditions (and that) growth of industry in North Aceh has brought social and cultural dislocation and discontent." Pg. 53.
161  ExxonMobil It's the New No. 1 - Oil, Oil Everywhere, Alex Taylor, III, Fortune, April 16, 2001
162  ibid Taylor
163  The (lack of) trouble at ExxonMobil-Most profitable giant 'just gets better' - but is it real?, Lisa Sanders, CBS.MarketWatch.com, April 27, 2001
164  "How Staying the course benefits others", Oped piece, undated.
165  ibid.
167  ibid.
168  ExxonMobil says it does not declare force majeure, Petromindo, March 24, 2001.
169  ibid.
170  ibid. (upper end figure)
171  telephone interview with Fadel Gheit, analyst at Fahnestock & Co.)
172  News and Trends-E and SE Asia, Alexander's Gas and Oil Connections, Volume 5, issue #2 - Monday, February 07, 2000
173  opcit. Solomon
174  ExxonMobil says it does not declare force majeure, Petromindo, March 24, 2001.
175  Indonesia Blames ExxonMobil For Stopping Aceh Ops Tom Wright, Dow Jones Newswires, March 23, 2001
176  ibid.