

**EX-MILITANTS IN THE NICKEL INDUSTRY
IN CENTRAL SULAWESI**

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I. INTRODUCTION

The Indonesia Morowali Industrial Park (IMIP), a major nickel-producing area in Central Sulawesi, has become known as the site of Indonesian-Chinese joint ventures, ethnic tensions, land issues, and poor safety standards. (A fire at a smelter complex there on 24 December 2023 killed 21 people.) It is also an area where many former Islamist militants, some newly released from prison, try to find work and rebuild their lives.

Altogether some 40 former prisoners have found work in or around IMIP or by providing services to other mining companies in the Poso-Morowali area. They are primarily interested in making money, not causing trouble. There are two dangers, however. One is that as the social problems around IMIP increase, and particularly as ethnic identities harden and clashes occur among locals and incoming migrant workers, the ex-prisoners could be under pressure to take sides. The value of their former combat skills could also increase. The second is that among the steady stream of prisoners from Poso being released from Indonesian prisons, there could be a handful who still hope to revive the largely defunct Mujahidin Indonesia Timur (MIT) and see IMIP as fertile ground for recruitment. Local authorities need to work with mine officials to encourage cross-ethnic activity and refrain from imposing restrictions on labour organisations, which could play a useful inter-group role.

This report explores the background to nickel mining in Morowali and how ex-militants got involved in two sectors: providing security for the mines and working in the smelters. It also looks at former prisoners involved in the sale of subsidized diesel fuel. Sometimes involvement in these activities came through powerful business owners and politicians who were once donors to extremist networks. Sometimes a senior figure would recruit old friends, building on bonds established during extremist military training, in radical religious study sessions, or in prison. The bonds among former members of Mujahidin Kompak, for example, a group operating out of the Kayamanya neighborhood of Poso at the height of the conflict, have proven to be particularly close.

The risk that former prisoners could be drawn back into violence arises when tensions increase as a result of factors wholly unrelated to religious extremism. One is IMIP's poor community relations, leading to efforts by residents to block roads or burn heavy equipment in anger at its operations. A second is poor management, resulting in unsafe conditions and frequent accidents, followed by worker protests. A third is ethnic tensions, not just between locals opposed to workers brought in from mainland China, as happened at PT Gunbuster Nickel Industry (GNI) in early 2023, but also between local Bungku Muslims and migrants, especially ethnic Torajans moving up from South Sulawesi, most of whom are Christian. Though these social tensions increase the risk of re-engagement, it is also possible that some of the released

prisoners who have renounced violence could play a constructive role in preventing their friends from getting involved.

In addition, one violent extremist group continues to have a local presence: Anshor Daulah Bungku-Morowali, a small pro-ISIS militant group linked to MIT that once planned a bomb attack in IMIP, though it was foiled. Several prisoners from this group are due for release in 2024.

This report is based on 43 interviews conducted by IPAC in Jakarta, Morowali, North Morowali, Poso and Palu from August to October 2023 and additional interviews conducted by telephone thereafter, as well as on a review of numerous secondary sources including local government and company documents, NGO reports and media articles.

II. BACKGROUND: THE NICKEL INDUSTRY IN MOROWALI

In the last decade, Morowali has become one of the centres of Indonesia's nickel industry. Indonesia has the largest nickel reserves in the world, with 22 per cent of the global total in 2023.¹ The biggest reserves are concentrated in three provinces: Central Sulawesi, South Sulawesi, and Southeast Sulawesi. All three have attracted both domestic and foreign investment, especially from China, for the stainless steel and electric vehicle (EV) battery industries.

During the New Order government of the late President Soeharto, nickel mining was dominated by PT International Nickel Indonesia (PT Inco), a subsidiary of the International Nickel Company of Canada. On 27 July 1968, PT Inco received a Contract of Work (*Kontrak Karya*) from the New Order government to operate in 190,150 hectares across the three nickel-rich provinces of Sulawesi. The land was acquired without consultation with or consent from the indigenous people who lived there, causing disputes to this day.² The forests around Bahodopi, Morowali, where IMIP is now centred, were included, as was Kolonodale, in what is now North Morowali. The centre of the PT Inco operations was in Sorawako, South Sulawesi, just south of Morowali, where the company began to operate a smelter in 1977.³ (With a change of shareholders, the company became PT Vale Indonesia in 2011, a subsidiary of the Brazilian mining company, Vale.) In 1999, an Australian company, Rio Tinto, also obtained a permit-in-principle (*izin*

¹ "Unleashing Nickel's Potential: Indonesia's Journey to Global Prominence," aseanbriefing.com, 30 May 2023. An Indonesian source in 2020 claimed Indonesia held 52 per cent of the world total. See Ministry of Energy and Mineral Resources (ESDM), "Peluang Investasi Nikel Indonesia", Booklet Tambang Nikel, 2020.

² Kathryn Robinson, "Mining, land, and community rights in Indonesia", in *Land and Development in Indonesia: Searching for the People's Sovereignty*, John F. McCarthy and Kathryn Robinson, eds, Singapore: 2016, pp. 152.

³ The plant was inaugurated in 1977 but only started production in 1978. For the classic study of the impact of PT Inco on Sorawako, see Kathryn Robinson, *Stepchildren of Progress*, Albany, 1986.

prinsip) to mine nickel in Morowali, but neither it nor PT Vale ever undertook production activities there.⁴

In 1999, as part of the major reforms enacted after Soeharto stepped down in May 1998, Indonesia underwent a massive decentralization program, which among other things transferred authority from the central government to the districts (*kabupaten*) to issue mining permits and raise revenue from resource extraction. The decentralization law also created a mechanism by which administrative units like provinces or districts could be divided into new units through a process called *pemekaran*. Local politicians, seeing huge benefits, raced to sponsor the creation of new districts. One result was the decentralization of corruption as local officials in many of the new districts saw opportunities to get rich, distribute favours, or reimburse themselves for the cost of their election campaigns. A second result was the eruption of sometimes violent clashes over what town would be the capital of the new entity.

Morowali was a case in point. On 5 December 1999, Morowali became a new *kabupaten*, carved out of Poso. Central Bungku was the designated capital, but because infrastructure was so poorly developed there, the town of Kolonodale was to serve temporarily as capital. The political elite in Bungku, who were mostly Muslim, objected because it meant that as long as the capital was in Kolonodale, projects and resources would flow to the Mori, the dominant ethnic group there that was mostly Christian.⁵ The quarrel, which went on for more than five years, was more about competition over political and economic interests than about religion and ethnicity, but it worsened communal relations and led local political leaders in the rival towns to mobilize supporters along ethnic lines.

Tensions eased in 2007 when voters elected Anwar Hafid, an ethnic Bungku, as bupati, with a Mori as his deputy. The two men reached out to their old rivals by pledging to create a new district with Kolonodale as its capital.⁶ (The *kabupaten* of North Morowali finally came into being in 2013.) If ethnic tensions diminished as a result, disputes over concession areas increased, because Anwar continued the process of his predecessor, Andi Muhammad, of issuing permits right and left without much regard for the environment, indigenous rights or the bona fides of the companies involved.

In 2003, in the midst of the dispute over the capital, Andi Muhammad had signed a local regulation for the management of mining companies.⁷ The regulation authorized him to issue mining permits called *Kuasa Pertambangan* (KP) and opened the door to many new mining

⁴ Arianto Sangadji, "Tata Kelola Sumberdaya Alam di Sulawesi Tengah: Pengalaman Industri Berbasis Nikel di Morowali", Working Paper, Aurigja Nusantara, Jakarta, 2021, pp. 10.

⁵ Lorraine V. Aragon, "Elite Competition in Central Sulawesi," in *Renegotiating Boundaries: Local Politics in Post-Soeharto Indonesia*, Henk Schulte Nordholt and Gerry Van Klinken, ed, Leiden, pp. 39–66 and Darwis Darwis, "Elit Politik Lokal dalam Konflik Ibukota di Kabupaten Morowali," *Indonesian Journal of Government and Politics*, neliti.com, 16 August 2011. It was not a simple Muslim-Christian split, however, because Bugis Muslims sided with the Mori in wanting the capital to remain permanently in Kolonodale.

⁶ Darwin, "Pertarungan Kepentingan Politik Elite Lokal dalam Pemekaran Wilayah Kabupaten Morowali," Yogyakarta, 2021, pp. 240.

⁷ Peraturan Daerah (Perda) Nomor 20 Tahun 2003 tentang Penyelenggaraan Pengelolaan Usaha Pertambangan Umum.

companies. No data is available on exactly how many permits Andi Muhammad issued while in power, but hundreds of KP surfaced after he was arrested for corruption in 2005.⁸ One IPAC source claimed that the caretaker bupati who was appointed to fill out the rest of his term issued 244 mining permits in the two years that he was in power.⁹

Anwar Hafid went a step further. In 2008, he changed the status of the company permits for survey and exploration to exploitation. From that point on, the holders of mining permits in Morowali could mine and export nickel ore legally, even if they had no previous experience in the area. A lack of both transparency and public oversight meant that mining permits in Morowali overlapped. They not only extended into the concession areas of PT Vale and Rio Tinto, but also into those of domestic companies. The overlapping produced disputes both between companies and the local government and among the companies themselves.¹⁰ In 2008, PT Rio Tinto filed a case against Anwar Hafid in the administrative court, because its 29,780-hectare concession in Morowali had come under the control of mining companies affiliated with the Bintang Delapan group, a conglomerate with several retired Indonesian military officers on the board.¹¹ Many more such cases were filed after the central government reasserted its control over the mining permit process in 2009.

III. DOWNSTREAMING OF NICKEL PRODUCTION AND CHINESE CAPITAL

On 12 January 2009, the Yudhoyono government enacted a new law on mining minerals and coal (UU Minerba Nomor 4/2009) to replace a 1967 law.¹² The new law, which exemplified Indonesia's "resource nationalism" in the mining sector, was designed to ensure that Indonesia would receive greater benefits from the mining industry and that instead of exporting raw materials like nickel ore, more of the minerals would be processed domestically. It addressed divestment of foreign mines but also spelled out new procedures for granting permits and encouraging downstream processing for both foreign and domestic companies.¹³ Subsequent

⁸ Andi Muhammad was arrested not for anything to do with mining but for embezzling Rp.2.9 billion earmarked for the campaign to make Morowali a separate kabupaten in 1999.

⁹ This was Datlin Tamalagi, a politician from Partai Demokrasi Indonesia-Perjuangan (PDI-P).

¹⁰ In 2008, police stopped the mining activities of PT Hoffmen in Ganda-Ganda village in subdistrict Petasia, in what became North Morowali, because the company was operating in the concession area of PT Wahana Sari Sakti, a company linked to the Soeharto family. PT Wahana Sari Sakti was a company owned by the daughter-in-law of Presiden Soeharto, Else Anneke Ratnawati (Ratna Harjojujanto), the wife of Sigit Harjojuanto, See: Forest Watch Indonesia (FWI)-Global Forest Watch, "Keadaan Hutan Indonesia", Bogor, 2001. Meanwhile most of the shares in PT Hoffmen were controlled by PT Batulicin Enam Sembilan Pertambangan, a mining company led by Mardani H. Maming a PDI-P politician who also served as the general treasurer of the executive council of Nahdlatul Ulama for the period 2022-2027. See "Profil Perusahaan PT Hoffmen International," Minerba One Data Indonesia (MODI), modi.esdm.go.id; "Batu Licin Enam Sembilan," batulicinenamsembilan.com; and "Tambang Nikel PT Hoffmen Disegel," koran.tempo.co, 6 August 2008.

¹¹ "Rio Tinto Gugat Bupati Pembagi Areal Konsesi," ortax.org, 27 May 2008. On Bintang Delapan, see below, pp.5-6.

¹² Undang-undang Nomor 11 tahun 1967 tentang Ketentuan-Ketentuan Pokok Pertambangan, available at <https://www.hukumonline.com/pusatdata/detail/849/undangundang-nomor-11-tahun-1967>.

¹³ To understand the political context behind these laws, see Eve Warburton, "Resource Nationalism in Indonesia: Ownership Structures and Sectoral Variation in Mining and Palm Oil", *Journal of East Asian Studies* No.17, 2017, pp. 285-312.

regulations based on the law placed a total ban on the export of raw minerals, including nickel, and compelled nickel miners to start building processing facilities. The new rules impacted China most, the largest importer of Indonesian nickel. In response, Chinese companies built smelters and began purchasing Indonesian nickel ore at below market prices for further processing of nickel pig iron, which was then exported to China. Chinese companies benefited hugely, and export revenues for the Indonesian government increased too. The income of Central Sulawesi also rose sharply with the growth of the nickel industry, but poverty among local residents actually increased.¹⁴

A. Impact of the 2009 Law

Under the 2009 law, permits no longer used the phrase “Contract of Work” (*Kontrak Karya*) or “Mine Authority” (*Kuasa Pertambangan*) but rather “Permit for Mining Operations” (*Izin Usaha Pertambangan*, IUP).¹⁵ Bupatis and mayors had the authority to issue IUPs for exploration and production. Companies which already had or desired a permit lost no time in arranging IUPs with local officials in mineral-rich areas. Without any oversight or availability of information to the public, this process was subject to abuse by officials for their own political interests. Again, Morowali provides an instructive case study.

In the local elections held on 27 November 2012, Morowali Bupati Anwar Hafid stood for a second term as a candidate of Partai Demokrat. He won though irregularities but survived a Constitutional Court challenge and continued to support mining companies that were already in business with Chinese counterparts.¹⁶ He made life difficult for PT Vale by issuing new IUPs to other companies in its concession area, in part so that land that had been uncultivated for decades could be exploited.¹⁷ But he was also annoyed with PT Vale because unlike the local companies, it made no effort to cultivate the local political elite. He also turned a blind eye to mass mobilization against Vale beginning in 2012, allegedly for its failure to build a smelter in accordance with the 2009 law, and made no effort to prevent escalation of the protests, leading to a mob setting fire to a Vale mining camp in February 2012.¹⁸ It was clear that in Morowali, “resource nationalism” tended to take the form of anti-Vale sentiment rather than rejection of foreign capital per se.

¹⁴ See “Minim Dampak Ekonomi Penghiliran,” *Tempo*, 23 January 2024.

¹⁵ Undang-undang Nomor 4 Tahun 2009 tentang Pertambangan Mineral dan Batubara replaced the 1967 law. It was revised several times in 2020. One result was that local governments no longer had the authority to issue mining permits. See “Undang-undang Nomor 4 Tahun 2009 tentang Pertambangan Mineral dan Batubara”, peraturan.bpk.go.id.

¹⁶ “Anwar Hafid akan Bangun Kawasan Industri Pertambangan Morowali”, sulteng.antaranews.com, 8 March 2013. After he was reelected, Anwar Hafid facilitated Chinese investment to build the Morowali industrial estate. See “Bangun Dulu Baru Ijin Diiurus, Gubernur akan Tiru Morowali”, kaltimprov.go.id, 11 February 2018.

¹⁷ During his first term, from 20 January 2009 to 12 October 2012, Anwar Hafid issued 175 IUP. Forty-three were in PT Vale’s concession area. “Komisi VII Janji Cari Solusi IUP Tumpang-Tindih di Morowali”, dprd.go.id, 19 April 2013.

¹⁸ “Vale Indonesia tak Mundur Meski Digusur”, antaranews.com, 8 March 2013; IPAC interview with former consultant to Vale, Palu, 10 September 2023. PT Vale was the only company targeted for failing to build a smelter even though many other companies were mining there. The reason was that it had no domestic mining partner -- its partners were all Chinese companies because most of the ore they mined in Indonesia was sent to China.

In fact, the local politician-businessmen involved in nickel mining were also not doing the processing required by the 2009 law.¹⁹ Anwar Hafid gave permits to local politicians because they were “native sons”, but not a single local business built a smelter.²⁰ The only Indonesian company with a concession area in Morowali that fulfilled the 2009 requirements was PT Bintang Delapan Mineral, better known as BDM.

B. Bintang Delapan

BDM holds a concession of 47,000 hectares in Morowali and is part of the Bintang Delapan group.²¹ The company’s founding document, drawn up on 25 August 2006, lists the shareholders as Halim Mina (80 per cent) and Hamid Mina (20 per cent).²² They are ethnic Chinese brothers, born in Medan. BDM joined forces with the Tsingshan Group from China to form PT Sulawesi Mining Investment (SMI) that was legally registered in September 2009. PT BDM appointed Huang Weifeng, a top Chinese official of the Tsingshan Group, as one of its commissioners on 27 February 2013.²³ That same year, BDM signed an MoU with Tsingshan to build IMIP in Bahodopi to meet its downstreaming obligations, including the construction of a smelter.

From the beginning, BDM had strong military connections. On 25 April 2013, PT BDM named Lt.Gen (Ret.) Sintong Panjaitan, as chief commissioner.²⁴ Another company owned by Halim and Hamid Mina, PT Bintang Delapan Investama (BDI), installed another retired officer, Maj. Gen (ret.) Hendarji Soepandji as its chief commissioner on 8 November 2013. By November 2016, Sintong had become the chief commissioner of BDI, while Soepandji was a member of the board (*anggota komisaris*).²⁵

PT BDM invited Chinese investors to meet the head of the Indonesian military’s information office to get reassurance that their investments were safe.²⁶ The Mina brothers also brought in the former police chief of Central Sulawesi, Inspector General (Ret.) Suparni Parto and the former head of police intelligence (2013-14) to manage a foundation the company had set up,

¹⁹ Several local politicians own nickel mines in Morowali and North Morowali, including Ambo Dalle (Gerindra Party), Ahmad M Ali, Nilam Sari Lawila, Arnila M Ali (Nasdem Party), Warda Dg Malala (Golkar Party), Sultanah Hadie (Demokrat Party).

²⁰ “Waketum Nasdem Terlibat Bisnis Nikel di Morowali, Anwar Hafid: Saya Bangga”, *palu.tribunnews.com*, 5 February 2022.

²¹ See: “PT BintangDelapan Mineral”, *bintangdelapan.com*.

²² “Profil Perusahaan: PT BintangDelapan Mineral”, Direktorat Jenderal Administrasi Hukum Umum – Kementerian Hukum dan Hak Asasi Manusia, accessed on 24 October 2023.

²³ “Berakit ke Hulu, Menuju Hilirisasi”, *Majalah Klaster – IMIP*, Edisi 15, October 2023, pp. 17; “Profil Perusahaan: PT Sulawesi Mining Investment”, Direktorat Jenderal Administrasi Hukum Umum – Kementerian Hukum dan Hak Asasi Manusia, accessed on 6 November 2023.

²⁴ “Profil Perusahaan: PT Bintang Delapan Mineral”, *op.cit.* As a young officer, Sintong Panjaitan had been involved in the operation to capture Darul Islam guerrilla leader Kahar Muzakkar in South Sulawesi in 1964-65 but was best known for having been removed from command following the so-called Dili Massacre in East Timor in 1991. Ten years earlier he was also part of the team that led the 1981 special forces operation to rescue hostages on the hijacked Woyla aircraft.

²⁵ “Profil Perusahaan: PT Bintang Delapan Investama”, Direktorat Jenderal Administrasi Hukum Umum – Kementerian Hukum dan Hak Asasi Manusia, accessed on 5 November 2023.

²⁶ “Bermula dari Taruhan, Ini Cerita Soal Smelter Nikel Morowali”, *cnbcindonesia.com*, 13 October 2020.

Yayasan Bintang Delapan.²⁷ Suparni also became the operational director of PT Morowali Security Service (MMS), a company that provided security guards for companies operating in IMIP.²⁸

The impact of all this mining activity turned Morowali from a sleepy backwater to what became “the world’s epicenter for nickel production.”²⁹ Saepudin, from Fatufia village in Bahodopi, never imagined that such a transformation could take place:

Before IMIP, no one wanted to live in Bahodopi. No one from the government wanted to visit because it was so far from the center of Morowali, in the middle of the jungle and only reachable by terrible roads. There weren’t more than 30 families per village in Bahodopi subdistrict. The land wasn’t productive. But now? Government officials are always coming. The price of land is more than a million rupiah per meter. Thousands of people from outside Morowali are moving here to live and work. There are traffic jams morning and evening.³⁰

VI. THE INVOLVEMENT OF EX-MILITANTS FROM POSO IN THE MOROWALI ECONOMY

IMIP’s success drew more Chinese investment to Morowali, causing a spillover effect beyond the IMIP area.³¹ One consequence was a demand for workers. They poured in, not just from Morowali, but from other areas such as Poso, Makassar, Toraja and even beyond Sulawesi. By June 2023, IMIP was employing about 91,581 local workers and 11,615 foreigners from China.³² They included dozens of former prisoners and militants became involved in economic activities in Morowali and North Morowali. They fell into three categories: smelter workers; security for the mines; and suppliers of diesel oil.

A. The Smelter Workers

As of 2023, 46 smelters were operating in IMIP. Of the thousands employed, about 20 were former combatants or prisoners from Poso.

²⁷ “PT IMIP Morowali Bantu Warga Kurang Mampu Melalui PBNU”, ekbisnews.com, 22 April 2020; “IMIP Morowali Gandeng Muhammadiyah Berikan Bantuan”, republica.co.id, 28 April 2020.

²⁸ “IMIP Musnahkan Miras dan Rokok Ilegal”, media.alkhairaat.id, 30 Mei 2022.

²⁹ Peter Yeung, “Workers are Dying in the EV Industry’s ‘Tainted City,’” Wired, 3 March 2023.

³⁰ IPAC interview, Morowali, 26 August 2023.

³¹ By the end of 2021, there was an industrial area in Kec. Petasia Timur, North Morowali, managed by PT Stardust Estate Investment (SEI), which operated a nickel smelter through PT Gunbuster Nickel Industry (GNI). As of this writing, another industrial area even more extensive than IMIP, called Indonesia Huabao Industrial Park (IHIP), was being constructed in Kec. Bungku Selatan, Morowali.

³² “Progres Pembangunan Kawasan Industri – Rapat Komisi 7 dengan Direktur Utama PT IMIP”, wikidpr.org, 20 June 2023.

Anyone seeking work in the smelter had to have at least a high school diploma. Most of the ex-prisoners from Poso had never graduated. They may have attended religious study groups (*taklim*) led by extremists or Islamic boarding schools run by radical clerics but they did not meet the formal requirements. For the most part they had no previous experience in or knowledge of the nickel industry and were able to work there only because the requirements were not as stringent as in Java or even in Vale's operations in Sorowako. Recruiters in Morowali and North Morowali often did not bother to look at the educational background or skill set of applicants, especially those who worked in hardhat areas. The supervisors in these areas were usually Chinese, distinguished by their red or blue hardhats as opposed to the yellow ones of the workers.

The company running IMIP, a limited liability company called PT IMIP, often cut corners because they needed workers so badly.³³ Applicants who had no high school diploma could use an equivalency certificate. The health examination and interviews were mere formalities. Anyone who had an identity card (KTP) from Morowali or North Morowali could take advantage of the many job openings because local residents were given priority. Because of this, many workers from outside the area obtained fake IDs to represent themselves as residents. Job seekers also used brokers, sometimes paying millions of rupiah to get a job. These brokers had (or claimed to have) connections to influential people in the company, especially in the recruitment department.

This situation created serious occupational safety concerns. An IPAC informant who had worked in the area since 2016 said there was an accident almost every day. Many workers who did not meet the criteria for their jobs were forced to work in areas in which they had no expertise. "My skills, the diploma I had didn't mean anything here. I'd never operated a dump truck before and within a few months of working at IMIP, that's what I was doing."³⁴ Another worker who got his high school diploma with a focus in geography education cleaned roads in IMIP for three months before being moved to the machine section of a smelter.³⁵

Other job seekers found work without going through brokers or any selection process because local government officials helped them. One of these was Ibrahim (not his real name), an ex-prisoner who had joined Mujahidin Indonesia Timur (MIT) Poso. He worked for an IMIP tenant company as a furnace guard. He said:

I started work in Morowali in October 2019. Many of us [ex-prisoners] were offered jobs in IMIP by the former police chief, but the problem was that we didn't have high school diplomas. I was the only ex-prisoner hired. But there were many others from Poso,

³³ The shareholders of PT IMIP are Shanghai Decent Investment (Group) at 49.69 per cent, PT Sulawesi Mining Investment at 25 percent and PT Bintang Empat Investama at 25.31 per cent. See "PT. IMIP Setor Royalti Ke Kas Negara Rp2 Triliun", sulteng.antaranews.com, 21 July 2018.

³⁴ IPAC interview, Morowali, 26 August 2023.

³⁵ IPAC interview, Morowali, 23 August 2023.

including one from the same kampung as me. He worked in PT Dexin Steel Indonesia (DSI), still in the IMIP area but above us. There was another person in PT Sulawesi Mining Indonesia (SMI). One man became an operator, one became a furnace guard like me, but in a different smelter. There were more than fifteen workers from Poso there.³⁶

Ibrahim worked eight hours a day and received about Rp.7 million a month [about USD\$450], including an allowance for his wife and children. He said Chinese workers received higher salaries than Indonesians for doing the same job.³⁷ Even though Indonesian workers frequently clashed with Chinese over the wage gap and differences in work ethics, Ibrahim never had a problem with his Chinese co-workers or supervisors. He said they were very good about allowing workers to pray, even asking them to give an indication if they wanted a prayer break.

Another worker from Poso, however, got into a fight when he took offence at being given orders by a Chinese worker wearing an ordinary yellow hardhat. He refused to comply because the Chinese man was not his supervisor and proceeded to punch him repeatedly. Eventually his boss was able to calm him down.³⁸ This incident happened in 2022, but workers said such incidents were frequent.

Rizki, a worker from Gebang Rejo, Poso, caused an uproar in 2022 when he painted a mural in a battery factory within the IMIP compound that depicted a rifle, with the words “Mujahidin Indonesia Timur (MIT) Poso” and “Palestine”. He was not detained, but the police gave him a warning and he had to apologise to IMIP, the people of Morowali, and the police.³⁹ He was one of several IMIP workers from Poso living in Keurea village, Bahodopi, who formed a group called Poso-Morowali Hijrah. They were mostly closer to Jamaah Islamiyah (JI) than to MIT because they had studied at Yayasan Amanah Poso or had taken part in JI religious meetings. They also raised funds, ostensibly for victims of natural disasters in Indonesia but often to further the agenda of their organisations.⁴⁰ Ibrahim was once asked to join the group, but Bogiek, the former police chief, persuaded him not to. Ibrahim said:

I didn't want to join them because then it wouldn't feel right with Pak Bogiek. It was Pak Bogiek after all who brought me himself to IMIP. He invited me to stop and see the bupati of Morowali. We also stopped at the North Morowali police station. When I was in Poso, Pak Bogiek asked me what I wanted to do. I said I wanted to work at IMIP. Pak Bogiek's message to me was “Do your job well and make your family happy.”⁴¹

³⁶ IPAC interview, Morowali, 2 September 2023.

³⁷ All workers interviewed for this report mentioned that Chinese workers received at least twice the salary of Indonesians. A Chinese worker with a yellow hardhat (ie non-skilled labour) received a starting salary of about Rp.15 million, while Indonesians doing similar jobs received Rp.5 to 7 million, depending on whether he was married or single.

³⁸ IPAC interview, Morowali, 2 September 2023.

³⁹ IPAC interview, Morowali, 2 September 2023.

⁴⁰ See IPAC, “Extremist Charities and Terrorist Fund-Raising in Indonesia”, Report No. 76, 31 March 2022.

⁴¹ IPAC interview, Morowali, 2 September 2023.

B. The Mine Security Guards

At the end of 2021, some 15 former MIT members and ex-combatants worked as security guards at the PT Fadlan Mulia Jaya mine in Lalampu village, Bahodopi, where the company had a permit for a 199-hectare mining concession. The need for security at the mine had steadily increased since 2018 because of local protests that blocked access roads, poor relations with the community more generally, and business disputes.

The key figure among these ex-prisoners was Farid Podungge, a former member of Mujahidin Kompak Kayamanya. Farid had been wrongfully arrested for the murder of a terrorism prosecutor in which he had played no role, but he was still convicted for illegal possession of a weapon. He was released in 2006 and went to work for a construction company, owned by Hajah Dani, the oldest sister of a local politician-businessman, Ahmad M Ali alias Haji Matu, also known as Mat Haji Sun.⁴²

Haji Matu had been involved in construction projects in Poso, Ampana, and Parigi Moutong before the Poso conflict erupted in 1998 and afterwards became a donor to Islamic militias, including Mujahidin Kompak and the JI-affiliated Tanah Runtuh group. He stopped his funding after the Malino peace accords in 2001, but provided assistance, including employment after release, to several of the former combatants, including Farid and a Tanah Runtuh member, Muhamad Syahril Lakita alias Ayi Lakita.⁴³

Haji Matu became involved in the nickel mining business through two companies: PT Graha Mining Utama and PT Oti Eya Abadi. Both had permits for exploration and production in Morowali. Another of his sisters, Arnila Moh. Ali alias Hajah Cica, was a nickel ore trader with PT Utami Rachmat Membangun (URM). Hajah Cica sold the nickel ore produced by PT Oti Eya Abadi and other companies to IMIP.⁴⁴

Through these connections to Haji Matu, Farid and Emil Salim Mardani, another member of Mujahidin Kompak Kayamanya, came to be employed at a gold mine, PT Kemilau Nusantara Khatulistiwa (KNK) in Parigi Moutong.⁴⁵ The mine was owned by a Sulawesi businessman, Muhammad Aziz Wellang, and managed by Akhmad Sumarling, a young entrepreneur from Palu.

⁴² IPAC interview, Palu, 5 September 2023. Haji Matu and Hajah Dani are the children of businessman Haji Sun, an ethnic Chinese who also had a contracting business in Poso.

⁴³ IPAC interview, Morowali, 1 September 2023. Haji Matu had also been imprisoned in June 2004 for six months in connection with a narcotics case. A year later, on 22 September 2005, police declared Haji Matu a suspect in a non-lethal bombing case in Poso, but the case never came to trial. See Berita Acara Pemeriksaan (BAP) Tersangka atas nama Ahmad Ali alias Mat Sun, 22 September 2005.

⁴⁴ IPAC interview, Morowali, 24 August 2023; See “Profil Perusahaan: PT Graha Mining Utama”, Direktorat Jenderal Administrasi Hukum Umum – Kementerian Hukum dan Hak Asasi Manusia, accessed on 16 September 2023; “Profil Perusahaan: PT Oti Eya Abadi”, Direktorat Jenderal Administrasi Hukum Umum – Kementerian Hukum dan Hak Asasi Manusia, accessed on 15 September 2023; “Profil Perusahaan: PT Utami Rachmat Membangun”, Direktorat Jenderal Administrasi Hukum Umum – Kementerian Hukum dan Hak Asasi Manusia, accessed on 24 October 2023.

⁴⁵ IPAC interviews, Palu, 6 and 9 September 2023.

The mine had been the target of local protests, and Sumarling hired Podungge and his friends to protect it.⁴⁶ A student who led a demonstration against the KNK mine in 2020 said that he had been approached by several of Podungge's men, who asked him to stop his protests.⁴⁷ The student agreed because he was frightened by the presence of the former terrorists. Wellang and Sumarling considered this intimidation a success, so in 2021, when another company run by Wellang and Sumarling, PT Fadlan Mulia in Bahodopi, ran into problems, they turned to Farid. This time, the problems included both local protests and a business dispute within the company.

Wellang, who was the top shareholder in PT Fadlan Mulia, accused several members on the company's board of trying to remove him by holding an unauthorised shareholders' meeting and changing the board structure.⁴⁸ Both sides hired security guards to protect their interests at the mine. Wellang's rivals hired soldiers. Wellang, through Sumarling, recruited Farid's friends as a security task force (Satuan Petugas Keamanan, Satgaskam) and equipped them with walkie-talkies, air rifles and military-style uniforms. One member of the task force claimed that after the soldiers discovered that Wellang's men were ex-terrorists from Poso, they were scared off.⁴⁹

By April-May 2023, together with several other former prisoners, Farid was not just providing security but running an illegal gold mine in Sigi and making about a billion rupiah a month. When the Sigi bupati failed to get political support from Haji Matu in his bid to become governor of Sulawesi, however, he had the mine closed down, knowing that Farid was Haji Matu's protégé.⁵⁰ Farid then decided to become a candidate for the provincial legislature from the Nasdem party.⁵¹

Ayi Lakita, the ex-prisoner from Tanah Runtu, ended up working for different companies, but the link was still to Haji Matu. After he was released, he worked as a contractor in a factory owned by Haji Sun, Haji Matu's father. He also became active in the Poso branch of the Nasdem party. Through Haji Matu, he was able to get to know many of the people involved in nickel mining in North Morowali.

Ayi Lakita currently works as a security coordinator for nickel mines in the concession area owned by PT Bukit Makmur Istindo Nikeltama (Bumanik), in Petasia subdistrict, North Morowali. PT Bumanik is one of the suppliers of nickel ore for PT Gunbuster Nickel Industry (GNI) in North Morowali.⁵² A clash broke out at GNI in January 2023 between Indonesian and Chinese workers

⁴⁶ "Klarifikasi PT KNK Terkait Pemberitaan Media", metrosulawesi.id, 27 January 2020.

⁴⁷ IPAC interview, Palu, 9 September 2023.

⁴⁸ See Direktori Putusan Mahkamah Agung Republik Indonesia, "Cassation in PT Fadlan Mulia Jaya Vs I. Menteri Hukum dan Hak Asasi Manusia., II.1. PT Bumi Mineral Indonesia., 2. Giovanni Adhiputra Azis," Decision No. 417K/TUN/2021.

⁴⁹ IPAC interview, North Morowali, 2 September 2023.

⁵⁰ IPAC interview, Poso, 4 September 2023.

⁵¹ Haji Matu's political career began when he was chosen as a member of Morowali district council in 2009 representing the Patri of Party. He challenged Anwar Hafidz in the 2012 election for bupati, using members of Mujahidin Kompak Kayamanya as campaign workers. While he lost but his political career took off. He joined the Nasdem party and in 2014 and 2019 won a seat in the national parliament and helped turn Nasdem into the strongest party in central Sulawesi.

⁵² Zhou Yuan, the director of PT Bumanik, was also the director of PT GNI in late 2023.

in January 2023 during a protest to demand justice after fire in which two Indonesians died. In the violence that followed, one Indonesian and one Chinese were killed.

In August 2023, Lakita recruited five ex-MIT prisoners and two workers from Gebang Rejo-Tanah Runtuh as guards. Most were not senior members, but rather young men recently released from prison. A few were barely out of their teens They worked around the clock in shifts, but the only security problems they encountered were locals who rejected the mine. “They tried to stop trucks with knives. We took care of them,” said one.⁵³ He said they had a pact now with the protestors. “If they block our way, they have to compensate us 100 million a day. They don’t dare do it now.”⁵⁴

They said they had no problems with their Chinese employers or fellow guards, unlike the militants who worked as security guards in the concession area of PT Cipta Hutama Maranti (CHM) in Kec.Soyo Jaya, North Morowali. When the unrest broke out at PT GNI one of them posted a video of the violence on Facebook with an ethnic slur attached.⁵⁵ Nevertheless, none of the ex-prisoners were involved.

The men working as guards got regular salaries, but they did not receive health or pension benefits like the industrial workers. They had no contract, so there was no job security, and they had no idea how long they would be working there. If there were no security disturbances, they risked losing their jobs because they would be no longer needed. They take on side jobs for extra pay when they can get it. One said that at the end of 2022, he had been asked to undertake a kidnapping in a debt case:

So one Chinese guy owed another Chinese a lot of money. The one who ordered us to do the kidnapping was also Chinese. We got the guy they wanted, we put him in a car. He was saying “No, no, no, help, help!” We turned him over to the guy who ordered us to do it. We brought him to a location near the Bahodopi police station. We only got a million and a half [rupiah] for the job, split among us all. It wasn’t worth it.⁵⁶

C. The Diesel Sellers

The diesel business is particularly interesting because it builds on a network established more than two decades ago in the neighbourhood of Kayamanya, Poso. It is not directly linked to IMIP, but mining companies are among its beneficiaries. The business involves buying government-

⁵³ IPAC interview, North Morowali, 2 September 2023.

⁵⁴ IPAC interview, North Morowali, 2 September 2023.

⁵⁵ PT CHM sold nickel ore to PT GNI. One of the shareholders of PT CHM was a local politician from Partai Demokrat named Sultanah Hadi. Two former prisoner who worked at PT CHM were Upik Pagar and Minde alias Nur Kholid. In addition to employing former prisoners, PT CHM also recruited seven former Poso combatants. One of them named Al Poso was the one who wrote a racial slur. IPAC interview, Morowali, 1 September 2023.

⁵⁶ IPAC interview, North Morowali, 2 September 2023.

subsidized diesel to sell to businesses, including mining companies, around Poso, Ampana and Morowali at a non-subsidised price. The ex-prisoners purchase the fuel and deliver it to a distributor based in Palu, Haji Herman, who is in business with the head of the criminal investigation directorate of the South Sulawesi police, as well as with the former prisoners.⁵⁷ The resale of diesel at marked-up prices is in violation of government regulations, but local authorities turn a blind eye not only because some of them get a direct profit, but also because it ends up providing a better economic boost to newly released prisoners than any government program can. The problem is that while the majority of the ex-prisoners have severed their ties to violent extremism, there appear to be a few holdouts.

Several of the diesel sellers had been present at the founding meeting of Mujahidin Kompak in Kayamanya in mid-2000, at the height of the communal conflict in Poso, under the command of the late but legendary Darul Islam commander from Sumatra, Abdullah, alias Jet Li. They were not JI but rather rivals of JI – leaner and meaner, quicker to recruit and send men into battle without worrying too much about ideological details.⁵⁸ Most were then in their late teens or early twenties at the time. As of late 2023, they were more than 40 years old, making them distinctly elder statesmen among the ex-prisoners. They include Sofian Djumpai alias Pian and Emil Salim Mardani; Emil’s brother, Rusli alias Uci; and Haikal alias Bandang.⁵⁹

Sofian Djumpai took over as the head of Mujahidin Kayamanya when Jet Li was killed in 2001. Like Farid Podungge, he was wrongfully arrested in 2004 in connection with the murder of terrorism prosecutor Ferry Silalahi in Palu, the provincial capital of Central Sulawesi, in 2004. Emil Mardani and Haikal alias Bandang were also arrested in the same case, based on forced confessions and bogus witness testimony – a surprisingly rare occurrence in terrorism cases, though common in the legal system more generally. Sofian was one of the first ex-prisoners to build on his connections to the police to set up what became a flourishing contracting business in Poso and Palu, with links to the political and business elite such as Haji Matu.⁶⁰ He stayed out of trouble completely but was known to help out former prisoners who needed work. It was therefore not surprising when he secured a place in the profitable diesel business around 2020 and began recruiting old comrades.

Some of those who took part in the business called themselves Muhajirin Kayamanya. The Muhajirin Mosque in Kayamanya, near Emil Mardani’s house, had been a gathering place of the

⁵⁷ A native of Palopo, South Sulawesi, Haji Herman owned PT Putera Luwu Mandiri, a diesel distribution business. He and his wife, Kiki Reski Syahid were shareholders in PT Azka Mandiri Energi, another fuel distributor. The director of criminal investigation (Reserse dan Kriminal Umum) for the South Sulawesi provincial police Kombes Pol. Jamaluddin Farti was also listed as a shareholder of PT Azka Mandiri. A profile of Haji Herman’s wife can be found at <https://linisulsel.com/aktif-dalam-kegiatan-amal-di-palopo-ini-profil-direktur-pt-azka-mandiri-energi/>. Haji Herman was also a business partner with another ex-MIT prisoner, Farid Ramli Hamzah alias Farid Brekele who controlled the subsidized diesel business in Palu.⁵⁷

⁵⁸ For background on Mujahidin Kompak, see International Crisis Group, “Indonesia Backgrounder: Jihad in Central Sulawesi”, Asia Report No.74, 3 February 2004.

⁵⁹ BAP Farid Podungge. They have another shared experience: all except Uci were wrongly accused, based on forced confessions, of involvement in the 2004 murder of terrorism prosecutor Ferry Silalahi in Palu, Central Sulawesi. All were eventually released for lack of evidence, and the real perpetrator was later found and convicted.

⁶⁰ International Crisis Group, “Indonesia: Tackling Radicalism in Poso,” Asia Briefing No.75, 22 January 2008, pp.4-5.

mujahidin during the conflict. By incorporating its name in the new business network, members were signalling the historical links back to the glory days of Mujahidin Kompak. Other former prisoners participated in the business but did not join the Muhajirin group. Many of these men, however, also had past ties to Kompak, Jet Li or the Kayamanya leaders. A few had been involved with newer organisations, Jamaah Anshorul Tauhid (JAT), which began operating in Poso in late 2010, or MIT, which was formed out of JAT's military wing in 2012. One of the former JAT members, Andi Ipong, was the only member of the network with a background in the JI-linked Tanah Runtuh group, but his JAT affiliation would have brought him into the Kayamanya circle.

The diesel business was divided geographically into those who worked at the petrol station in Kayamanya, those who worked in Moengko and Ampana, and those who worked in Sayo. All of the key figures linked back to Pian. Business networks tend to be built on trust, and some of the strongest bonds of trust and friendship are created among comrades who have trained together, fought together or been imprisoned together. The networks had each of the SPBU were slightly different, depending on who was the most influential in the area.

In Kayamanya, for example, Sofyan and Emil were at the top. The petrol station in Kayamanya stopped serving ordinary customers and only sold to members of Muhajirin Kayamanya, who in turn sold the cheap diesel to Haji Herman. (Emil and Andi used vehicles belonging to Haji Herman's business to take subsidized diesel to Morowali and North Morowali.)⁶¹ Later, in 2022, when they decided to start a foundation to help former prisoners with the help of IDENSOS, a deradicalisation unit under Detachment 88, they also used "Muhajirin" in the name.⁶² The group was not free of extremist influence, however. A former MIT member, Suhardi alias Adi Gode alias Abu Faruq, became the field coordinator and business manager at SPBU-Kayamanya, until he was rearrested in October 2023. Adi Gode was a fund-raiser for MIT who had been arrested the first time in September 2014 and was conditionally released in June 2018.⁶³ He joined Muhajirin Kayamanya in 2019. Saiful Jambi alias Ipul, a former MIT member released from prison in 2017, took over from Adi Gode after he was rearrested.⁶⁴

At SPBU-Moengko, the key figure was Hamdan alias Komar, one of those who did not join the Muhajirin group. As a member of Mujahidin Kompak, he had been arrested for attacks on the Christian village of Beteleme in October 2003 but had stayed out of trouble after his release in 2006. He worked with several MIT supporters, including released prisoner Aryanto Haluta, and others who were active in the study sessions at Darul Anshor Putri Kayamanya, once the centre

⁶¹ IPAC interview, Poso, 4 September 2023.

⁶² They called it Yayasan Al-Muhajirin Poso Yuhibbunal Salam. This group was close to Irfan Umar alias Gocap from IDENSOS, the man who helped them set it up. IPAC interview, Poso, 4 September 2023; "Militant Groups in Poso", op.cit.

⁶³ Adi Gode was arrested on 26 September 2014 for involvement in military training with MIT and raising funds for the group. He was sentenced to four years in prison.

⁶⁴ IPAC phone interview, 29 October 2023. In addition to Adi Gode, other Muhajirin members arrested by Detachment 88 were Hasim Topo alias Alex, Rusli Salim Mardani alias Uci, Haikal alias Bandang, and Dilhamzah alias Ico alias Jagu. Rusli Salim Mardani and Haikal were both former prisoners, like Adi Gode.

of MIT recruitment in Poso.⁶⁵ Hamdan's group also worked with Muhamad Fadli Barasalim alias Opo alias Ustad Aan, one of the early Poso combatants and a senior figure among the mujahidin, who owned a share of the diesel business at SPBU-Ampana, in Tojo Una-Una and supplied diesel to mining companies in North Morowali. Opo was imprisoned in March 2006 and was released in 2009 but became a founding member of the Poso branch of JAT when it was established shortly thereafter.⁶⁶

Overall, the ex-prisoners who work in the diesel network are mostly low risk, especially the older men. The fact that a few of the sellers were rearrested in 2023 reflects not so much an inclination to get involved in violence again as a sense of obligation to help fellow mujahidin in trouble or a decision by police to punish old cases that only recently came to light.

V. POSSIBLE THREATS ON THE HORIZON

Even though the former Poso militants and their sympathisers involved in the Morowali economy do not constitute a direct threat to security, law enforcement officials need to monitor several other issues that have the potential to become security risks. Violent extremist cells in the Poso area are mostly inactive, but they are not defunct. One challenge will be to ensure that they have no opportunity to exploit the grievances at IMIP for their own interests. This means keeping those grievances within reasonable levels, not through repression but through addressing legitimate issues of safety, pay equity, land claims and labour rights. Workers should be able to freely air their concerns without fear of losing their jobs or being pressured by security forces.

A second challenge will be to keep local ethnic tensions under control, particularly given the huge influx of workers into IMIP. As far as the ex-prisoners are concerned, relations between mainland Chinese and Indonesian workers are not the main problem. The bigger problem is the potential for minor clashes escalating into a more serious riot between local Muslims and local Christians, such as the Mori, or migrant Christians such as those from Toraja. The task is to prevent anyone from trying to mobilise co-religionists for violence in the name of defending the faith.⁶⁷ Detachment 88 police are well aware of the risks and have good sources of information, but as ethnic identities grow stronger in IMIP, the challenge becomes more pronounced.

⁶⁵ Several members of the diesel network at SPBU Moengko and Ampana were arrested by Detachment 88, including Akbar Tarore alias Baron (arrested 24 December 2019, released on 23 December 2022), Emil Aswar Tanase alias Emil Moengko (arrested 14 May 2022, sentenced to three years in prison), Idul Saputra alias Abu Djafar (arrested 14 May 2022, sentenced to four years in prison), Lukman Yunus alias Uko (arrested 14 May 2022).

⁶⁶ Opo was arrested for robbing a truck in Parigi Moutong with other members of Mujahidin Kompak, including Zulkifli Ma'ruf, Hasim Topo alias Alex, Syakur, Farid Ma'ruf, Rusli Tawil alias Uci, Iswadi Ma'ruf, and Jusman Saheed. See "Berkas Perkara No.Pol: BP 35/V/2006/Dit Reskrim", Polri Daerah Sulawesi Tengah – Direktorat Reserse Kriminal, May 2006. Opo received a five-year prison term. After his release in 2009, Opo helped Ustad Yasin and Santoso set up a Poso branch of Jamaah Anshorut Tauhid (JAT). "Berita Acara Pemeriksaan (BAP) Tersangka atas nama Anang Muhtadin alias Papa Enal", Kepolisian Republik Indonesia – Detasemen Khusus 88 Anti-Terror, 12 June 2011.

⁶⁷ An incident of this kind of communal brawl in the Poso area that took place in 2019 is described in IPAC, "Militant Groups in Poso: Down but Not Out", Report No. 86, 27 June 2023, p.16.

A. Strengthened Ethnic Identities

As the labour force has mushroomed at IMIP, the tendency of workers to live and socialise with members of the same ethnicity has increased, and some workers have taken to writing their ethnicity on their hardhats, sometimes accompanied by a religious symbol, like a cross. This is not unusual in Indonesia, where students at universities or workers at other factories congregate with people from their home areas who speak the same language and have the same customs. In an area with a history of serious communal conflict and violent extremism, however, the companies should be trying to encourage interethnic associations and activities. No company likes labour unions, but in an area like Morowali where communal relations are volatile, unions can be a way of bridging ethnic and religious identities in the quest for fair wages and safe working conditions.

There have been periodic episodes of ethnic clashes in IMIP. On 26 October 2018, for example, tensions between ethnic Torajans and ethnic Bungku erupted in violence. It started with a quarrel among workers who had had too much to drink in a local restaurant, Café Bintang, in Bahomakmur. Initially it was between Torajan and Bungku workers. The subdistrict head (*camat*) of Bahodopi, an ethnic Bungku, managed to separate the two sides, and the police tried to mediate that evening at the Bahodopi police station. The Torajans asked the *camat* and the workers from the Bungku side to apologize for coarse language used against them. But the apology instead made things worse. The ethnic Bungku workers and the local community objected to the *camat* being forced to apologise. The next day they attacked the houses where the Torajan workers were living.

Thousands of Torajan workers were concentrated in Bahomakmur village. They eventually made a retaliatory attack on the Bungku workers and residents in Bahodopi. Feeling cornered, the Bungku asked help from fellow Bungku living in neighbouring subdistricts and even from the former Poso militants. On the second day, several Poso militants arrived in Morowali, while others stayed on alert in Poso. Some began mapping the locations that Torajans lived. The conflict began to affect production activities in IMIP.

One source, a Bungku worker, said:

Torajan women and small children were evacuated to IMIP. The smelter stayed shut because people from outside Bahodopi were coming. The Torajan men stayed in place, and there were rumours that Torajan forces were coming from outside Morowali. Because of this we started checking buses, and we burned some private travel vans because the passengers were from Toraja.⁶⁸

⁶⁸ IPAC interview, Morowali, 31 Agustus 2023.

Because information from the media was limited, the number of victims is difficult to know for certain. The local media ran the story without specifying casualties. This was aimed at protecting the image of Morowali as a safe place for investment.⁶⁹ All sources interviewed by IPAC who knew about the incident said that there were deaths on the Torajan side, but their numbers differed. One ethnic Bungku claimed that at least 20 Torajans had died, but a Torajan said there were only three fatalities.⁷⁰ On the third day, tensions began to ease, partly there had been an internal debate among the Poso militants about whether the conflict constituted ground for jihad. They decided it did not, because no Muslim had been killed and no mosque damaged.⁷¹

To ensure that there would be no escalation, Haji Matu alias Ahmad M Ali together with several militants from Poso went to see the senior members of the Torajan association (Kerukunan Keluarga Toraja, KKT) in Bahodopi. Ahmad Panjang alias Ahmad Ghazali, an MIT member who was later shot and killed by police on 4 January 2022, took part in that meeting. Haji Matu told the head of KKT, Pdt. John Palulungan, that if the Torajans persisted in resisting, they would find themselves facing jihadis from Poso. Palulungan instructed his members to stop fighting and then agreed to sign a peace agreement with the Bungku.⁷²

Another incident involving the Torajans erupted on 13 May 2023. It was triggered by the murder of Agnes Retni Anggarini, a Torajan female worker. The killing took place in the mess hall of PT Panca Pilar Sejahtera (PPS), in the village of Bahodopi. A rumour went around that she had been raped. Police denied that there had been any sexual violence.⁷³ The KKT demanded that the police arrest the culprit within 24 hours, but the deadline passed with no arrest. On the night of 14 May, the KKT demonstrated in front of the police station and set fire to the mess hall in PT PPS. Police arrested a suspect, Mohamad Jufri, on 15 May. The deputy bupati of Tanah Toraja, Zadrak Tombeng, made an angry statement demanding that the government of Morowali guarantee the safety of all who worked there. The Torajans formed an alliance of solidarity with the victim to monitor the trial.⁷⁴ The ethnic Bungku formed their own association. One ex-militant from Poso said he believed this kind of ethnic incident could recur, because “the seeds have already been planted. If a religious building gets burned or a Muslim dies, [Morowali] will erupt like Poso did in the past.”⁷⁵ On 19 December 2023, Mohamad Jufri was sentenced to thirteen years in prison.

North Morowali also saw ethnic identities become stronger. One day after the clash between Indonesian and Chinese workers at PT GNI on 14 January 2023, an ethnic Mori worker founded

⁶⁹ IPAC interview, Morowali, 24 August 2023.

⁷⁰ IPAC interview, Palu, 10 September 2023.

⁷¹ IPAC interview, Morowali, 23 August 2023.

⁷² IPAC interview, Morowali, 31 Agustus 2023. One article of the agreement was that migrants who caused trouble would be expelled from Morowali.

⁷³ “Fakta Gadis Toraja Tewas Bersimbah Darah di Morowali”, *detic.com*, 15 May 2023.

⁷⁴ “Sidang Kasus Pembunuhan Agnes Angraini Dinilai Janggal, Gerakan Sang Torayan Desak DPRD dan Pemda Tator Turut Kawal Kasusnya”, *repliknews*, 4 October 2023.

⁷⁵ IPAC interview, Morowali, 31 Agustus 2023.

an ethnic organisation called Taruna Wita Mori (Youth of Moriland) to “save the PT GNI investment in our area. If we’re not united, the migrants can cause chaos and hurt investment.”⁷⁶

When IPAC asked why there was no trade union, he responded, “There’s a union that PT GNI founded named Sekar [an acronym for Serikat Karyawan, Employees Union]. I prefer to form a local [i.e. ethnic] organisation because national law must defer to customary law [hukum adat].”

Before he worked at PT GNI, this man had mobilized Lembaga Adat Wulanderi to open the roadblock that community members against the mine had set up in April 2022. His efforts succeeded and he joined PT GNI’s public relations department to help overcome disputes over land or other protests against the mine. He refused to join a strike organised by the National Workers Union (SPN) in Morowali and North Morowali on 14 January 2023. He said at the time:

I gathered some of my people here, from Bunta village in Towara, Tinompo, Mora. They’re all ethnic Mori. Some of us crossed the picket line, others didn’t. Those who did were blocked and threatened by the demonstrators. I shouted, “Open the way, open the way!” I told the ones who wanted to go to work to follow me. I brought the locals into work. They shouted that I was an ass-licker. I said, “This is my place, I want to work, you are all migrants here.”

The companies in IMIP supported the activities of ethnic associations on the site. They helped fund indoor football competitions organized by certain ethnic groups.⁷⁷ It may have been in the interests of the companies to encourage such activities because ethnic identification could thus become an obstacle to greater worker solidarity, but it also may have simply been an effort to build better relations with the workers. Still, any moves that end up weakening the labour movement could backfire if ethnic tensions in the area worsen.

B. Occupational Safety Concerns

The failure of the companies operating within IMIP to give priority to occupational safety has led to a series of fatal accidents, which in turn has led to worker protests, a few of which have turned violent. One of the worst was the explosion at Smelter 41, owned by PT Indonesia Tsingshan Stainless Steel (ITSS), on 24 December 2023, that killed thirteen Indonesian and eight Chinese workers. None of the ex-prisoners have been victims of the accidents or involved in the protests. But any increase in labour tensions can add to the general mix of community protests, ethnic tensions and labour issues that increases the potential for extremist exploitation. The best antidote is better worker protection.

⁷⁶ IPAC interview, North Morowali, 29 August 2023.

⁷⁷ IPAC interview, Morowali, 23 August 2023.

A cover story by Tempo magazine found that there had been more than 20 accidents in 2023 alone, killing 37. If calculated from 2015, the death toll has been 53 workers, 40 Indonesians and 13 Chinese.⁷⁸ The accidents range from a worker falling into hot slag to others being run over by a loading truck.⁷⁹

The potential for accidents is high because of poor company management. One source told IPAC:

After the incident on 24 December, there was training every day on Occupational Health and Safety for workers in IMIP, especially in PT ITSS. Maybe it was the result of pressure. Before the accident, the training was usually once a month; sometimes it took place once every two weeks for one hour. The workers were also given a chance to raise concerns about the working environment. But their complaints were only heard, they weren't addressed. Even a [minor] complaint about having steel desks instead of wooden ones was never followed up on. Steel desks are dangerous because there are rats that chew electrical cables. If one of those cables comes into contact with a steel desk, what then? Dump truck drivers also frequently complain about the working conditions, but there's never any follow-up.⁸⁰

Workers interviewed by IPAC said occupational safety issues were ignored in the interests of securing maximum profits. They said the 24 December accident could have been prevented if the company had not tried to force needed repairs that should have taken a week to be carried out in one day. "It normally takes one week for the smelter to cool down, but PT ITSS wanted it done in one day. They even borrowed workers from other companies to ensure that the work get done, so production could resume as quickly as possible," said one IPAC source.⁸¹

The risk of accidents is also relatively high in the nickel smelters in North Morowali. From 2020 to 14 January 2023, at least six Indonesians died in the complex of Gunbuster Nickel Industry (GNI). One source who worked in steam power plant of PT GNI told IPAC that the protective gear offered to workers was wholly inadequate. "I was only equipped with the kind of mask sold in Indomart [a local minimart] but the coal dust was really dangerous. We should have had changes of workshoes every six months. But the company was always slow about replacing them. The quality was also really poor. I had to buy new shoes myself."⁸²

The company chose to use repressive means to respond to worker complaints. They threatened to fire workers who complained too much. On 28 December, four days after the accident, one man who worked producing materials for electric vehicle batteries suffered skin lesions because

⁷⁸ "Tumbal Investasi Nikel Morowali", Tempo, 14 January 2024, p.27 and "Darurat Audit Keselamatan Kerja dan Pelanggaran HAM di IMIP," trendasia.org, 24 December 2023. s

⁷⁹ Yayasan Tanah Merdeka, "Sukses Industrialisasi Morowali?", Seputar Rakyat No. 1 2020, p.17, and Arianto Sangadji and Pius Gintung, "Perusahaan-perusahaan Multinasional dan Hilirisasi Nikel di Indonesia," Perkumpulan Aksi Ekologi dan Emansipasi Rakyat (AEER), 2023, p.81.

⁸⁰ IPAC interview with workers in IMIP via telephone, 23 January 2024.

⁸¹ PT ITSS borrowed mechanics from PT Ocean Sky Metal Indonesia (OSMI) which also operated in IMIP. The victims were from both PT ITSS and PT OSMI. IPAC interview with former worker at PT ITSS via telephone, 4 January 2024.

⁸² IPAC interview, North Morowali, 28 August 2023.

he came into contact with chemical materials used in the batteries. He complained because the protective gear provided by the company was substandard. The company threatened to fire him if he continued to protest.⁸³

Only 8 per cent of the workers in IMIP are unionized, though nine unions are operating there. They include Serikat Pekerja Nasional (SPN), Serikat Buruh Setiakawan Indonesia (SBSI), Serikat Pekerja Industri Morowali (SPIM), Federasi Pekerja Energi (FPE), and Serikat Pekerja Sulawesi Mining Investment Pabrik (SP-SMIP).⁸⁴ These were formed by the workers, not by the company. The largest is SPN with some 3,000 workers; the membership of the others numbers only in the hundreds.

The PT IMIP management fired three union leaders in August 2020, accusing them of provoking workers to strike.⁸⁵ Their dismissal effectively weakened the labour movement.⁸⁶ Some labour activists told IPAC that they were worried that the government would use the 24 December incident to scapegoat workers – a fear reinforced by Tempo’s investigation report.⁸⁷

C. Anshor Daulah Bungku

The risk of violence in Morowali is compounded by its militant history. The late Daeng Koro, a legendary fighter, first with Darul Islam-Makassar, then with MIT, conducted two military training courses there in 2008-2009. He went back to South Sulawesi, however, because the men he trained were involved in the shooting of civilians at the end of 2009, which he considered unjustifiable. Samsul Hidayat alias Dayat, a member of the pro-ISIS Anshor Daulah Sulawesi Tengah, who was only arrested on 14 May 2022, was one of the gunmen in that case.⁸⁸

One of his fellow gunmen was Muis Fahron alias Abdullah, an MIT member who was shot by police together with Darwin Gobel on 15 April 2020. Before his death, Muis, who had lived in Central Bungku, had been active in recruiting MIT fighters in Morowali.

⁸³ In August 2023, a worker in PT Dexin Steel Indonesia (DSI) protested over the poor quality of food served by PT IMIP. The chicken used had worms. One worker made a video of the food and sent it around on social media, saying the workers had complained but the issue was never addressed. He was forced to apologise to PT IMIP and tell the media that there were no worms in the food prepared by PT IMIP. In the end, PT IMIP did not renew his contract. IPAC interview with an IMIP worker via telephone, 23 January 2024.

⁸⁴ “Sukses Industrialisasi Morowali?” op.cit. p.19.

⁸⁵ The three leaders came from SPIM, SPN, and SBSI. One of the demands of the strike in August 2020 was improvement in occupational health and safety conditions in IMIP.

⁸⁶ Since their dismissal, there have been no strikes. IPAC interview, Morowali, 23 August 2023.

⁸⁷ IPAC telephone interview, 23 January 2023; “Bersimpang Jalan Mengusut Ledakan,” *Tempo*, 14 January 2024, p.80

⁸⁸ Samsul Hidayat shot dead Haji Andi Alimuddin Page in Desa Ungkaya, Kecamatan Witaponda, Kabupaten Morowali on 31 Desember 2009. Daeng Koro did not order the killing even though his gun was used and neither he nor his associates in Morowali agreed to this kind of action because it threatened the existence of their group. To avoid further arrests, Daeng Koro left Morowali and moved the training to other sites in Central and South Sulawesi. Police arrested Samsul Hidayat, Abdullah, dan Adi, but failed to arrest another suspect named Ayub. IPAC interview, Morowali, 23 August 2023. See “Penembak Misterius di Morowali Diringkus,” *tempo.co*, 4 January 2010.

On 29 September 2019, police arrested five members of Anshor Daulah Bungku who had planned to bomb a Balinese temple, Pure Rea in West Bungku when Balinese were celebrating Nyepi, one of the holiest days in the Hindu calendar, in March 2020. They were targeting Hindus in Morowali because they had seen videos of violence by the Indian government against Muslims in Kashmir. They had already prepared the bombs. In addition to the temple, they also had been planning to target the Chinese workers at IMIP by bombing the canteen where the workers ate. On 23 August 2019, before their arrest, they had robbed a motorcycle in the name of *fa'i* (robbing non-Muslims as part of jihad) from the IMIP parking area. They had been planning to sell it and use the proceeds to support the attack.⁸⁹

One of the five arrested by Detachment 88 was Mohammad Irham alias Aco, a Poso resident. Aco had been radicalized since the end of 2018 through attending lectures at Pondok Pesantren Darul Islam Putri Kayamanya. The Anshor Daulah Bungku group had initially planned to join forces with Ali Kalora and the other MIT fighters in Gunung Biru. But Aco stopped them from going to Poso and asked them to open a jihad in Morowali instead, and they agreed.⁹⁰

Aco was sentenced to two years in prison in 2019; he was then sixteen years old. He was released in April 2021, lives in Poso and is married to Ainun, daughter of the late MIT commander, Santoso. Another member of the group, Adriyanto alias Yanto, received a sentence of six years in prison. Three others (Wardi, Amriadhy, and Mohammad Rifai), who received five-year sentences, will be released in April 2024. There are also several members of the group who remain at large, such as Madi, Papa Salsa and Aldi. Though they appear to be inactive, they bear watching as do members of their network in Poso and elsewhere, including outside Central Sulawesi.⁹¹

VI. CONCLUSIONS

The economic changes in Morowali have had a positive impact on the livelihoods of many former prisoners in that they no longer depend on hand-outs from government deradicalisation programs to meet their daily needs. But economic status in Indonesia has never been the major driver of radicalisation – people do not join extremist networks just because they are poor.

The reason that ex-prisoners in Morowali area might be vulnerable to re-radicalisation has more to do with the tensions created by the problems at IMIP: the anger of the local community, the tensions between locals and incoming migrant workers, land disputes, business disputes and the all-too-frequent accidents that lead to protests.

⁸⁹ See Direktori Putusan Mahkamah Agung, “Verdict in the case of Amriadhy alias Adhy alias Abu Anisa bin Andi Amrin”, Decision No. 520/Pid.Sus/2020/PN.Jkt.Tim.

⁹⁰ See Direktori Putusan Mahkamah Agung, “Verdict in the case of Moh Irham alias Aco”, Decision No. 28/Pid.Sus-Anak/2019/PN.Jaktim.

⁹¹ See Direktori Putusan Mahkamah Agung, “Verdict in the case of Wardi alias Akhi Wardi”, Decision No. 518/Pid.Sus/2020/PN.Jkt.Tim.

If the government truly wants to ensure that the former prisoners stay disengaged from violence, they need to ensure that the mining industry around IMIP is better managed, and that operating procedures to ensure the health and safety of workers are in place and independently verified. Worker safety needs to be given a higher priority than meeting production quotas. The companies need to ensure that worker complaints about everything from pay equity to abusive managerial behaviour are heard and addressed, without reprisals.

Police have a role to play as well in ensuring that any violations by the IMIP companies of laws and regulations on occupational health and safety are speedily prosecuted and that managers suspected of negligence resulting in fatal accidents, are also fully investigated and if found guilty in a court of law, punished to the fullest extent of the law.

All parties have a role to play as well in reducing ethnic tensions, including by encouraging associations and activities that transcend ethnic ties and bring workers from different backgrounds together for mutually beneficial outcomes.

Finally, in encouraging entrepreneurial activity on the part of prisoners, police should avoid leading them toward activities that violate the law – like reselling subsidised diesel fuel. Central Sulawesi overcame years of conflict and violent extremism and only in 2023 managed to rid itself of a stubbornly resilient group, MIT. The former prisoners are not the biggest threat to peace. The actions of profit-hungry corporate actors and politicians could be.

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