1200 17th Street NW • Washington, DC 20036 • 202.457.1700 • fax 202.429.6063

ABOUT THE REPORT

The drawn-out peace talks that began in 1997 between the Philippine government and the Moro Islamic Liberation Front (MILF) are entering a critical stage as negotiations on substantive aspects are scheduled to commence in February 2005 in Kuala Lumpur, Malaysia. An agreement with the MILF is an important piece in finding a solution to more than three decades of secessionist insurgency in the southern Philippines. A settlement will also boost global efforts to put a lid on the resurgence of Islamic extremism in Southeast Asia. This report explains the origins of the conflict, the evolution of the peace process, and the challenges facing both sides. It also recommends measures for a successful resolution.

This is the first report from the Philippines Facilitation Project of the United States Institute of Peace. The report was written by Benedicto R. Bacani, dean of the College of Law, Notre Dame University in Cotabato City, Philippines, and currently a senior fellow in the Institute's Jennings Randolph Program for International Peace. Bacani is completing a book on autonomy as a solution to violent conflicts, drawing on lessons from the experiences of the southern Philippines.

The views expressed in this report do not necessarily reflect those of the United States Institute of Peace, which does not advocate specific policy positions.

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The Mindanao **Peace Talks**

Another Opportunity to Resolve the Moro Conflict in the Philippines

Summary

- The stalemate between the Philippine government and the insurgent forces of the Moro Islamic Liberation Front (MILF), the ongoing global War on Terror, and the government's desire for peace in the southern Philippines in order to bolster the country's economy have created an environment conducive to a resolution of the Muslim secessionist rebellion in the south. A leadership change in the MILF has also provided an opportunity to reinvigorate and seek new approaches to the peace process.
- The biggest obstacle in the peace process is no longer whether the parties can reach an agreement, but whether that agreement can really bring sustainable peace and development in the south. The long history of the conflict and the failed approaches to resolve it have created deep divisions among Muslims and among the general Filipino populace, which regards any peace agreements with skepticism or, at the most, quarded optimism.
- The peace pact must be able to offer a detailed roadmap that directly addresses the grievances of Muslims in the Philippines. Yet that roadmap can significantly contribute to peace only when it is supported by the majority of Filipinos. The government and the MILF must reach out to their own constituencies and engage their active support of the peace process. President Gloria Macapagal-Arroyo must take an active personal role in winning over the hard-liners and in cultivating national backing. The government and the MILF must go beyond their narrow group interests to find workable solutions to the problems of the country's Muslim minority.
- To reach common ground, it is imperative that the parties explore all options for a political arrangement that can accommodate their conflicting interests. They must get out of the "independence-autonomy track" that has constricted past peace processes and explore different models and political structures that have worked well in settling secessionist conflicts elsewhere.

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Any peace agreement must provide strong mechanisms for implementation.
 Peace processes in the past have produced good agreements but were poorly implemented. A neutral third party must be engaged to oversee the implementation of the peace pact.

Introduction

The peace talks between the Philippine government and the Moro Islamic Liberation Front (MILF) that began in 1997 will enter the critical stage in February 2005 in Kuala Lumpur, Malaysia as the parties begin negotiations to arrive at a common understanding about the substantive issues of the conflict. This round is a milestone in a drawn-out peace process often derailed by allegations of the MILF's links with terrorist organizations, two major wars, sporadic skirmishes, and charges and countercharges of violation of the cease-fire agreement forged by the parties on July 18, 1997.

Both sides made concessions to get to this stage. Despite protests from hard-liners, the Philippine government repositioned its troops away from rebel strongholds and withdrew arrest warrants against the leaders of the MILF for alleged involvement in bombings throughout the country. For its part, the MILF provided information to neutralize groups engaged in kidnappings in an effort to disprove allegations of its links with terrorist organizations—particularly with Abu Sayyaf, a local terrorist group engaged in the widely publicized kidnappings of foreigners, and Jemaah Islamiyah.

The 9/11 terrorist attacks on the United States brought new prominence to the Islamic militancy in the Philippines, particularly in Mindanao, the country's second largest island and the arena of the struggle for an independent Islamic state by the MILF. Reports of the separatist movement's links with al Qaeda, Abu Sayyaf, and Jemaah Islamiya jolted the Philippine government into a frenzied search for a solution to its Muslim problem.¹

The strategic importance of a peace accord between the government and the MILF cannot be overemphasized. Negotiating a workable settlement with the MILF is the last major piece in the puzzle for lasting peace in the southern Philippines. In 1996, Manila forged a peace agreement with the Moro National Liberation Front (MNLF), the country's first Muslim revolutionary group. (The MILF broke away from the MNLF in 1977.) That agreement, which establishes autonomy in provinces and cities that voted to be part of the Autonomous Region in Muslim Mindanao (ARMM), ended the MNLF's 25 years of armed struggle for independence.

While the MNLF opted to achieve its aspiration for self-determination through autonomy, the MILF considers this vehicle for limited self-rule a total failure and renewed its demand for the establishment of an independent Muslim state. The MILF believes that autonomy has failed to address the fundamental grievances of the armed revolution and it declared ahead of the talks that it will reject the same or even an enhanced autonomy arrangement.² On the other hand, Manila continues to reject any demand for a separate Muslim state in the southern Philippines.

Notwithstanding the seemingly irreconcilable positions, the current talks should provide a much needed impetus to push the process forward. There are reasons to be optimistic.

First, the government-MILF cease-fire is holding. Monitors from member countries of the Organization of the Islamic Conference (OIC)—specifically, Malaysia, Brunei, and Libya—are in the southern Philippines helping to implement the provisions of the cease-fire agreement.

Second, the talks have a third-party facilitator. Since March 2001, Malaysia has been spearheading the peace initiatives in the southern Philippines on behalf of the Organization of the Islamic Conference. Playing a supporting role in facilitation is the United States Institute of Peace.

Third, the organization of the talks has vastly improved since 1997. Now the parties have agreed to discuss their broad interests ahead of specific political structures. The June 2001 Tripoli Peace Agreement between Manila and the MILF provided the framework and the guidelines for the conduct of the negotiations and includes a reference to the incremental characteristics of the peace process.³ This means that the current round of talks is to proceed in such a way that the three substantive issues—namely, "ancestral domain" (Muslims' historical claim of the southern Philippines as their homeland), security arrangements in MILF areas, and rehabilitation of communities affected by conflict—will be tackled in stages, ahead of the discussions of mutually agreeable political structures.

Fourth, civil society and international aid organizations are active participants in the peace process. Nongovernmental organizations (NGOs) such as the "Bantay Cease-Fire" (Cease-Fire Watch) are mobilizing to help implement the cease-fire agreement. Foreign governments and international aid organizations have pledged to provide funding for rehabilitation and postconflict development programs once a peace agreement with the MILF is in place.

Origins of the Conflict

Muslims in the Philippines make up 5 percent, or around 4 million, of the Philippines' total population of 82 million. They are geographically concentrated in the islands of Mindanao and Sulu in the southern Philippines, where they constitute around 20 percent of the region's population of more than 16 million. They belong to three major (and ten minor) ethno-linguistic groups: the Maguindanaoans in the Pulangi River Basin of central Mindanao, the Maranaos of the Lanao Lake region in central Mindanao, and the Tausugs in the Sulu archipelago. Muslims are in the majority in five provinces (Maguindanao, Lanao del Sur, Basilan, Sulu, and Tawi-Tawi) and in the Islamic City of Marawi, which are currently ARMM constituents.

The Muslims' historical claim on Mindanao and Sulu as their homeland predates the Spanish colonization of the Philippines that began with the arrival of General Legaspi in 1565. As early as the latter part of the thirteenth century, local Islamic communities and settlements of foreign Muslims were already thriving in Sulu. The first sultan of Sulu came to power around 1450; Sharif Kabunsuan, who founded the Maguindanao sultanate, came to Mindanao around 1515. Thus, long before the Spaniards consolidated their control over the northern part of the Philippines, Islam was thriving in the southern islands, and the sultanates in Sulu and Maguindanao were already well organized. Trade and commerce by Muslim traders across the Malay regions and beyond were also flourishing.

For three centuries, the Muslims in the south successfully resisted the incursions of the Spanish colonizers, who were able to establish a firm foothold only in the Christian North. As they called their enemies from Mauritania and Morocco, the Spaniards referred to the Muslims in the south as "Moros," a term that later became a symbol of courage and nationhood for the Muslims in the Philippines. As the unconquered people of the South, the Moros were the masters of Mindanao and Sulu, where they constituted 98 percent of the population.

But American colonization succeeded in subjugating the Muslim south by 1914. Aijaz Ahmad has identified the factors behind the relatively swift success of the Americans in contrast to the repeated failures of the Spaniards: First, the balance of forces: the Americans had sophisticated weapons and the ability to concentrate forces across the archipelago effectively. Second, a new model of colonial administration: the Americans allotted considerable administrative powers to governments at the municipal and district levels, which clinched their allegiance to the colonial authority. Third, the demographic model of colonization: entire populations, for the most part landless and ambitious, were encouraged to migrate from the Visayas and Luzon to create Christian enclaves in overwhelmingly Moro areas—that is, on lands the Muslims claimed as their own.⁴ At the time

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MAJOR PHILIPPINE GOVERNMENT— MILF AGREEMENTS

- Agreement for General Cessation of Hostilities, July 18, 1997.
 Commits the Philippine armed forces and the MILF to a cease-fire.
- Tripoli Peace Agreement, July 22, 2001.
 Sets the broad framework and guidelines on security and the conduct of the negotiations on the substantive aspects of the conflict.
- Implementing Guidelines of the Security
 Aspect of the Tripoli Peace Agreement,
 August 7, 2001.
 Establishes local cease-fire monitoring teams
 and calls for the formation of monitoring
 teams from the Organization of the Islamic

Conference.

- Implementing Guidelines of the Humanitarian, Rehabilitation and Development Aspects of the Tripoli Peace Agreement, May 7, 2002.
 Affirms the parties' observance of international humanitarian law and provides guidelines for the rehabilitation and development of areas affected by conflict.
- Operational Guidelines of the Ad Hoc Joint Action Group, December 21, 2004.
 Stipulates guidelines for isolating criminal activity within MILF areas.

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PROVINCES IN THE AUTONOMOUS REGION IN MUSLIM MINDANAO (ARMM)

IX Western Mindanao

54. Basilan

55. Sulu

56. Tawi-Tawi

XII Central Mindanao

70. Lanao del Sur

71. Maguindanao



the Philippine commonwealth was established in 1935, government policy was already geared toward assimilating the Moros into the larger Philippine society.

As large Christian resettlement communities sprouted quickly in Mindanao from the 1930s onward, the Moros became the minority in the land they considered their own; the proportion of Moro inhabitants to the total population fell from 98 percent to 40 percent by 1976, and to around 20 percent currently. Moros now own less than 17 percent of the property on the islands, mostly in impoverished areas in the countryside. By the latest estimates, 80 percent of the Moros are landless.

From 1968 to 1971, political organizations composed mostly of Moro students waged numerous campaigns for the recognition of the Moros' right to self-determination as a people with a distinct history and identity. These movements culminated in the establishment of the Moro National Liberation Front (MNLF), headed by Nur Misuari, a professor at the University of the Philippines. Hundreds of young Moros were sent to Malaysia for paramilitary training; Sabah in Malaysia became the supply and communication center of the Moro rebels. At the same time, violent incidents involving Christian and Moro paramilitary groups escalated. These incidents acquired a more ominous dimension in 1971, when the Philippine Constabulary sided with Christian paramilitary groups in offensives against the Moro rebels.

On September 21, 1972, President Ferdinand Marcos declared martial law against the growing insurgency. The MNLF waged armed counteroffensives and demanded recognition for an independent state for the Bangsamoro ("the Moro homeland"). From 1972 to 1976, military and civilian casualties reached 120,000. More than 100,000 people fled to nearby Malaysia, and around one million inhabitants of the southern Philippines were internally displaced. In 1975, the MNLF gained recognition from the Organization of the Islamic Conference as the representative of Muslims in the Philippines. President Marcos sued for peace and embarked on a flurry of diplomatic initiatives with OIC member states, which facilitated a cease-fire agreement and the opening of negotiations between the government and the MNLF.

In December 1976, the Marcos government and the MNLF signed a peace pact in Tripoli that called for the establishment of autonomy in 13 provinces and 9 cities in the southern Philippines. But the two sides had serious disagreements on the implementation of the pact, particularly on the issue of a plebiscite. President Marcos unilaterally implemented the agreement and established provisionally autonomous governments in two regions that covered the provinces and cities under the Tripoli Agreement. The MNLF did not recognize the autonomous governments and accused the government of violating the terms of the Tripoli Agreement. It was not until the peace agreement in 1996, when former General Fidel Ramos was the Philippines' president, that the MNLF and the Philippine government settled all questions on the implementation of the Tripoli Agreement and provided a formula for autonomy acceptable to the MNLF.

Evolution of the Government-MILF Peace Process

In 1977, a group within the MNLF, led by vice-chair Salamat Hashim, tried to seize the movement's leadership over differences in ideology and strategies. Salamat, a charismatic religious leader schooled at the Al-Azhar University in Cairo, later established the Moro Islamic Liberation Front in 1984. Under Salamat and a core group of *ulamas* (Islamic scholars), the MILF pursued a religious agenda, while MNLF chair Nur Misuari steered the MNLF in the direction of a nationalist and secular political movement.

As the OIC's sole recognized representative of Philippine Muslims, the MNLF was the recipient of government's diplomatic and peace initiatives from 1977 until the signing of the 1996 peace agreement. While Manila negotiated with the MNLF, the MILF quietly built up its armed forces and mass base of supporters. By the time the Philippine government concluded negotiations with the MNLF, the MILF was already a formidable force, consisting of more than 12,000 armed fighters in 13 major camps and 33 satellite enclaves. With Islamic religious leaders holding top positions in the movement, the MILF wielded considerable influence over a large number of Muslim grassroots communities in central Mindanao.

Right after signing the peace deal with the MNLF, President Ramos initiated similar talks with the MILF as part of the comprehensive Mindanao peace process. While the MILF rejected the Manila-MNLF accord, it responded favorably to Ramos's overtures by participating in exploratory meetings to pave the way for formal negotiations.

At the outset of the discussions, the MILF proposed a single talking point: a solution to the Bangsamoro problem, which, it held, involved a wide variety of social, cultural, economic, and political issues that included, but were not limited to, the following: recognizing Moros' ancestral domain, their displacement and landlessness, reparations to war victims and for destruction of property, violations of their human rights, social and cultural discrimination against Muslims, policies that corrupt the mind and the moral fiber of the Moros, economic inequalities and widespread poverty among Muslims, exploitation by outsiders of the Moro homeland's natural resources, and the need for genuine agrarian reform.

The MILF claimed that finding a lasting political solution to the problem should form part of the agenda in the formal talks, with the end in view of establishing a system of life and governance suitable and acceptable to the Bangsamoro people. Soliman Santos, who has documented the history of the MILF peace process, observes that the MILF's reference to a "system" connotes a comprehensive approach to the Bangsamoro problem.⁵ The wording of this proposed MILF agenda is significant because, for the first time, the MILF officially acknowledged its openness to a political form that is not necessarily an independent state, but one that could possibly address Bangsamoro grievances.

Santos notes that from 1996 to 2000, the government and the MILF entered into a total of 39 agreements, joint communiqués, acknowledgments, and resolutions: 16 agreements on the implementation of the cease-fire pact (organization of committees, repositioning of government and MILF troops, return of evacuees, and safety and security guarantees), 13 on the framework of the talks, six on procedural matters, and four on recognition and verification of MILF camps. Throughout this period, no resolution was reached on the substantive issues raised by the MILF.

In 2000, President Joseph Estrada launched major offensives against the MILF that Manila initially described as operations to free a major highway from MILF control. Later, it was apparent that the ultimate objective was for the government to regain control of MILF camps, some of which were acknowledged in earlier agreements, when military operations extended beyond the disputed highway and were terminated only after government troops established control over 47 major and satellite MILF camps. The all-out government offensives resulted in the suspension of the peace process, the shift in the MILF's armed struggle from conventional to querilla warfare, and the declaration by MILF

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chairman Salamat of a jihad against the Philippine government. The MILF also scored the government for violating the cease-fire pact and agreements in which Manila acknowledged some MILF camps.

Macapagal-Arroyo's assumption of the presidency after Estrada was ousted in early 2001 paved the way for the resumption of the MILF peace talks. She declared a unilateral cease-fire and initiated exploratory talks with the MILF. This time, Manila responded favorably to the three conditions proposed by the MILF: that the talks be mediated by the OIC or by an OIC member country, that the parties comply with the terms of past agreements, and that the talks be held in a foreign venue. Malaysia took an active role as third-party facilitator in the exploratory phases held in Kuala Lumpur. The first round of formal talks was held in Tripoli, where the parties agreed to the following:

- The talks will revolve around the three main themes of security, rehabilitation, and ancestral domain.
- Both sides recognize that a Bangsamoro homeland is not necessarily incompatible with Philippine sovereignty and territorial integrity.
- Both sides acknowledge the existence of the Bangsamoro people and other indigenous peoples.
- The peace process will be conducted in stages and the grievances of the Moros will be addressed simultaneously with the peace process.
- There will be consultations with the Bangsamoro people and new formulas will be explored that will permanently respond to their aspirations.⁶

From November 2000 to February 2003, the negotiations resulted in the forging of the 2001 Tripoli Peace Agreement; the Implementing Guidelines of the Security Aspect of the Tripoli Peace Agreement; the Manual of Instructions for the Coordinating Committee on the Cessation of Hostilities and the Local Monitoring Teams; the Joint Communiqué on Criminal Interdiction; and the Implementing Guidelines of the Humanitarian, Rehabilitation, and Development Aspects of the Tripoli Peace Agreement.

In February 2003, the peace process was again suspended when government troops launched military offensives to take control of the MILF's new headquarters in Buliok, Maguindanao. The withdrawal of the government troops from this key MILF enclave became one of the conditions of the MILF in agreeing to return to the negotiating table. The government, on the other hand, demanded that the MILF denounce terrorism and sever all ties with terrorist organizations. MILF chairman Salamat issued a public statement rejecting terrorism and denying his group's ties to terrorist organizations. In July 2003, Salamat died of natural causes, and Al Haj Murad Ebrahim, the group's vice-chairman for military affairs, was named the MILF's new leader. The government lifted arrest warrants issued against the MILF leaders for the series of bombings in the Philippines and repositioned its troops out of the MILF headquarters in Buliok. With these developments, the stage was set for the resumption of the formal talks on substantive issues in the secessionist conflict.

This stage of the peace talks, to be held in Kuala Lumpur in February 2005, will tackle ancestral domain, the most complex and contentious issue, as evidenced by the wide disparity in definitions of the term by the MILF and the government. The MILF's draft proposal on ancestral domain defines it as all lands and areas, including the environment and natural resources therein of the Bangsamoro people, established through occupation, possession, and dominion since time immemorial by cultural bond, customary law, historic rights, and legal titles.

Although the government has consistently referred to the Indigenous People's Rights Act as a framework for resolving the ancestral domain claims of the Bangsamoro, the MILF considers the law inadequate as it dilutes the Bangsamoro people's sovereign rights to their homeland and considers the Moros as just one among many indigenous groups in the Philippines. For the MILF, the law is unresponsive to its demand for a system of life and governance that necessarily includes the Moro's exercise of political and economic control

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over their homeland. MILF vice-chair for political affairs Ghadzali Jaafar has said that "the root cause of the Moro revolution is Manila's colonization, which paved the way for the country's oligarchs to pillage the Bangsamoro people's ancestral domain."⁷

To facilitate negotiations on ancestral domain, government and MILF panels formed working groups in December 2004 to try to arrive at common understandings of the four sub-issues of ancestral domain: concept, territory, governance, and resources.

As to the issues of security and rehabilitation, the 2001 Tripoli Peace Agreement obliges the parties to observe the Agreement on the General Cessation of Hostilities signed on July 18, 1997. The Tripoli Agreement also empowered the MILF to lead and manage rehabilitation and development projects in conflict-affected areas. In that vein, the MILF established in 2002 the Bangsamoro Development Authority, which is spearheading the rehabilitation of areas affected by the conflict. The mechanisms for implementing the cease-fire have also been put in place with the strengthened Joint Coordinating Committees on Cessation of Hostilities and the establishment of the OIC International Monitoring Team, the Local Monitoring Teams, and the Ad Hoc Joint Action Group to stop criminal activity in the region. Civil society groups are also conducting their own "Bantay Cease-Fire" (Cease-Fire Watch) operations that are significantly contributing to peacekeeping while the talks are going on.

Although efforts to boost security and rehabilitation are under way, the parties will also be negotiating more permanent arrangements for the development of Morodominated areas and security for the Bangsamoro, which are tied up with the discussions on ancestral domain and political structures. The critical points in these discussions are disarmament and demobilization of MILF combatants and security arrangements for MILF-controlled areas.

Ripe for Resolution

Necessity and opportunity lend "ripeness" to the resolution of the conflict in Mindanao—that is, the conflict has matured to the point where both sides see more advantages to ending it than to continuing the warfare.

First, there is a growing realization in the Philippines that fighting it out on the battlefield simply does not work. The major wars of 2000 and 2003 did not bring Manila or the MILF any tactical advantage. In fact, the offensives were not only costly in terms of human casualties and civilian dislocations, but also led the MILF to wage guerilla warfare that proved more difficult for the government to contain. Yet taking over villages in the countryside, attacking military positions, and being ambiguous about its ties with terrorist groups obscured the legitimacy of the MILF's cause and invited more military action from the government. The offensives also set back efforts to advance Christian-Muslim relations. Egged on by government propaganda, the country's Christian majority overwhelmingly supported the offensives, threatening the transformation of the secessionist conflict into a religious war.

Second, a negotiated settlement with the MILF is necessary to boost the country's economy, which has been lagging behind those of its neighbors for years. The conflict in Mindanao is damaging the country's image to outside investors as international media reports and foreign governments' advisories restricting travel to the islands create the impression that the southern Philippines is a haven for terrorists and insurgents.⁸ The costly war with the MILF drains the nation's coffers and boosts Mindanao's image as a virtual war zone.

Third, the government views a settlement with the MILF as a means to contain Islamic extremism in Southeast Asia. Certainly, the Muslim insurgency in Mindanao fuels Islamic militancy in the region, and a settlement with the MILF will be a big boost to the global War on Terror.

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Fourth, the emergence of new leaders in the MILF is believed to be an opportunity to reinvigorate the peace process and to seek fresh solutions. It is widely believed that the influence of moderate elements has been strengthened, raising expectations that the revolutionary group will demonstrate more flexibility in the negotiations.

Fifth, the MILF's openness to discussing its interests ahead of trying to clarify any political arrangement opens a wider range of options than the restrictive "independence or autonomy" proposition that hampered previous talks. The MILF is reportedly willing to pursue its agenda outside the 1976 Tripoli Agreement, which was the framework for the government's discussions with the MNLF in 1996. By leaving that framework behind, it makes it more likely that the negotiated settlement will involve only areas where Muslims are in the majority—a proposition with a greater chance of succeeding. Also, by agreeing to discuss its grievances ahead of proposed political structures, the MILF is sending a strong signal that it does not intend to make the contentious issue of territory the centerpiece of the discussions, setting the stage for more interest-based and problem-solving negotiations, which dramatically heightens the prospects of a workable settlement.

Sixth, the growing international attention the dispute has been getting in recent years raises the prospects for a peaceful settlement. Until 2001, the government considered the conflict a domestic issue, given OIC recognition of the MNLF as the sole and legitimate representative of Muslims in the Philippines. The MILF was likewise reluctant to seek international intervention after it rejected the OIC-brokered autonomy arrangement between the government and the MNLF. But the all-out war in 2000 unleashed by President Estrada apparently convinced the MILF of the need for some kind of international intervention to provide enforcement mechanisms for the provisions of agreements. Thus when Macapagal-Arroyo became head of state in 2001, the MILF agreed to resume talks only with OIC mediation. The assistance being provided by the OIC through Malaysia, the United States Institute of Peace, and the international community enhances the prospects for the conflict's resolution.

Challenges in the Talks

Despite the climate of optimism surrounding the talks between the government and the MILF, there is no guarantee that the talks will be successful. To be sure, there are some formidable obstacles along the path to a settlement.

First, the government and the MILF must be able to formulate a workable and effective agreement that will bring sustainable peace and development to the southern Philippines. The growing concern is less with the parties reaching an agreement than with whether the agreement will address the fundamental causes of the conflict. The history of peace processes in the Philippines is replete with signed pacts that are good on paper but miserably short on implementation. The MILF definitely intends to leverage the perceived inability of the government to fulfill its commitments under its peace accord with the MNLF to demand stronger quarantees and enforcement mechanisms.

Second, the parties will have to reconcile their divergent positions on the issue of political structures. Although the talks are designed to forestall discussions on the contentious issue of political structures, the parties will have to address it sooner rather than later. After all, negotiated settlements are essentially political deals, and issues such as ancestral domain, security, and rehabilitation cannot be resolved without a consensus on a certain kind of a political arrangement. Moreover, a political system must be put in place as a mechanism for effective implementation of any negotiated settlement.

Some arrangements that will most likely figure in the discussions on political systems include any or a mix of the following:

 A structure separate from the existing political system for the development of MILF communities; integration of MILF troops into the Armed Forces of the Philippines or

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the Philippine National Police; and the strengthening of institutions for "personal autonomy", such as Islamic education and Sharia law.

- Areas constituted as special zones, perhaps like Swiss cantons, where Muslims can exercise a higher degree of self-determination.
- A new and expanded autonomous region with more powers.
- A Muslim state under the federal system of government.
- An independent state where Muslims are in the majority.

MILF chairman Murad declares that the MILF would never compromise the right of the Bangsamoro people to self-determination and that his group will enter into a negotiated political solution that is just, lasting, and comprehensive. Ghadzali Jaafar, MILF vice-chair for political affairs, says that the solution the MILF proposes is not autonomy, which he describes as a failure. Nevertheless, the government so far has not gone beyond the autonomy framework, proposing to the MILF a political package consisting of enhanced powers for the autonomous region and a possible expansion of its coverage.

To reach common ground, it is imperative that the parties demonstrate openness in exploring all options for a political arrangement that can accommodate their conflicting interests. The "independence-autonomy track" that dominated past peace processes has proven to be too constricting. The features of other political arrangements, especially those resulting from negotiated settlements elsewhere, can be instructive. Institutions that specialize in managing international conflicts, such as the United States Institute of Peace, can provide invaluable inputs to the talks, particularly on effective models for postconflict governance.

Both parties should demonstrate creativity, resiliency and openness in crafting political solutions that address the root causes of the conflict, a challenge that is more pronounced on the side of the government, whose options are limited by the Philippine constitution and statutes; the peace pact with the MNLF; and existing political structures, such as the local government units in Muslim areas and the ARMM. The constitution provides for the specifics of autonomy, including the powers that can or cannot be exercised by the autonomous region, thus foreclosing better arrangements out of negotiated settlements. In "constitutionalizing" autonomy, its distinct advantage as a flexible solution to the conflict is lost. The government and the MILF must view the negotiations as a problem-solving forum and be open to explore options that even go beyond existing political structures and the constitution in order to find effective solutions to the nagging issues of peace and development in the southern Philippines.

However, the two sides must also be able to build on structures that may have failed but that have nevertheless inched empowerment forward for the Muslims. A survey of the legal instruments for autonomy in the southern Philippines shows a distinct pattern of power transfers to the region since the grant of autonomy in 1977. It would be counterproductive to totally ignore the strides that have already been achieved in giving more self-determination to the Muslim minority. The task of nation building is always incremental and slow, but by taking this route, the government and the MILF can possibly institute profound changes while at the same time weaving existing political structures into a coherent and effective vehicle for genuine Muslim self-determination.

Third, the parties will have to build strong and broad support for the peace process, most likely requiring compromises that may not sit well with their respective constituencies. As in any peace process, the talks will be shepherded by moderates from both sides who have to contend with extremists unwilling to enter into any form of compromise. Already, a group within the MILF has threatened to repudiate any agreement that does not grant independence to Muslims. On the part of the government, there are officials who believe that a more "hawkish" approach, not diplomacy, is the key to resolve the conflict. Many believe that the hard-liners can be won over if President Macapagal-Arroyo takes a

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Other potential "spoilers" who will need to be assuaged include members of the Philippine elite, whose hold on political and economic power is threatened by any settlement. Among them are local political leaders and groups that have substantial economic interests in continuing the armed conflict, including some elements in both the military and the MILF who benefit legitimately or otherwise from large budgets in times of war.

While not totally against a settlement, many political leaders of Christian-dominated areas will accept a peace agreement only if it satisfies two requirements: first, that it will involve only the Muslims and the existing autonomous region (recently, a mayor in Mindanao refused to allow the formation of an international monitors office in his city, saying that his area is not within the area of conflict) and, second, that the agreement does not exact even an inch of concession from the Christian majority.

This "bystander mentality" does not bode well for achieving a workable settlement. As part of the Bangsamoro problem, the Christian majority must be a part of the solution. One of the causes for the failure of implementation of the 1996 peace agreement with the MNLF is the lack of support from most Christian national and local government leaders. The Philippines' Christian-dominated legislature, threatened by the growing influence of the Muslims, crafted the enabling law of the pact in a way that diluted or changed the letter and spirit of the accord. For instance, the law that was passed considerably weakened the broad fiscal autonomy granted to the autonomous region under the peace agreement. Also, the structures for peace and development, such as the Southern Philippines Council for Peace and Development and its Consultative Assembly, received little or no support from government officials.

For the talks to succeed, support for the process, especially among the Christian majority, must be harnessed. The Christian majority cannot have it both ways: continuing to act as bystanders in the peace process averse to make any concessions while hoping for peace in Mindanao and progress for the country. If the Christian majority wants Mindanao to remain part of the Philippines and if it believes that peace in this part of the country is important to the nation's progress, it must actively support the peace process and demonstrate its readiness to make sacrifices.

The Organization of the Islamic Conference continues to recognize the MNLF, not the MILF, as the representative of the Muslims in the Philippines, so the MILF's lack of legitimacy to speak for the Bangsamoro people in this regard is also a potential spoiler that can scuttle the talks or at least limit the coverage of any settlement to MILF communities and combatants. And there are divisions within the Bangsamoro along ethno-linguistic lines, as well as political fissures as a result of the conflict and the government's integration policy. Moro leadership is exercised in conflict with or exclusively by and among traditional leaders, political families, religious leaders, the MNLF, and the MILF. There are persistent reports of cracks within the MILF along crucial issues of leadership, religious and political ideology, and positions in the peace talks. To settle the representation issue, the MILF has been consistent in its position for holding a referendum to determine once and for all the true will of the Moros with regard to their political future.

With or without a referendum, it is clear that unless a peace pact has the broad support of the Moros, any comprehensive solution is bound to fail. Thus, the MILF must be able to build coalitions with other Moro leaders and civil society groups to support the peace process. It must galvanize the support especially of Islamic religious leaders who wield strong influence over the country's Muslim population. It must solidify its 2001 unity agreement with the MNLF in the context of the peace process, where the common interests of the two revolutionary groups can be brought into the talks. On the other hand, the government should exercise its influence and authority over mainstream Moro political leaders to support the peace process.

Fourth, the government, the MILF, and international monitors must keep the fragile cease-fire in place to maintain an environment conducive to fruitful talks. Since 1997,

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the peace process has been constantly derailed because of charges and countercharges of cease-fire violations. Although the cease-fire mechanism at this stage of the talks is potentially more effective, the government's intensified drive ostensibly against terrorists in MILF-controlled areas remains a potential disruption. On November 19, 2004, the Philippine military launched an air assault against an MILF-controlled area that the government claimed was the site of a meeting of suspected members of Abu Sayyaf and Jemaah Islamiyah. The MILF has denied that such meeting was taking place and has since filed a protest before the International Monitoring Team. Regardless of their veracity, the alleged links of the MILF to terrorist networks can be used as a convenient justification for military operations, which can lead to the collapse of the peace process. On the other hand, the persistent reports that the MILF is coddling suspected terrorists must be addressed in a timely and credible fashion.

The head of the international monitors has been quoted as saying that it is not within their mandate to investigate alleged MILF-terrorists links. ¹³ But without making a determination on such charges, it is doubtful whether they can definitely say the cease-fire has been violated in cases similar to the November 19 assault. Thus, it is imperative that third-party facilitators and monitors act more decisively on the issue of the MILF's ties to terrorists to avert "spoilers" from exploiting this vulnerable spot in the process.

Fifth, the parties will have to fast-track the talks while ensuring that the agreement is comprehensive, workable, and responsive to Moro grievances. Certainly, there are no instant solutions to complex conflicts like the one in Mindanao. It is important, however, that parties' respective constituencies see that the talks are making significant progress. Moreover, if the talks appear to be wandering, they will be more susceptible to "spoilers" sabotaging the process. As a compromise, the parties may concur on a multiphase agreement whose more vital components can be readily implemented even while the process is continuing. In this way, the talks can produce concrete results in the intermediate term that can galvanize support for agreements on the more contentious issues.

Sixth, the government and the MILF must be able to clearly identify available sources of funding to implement any agreement effectively. The rehabilitation of conflict-affected areas, as well as the creation of salutary political and economic infrastructures, will entail huge costs. Yet the Philippines faces a fiscal crisis brought about by a ballooning budget deficit and soaring public debt. Although the international community has rehabilitation funds at the ready once a peace pact is signed, its resources are not limitless, and the money, in most cases, is tied to specific programs. The two sides must learn from the implementation failures of the MNLF peace pact, caused mainly by funding shortages and accountability issues. The government and the MILF must therefore come to terms with the fiscal aspects of any negotiated settlement, coordinate with the donor community to optimize the use of donor money, and set up adequate safeguards to ensure the judicious use of funds.

Conclusion

While the MILF peace process is one important piece in building lasting peace and development in the southern Philippines, it is by no means an instant solution to all the problems of instability and underdevelopment in the region. The long history of and failed approaches to the conflict have so deeply divided the inhabitants of the southern Philippines that any roadmap is likely to be met with skepticism or, at the most, guarded optimism. Whether the MILF peace process will be any different depends on the willingness and the capacity of the parties to go beyond their group interests.

It is clear that in the present talks, no effort was spared to ensure that the parties could reach an agreement; there seems to be no question about the resolve of the government and the MILF. The greatest concern of many is no longer about the parties signing a peace pact but whether the Filipino nation can embrace it as its common roadmap for

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The two sides must learn from the implementation failures of the MNLF peace pact, caused mainly by funding shortages and accountability issues. An online edition of this report can be found at our website (www.usip.org), together with additional information on the subject.

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peace and prosperity in Mindanao. It is only when there is real national consensus on this roadmap that the terms of the peace pact can be implemented in a way that directly addresses the grievances of the Moro people. Thus, the following components of the peace process must be strengthened:

- Both sides must build a national consensus on the roadmap agreed upon during
 the negotiations by conducting more consultations on the issues discussed in the
 negotiations. The government must reach out to the leaders of the Christian majority,
 particularly members of Congress and local officials. The MILF must reach out to the
 MNLF, as well as to Muslim traditional leaders.
- Christian and Muslim religious leaders must take the lead in rallying their own people
 to support the peace process. The Bishop-Ulama Forum, a conference of Christian and
 Muslim religious leaders in the Philippines, must be actively involved in harnessing
 this support.
- The government and the MILF must provide strong and effective mechanisms for the implementation of the peace pact. A neutral third party must be named to directly oversee faithful compliance of Manila and the MILF with the terms of the agreement
- Funding for implementation must be clearly identified and allocated in a way that insulates it from partisan and personal interests of any group or party.

NOTES

- 1. In her book, Seeds of Terror: An Eyewitness Account of al Qaeda's Newest Center of Operations in Southeast Asia (New York: The Free Press, 2003), CNN correspondent Maria Ressa cites numerous classified police and military intelligence reports of the MILF's links with al Qaeda and Jemaah Islamiya. Similar claims are made in the International Crisis Group's report, Southern Philippines Backgrounder: Terrorism and the Peace Process. Asia Report, no. 80 (Singapore/Brussels: International Crisis Group, July 13, 2004).
- 2. "Autonomy not answer, say Moro rebs," *Philippine Daily Inquirer* (Manila), October 13, 2004, quoting MILF vice-chair for political affairs Ghadzali Jaafar. Online. Available: http://news.inq7.net/regions/index.php?index=1&story_id=14799.
- 3. This interim pact is referred to as the Government of the Republic of the Philippines-MILF Tripoli Agreement on Peace of 2001, which should not be confused with the Tripoli Agreement between the government and the Moro National Liberation Front signed on December 23, 1976.
- 4. Ahmad Aijaz, "Class and Colony in Mindanao," in *Rebels, Warlords and Ulama: A Reader on Muslim Separatism and the War in Southern Philippines*, ed. Eric Gutierrez et al. (Quezon City: Institute for Popular Democracy, 1999), 5–6.
- 5. Soliman Santos, "Dynamics and Directions of the Peace Negotiations Between the Philippine Government and the Moro Islamic Liberation Front" (Quezon City, 2004), 6.
 - 6. 2001 Philippine Government-MILF Tripoli Agreement.
- 7. Romy Elusfa, "MILF enthusiastic to tackle 'ticklish' ancestral domain issue," *Mindanews*, November 4, 2004, quoting MILF vice-chair Jaafar. Online. Available: http://www.mindanews.com/2004/11/04nws-milf.html.
- 8. The governments of Canada, Japan, Australia, New Zealand, the United Kingdom, and the United States periodically issue advisories that restrict travel of their citizens to Mindanao and Sulu because of security concerns. The American Chamber of Commerce of the Philippines has recommended that the Philippines needs to educate the outside world that the security situation is not as bad as portrayed by international news reports and travel advisories; see *The Roadmap to More Foreign Investment* (Manila: American Chamber of Commerce of the Philippines, Inc., March 2003).
 - 9. Elusfa, "MILF enthusiastic."
 - 10. "Autonomy not answer."
 - 11. Ibid.
- 12. The 2001 MNLF-MILF unity agreement in Kuala Lumpur created the Bangsamoro Solidarity Council to explore areas of cooperation between the two revolutionary groups in advancing the peace process.
- 13. "Gov't rules out terror links between MILF, JI," *Philippine Daily Inquirer* (Manila), October 21, 2004, quoting Malaysian Major General Zulkifeli bin Mohd Zin, head of the international cease-fire monitoring team. Online Available: http://news.inq7.net/breaking/index.php?index=2&story_id=15621.

