

CONVERSION OR OCCUPATION? : THE POSSIBILITY OF RETURNING LOCAL COMMUNITIES' CONTROL OVER FOREST LANDS IN INDONESIA¹

By

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Introduction

The objective of this paper is to describe the transformation of forest landscapes from “forest” areas into “agriculture” areas. We revisit two relevant cases. The first case is concerned with the conversion of “forest” areas into palm-oil plantations in East Kalimantan and how local people react to the changes. The second case is the conversion of “forest” areas into agricultural lands as a result of land occupations by local people, who have lived in surrounding areas but have never received resources or benefits from the forest. The latter case takes place in Ciamis, West Java, which is surrounded by forests that have been managed by *Perum Perhutani* (a state-owned forest enterprise).

In order to provide a background to the two cases, we briefly discuss tendencies in forestry and land tenure in Indonesia, especially before and after political reformation (1998), and the implementation of regional autonomy that followed (2001). Therefore, the paper begins with a description about the development of Indonesian forestry and land tenure politics during the last three decades, especially throughout the New Order regime (1967-1998). These historical dynamics were later affected by political reform beginning in 1998, and the Regional Autonomy era which followed starting in 2001. These factors have led to a shift in paradigm from ‘state-based’ resource management to ‘community-based’ natural resource management, which will be described shortly. These two cases, concerning forest conversions in Pasir, E. Kalimantan and land occupations in Ciamis, W. Java, are discussed

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in the paper in order to figure out the real-life field phenomena of ‘decentralization euphoria’. To complete the discussion, an analysis of these phenomena in relation to theories of agrarian/forestry land reform has been added. The paper’s length is limited, and therefore will not be able to cover the entire history of forestry and land tenure problems in Indonesia. The conclusion will describe lessons learned from both cases. These will be outlined in detail in order to gain useful perspectives on future forest land reform for the country.

Development of Forestry Land Tenure Politics in Indonesia

Indonesia is one of three countries (along with Brazil and Zaire) with the richest tropical rainforest in the world. ‘A green-belt at the equator’ is a popular term used to refer to Indonesia. This term is only valid to describe the condition of the forests before the last half century. Although there are different figures mentioned by various sources, the official data mention the total forest area of the country ranging from 120-140 million (M) hectares. It has to be understood however, that this data reflects all areas with or without tree stands, as long as they have been declared by the government as “forests” (using a legal definition). In other words, the actual number of closed forests in the country should be less than the above figures, especially since an enormous number of these resources have been intensively exploited over the last four decades of development.

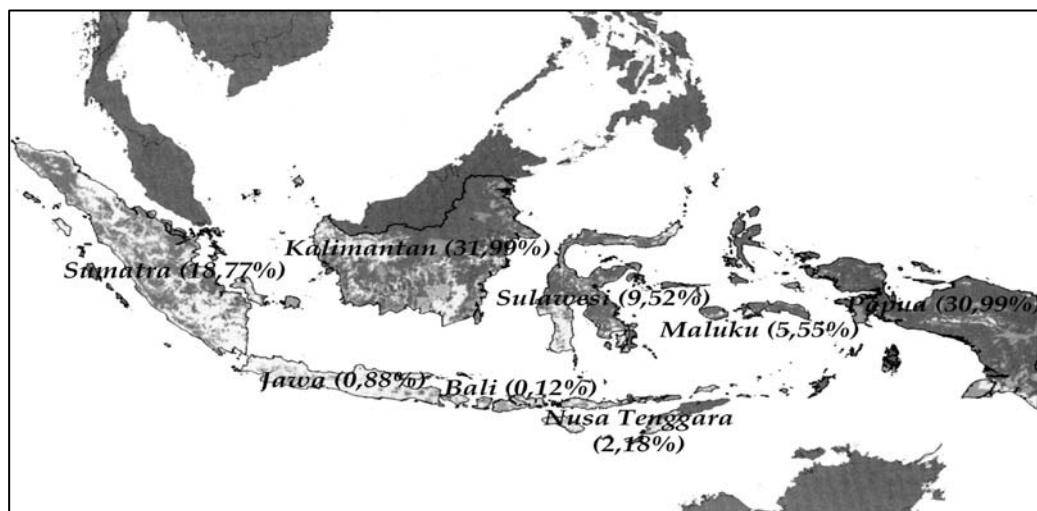


Figure 1. *Indonesian Archipelago and Distribution Percentage of Forest Areas*

All forest areas that have no private ownership certificate are determined to be ‘state-controlled’, based on the Basic Law of 1945 (Article 33; paragraph 3: “Land, water, and all

natural resources, that belong to common pools and public goods, are under state control and will be utilized for the maximum welfare of the people”). Moreover, the position of the state as the organization of complete authority has been underlined by Agrarian Act No. 5/1960 (Article 2:1), and the existence of the law claiming “state-forests” as established under the Basic Forestry Law (Act no. 5/1967), and later renewed as the Forestry Law (Act no. 41/1999).²

Historically, this model of “state-forests” was implemented in Indonesia during colonial times when the Dutch authority under Governor-General Daendels (1808-1811) imposed a program to restore the teak forests (*Tectona grandis*) in Java. However, with his authority he wanted not only to restore the teak forests, but also to monopolize the management and exploitation of the teak timber by giving the rights to *Dienst van het Boschwezen*, a forest institution, to control land, trees, and laborers in and around areas declared as forests.³ This became a starting point for the principle of state control over an area declared as “forest” (or “state-forest”), which was strengthened through enactment of “*Domeinverklaaring*” as stated by Forestry Law 1865⁴ and then Agrarian Law (*Agrarisch Wet*) 1870 (Peluso, 1990 and 1992; Peluso and Vandergeest, 2001).

There were two important principles from the colonial system which still exist today. These are: (1) the forest area was declared as state domain (*Landsdomein*) and was managed in order to make a profit for the state and (2) limitations were placed on communities living in or around the forest area, to limit access to the products of the forest, especially wood, except for rights to collect the deadwood, and non timber products. The Dutch system of centralized control over ‘forest’ land is still alive in the two laws of forestry in independent Indonesia.

² In Law No. 5/1967, it is stated that ‘All forests within the Indonesian Republic including the natural wealth in the forests, are under the control of the State’ (article 5:1). In Law No. 41/1999 which replaced the earlier law, the same wording occurs with an additional phrase namely “... for the greater of peoples’ welfare” (article 4:1). Both Laws stated sanctions in the form of punishment by imprisonment and/or fines for every activity against them and therefore special police authorities were given to the Forestry officers.

³ Daendels also instituted a system of penalties for those who logged the forest without agreement of the colonial government), with a maximum jail sentence of 10 years or a fine of 200 gulden. See Peluso, 1990: 32.

⁴ Ordonnantie van 10 September 1865, Staatsblad No. 96: Reglement voor het beheer en de exploitatie der houtbosschen van de Lande op Java en Madura. In this Act not only teak, but also all types of forests were classified as state domain.

Based on government calculation and designation from 2003, around 190.5 million hectares of land in Indonesia, 67.4% has been declared state-forest area.⁵ This means, based on the principle of state control over the “forest” that the Ministry of Forestry (which became a representative of the state-controlled forest) is now in charge of around 128.45 M hectare of territory that is declared as “forest” throughout all of Indonesia. In Java itself, 3.29 M hectares of land are designated as “state-forest”.⁶ Seventy six percent of this land is in the hands of *Perum Perhutani* – the state-owned forest enterprise.

The idea of administrative control of all forest resources in the hands of the state (or the government) was actually in contradiction with the lived reality. Long before Indonesian independence in 1945, forests have played an important role in the lives and livelihoods of native inhabitants or so called local traditional communities (“*masyarakat adat, or masyarakat lokal*”). Local communities have occupied and managed their surrounding resources from generation to generation. Until now, however, many local communities in remote Indonesian areas were still living in, and dependent on, the surrounding forests. Indeed, in accordance with higher accessibility and market availability following the implementation of various national economic development programs, the resources play an important role not only in meeting socio-cultural demands and intangible (e.g. ecological) or non-monetary benefits (subsistence), but have also become significant cash-income sources. Quantitatively, based on CIFOR (2004), there are currently about 50 million of the more than 200 million total Indonesian populations who live in forest areas and 20 million more are found in villages surrounding the forests, of which 6 million earn money from these resources. These numbers do not include the thousands of laborers in timber industries.

⁵ *Forestry Statistic of Indonesia*, 2003: 4-6, 13. The official figure is frequently 75,06% based on *Tata Guna Hutan Kesepakatan* tahun (Agreed Forest Land Use) 1983.

⁶ *Forestry Statistic of Indonesia*, 2003: 13.

Table 1.

Fluctuation of “Forest” Land Controlled by State (=Government = Ministry of Forestry), 1986-2003

Type of “Forest”	1986 (M ha)	2000 (M ha)	+/- (1986-2000) (M ha)	2003 (M ha)	+/- (2000-2003) (M ha)
Production	62.47 [44.3]	57.00[47.3]	- 5.47	57.28 [44,6]	+ 0.28
Protected	29.68[21.1]	31.90[26.5]	+ 2.22	32.40 [25.2]	+ 0.50
Conservation	18.25[13.0]	23.30[19,4]	+ 5.05	24.73[19.3]	+ 1.43
Conversion	30.54[21.7]	8.20[6.8]	- 22.34	14.04[10.9]	+ 5.84
Total	140.84 [100]	120.40 [100]	- 20.44	128.45 [100]	+ 8.05

Formulated from: *Forestry Statistics of Indonesia 2003*; *Rencana Strategis Departemen Kehutanan (Strategic Planning of Ministry of Forestry) 2001-2005*; and *Sumberdaya Laban Indonesia, Sebuah Kajian Nasional (Land Resources in Indonesia, a National Analysis)*, 1990.

Note: Number in bracket [...] indicated a percentage from the total.

Centralized and capital-intensive timber industries, especially in the outer islands off Java began in the early 1970s when extensive mechanical exploitation under the forest concessionaires’ management system (or what in Indonesian is called *Hak Pengusahaan Hutan/HPH System*) had been implemented (supported by Government Regulation/PP No. 21/1970). The main mission of this forest management system was to increase the country’s economic revenues to support national development programs. As a result, starting in the middle of the 1980s, forestry activities extended from natural forest logging in the initial period to establishment of industrial timber estates (or *Hutan Tanaman Industri/HTI*) in order to supply raw materials to hundreds of wood industries (e.g. sawmills, veneer or plywood industries, pulp and paper, etc.) in the 1980s.

Until the beginning of the 1990s there were 580 HPHs (forest concession management systems) exploiting 61.38 million hectares of Indonesian natural forests. However, just ten years later, in parallel to the more limited resources, the total number of hectares of exploited forests had decreased to less than 50%. Meanwhile the number of HTI concessions in 2003 had already reached 96 units, which operated on approximately 4.4 million hectares. HTI was developed in order to support national wood industries and to

reduce their raw material dependency from natural forests. Both forest concessionaires, HPH and HTI, have not only the rights to manage the forests, but they also have obligations, such as increasing the welfare of the people who live in the forests and who derive their livelihoods from the resources. That social duty can be implemented through different agrarian and non-agrarian activities. This government policy was officially started in the beginning of the 1990s under the program frame called *Pembinaan Masyarakat Desa Hutan/PMDH* (Forest-Village Development Program).

Nevertheless, not all schemes of forest utilization were able to optimally meet the objective of increasing the communities' welfare, especially those communities which were living in the surrounding area of the resources (local communities). For example, Sardjono et al. (1999) evaluated the implementation of PMDH by six big, middle, and small-scale HPHs in East Kalimantan, finding that none achieved a satisfactory performance with regard to their social duties. Consequently, there was a growing hope, when in the mid-1990s; something called community forestry (*Hutan Kemasyarakatan/HK_m*) began in Indonesia. The HK_m is based on the concept of providing opportunities for local communities to get involved in management of state forests without disturbing their determined forest functions. Unfortunately, after one decade there was no significant progress of HK_m reported (for more detailed information see also Sardjono, 2004a and 2004b; Sardjono and Simorangkir, 2005).

However, deforestation and land degradation have increased, both within and outside of the forest areas. According to the official figures, there were around 57.0 million hectares of degraded forests in Indonesia in the beginning of the 21st century (see Table 2.) with annual deforestation rates ranging from 1.6 to 2.3 million hectares. Though according to FWI/GFW (2001), 60% of the lowland forests in three main islands (i.e. Sumatra, Kalimantan, and Sulawesi) were actually cut down in large amounts throughout the years 1985-1997. Without any conservation efforts it is predicted that these lowland forests will disappear within the next six years (2010). It is important to note, especially for discussion in further chapters, that there were already 20.5 million hectares of degraded forest identified at the beginning of the 1990s, of which 8.9 million hectares were found in East Kalimantan.

Table 2.
Official Estimation of Deforestation and Land Degradation in Indonesia (2000)

No.	Areas	Large (Ha)
1.	Critical lands outside forest areas	15,106,234
2.	Critical lands inside Protection Forests	8,136,646
3.	Degraded Forests	
	a. In Forest Concession (HPH) Areas	11,659,109
	b. Ex HPH (INHUTANI; State owned Enterprises)	2,591,184
4.	Logged Over Areas (LOA)	
	a. In Forest Concession (HPH) Areas	11,085,823
	b. Ex HPH (INHUTANI; State owned Enterprises)	2,498,242
5.	Destructed Mangrove Forests	
	a. Inside forest areas	1,712,462
	b. Outside forest areas	4,189,512
Total		56,979,212

Source: Directorate of land rehabilitation and Social Forestry and Board of Forest Plantology, the Ministry of Forestry (2000).

As previously mentioned, the Government issued policies to claim all forests outside of private ownership as state forests. This ownership is verified by personal land-ownership certificates or other documents/institutions, which, in limited cases, are acknowledged by the government to be equal to communal permanent rights. “Traditional” community rights would be acknowledged according to Agrarian Act No. 5/1960 as long as they exist under certain conditions (e.g. there have been traditional social groups, structures, and functional institutions, as well as clear traditional territories, all of which are under the official support of local administration authorities). Practically, there are no serious efforts from government authorities to measure and then recognize traditional territory. In fact for many of these communities, under their local customary practices, use rights of the resources and rights of ownership have practically no functional difference. Therefore, when the forests were classified into many functions including production forests, and their management was handed over to HPH and HTI companies, the ‘living space’ of the local communities became narrower if not actually stolen.

These conditions, in the name of conservation, create conflict over land which has been claimed as “state-forest” for use by third parties, that is, mostly for commercial uses such as timber exploitation and mining. A figure from ARC-Agrarian Conflict Data-base regarding land conflicts, which are caused by competing claims over the “forest”, shows a significant number of conflicts. By 2001, out of 1,753 cases recorded by this data-base

system⁷, 141 cases were related to the development of production forests; 44 cases were related to the development of conservation and/or protected forests, and when not less than 1.7 M hectare, “forest” lands are disputed (Bachriadi, 2004).⁸

After three decades of intensive exploitation, deforestation, and the degradation of the environment local communities are experiencing worsening conditions. Since the beginning of natural resource utilization (the 1970s) there have been potential social conflicts of interest between big-scale companies with surrounding local communities, which primarily arise from tenure problems. Only due to the powerful and authoritarian New Order Regime, could these problems be suppressed to protect the interests of the large-scale investors.

Many people are surprised, however, that deforestation rates have increased in the reformation era which began in 1998, which was followed by the implementation of regional autonomy in 2001. Illegal logging and land encroachment seems uncontrollable in tandem with the issues of small-scale (100 hectares) and short-term (only one year) timber concessions as well as timber utilization permits by district heads. This opportunism was also triggered by differences in forestry policies⁹. Deforestation rates rose higher after regional autonomy because of the increasing interests of the districts (*kabupaten*) in forest land conversion into different uses such as export-oriented crop estates, or even mining industries, in order to increase the regional income fees.

In this context of policy change, according to many investigations, this was legally untouchable and entered a ‘vicious circle’ politically since many ‘local elites’ became part of these ‘crime-links’. It is widely known that during political transition, many local politicians kept their relationships with their constituencies, including those who were working with and as illegal loggers. In addition, administrative, financial, and political authorities, which had mostly been handed over by the central government in the name of regional autonomy, had

⁷ This number could be reached by this data-base system.

⁸ This is a “minimum number of land disputed” between local people and third parties, such as forest concession companies. The meaning of “minimum number of lands disputed” is the number of lands disputed that is available through this data-base system. In many land conflicts, particularly in “forest” areas does not mention how large the land which is claimed by local communities belongs to them. Sometime, when local people claimed their land which was taken over by a timber company, what they meant is that all of that concession originally belonged to them as part of their customary land.

⁹ A short time during transition from the New to the Reformation Orders in the period of 1998-1999, such as PP. No. 62/1998 on Handing Over a Part of the Authority to the Local Government; PP. No. 6/1999 on Forest Exploitation and Forest Product Utilization Rights in Production Forest; and Decree of the Forestry and Crop Estate Ministry No. 310/1999 on Guidelines for Issuing Forest Products Utilization Rights.

shifted strong governance positions of the districts and cities, and even encouraged many of them to ignore the roles of the provincial governments, as instructions given by technical departments and ministries (e.g. forestry ministry) allowed. This was often true concerning natural resources (e.g. forest) utilization as an economic development bone. Consequently, this situation also moved a 'client-patronage' relationship system from the central level (national) to the district levels.

However, in this natural resource-rich province, despite the fact that almost 50% of the forests had already been exploited and destroyed, vulnerability remained because of the region's inability to increase the welfare of its local forest-surrounded communities. According to Sardjono (2004^a), that situation arose from two main factors: (1). During the New Order regime, there was financial capital flight from resource-rich regions (e.g. East Kalimantan) to Jakarta (Central Government), and there remained very limited trickle-down effects to the region and indeed to local communities. The communities even had to economically subsidize big-scale companies, because they had to give their living space to be exploited; while (2) In the beginning of the Regional Autonomy era, although the communities had more space to participate in forest utilization through different local schemes, with insufficient capitals (human, social, physical, and indeed financial capitals) they had to hand over the rights to outside and environmentally irresponsible investors. The limited fees, which the local communities received from the investors, resulted in wider and worse local resource destruction.

In addition to the reformation and regional autonomy implementation, social conflicts increased in many parts of the province. The conflicts did (and do) not only involve timber companies and local surrounding communities (vertical conflicts), but also between or among the communities (horizontal conflicts). In the second case, conflict mainly followed resource scarcities and historically-unclear traditional land tenure problems.

Cases: Forest Conversion and Land Occupation

Establishment of Palm-Oil Plantation in District of Pasir, East Kalimantan¹⁰

Pasir is one of the nine districts (and four cities) of East Kalimantan Province which has an area of approximately 11.6 Km² (including ocean, rivers, lakes, etc.) or if we only count the land territory, it covers 10.6 Km². This most southern district of East Kalimantan is located geographically between 0°45'18,37"-2°27'20,82" South Latitudes and 115°36'14,5" -166° 57'35,03" East Longitudes.

The economy of the Pasir district is based on local existing natural resources, especially production forests (permanent, limited, and converted) that covers an area of more than 50% of the district's territory. Until the middle of the 1980s there were at least 11 timber companies operating in approximately 1.2 million hectares of forests. However, after reformation (1998), only 3 HPHs have actively operated in a forest area of approximately 245,000 hectares. That situation was affected mainly by two factors: (1). After evaluation of the first concession right which had a duration of 20 years, many of the HPHs could not be extended due to their unsatisfactory performances; (2) The extended old or new HPHs were unable to continue their exploitation, because it was no longer financially feasible (i.e. there was either no more valuable time or only insufficient timber with a minimum diameter of 50 cm allowed to be cut in their area, or if it was financially feasible, they had social problems and conflicts with surrounding local communities) (Note: besides these HPHs, there were 3 HTI companies managing \pm 32,000 hectares of forest plantation in Pasir). Such socially 'intractable' conflicts were actually an accumulation of different objective and subjective factors, which were rooted in the insecurity and injustice felt by local communities who lived in the surrounding forests.

There are seven principal social issues concerning the conflicts: (1) Taking over forest areas/living spaces of local communities (because many of the communities had been present in the area before the HPHs); (2) Limitations on community activities in the exploited areas (especially areas for shifting cultivation and non-timber forest products collection, e.g. rattan, aloe-wood, honey); (3) Minimum communication between communities and companies (there were many differences concerning economic orientation, education, etc., which led to difficult assimilation between both social groups); (4) Labor

¹⁰ The data and information used in this article is drawn from the study results submitted to Food and Agriculture Organization (FAO), Rome (Sardjono and Simorangkir, 2005).

recruitments came more from outsiders/migrants than local communities; (5) Minimum benefits from the existing companies to local communities (seen from physical and financial impacts or the situation before and after the HPHs' operation); (6) Encroachment on the traditional protected or sacred forests/places (local communities usually have prior-determined places for traditional uses); and (7) Deforestation and its impacts on rural agro-ecosystems (e.g. erosion in the exploited forests has increased river turbidity, where people used the water for daily consumption) (Sardjono, 2004c).

The social conflicts and “reformation euphoria”¹¹ lead to illegal felling, sawmills, and timber trading, which increased steadily in all areas of forestry, especially in logged-over areas of the former HPHs. The ex-HPH areas, which legally still belong to state forests, in reality were like a ‘no-man’s’ land that created free-access to every user. The following case from Tiwei and long Gelang villages (Table 3.) allows us to better understand the historical trends regarding conflicts and illegal logging in Pasir.

Although the number of HPHs has decreased since the middle of the 1990s, it does not necessarily reflect the volume of timber coming out of the forests in Pasir. This is due to government policy concerning timber exploitation. The AAC (Annual Allowable Cut) given to a HPH to exploit the permanent and limited production forest under the silvicultural system of TPTI/*Tebang Pilih dan Tanam Indonesia* (Indonesian Selective Cutting and Planting System), there is IPK/*Ijin Pemanfaatan Kayu* (Timber Utilization Permit) given especially to commercial crop plantation companies to exploit the remaining residual stand, in order to save the existing state investment (timber)¹². It is common for companies to develop a commercial crop plantation. Based on experience, however, these types of situations have brought ecological problems in almost all regions of the province (and throughout Indonesia), since many of IPK companies do not seriously establish the plantations after clear-cutting the tree stands. They only needed the timber and then left the bare lands

¹¹ For many people (especially free riders) the reformation movement in 1998 was defined as “freedom of expression” in many ways, including breaking laws and an intention to replace all forms of regulation produced by the previous regime. This kind of freedom of expression was used by many free riders to take individual benefits through illegal action under the name of breaking all forms of previous regime legacies.

¹² In 2004, there were 3 IPK companies in Pasir. The IPK has exploited timber in forests that have been given over for mining and also for burnt areas (following forest fires), when relatively good stands could be found and possibly cut down (in Indonesian it is called “*tebang penyelamatan*”/safety logging). In addition to that timber came up on the market from illegal logging activities (Sardjono and Simorangkir, 2005).

behind. Ecological problems in plantation areas have also been caused by improper burning during land preparation, which have led to uncontrollable forest fires.

Table 3.

Social-Economic Dynamics of the Forest Users in Surrounding of the Forest Concession Area in Village of Tiwei and Long Gelang, District of Pasir, 1971-2004

Year	Description
1971	<ul style="list-style-type: none"> • HPH PT. Alas Kusuma (concession holder No. 438/Kpts/Um/9/73; with total area of 135,000 hectares) started to develop a corridor road for timber transportation from log-pond (at Lombok river) crossing the customary lands of Tiwei and Long Gelang villages); • In the same year the HPH continued the corridor with road crossing the area of HPH Nata Marga Jaya (concession holder No. 661/Kpts/Um/10/79; with total area of 40,000 hectares), which was also overlapping partly the customary land of Tiwei (notes: It seems that many of the HPHs have started the operation before the principle permits); • Villagers of Tiwei claimed compensations. Although at that time the bargaining position of the Tiwei's people was too low (because of the strong government position to protect the interests of HPH as an instrument to earn money for the country), finally they got compensation only for plants growing on the corridor road. The compensation (Rp. 350,000.00 or equal to \pm USD 350.00 in the beginning of the 70's) was used to repair communities' housing; • People of Long Gelang shifted the village to the corridor in order to increase accessibility to their farm-lands; • HPH PT. Alas Kusuma established its base-camp in Tiwei Village (note: nowadays it becomes the settlement center of Tiwei).
1973	<ul style="list-style-type: none"> • Approaching its logging area, the base camp of PT. Alas Kusuma moved to Tompuuk (note: now it is the area of Palembang village)
1974	<ul style="list-style-type: none"> • Another HPH PT. Inne Dong Wha (concession holder No. 141/Kpts/Um/4/71; with total management unit area of 120,000 hectares) used the corridor road, without any information about compensation given to the local communities (notes: probably compensation was given to HPH PT. Alas Kusuma --- it should be proven, since there was no evidence/data/information about this); • Tiwei villagers moved their settlement to the ex base-camp of Alas Kusuma
1979	<ul style="list-style-type: none"> • Based on Act No. 5/1979 (on Village Administration), both villages have been definitively declared as villages
1983	<ul style="list-style-type: none"> • The regulation of the three ministries (agriculture, industry, and trade) concerning log export ban has collapsed the activities of HPHs Alas Kusuma and Inne Dong Wha (note: under the regulation all logs should be supplied by the local plywood and sawn timber industries)
1983	<ul style="list-style-type: none"> • Mapping of the area in Tiwei for development of Oil Palm plantation by state-owned enterprise PTPN XIII in the frame of Nucleus Estate program (<i>Perkebunan Inti Rakyat</i>/PIR)
1984	<ul style="list-style-type: none"> • The HPHs have left behind their areas
1984 – 1986	<ul style="list-style-type: none"> • Because of no maintenance the ex corridor road became bushy and practically unused; • The abandoned HPH heavy equipment spare-parts and other unused iron materials were collected and sold by the villagers of Tiwei (Rp. 150.00/kg).
1986	<ul style="list-style-type: none"> • The PIR Oil Palm started to be developed by the local government in Tiwei
1987/ 1988	<ul style="list-style-type: none"> • In the frame of commercial crops estate development, transmigration program located surrounding Long Gelang led to conflicts. Local communities claimed the (Central) Government, since their occupied farmlands were taken over and converted into settlement and estate. There was no compensation given by the local government to people in Long Gelang

1992	<ul style="list-style-type: none"> • HPH PT. Nata Marga Jaya kept the timber operation going
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Table 3. (Continuation)

Year	Description
1994 - 1995	<ul style="list-style-type: none"> • Boundary conflicts (horizontal conflicts) between both neighboring villages Tiwei and Long Gelang.
1997 - 1998	<ul style="list-style-type: none"> • About 140 transmigrant families were settled in Tiwei village area in order to support the establishment of oil palm plantation
1998	<ul style="list-style-type: none"> • Illegal logging by outsiders started in the area (reportedly not by local people), mostly from the surrounding of Long Ikis (the capital of Sub-District). Heavy trucks of illegal loggers destroyed the existing road (corridor); • Following reformation in the beginning of 1998, people in Long Gelang reclaimed their lands, which had been used for transmigration settlements and crop estates.
1999	<ul style="list-style-type: none"> • HPH PT. Nata Marga Jaya stopped their logging operation, because of no more commercially allowable cut trees in their areas
2002	<ul style="list-style-type: none"> • Rehabilitation program of the government (c.q. district forestry service) through distribution of Jati (teak) and fruit trees to local villagers at Tiwei.

Resource: Supriyanto, 2005; with some modifications.

Pasir is indeed East Kalimantan's oldest district in establishing big-scale commercial crop plantations as an economic answer for the decreasing forest resources. From the biophysical condition (especially soils and topography) of the province and the characteristics of timber exploitation, the idea of commercial crop plantations is clearly realistic and reasonable. The expansion of plantations began in the early 1980's and until 2004 it covered approximately 74,000 hectares, mostly on converted production forests (or under RTRW classification, it falls into non-forested areas). The main commodity of the estate is oil palm, while others are rubber, hybrid coconut, coffee, pepper, and cocoa tree. Since regional autonomy (2001), all administration concerning commercial crop plantations has been under control of the local government (Pasir District).

The plantations were unequally distributed in all sub-districts, but the larger-scale ones are found only in five sub-districts namely, Long Ikis (23,553 Ha.), Pasir Balengkong (12,071 Ha.), Long Kali (11,522 Ha.), Kuaro (10,296 Ha.), and Muara Engau (9,400 Ha.). Meanwhile, according to the models and schemes developed by the local government, the Smallholder Estate (or *Perkebunan Rakyat*) is the dominant one. Until the end of 2004, there

were more than 17,000 families (about 58,000 to 85,000 persons) whose lives were dependent on estate schemes (Table 4.)¹³.

Table 4.
The Number of Local Communities Participating in Oil Palm Plantations and Average Managed Farmland in Pasir District (2004)

No	Sub-Districts	Plantation Area (Ha)	Participants (Family)	Average Managed Farmland/Family (Ha)*
1.	Batu Sopang	299.50	104	2.9
2.	Muara Samu	110.00	31	3.5
3.	Batu Enggau	8,345.17	300	27.8
4.	Tanjung Harapan	1,070.00	36	29.7
5.	Pasir Belengkong	10,535.50	2,972	3.5
6.	Tanah Grogot	910.00	536	1.7
7.	Kuaro	8,410.06	4,043	2.1
8.	Long Ikis	22,157.14	7,640	2.9
9.	Muara Koman	381.00	256	1.5
10.	Long Kali	6,423.00	1,229	5.2
Total		58,641.37	17,147	3.4

Source : Modified from different sources

Notes : *) estimation based on plantation area divided by the number of participants

Assuming that the above average managed farmland is reliable and considering that average production can reach 7,298.43 - 8,491.55 kg/Ha with the price of the product per-kg at Rp. 607.72 (Disbun Pasir, 2005), it can be concluded that the income per family participating in {Oil Palm} production in Pasir can range from Rp. 15,080,366.39 to Rp. 17,545,648.20 during the year, or can be estimated at about Rp. 1.25 – Rp. 1.50 millions/month. If the average family consists of 5 members, the income distribution is between Rp. 250,000.00 and Rp. 300,000.00/ person/month (note: 1 USD~ Rp. 9,000.00 in 2004). However a family's income from Oil Palm also depends on the quantity of owned land and on how intensively the farmer's care for the land. The most interesting point in the Pasir District case, is that at least three of the four villages that were visited in the research for this paper are proposed to develop plantations, although non-timber forest products

¹³ Beyond the existing plantations, the local government has already reserved a larger area of approximately 250,000 hectares to expand Oil Palm plantations. This situation underlines the economically bright future of that commodity in Pasir, and indeed the possibility of having more people participate in the program. Both the area and Oil Palm production showed an increase during the last half decade (1999 – 2004). When in 1999, the production reached 337,391 ton, five years later (although the district area has been reduced almost one third due to the establishment of PPU District in 2003) it still increased to 389,337 tons (TKKPD, 2005).

(rattan, aloe-wood, honey bee, etc.) still play an important role in their economies (see Table 5 below).

Table 5.

**The Life and Land Use Dynamics in Some Villages of Pasir District
Based on Field Observation (2005)**

Aspects	Villages (Sub-Villages)			
	Lempesu	Bekoso	Long Gelang	Swan Slotung*
Districts	Pasir Belengkong	Pasir Belengkong	Long Ikis	Muara Koman
Demography:				
a. Population	532 People	2,432 People	320 People	116 People
b. Family	127 Families	720 Families	85 Family	20 Families
c. Member	4.2	3.2	3.8	5.8
d. Ethnic	Paser (indigenous)	Paser (indigenous)	Paser (indigenous)	Paser (indigenous)
Land Tenure:				
a. Ownership	0.5 -2.0 Ha.	0.5 – 2.0 Ha.	1.0 – 3.0 Ha.	1.0 – 3.0 Ha.
b. Village Land	10.0 Ha.	10.0 Ha.	10.0 Ha.	-
c. Customary Land	30.0 Ha.	-	500 Ha.	8.680 Ha.
Living Sources	-Seasonal Farming -Oil Palm -Labor -Private Company	-Seasonal Farming -Oil Palm -Private Company -Husbandry	-Seasonal Farming -Oil Palm -Rattan -Other For.Prods.	-Seasonal Farming -Aloe-wood -Honey Bee -Rattan
Land Use Issues	-100% of the people participated in Oil Palm -NTFPs (Non Timber Forest Products) have been exploited by migrants -The environment quality decreases following mining and deforestation	->50% of the population participated in Oil Palm -NTFPs have been exploited by migrants -Only few families are still collecting NTFPs	-People participated in Oil Palm (1.0-2.0 Ha.) but many are still collecting NTFPs -NTFPs (Non Timber Forest Products) have been exploited by migrants -Illegal logging exists	-People still depend mainly on farmland and NTFPs (esp. from customary land) -Only limited/ small scale Oil Palm plantation is allowed in the village
Customary Regulation	-Still respected (social lives) but concerning natural resource management (NRM) becomes looser	-Both in social lives and NRM become looser (except. Taboos)	-Strong implemented but generally only for local inhabitants	-Very strong and implemented (incl. valid for both local inhabitants and outsiders)
Poverty	79% of Families	27% of Families	53% of Families	19% of Families

Source: Primary Data (2005); with additional secondary data concerning poverty in Sardjono and Simorangkir (2005) (*Swan-Slotung is Sub-Village of Muluy)

Problems of forest destruction and poverty are also caused by internal factors, for example, the readiness of people to rapid socio-economic dynamics. This includes the capacity for building (especially in technical and human resource capital), implementing local law enforcement (especially the role of local traditional regulation in natural resource management), and developing institutions at the village level in order to compete with external growth (better information and access to technologies) which influence poverty. It seems that local communities have struggled to adapt a dynamic socio-economic growth without sufficient advice. As a result, they have experienced the destruction of their natural resources, especially forests, while the introduction of technology and economic sources have not been reliable enough to improve their standard of living.

Based on field observation, the growing interests of many local communities to participate in smallholder models has been encouraged by the possibility of claiming former lands declared as state owned (forest) lands. However, other groups of villagers, especially those who have interests in the conservation of customary ownership, do not agree with such a scheme. As long as the lands are still under community control, the latter group is willing to participate in Oil Palm Plantations, because it has significantly increased family income. (Is this decumunalization or privatization – see Figure 2.). These contradictory interests often lead to worse conditions in the village, especially in the form of horizontal conflicts.

Conflicts among villagers (local inhabitants) over land have increased in many places. We addressed this in the previous discussion regarding Forest/Timber concessions and commercial crop plantations legally receiving rights to manage their areas. In spite of that, local communities in many parts of the district (and certainly with traditional rights in the surrounding resources) existed long before the companies began in the 1970s. Exploration done by Wijaya, *et al.* (2005) showed that Pasir Kingdom was already established in the 16th century, and occupied areas of Pasir District, PPU District, and even part of South Kalimantan. Since then, many community groups received rights to manage or to occupy lands as gifts for their services to the kingdom. Many of the community groups have also occupied lands communally for centuries, and have used natural markings as their territorial boundaries (see e.g. Heriyanto, 2005).

The occupation of the lands among the traditional communities usually occurred in concert with the first opening of primary forests for their farmlands, or for using the forest as hunting grounds and for collecting various forest products. Under communal rights,

individual access or land-use rights of community members have been acknowledged, with the condition that the lands be returned to communal right when they are no longer utilized (see e.g. Sardjono, 2004a). In reality, many individual users try to occupy resources as long as possible or even permanently, particularly after the population and the competition for resources increased. Therefore valuable tree crops such as fruit trees and rattan are cultivated or maintained on the occupied lands. Although after the establishment of the Republic of Indonesia (1945) and the Agrarian Act 5/1960, all lands without an ownership certificate belonged to the state.¹⁴ Many community groups (including in the Pasir District) oppose releasing the customary lands.

Due to the very powerful and centralized New Order regime (1967-1998), land claims practically did not appear when the forest/timber companies and commercial estates began their work. Although the communities did have strong objections to the policies. After the reformation (followed by regional autonomy), the socio-political situations changed, and democratization became the spirit of resource use. There has been vertical and horizontal conflict, arising in almost all parts of the country especially regarding forest and land resources. Horizontal conflicts are usually caused by unclear natural boundaries or historical backgrounds (versus administrative territory) of two or more community groups or villages. The conflicts have also been caused by different interests and ideas for utilization of the same piece of land or territory among the community members. The following example from Tiwei and Long Gelang in Long Ikis District (Table 6.) elucidates this point.

¹⁴ All rights which given before the Agrarian Act 5/1960 were acknowledged until 1980 or for 20 years (when they had to be returned to the state)

Table 6.
**Implication of Oil Palm Plantation on Internal/Horizontal Conflicts among
 Communities in Long Gelang and Tiwei of Pasir District**

Description	Villages	
	Long Gelang	Tiwei
Internal Conflicts in the Village		
Conflicts Driven	<ul style="list-style-type: none"> Some families occupying lands surrounding the Oil Palm plantation development program did not want to participate in it because of possible permanent loss of their rights on lands that were replaced by government/companies with only parcel of land (about 2.0 hectares). They were willing to lend the land without giving over the rights 	<ul style="list-style-type: none"> Some 'elite' families in the village claimed the village land that traditionally belonged to them. They had objection to replace the family- to be communal lands for Oil Palm plantation program. The compensation price of the demanded lands for Oil Palm plantation was too small
Conflicts Sources	<ul style="list-style-type: none"> Unclear land occupation rights under traditional law and the real recent price of the lands 	<ul style="list-style-type: none"> Unclear land occupation rights under traditional law and the real recent price of the lands
Conflicts with Other Villages		
Conflicts Driven	<ul style="list-style-type: none"> Competing lands located in strategic places (along the main road of the villages) and proposed to be used for Oil Palm plantation program (conflicts between two villages Long Gelang and Tiwei) 	<ul style="list-style-type: none"> Competing lands located in strategic places (along the main road of the villages) and proposed to be used for Oil Palm plantation program (conflicts among villages Tiwei, Long Gelang, Belimbing and Olung)
Conflicts Sources	<ul style="list-style-type: none"> Land claims between users 	<ul style="list-style-type: none"> Land claims among users

Source: Heriyanto, 2005 (modified)

Policies on forest utilization through timber management systems and conversion of forested as well as non-forested lands into plantations, especially palm-oil plantations, have not yet been connected to better resource management and the reduction of poverty levels. In the Pasir case, it is clear that intensive timber exploitation in the last decade has resulted in the degradation of large areas of land and unproductive forest in the district. The remaining protected forests and conservation areas are under pressure from different interests, including land encroachments and illegal logging activities.¹⁵ In addition, there was no

¹⁵ Only in 2004 were 41,800 M³ illegal log and sawn-timber saved. That means there was more than an average volume of legal log production of the district from 2001-2003 (only 36,100 M³) and

improvement reported concerning the reforestation and land rehabilitation program. Pasir, in the period of 2001 to 2003 (3 years), spent at least Rp. 25.6 billions (for more than 112,000 hectares). The forest concession clearly were not able to advance the welfare of the surrounding local communities. We have mentioned before that the notion of a ‘trickle-down effect’ is flawed. Generally poor local communities have to subsidize the companies (trickle-up effects), since they have to turn over their living space or forests from which they collected timber and NTFPs. In Pasir, outsiders such as unemployed immigrants enter the forest to exploit resources and NTFPs¹⁶, (see Table 5. above).

Palm-oil plantations are the core-business of the district and have been accepted at the grass roots level through different small-scale programs. In fact, they are probably a rational solution for forest degradation. The farmers participating in the plantation program have been assured their incomes and as a result there is increasing demand among the local communities to establish palm-oil plantations. Large plantations, thus far, give no real guarantee of reducing poverty. However, even the local communities, who have been able to protect the remaining forests, show improved livelihoods (see Table 5.). Nevertheless, the establishment of palm-oil plantations has been used as a reason to get IPK (i.e., exploitation of remaining residual stands), to convert communal lands into individual ownerships. This has increased conflict about land occupation among the local communities or villages in Pasir, which have tended to increase in the last half decade (see Table 6.).

Land Occupation in State Forest Areas in District of Ciamis, West Java

The declaration of Java’s forests as part of the state domain had as legal precedents two nineteenth century laws, namely the Forestry Law of 1865 and the Agrarian Law (Agrarische Wet) of 1870 (Peluso, 1990: 34; Peluso, 1992: 53; Peluso and Vandergeest, 2001: 774-775).¹⁷ From these two colonial regulations, development of “forest” in Java had a legal foundation, which was then followed by a kind of scientific timber management system, and increasing numbers of “forestry” lands through conversion. This resulted in the conversion of natural forest and people’s land into forest plantations (Peluso, 1990: 38-39; Peluso, 1992:

approximatley 15% of the total IPK’s timber volume of the district in the same time (Dishut Kaltim, 2004; UPTD Kehutanan Pasir, 2005).

¹⁶ In the frame work of the Transmigration program or spontaneous migrants due to working opportunities.

¹⁷ UU Agraria (Agrarische Wet) 1870 stated “all land that could not be proven to be owned – individually or communally – by villagers was the property of the state”.

66-67).¹⁸ Colonial forest arrangement persisted and was enjoyed by Indonesia's Perhutani – a state-owned forest company. In other words, Perhutani just perpetuated the legacy of the colonial forest system with all of its requisite characters, performances, and attitudes.

Initiated in 1961, Perhutani today controls the same “forest” area in Java as the colonial forest service did, which now covers an area of 2.5 million hectares – 19.6% of the total land in Java Island. Of this company controlled “forest” area, approximately 1.94 million hectares is production forest, and 0.63 million hectares is protected forest. Based on the most recent calculations, this controlled production forest is only 4.5% of the total Indonesian production forest. However, with the massive controlled resources Perhutani has a monopoly in the marketing of teak timber; dominates the pine-resin production and trade; and controls forest village development and forest labor. It also has financial autonomy to make its own annual budgets. For that reason, Perhutani is often referred to as a “state within the state” (“*negara di dalam negara*”) (Peluso, 1990: 49). Perhutani is a prime example of how a company can become wealthy by using state power.

This company operates in three provinces in Java Island, i.e. Central Java (Unit I), East Java (Unit II), and West Java (Unit III). Based on findings and calculations in the year 2000, from all its operation units Perum Perhutani officially supplied only about 22.6% of logs used as raw materials for the wood industry in Java. There are approximately 13.6% raw materials that originally came from the same Perhutani's “forest” but that enter the market illegally. Meanwhile, the people's forest has only around 391 thousand hectares (approximately only 16% compared to the whole Perhutani's “forest”) and can supply around 10.9% of the raw materials for this industry. Another source of log supply originally came from outside Java. In other words, official timber product from the land which is controlled by Perhutani is not projected to support wood-processing industries in Java (Bachriadi and Lucas, 2002).

In West Java, through 14 *Kesatuan Pemangku Hutan/KPH* (Forest Supervisory Office) under Perhutani Unit III, this state-owned company controlled around 792,467 hectares of land that is called “forest.” It consisted of 552,065 hectares of production forest and 240,402 hectares of protected forest ([www.dephut.go.id/informasi/ luas_perum.htm](http://www.dephut.go.id/informasi/luas_perum.htm) as quoted by Bachriadi and Lucas, 2002). In the District of Ciamis, the unit which operates is called *Kesatuan Pemangku Hutan (KPH) Ciamis*. In 2000 they controlled 36,204.93 hectares of

¹⁸ Until 1942 – the year when Japanese occupation started in Indonesia-- approximatley one million hectares of teak plantation developed in Java Island. See: Simon, 2001; also Peluso, 1992: 267-270.

“forest” lands, and then decreased to 29,765 hectares in 2005, in which 24 thousand hectares are now planted in teak plantation.

In order to follow the new Ministry of Forestry policy to make social forestry the basis for “new forestry development” in Indonesia, Perhutani developed a program called PHBM (*Pengelolaan Sumberdaya Hutan Bersama Masyarakat* or Managing Forest Resources with the Community¹⁹). In this community or social forestry program, they piloted new forest planting methods, such as different plant spacing and different varieties – rather than effective forest management.

Although Perhutani’s social forestry regulation stated that local communities who joined this program could be involved in planning, implementing, monitoring, and evaluating forest management, they would also get a smaller benefit-share of the harvested timber products, i.e. not more than 25% with the possibility of more at the first harvest²⁰. It is not surprising, then, that many NGOs (non-governmental organizations) saw this initiative as similar to putting ‘old wine in new bottles’ (see Bachriadi and Lucas, 2002).

Under the management of KPH Ciamis, land occupation actions in “forestry” areas, conducted by local communities who were associated with *Serikat Petani Pasundan* (Pasundan Peasant Union or SPP) began in 1998.²¹ In this region, land occupation actions by SPP’s members started in *Cikaso* in 1998– an area of 5 villages in the Sub-District of Banjarsari –, which then spread to cover 7 other areas (where SPP developed a local chapter or their smallest organization in a village, a sub-village, or at the inter-village level.) In SPP, this small organization unit is called an OTL (*Organisasi Tingkat Lokal* or Local Level Organization).

Table 7.

SPP Land Occupation in “Forest” Area in District of Ciamis, West Java

Local Chapter	# Member	# Involved in Occupation	Average of Land Occupied per individual	Total of “Forest” Land Occupied (ha)
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¹⁹ For a definition of this program and what Perhutani means by PHBM see: *Decision of Monitoring Board of Perum Perhutani No: 136/KPTS/DIR/2001 on Managing Forest Resources with the Community (Pengelolaan Hutan Bersama Masyarakat)*, 29 March 2001.

²⁰ See Decision Letter of the Governor of Central Java No. 24 Tahun 2001, esp. Chapters I, VII dan VIII; and Decision Letter of the Direction of PT Perhutani (Persero) No. 001/KPTS/DIR/2002 on Guidance for Timber Forest Products Sharing (*Pedoman Bagi Hasil Hutan Kayu*).

²¹ SPP is a local peasant union in West Java, formally announced to the public as a peasant mass-based organization in 2000. This union has existed since 1998, as a result of organizing which occurred during the midst of the 1980s in some parts of the District of Garut, West Java. SPP operates in 3 districts in West Java, i.e.: the Districts of Garut, Tasikmalaya, and Ciamis. Presently, this union claims around 25,770 individual members in 8,590 family members, who are spread among 52 local chapters (OTL).

			member (ha)	
Bagolo	694	383	0.51	199.00
Cigayam	295	190	0.54	102.61
Kalijaya	1,402	724	0.23	325.87
Margaharja	930	453	0.32	144.66
Pamotan	2,402	1,335	0.43	576.09
Selasari	333	210	0.66	138.68
Cikujang	362	215	0.13	45.91
Banjar Anyar	317	174	0.15	54.85
Cikaso	487	220	0.16	73.86
Pasawahan I	814	366	0.2	106.21
Pasawahan II	835	591	0.21	139.07
Bangun Karya	1,346	598	0.87	519.49
Total	10,217	5,459 [53.4%]	0.44	2,426.30

Based on SPP-Census (2003) conducted by Dianto Bachriadi (ARC), preliminary result (2005)

Land occupations in KPH Ciamis in the 1990s essentially showed a pattern of loose relations regarding natural resources control between local communities and the state. Before the reformation movement in 1998, which brought down Soeharto's presidency, Perhutani was the representative of the state which controlled almost all "forestry" areas in the District of Ciamis. It was a powerful actor although in reality a deeply porous organization due to wide-spread corruption and manipulation (see also Munggoro in <http://www.latin.or.id/wacana/Index.htm>). The New Order state, which Perhutani represents, is a pervasive and corrosive force, which motivates local people toward a deeper political activism. In response they tend to engage in more radical actions than protests. They use 'hit and run' tactics to gain access to "forestry" lands that have been controlled by this state-owned company. As shown in the table below, and similar to what happened in the *Cikaso* area before the resignation of Soeharto and the reformation movement, there were various local actions and protests against Perhutani's moves to expand their land holdings,

Originally *Cikaso* neither placed local people in a face to face conflict with Perhutani nor set them directly in confrontation with the New Order state. As shown in the table above, the *Cikaso* case started from cultivation activity in the once private plantation land which was essentially abandoned by the holder. Perhutani then became a problem for local cultivators in *Cikaso* when this state-owned company received a "gift" from the central government to control that land as part of an exchange of land assets (*ruislag*). A slot of "forestry" land in one area of northern West Java (near to the City of Jakarta and Bogor) would be used for the development of a new town (to be called Jonggol New Town and be

managed by PT JBA, a private company owned by one of Soeharto's sons. According to government policies on maintaining a total designated "forested" area, once a conversion of forestry land occurred, the local government must designate a replacement of non-forest land to convert into a "forest" area in a location that was relatively as large as the original piece. The area of ex-plantation which had already been cultivated for a long period by the local people in Cikaso, was selected for replacement, and dedicated to Perhutani to develop and manage as a new teak forest area. During that time in 1997, these local communities began their challenge to Perhutani, and changed their positions from lease-cultivators to a group of land occupants in the "forest" areas.

This case is very different from other land occupation actions, for example the case of the village of Margaharja and others (see again Table 8. below). The events in Margaharja show how local peoples' radical actions to occupy Perhutani land was set in motion by the following factors: (1) a lack of access to resources claimed as "state-forest" became a primary economic reason for the land occupations; (2) increasing local awareness of the existence of "state-forests" managed by Perhutani since the 1970s, as a continuation of the colonialism that originally took over the local people's access to forest lands; (3) the wave of the reformation movement as a symbol of people's empowerment, one that succeeded in weakening the power of the New Order state and became a convincing factor in influencing local people of the fact that Perhutani's power as representatives of the state was not as strong as previously imagined; and (4) there are many informal contacts, social relations, and information channels, in this case SPP, which linked local communities with well-organized social movements as well as others such as urban-based social movements, student movements, labor, environmental, women's, movements and others. Therefore, the process of land occupation in "state-forests" held by Perhutani, reflected a power-shift in the relations of state and society. The pendulum of power shifted temporarily because of political transition. Groups of local people, including SPP and its many local chapters in Ciamis, tried to use this political opportunity to express their political and economic interests through land occupation actions. In the process, local people were put to the test in trying to maintain their radicalism in the face of intense opposition. If they could transform this political stance into an even more powerful force, they could succeed in breaking the inequitable legacy of "state-forests" in Java.

Table 8.

Pattern of Land Occupation in Three Local Chapters of SPP-Ciamis

Local Chapter	Kalijaya	Margaharja	Cikaso*
Starting Date of Occupation	2000	1999	1998
Previous Relations with Perhutani	- very few local people have access for <i>tumpang Sari</i> **	- some local people gain access for <i>tumpang Sari</i> **	- No relation with Perhutani before 1996; - some local people have access for <i>tumpang Sari</i> ** after land was held by Perhutani since 1996
Main Reasons to Occupy the Land	- needed land for agriculture activities; - not all villagers had access for <i>tumpang Sari</i> **	- needed land for agriculture activities; - not all villagers had access for <i>tumpang Sari</i> **	-land was already cultivated for long period, since 1966, through leasing mechanism to the plantation company who held commercial use rights (HGU) but did not use it properly
Basic Arguments (Rhetoric) Used for Occupation	The land and “forest” belonged to local people (under management of local people) before the Dutch, designated as “state-forest” and then continued by Indonesian Forestry Service and Perhutani after independence	The land and “forest” belonged to local people (under management of local people) before the Dutch designated as “state-forest”, and then continued by Indonesian Forestry Service and Perhutani after independence	- Period of HGU was ended; - Perhutani has no right to control, because local people as cultivators were not involved in <i>ruislag</i> /exchange of assets processes between Government-Perhutani and a private company that used “forest” lands in other areas to build a new town
Trigger Events for Occupation	- trees looted in Perhutani areas by non-villagers; - had seen and heard about land occupations in neighbor village; - has an informal relation with	- trees looted in Perhutani areas by non-villagers; - had seen and heard about land occupations in some areas; - has an informal relation with SPP	Conflicts between local cultivators and Perhutani based on the <i>ruislag</i> /exchange of “forestry land” assets which made Perhutani became a new land holder

neighboring OTL leaders	District Office
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Table 8. (Continuation)

Local Chapter	Kalijaya	Margaharja	Cikaso
Physical Conflict and Violence during and after Occupation Actions	- intimidation; - political stigmatization as “communist” - destruction of peoples’ food crops	- intimidation; - illegal arresting; - open fire conflicts [NOTE: mean, people get fired upon?]; - destruction of peoples’ food crops	- Intimidation
Response from Perhutani after Occupations	Offering occupants to join with PHBM (Perhutani’s Social Forestry Program)	Offering occupants to join with PHBM (Perhutani’s Social Forestry Program)	Avoiding direct conflict with local people/occupants
Peasants’ Response back to Perhutani	Rejecting Perhutani’s proposal on PHBM program	- Rejecting Perhutani’s proposal on PHBM - Asking Perhutani to cut off all teak [NOTE: exploitation?] in occupation area	

Compiled from SPP’s documents of chronology of land cases in District of Ciamis; local and student organizers’ field notes.

Notes:

* In the area called “Cikaso”, which consists of 5 villages – , today there exist 6 SPP Local Chapters or OTLs. At the beginning of this movement, all protesters gathered as one OTL, referred to as OTL-Cikaso.

** *Tumpang Sari* is the name of the temporary rights of local people (who live around Perhutani forests) to use lands between young commercial trees for foodstuff and agricultural activities. People who have access to *tumpang Sari* must work to keep and maintain the Perhutani’s trees, without any compensation for their work.

Today it can be seen that local peasant groups who associated with SPP-Ciamis have been successful in holding approximately 2,426 hectares – a very small amount of land compared to 36 thousand hectares of production forests held by KPH Ciamis. But through the process of reconsolidation of state power, this success may mark an important turning point. Following are a few challenges to SPP which must be taken into account: (1) a tendency to reinforce state power which can enhance Perhutani’s power, including the possibility of privatization processes that will make its successor(s) more determined; (2) the

co-optation of processes used by Perhutani through its PHBM scheme could possibly make them stronger, following the consolidation of power in the state, such as the re-emergence of principles of state law and its enforcement; and (3) the increasing capacity of SPP's groups to maintain and consolidate divergent interests of their members in community life after land occupations, which could help them create and build further steps for change and continue their collective action missions.

Is Forestry Land Reform There?

The lack of local communities' access to land and other natural resources, such as forestry resources, as well as the fact that other parties could control forestry lands on a massive scale has become the chief cause of rural poverty (see Eckholm, 1979; Baraclough, 1982; Prosterman, Temple and Hanstad, 1990; Sobhan, 1993). Unequal land holding has also led to rural social conflicts (Christodoulou, 1990; Prosterman, Temple and Hanstad, 1990; Yeros and Moyo, 2005), and serious ecological destruction (Baraclough and Ghimire, 1995 and 2000). These conditions generate a need for land reform, which in Indonesia is clearly mandated by a Decree of People Assembly No. IX/2001 on Agrarian Reform (see Bachriadi 2002, Bachriadi and Wiradi, 2004; *Petisi Cisarua*, 2005). The problem has been politics at the national level, since the New Order was in power until recently. Neither national configuration has enacted systematic agrarian reform as a principal instrument in the effort to eradicate rural poverty (see also: Wiradi, 2000; Bachriadi, 2002; Bachriadi and Wiradi, 2004).

It is a more difficult situation when these issues are related to land in areas declared as "forests" and/or "state-forests". As noted previously, the existence of the "state-forest" with all its political and economic interests has a long history in Indonesia. Currently, many of these interests were augmented by an argument to provide services for ecological balance, not exclusively for this country, but also in the name of global ecological balance. With these various pressures, the Indonesian government preferred to maintain a centralistic model of forestry control and management.

Ironically, during the long history of this tenure system, large-scale economic interest was burdened, and used its strong position in relation to the state to control those areas called "forests". One must look to the numbers of timber concessions that operated in Indonesia as well as the deforestation trends that were caused by legal or illegal extraction

operations (FWI/GFW, 2002). In addition, there is a trend toward a higher rate of forest conversion into big plantations, particularly for palm-oil plantation estates (see FWI/GWF, 2002; *Book of Sawit Watch/WALHI [?] ttg perkebunan kelapa sawit di Indonesia/About Palm Plantation in Indonesia*; Bachriadi and Wiradi, 2004). It is likely to become worse, since recently the Government of Indonesia passed the Emergency Law No. 1/2004 allowing some large mining companies to explore and exploit mines in the area, which had been declared as protected forests (See Bachriadi, 2005). This distorts and undermines the rationale for providing forest services to maintain ecological balance. Lastly, the cases from Pasir and Ciamis, as well as from other studies, have shown that evidence of state control over the forest, from “a ride by big economic interests”, is one of the causes of social conflict in rural and/or remote areas of Indonesia (see for examples: Peluso, 1992; Lynch and Talbot, 1995; Kusworo, 2000; Haryanto, *et.al.*, 1998; Widyarsono, 2001; Bachriadi and Lucas, 2002; Sardjono and Simorangkir, 2005).

In fact, the idea of maintaining ecological balance and conservation for “the greater interest of peoples’ welfare”--as stated in the constitution as the reason for enacting “state-forests”--was empty rhetoric. Simon has pointed to the long, problematic history of state forestry practice, control, and management as the creator of the type of forest management resulting in the following dilemmas: the decline of forest resource potentials; many protected forest areas being converted into production forests; the declining population of fauna with, many becoming scarce or extinct; the decrease in the average communities’ agricultural land-holdings because of restricted access to forest resources, and therefore increased conflicts; and many potential reforestation funds wasted on the consumption activities of forest managers, including high rates of corruption (Simon, 2001).

In this context, the present tendency in forestry policy to make “social forestry” the future of forest management in Indonesia²² is no more than policy rhetoric as well. As a program, social forestry is not new. It was developed in Indonesia in the mid 1980s. However, from its implementation until now, including current practices such as Perhutani’s PHBM, social forestry, in essence, is really a strategy to invite local people to become involved in reforestation--after the forest has been destroyed due to over-exploitation by large-scale economic interests. In practice, this developed model of social forestry will only

²² See www.dephut.go.id as one formal source from the Ministry of Forestry where they released this statement.

give access to local communities to engage in *tumpanghari*²³ activities (see also Bachriadi and Lucas, 2002). Moreover, many cases of social forestry implementation in Java in the early 1990s only created conflict. Many peoples' agricultural lands, sometimes including their own compounds, were changed into forestry areas due to the government declaring those areas as "forestry areas". Therefore the local people who had already lived on and used that land for a long time, were forced to be involved in this "reforestation" program (see Lucas and Bachriadi, *forthcoming*). In a similar pattern, from one evaluation study conducted in Tana Toraja, South Sulawesi, the tendency to use local people as a free work force to rehabilitate destroyed forests under social forestry programs was also combined with the idea of bringing back a concept of indigenous land tenure and local governance systems known as the *Lembang* (see Bachriadi and Iswari, 2005a). In other words, the hidden agenda of the government's social forestry program (which was developed over two decades ago) was to transfer the costs for restoration by using cheap or even uncompensated labor. It is no surprise then, that the next time local people are "invited" to engage in reforestation after ecological destruction (caused by large mining operations in protected forests) will be quite reluctant to participate.

Another example is the tendency to integrate loosely related ideas of social forestry with the politics of decentralization, in the form of small-scale forest concessionaires or timber extraction units. This is brought about through deforestation in rich forest provinces such as East Kalimantan, as mentioned in the beginning pages of this paper.

In terms of recent forestry trends in Indonesia agrarian reform, is acknowledged as the best way to alleviate poverty in rural areas and the best method to increase peoples' agricultural productivity. Agrarian and forestry reform is also considered an effective instrument to prevent social conflicts caused by unequal land distribution (see Jacoby, 1971; Tuma, 1965; Dorner, 1992; Lehmann; 1974; Christodoulou, 1990; Baraclough, 1982; Wiradi 2000; Bachriadi and Wiradi, 2004; and *Petisi Cisarua*, 2005) (Baraclough and Ghimire, 1995; Klooster, 2003).

²³ *Tumpanghari* is a temporary right to use Perhutani's forestry land, which gives local people who live around those areas the right to subsistence agricultural activity. They can only cultivate lands between Perhutani's production trees, usually for 3-5 years. Usually those cultivators plant seasonal food crops. Not all local people who live in this area enjoy *tumpanghari*. Only those who register as *pesanggem* can do *tumpanghari*, and they are strongly supervised by Perhutani's local forest supervisors (*mandors*). Some part of the harvested products must be shared with Perhutani through its *mandors*; the share portion being approximately 20-40% from all harvested products.

The idea of agrarian reform that pertains to forestry land is frequently opposed by the desire to keep designated forestry land as a “forest” with all of its ecological complexity and multi-services for public needs. The idea of agrarian and/or land reform which is based on demands to create a strong peoples’ agriculture, is often in contradiction with the “necessity” to protect coverage areas as “forestry areas”. Therefore the idea has been seen naively as a threat to sustaining the forest. Although there have been many studies that underline the importance of land reform in order to resolve the unequal distribution of land and to avoid increasing forest land encroachments, these studies have more often addressed land reform implementation in non-forested lands or outside the forests (for example, see Hurst, 1990; Park, 1992; Baraclough and Ghimire, 1995).

The paradigm of large-scale and centralized forest utilization tends to negate the fact that agricultural activities in forested areas, practiced by individual local communities in the form of various small-scale Agroforestry systems, becomes an alternative for forest conservation. Many studies in Indonesia have shown that traditional/local Agroforestry practices display better productivity and have more capability to maintain ecological sustainability compared to other land uses, especially monoculture (see Sardjono, 1990; Zakaria, 1994; Foresta, *et.al.*, 2000; Suhardjito, 2000; Awang, *et.al.*, 2001; Sigit and Muhsi, 2001). Again, this helps point to the fact that actual economic interests of large-scale exploitation and rent-seeking activities, (see Ramli and Ahmad, 1993) most likely have obstructed ideas of forestry land reform in Indonesia. Such political economics, however, should not be considered as a peculiarity, as stated clearly by Baraclough and Ghimire:

“Most national forest protection initiatives, however, are of more often recent origins. They have often commenced during the last few decades when concerns about tropical deforestation together with the loss of biodiversity and climatic changes believed to accompany it have become politically significant – although still marginal – issues in many of the rich industrial countries. Forest protection measures have frequently been promoted by bilateral and international aid agencies and conservation-oriented NGOs. These have found allies among a few environmentally conscious intellectuals and conservation minded groups in the developing countries. Most of conservation movements in developing countries have been based on upper- and-middle class support... Ironically, in few cases so too have the concerns of national and transnational timber interests to protect their resources of raw materials and profits from agriculturalist and others coveting the forests” (Baraclough and Ghimire, 1995: 134).

Moreover, it relates to legal-political aspects of forestry, in that there are economic interests fighting over occupations of lands forest resources²⁴. The legal position of the Forestry Law is paramount and thus there remains almost no space for forest land redistribution (Bachriadi, Safitri and Bachrioktora, *forthcoming*). It is clear from forestry laws and policies in Indonesia, that the national interest had been used to occupy about 70% of the country's territory, because these lands had been declared as state-owned forest areas. When it was enacted in 1967, the Basic Forestry Law (BFL) No. 5/1967 was placed on an equal footing with the Basic Agrarian Law (BAL) No. 5/1960. The BAL contained very strong ideas of land reform, in which all the land controlled by the state must be given to local people, especially to the landless or the nearly landless peasants, and the state must recognize customary practices over land use. By using an argument based on the legal principle "*lex specialis derogate generalis*",²⁵ many scholars and forestry bureaucrats state that the forestry law perspective had to be given priority over the Basic Agrarian Law. In fact, the BFL itself did not refer to nor respect the existence of the BAL when it was released 7 years later. As a result of this competing law implementation, specific forestry policies became superior to the more general law of agrarian matters as stated by BAL, which covered regulation of "all of land, water, and space above it, and all natural wealth covered inside" (BAL article 1).

Since that time, the existence of "state-forests" became prominent and greatly reduced the local people's access to its resources. Under this premise, there were virtually no ideas to redistribute control, or ownership of the "state-forest" lands, which essentially contradicted the principles of state control over land as mandated by BAL. These rights under BAL should have been ascribed to local social and economic activities before giving use-rights to implement larger-scale economic activities. This situation suggests that all individual or group/communal rights (especially local traditional communities) within forest areas are practically abolished or at least not recognized in the name of "national interests". These interests have been reflected by hundreds of timber and mining concessions. Even when the new forestry law (Forestry Law No. 41/1999) revised the old one and included the BAL as one of its considered laws, the practices of strong "state forest" were difficult to change, and again there was plan for forestry land redistribution.

²⁴ It is like implementing a sociological concept "survival of the fittest".

²⁵ This principle says: "when two or more laws contradict, the more specific law has precedence over the general law. See more detailed in <http://www.everything2.com>.

It is possible to suggest that there are some initiatives from the government to release and redistribute “forestry lands” to local people by giving, for example, a formal land certificate to approximately 200 families, as happened in one area of Sagara in the southern District of Garut, West Java in 1999 (see Lukmanuddin, 2002). It must be noted, however, that the land distributed to these families was released first as “non-forest land”. This meant that the “forest” land must be transferred first as “non forest” land before being redistributed, which has a different meaning than “forestry land reform.” Usually the government needs to designate another area – typically never known publicly– to replace the original piece of land -- so that the “transfer and replacement process” would not create a land conflict as happened in the case of Cikaso.

When the regional autonomy and decentralization era began in 2001, an interesting trend developed, the Forestry Department was classified as the most detested central institution due to its dominant occupation of the country’s land territory, usurping the interests of the regions (especially district levels), and by hampering resource utilization for economic development. In many conflicts concerning land/resource claims, this situation has often been used by districts to argue against local communities, in other words, that local claims should be directed to the central Forestry Department rather than to the District Services.

The reverse of this phenomenon is that there has been no government willingness to redistribute “forest” lands to local people who actually need land for their existence or to improve their livelihood, while big-scale investors were invited and even assisted in obtaining land allocation for their business, especially in the outer islands of Java (e.g. Sumatra and Kalimantan including in Pasir District). Although there are plantation schemes developed which enable involvement of local communities, the term “peoples’ involvement” in rural economy development is often only rhetoric; they position people together with their lands into a product-oriented contract-farming relationship. In Indonesia such schemes have entered the 5th generation of the so-called “nucleus-plasma” model, which is called KKPA (Small Credit for Agribusiness Development).

Whether people agreed or disagreed with, the recent tendencies in the Pasir and Ciamis cases should be considered ‘grass-root’ pressures, where local communities tried to convert forestry landscapes into agricultural lands. Both cases were formed by different factors widely known as “from below” pressure. In Ciamis, the “from below” pressure was

reflected by mass occupation of Perhutani's lands during a political transition (between the end of the 1990s and 2000), when the state power was still unstable.

While in the Pasir case, the "from below" pressures were in a softer form: local aspirations to participate in oil-palm programs through conversion of forested communal lands into individual plantations. This last tendency was utilized by large-scale plantation establishments who even used state power as the only forestry authority. It can be argued that the participation of local communities in the oil plantation program or forest land conversion stood in the way of plantation establishment strategy to exploit land processes, which have been claimed by them or were traditionally occupied. People began to realize that legally their customary rights on lands and forests were not recognized or had been neglected by the Government, and that the resources had been handed over to large-scale timber concession holders without any compensation or benefits. Therefore, when forested lands (or those partly-covered lands which had been declared as non-forested), and/or logged-over areas were converted into oil palm plantations in large numbers, the local communities tried to take back their rights. Most of those lands will not be returned to forests, but will be aggressively converted to oil palm plantations. This should also be considered as a strategy of local activities to be involved in all forms of access to land as well as resource exploitation, which allows them to increase their economic welfare, or perhaps points toward a feeling of "better late than never".

It must be noted from the Pasir case that involving people in the process of large-scale oil-palm plantation establishment assumes that local people have successfully claimed their traditional lands to be included in the plantation program. This can only partially solve the tenure problems. Basically those lands, which from the Government's point of view are seen as part of state forest areas, will in the next step be included within a broader meaning of the large plantation under the nucleus-plasma or 'contract farming' scheme. It is in this way that the Government will have a political reason to release the occupied lands to local communities. Once again, it is necessary to underline that every step taken is based on economic logic and history. According to the results of many studies, nucleus-plasma schemes have never resolved economic-political problems or security of land tenure for the involved peoples (see e.g. Bachriadi, 1995; Gunawan, 1995). However, some interesting findings of the studies were: (1) involvement of people as plasma-farmers did not accomplish more than positioning them as cheap-laborers for the expansion of large-scale oil-palm

plantations²⁶ and (2) tenure security for local communities as it had been arranged had, in reality, no real or lasting substance or meaning. In fact, many studies confirmed that tenure security was not given over to the local communities but to the plantation companies.

In another words, in Indonesia economic-politics are highlighted when people try to discuss the possibilities of forestry land reform. Ecological sustainability reasons are used as a pretense to refuse the ideas. Large-scale land occupation schemes for an area known as an (ex) “forest” are still in favor; however small-scale farm or land-reform will never be used as an option. Therefore, through such schemes, the local peasants have at least economical access to forest lands that they have been claiming as their customary lands.

The approaches taken by farmers who participated in SPP (Ciamis case) were fundamentally different than those used in other places. They directly confronted state power (in this case, Perhutani) by entering and occupying the forest lands. It was indeed risky and often met with violence and even torture. Nevertheless, without such a scheme, people could not get tenure security guarantee. even though they had economic access to the land. Only with their ability to manage economic potential and to consolidate the movement, will they get tenure security and reinstitute their control over the forest lands which were declared as state-owned areas. This is vitally important; otherwise the occupations will be destroyed by re-consolidated state-power. There was a similar case in Garut (also in West Java) reported by Fauzi (see Fauzi, 2003), in which the state and Perhutani have always re-asserted their authority over the occupied forest lands.

What can we learn from these lessons?

If we consider forestry land reform as a kind of land reform which ought to be implemented in Indonesia,, then the discussion here needs to be furthered by considering the question of how national politics must change to form a new pro-reform regime (see also: Bachriadi, 2000; Wiradi, 2000; Bachriadi, 2001; *Petisi Cisarua*, 2005; Bachriadi, Safitri, and Bachrioktora, *forthcoming*).

The two cases shown here reflect some effort by local communities to access land and forest resources and to “to gain those resources using a variety of tactics. One was the SPP peasant’s tactic in Ciamis: they occupied land held by one of the state-owned forestry

²⁶ A similar situation was found in the initiation of the Taungya system (the origin of *Tumpang Sari*) due to the establishment of big-scale teak plantation during the British colonial period (the end of the 19th century) in Burma (see also Sardjono, 1995).

companies and changed it into small-scale farm land. The reformation movement in 1998, (which symbolized the victory of people-power, various social and neighborhood networks, as well as support from the radical urban middle-class such as NGOs and student movement groups) was underway and radicalized the poor and landless.²⁷

For the time being, they succeeded by force to redistribute land. Although it was only a few beneficiaries who could cultivate a small plot of land averaging 0.44 ha. Still, this achievement has not yet given tenure security because they have no recognition from formal authorities. This tenure security is an essential aspect in the reform processes after redistribution of capital which gives opportunities to beneficiaries to optimize their productivity. It is hard to expect that these farmers can implement ecologically-friendly sustainable agriculture or to expect them to be involved in conservation processes voluntarily (e.g. through developing Agroforestry). This insecurity, in fact, led them to cultivate the land with seasonal crops, which required less demand for investment, in order to avoid more losses when the state's eviction occurred. Whereas, "security, equity and participation are the essential attributes of any land tenure system conducive to sustainable development" (Baraclough and Ghimire, 1995: 200).

As a first step to challenge state power and initiative to alleviate poverty, SPP is part of a popular struggle to deal with the agrarian question in contemporary Indonesia. In addition, SPP's land occupation movement can be used as a model of collective action for other movements to consolidate stronger popular power in order to push a systematic and massive land reform in Indonesia.

An important critical question for now is: where will this popular power transition be directed? Perhutani existed as a continuation of historical capitalist power that changed almost all land-holdings in Java. Land was declared as "forests" then consolidated into property and capital for accumulation processes. Today, SPP's peasants are asking to have this property redistributed. Do they have a specific vision to change capitalist development in rural Java which marginalized them for such a long time? This question cannot be answered at the present time. The reason being that until now, SPP has not had a strong and clear vision of social change, or of what they will do systematically after land occupation. In fact,

²⁷ Based on a Census of SPP Membership conducted by Dianto Bachriadi (ARC) in 2002-2003, almost all of SPP's members are landless. Only less than 5% of the total number SPP's members are persons who owned land before they joined this union. They are mostly share-cultivators, *pesanggem*, agricultural workers, or plantation workers. Even those who own land have a very small plot.

what they are urging now is the transfer of property-holdings from one individual into more hands. This is truly an interesting research question, as well as a challenge to activists who work in and with SPP.

Various political efforts urged by SPP today are in some ways limited to “secure” their land occupation actions through attempts to build wider alliances with urban-based social movement groups such as NGOs and student movements as well as some approaches to local government. Many attempts to “invade” local political arenas, for example, have been carried out, either at the village level or at the district level, through presenting their cadres as local formal leaders, such as village leaders and members of the village parliament. They also encourage their members to take part in elections for local parliament in District levels and to get involved in various political parties (see Bachriadi, 2005b and 200c).

Serious attention should be given to SPP in order to secure a proper improvement in the tenure security of their members, and also in terms of more serious questions: how to improve this movement’s organizational capacity to develop appropriate social institutions in their living communities in order to create a framework for “new rural communities” as an alternative to capitalist rural society? Here, we would like to raise one general hypothetical question: if there are no significant attempts to maintain the momentum of forestry land occupations by SPP to develop more radical collective actions – such as transformation of the current individual land-holding status into a collective one, management of eco-collective-farming, and other development of appropriate new social institutions that create various forms of “new rural community” – then its movement may only have deepened capitalist operation in rural areas where its members live.

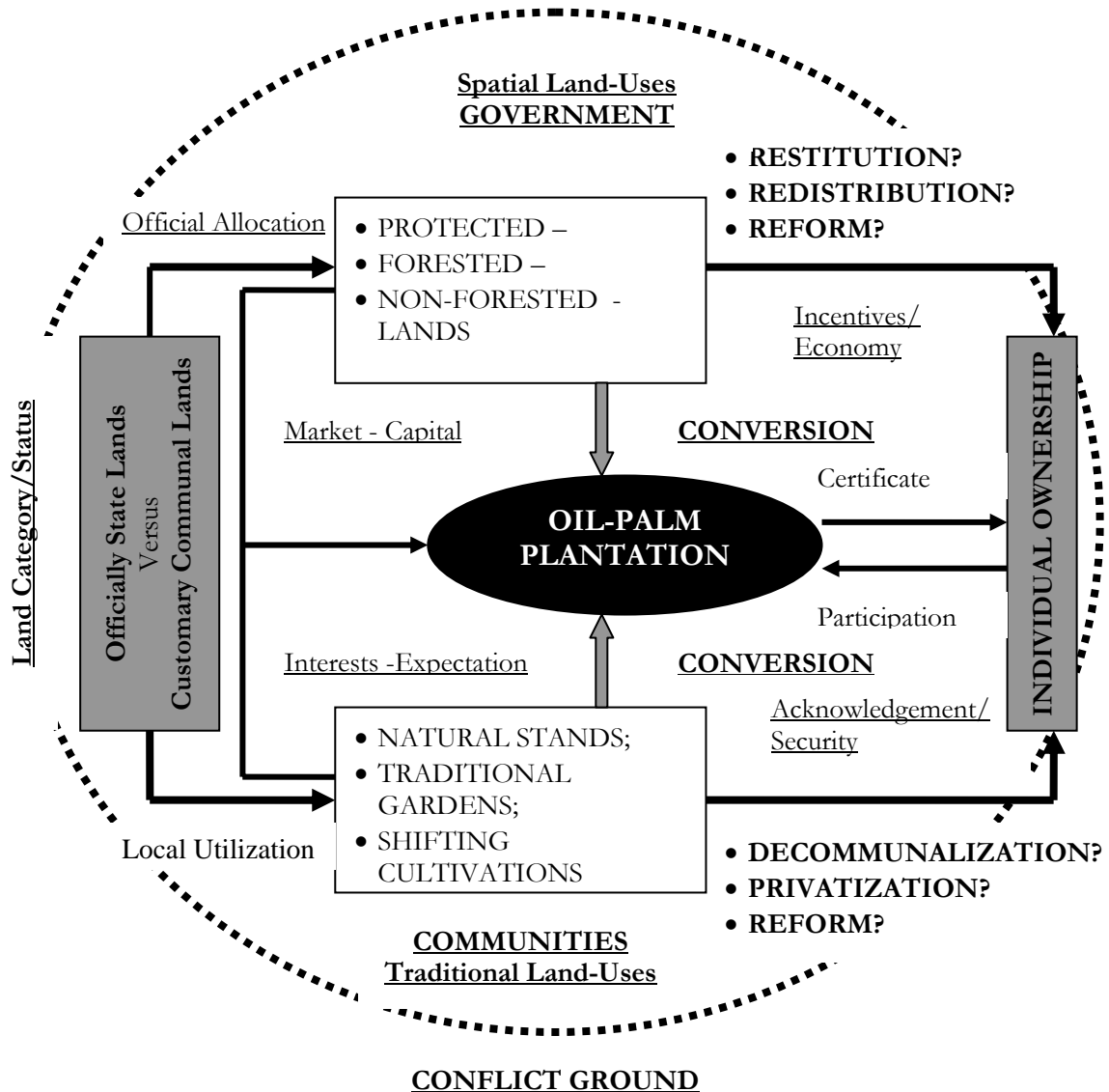
SPP’s peasants who could not previously involve themselves in agricultural capitalism, except as laborers, are now confronted by certain developments in rural Java. They could immerse themselves in this system of individual property-holding. This trend will become stronger when the state recognizes and legitimizes their control over their landed property. Once again, SPP’s future actions to contribute significantly to the land reform direction, if this rural-based alliance of popular struggles can find or create a bigger momentum of political change in Indonesia, is in question.

The case of Pasir demonstrates a phenomenon of forest conversion into palm-oil plantation which stimulated the local community to be involved in agricultural capitalism. The Ciamis case elucidates, once again, widening and deepening capital operations in rural

outer Java. Franks (1999), through his study in the Dominican Republic, informed his readers that there was an evolution of land rights from customary use-rights to absolute private property with the introduction of sugar as the dominating industry crop. The transformation of the land itself from customarily negotiated and owned agrarian land to fields of sugar was one of the most direct experiences of the arrival of capitalism. In Pasir, the significant arrival of capitalism occurred when ‘customary lands’ were consolidated and transformed into “state-forests” after which its right to use was given to many timber extraction companies, mining companies, or other capitalist economic entities. The current phenomenon of both the government’s and communities’ increasing interests in the commercial crop plantation (in this case, palm-oil), and a trend to convert communal rights into individual rights are essentially a deepening capital operation in that area. The transformation of land function to plantation use is merely a shift of actors because of the decreasing economic potential of forestry resource, especially wood and trees. Large plantations are almost impossible to operate without recruits used as a massive labor force. In this case, local communities’ aspiration to be involved and take part in this capitalist initiative created a cheap and captive labor market for big agribusiness operations.

In the Pasir case, as shown in diagram below, we attempted to find a tendency of tenure conflict resolution that long existed between local communities who claimed the land as part of their communal or *adat* land and the state that declared it as “state-forest” and dedicated its use for commercial timber extractions. This tendency for forest conversion into plantations created a situation in which chronic and complex conflicts could occur under one precondition, i.e. the government was willing to release the area that was claimed as “forest-state” back to local communities only as part of plantation development. Apparently there is a slim chance that these forest areas would be released for other reasons. If the forest land-release does not occur, then the conflicts will even as the actors may change.

Figure 2. Schematic Diagram of the Backgrounds, Processes, and Objectives of (Forest-) Lands Conversion into Oil-Palm Plantation (Case of Pasir District).



Kind of Conflicts: 1. Ecosystem Based Natural Forests vs Market based Commercial Monoculture (NGOs + Traditional Communities vs Governments and Enterprises); 2. State-Lands vs Customary-Land (Governments vs Local traditional Communities+ NGOs); 3. Forested- vs Non-Forested/Conversion Areas (Central- vs Local-Governments); 4. Allocated Lands vs Occupied Lands (Migrants/Plantation Participants vs Local Traditional Communities); 5. Communal Rights vs Individual Rights (within local traditional communities); 6. Nucleus- vs Plasm-Areas (Enterprises vs Participated Farmers)

The operation of large plantations through “nucleus-estate and small-holders” schemes will also create new conflicts between local people who claim cultural-historic rights over the land, with migrants who are invited to come to that area to become small-holders.²⁸ The involvement of those migrants as plasma members means that they will get a piece of about 2 hectares of land which would add new tension in this area, that is, if the local people will not receive similar benefits.

However, more conscientiously future-oriented research must consider carefully the tendency of local people to transfer their lands as part of big palm-oil plantations, which is then held as full- individual property. Will this create internal tensions and conflicts in that community itself; particularly between the group of small-holders with other groups of people who are still willing to maintain their *adat* lands as forest areas where their community and its culture have grown for a long period? If this occurs, then the process of forestry land conversion into palm-oil plantation will likely deepen or increase the complexity of social conflict in this area.²⁹

Future research will also be needed to carefully observe the transfer processes of landed property to plasmas (small holders) – both of local people and of transmigrants. According to previous studies, in this ‘nucleus-estate and small holder scheme’, the transfer processes of land will occur after the plasmas completely pay all ‘credit for land’ over a relatively long period, approximately for 10 to 15 years to the creditor company. In this case, the creditor is the plantation company’s bank functioning as guarantor (see Bachriadi, 1995 and Gunawan, 1995). Frequently, because of this long period of transfer and also the likelihood of manipulation by the nucleus-company, many new tensions and conflicts will arise. In many land conflict cases in Sumatera – an area with more plantation development under these nucleus-plasma schemes – for instance, showed that conflicts between plasmas and or ex-plasma cultivators with plantation companies caused by the slow processing of land transfers or arbitrary company claims over the land which are actually the right of the cultivator are extremely problematic (*ref.* ARC documents on land conflicts in Sumatera).

Based on these land conflicts experienced in Sumatera and the peasant struggles to re-claim their rights, these are interesting subjects for future observations and research as is

²⁸ Since the early 1990s, the Indonesian government required that all new private plantation development must take into account, the “nucleus-estate and small holders” schemes, and use a local transmigration element in this scheme. For more details, see: Bachriadi, 1995 and 1997.

²⁹ We would like to thank Noer Fauzi for his discussion on this point.

the probable emergence of new alliances between local people and the transmigrants. Ex-plasma cultivators in one movement organization, who do not want any more holdings based on cultural or perennial rights over land, will have left the idea of indigenous communal rights over land.

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