Agricultural Transformations and the Prospects of Land Reform in Contemporary Indonesia

Indonesia Update 2015
ANU, Canberra
August 18-19,

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National Farmer’s Day 2014
Definitions

› Land reform: "laws with the main goal of reducing poverty by substantially increasing the proportion of farmland controlled by the poor, and thereby their income, power or status" (Lipton, 2009, 1).

› Agrarian reform: “a multi-disciplined set of interrelated aims and means capable of combating the ills of the [unequal] agrarian structure”. (Cohen, 1978, 1)

› *Pembaruan agraria (or reforma agraria)*: “a sustained process of restructuring the control, ownership and exploitation of agrarian resources, undertaken to attain justice, prosperity, legal protection and certainty for all Indonesian people”. (TAP MPR RI Nomor IX/MPR/2001, 2)
Explaining the ‘failure’ of land reform in Indonesia

1. **Legal** explanations: inadequate legislative framework identified as a primary constraint, thereby requiring amendments to the Basic Agrarian Law (BAL) or other implementing regulations.

2. **Institutional** explanations: bureaucratic ineptness and poor implementation underpinned by *ego-sektoral* interests.

3. **Poor governance**: vested interests, corruption and patronage networks reinforce patterns of rent-seeking behaviour that systematically work against the interests of small farmers.

4. **Ideological** explanations: Driven by an ever-increasing neo-liberal commitment to market-based approaches to land use, management and access.
What is Jokowi’s commitment to land reform?

According to the Mid-term Development Plan (RPJMN, 2015):

- 4.1 million ha of Forestry Land to be ‘released’,
- 3.9 million ha of community-owned land to be ‘legalised’,
- 1 million ha of land with existing landuse rights (*tanah hak*), including abandoned lands (*tanah terlantar*), to be redistributed.
Reclaiming Lands – *Aksi Sepihak*
In the words of Noer Fauzi (2009):

“Over the past five years, KPA’s leaders have worked closely with BPN’s [the NLA] policy reform process from conception to implementation. KPA took this course because the president had charged BPN to carry out an agrarian reform agenda, as spelled out in Presidential Decree No. 10/2006 and in other places. KPA hoped to see a genuine government agrarian reform program, dedicated to overcoming poverty and protecting human rights as its fundamental values. But, after four years of implementation, land rights activists including KPA have concluded that President Yudhoyono’s Program for Agrarian Reform has moved too far from the experiences of the victims of land expropriation and the day-to-day struggles of poor rural people.”
Structural changes across Indonesia

Source: World Development Indicators
% of Total Employment by Sector (Sakernas data)
Number of Households by holding size

Data Source. 2003 and 2013 Agricultural Censuses
Land area and employment in agriculture

Data Sources: World Development Indicators / SAKERNAS / Department of Agriculture
Expansion of Palm Oil

Data Source: Department of Agriculture
Modalities of agrarian reform in Indonesia

1. Class-based ‘horizontal’ land redistribution
2. Resistance to large-scale land acquisition (including *Aksi Sepihak*)
3. Agrarian Reform through a ‘Peasant Way’ that opposes the dominant food regime (Eg. SPI / La Via Campesina)
4. Community-based forest access (PHBM and HkM)
5. State-sponsored land redistribution (*transmigrasi*)
6. Legalisation of land titles (*PRONA*)
Conclusions

1. The Jokowi Administration’s agrarian reform program has continued the previous approach of narrowly limiting the reform agenda to essentially transmigration and land titling legalisation,

2. Recognising the diversity of (at least) 6 modalities of agrarian reform across Indonesia would help to avoid the conflation of disparate agendas under a single rubric of ‘agrarian reform’,

3. Any agrarian reform program that assumes the existence of large numbers of households interested in farming 2 ha plots (in the outer islands) is unlikely to be successful,

4. Recognising, and preserving, the social security function of land access and *adat*-based rights over land (to prevent large-scale land acquisitions) is more politically challenging, but is ultimately the core demand of the agrarian movement.