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### State Actor Brokerage in Large-scale Agricultural Investment in Indonesia

Laksmi Adriani Savitri

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by Laksmi Adriani Savitri

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## **BRICS Initiatives for Critical Agrarian Studies (BICAS)**

Email: [bricsagrarianstudies@gmail.com](mailto:bricsagrarianstudies@gmail.com)

Websites: [www.plaas.org.za/bicas](http://www.plaas.org.za/bicas) | [www.iss.nl/bicas](http://www.iss.nl/bicas)

## **MOSAIC Research Project**

Website: [www.iss.nl/mosaic](http://www.iss.nl/mosaic)

## **Land Deal Politics Initiative (LDPI)**

Email: [landpolitics@gmail.com](mailto:landpolitics@gmail.com)

Website: [www.iss.nl/ldpi](http://www.iss.nl/ldpi)

## **RCSO Chiang Mai University**

Faculty of Social Sciences, Chiang Mai University Chiang Mai 50200 THAILAND

Tel. 66-53-943595/6 | Fax. 66-53-893279

Email : [rco@cmu.ac.th](mailto:rco@cmu.ac.th) | Website : <http://rco.soc.cmu.ac.th>

## **Transnational Institute**

PO Box 14656, 1001 LD Amsterdam, The Netherlands

Tel: +31 20 662 66 08 | Fax: +31 20 675 71 76

E-mail: [tni@tni.org](mailto:tni@tni.org) | Website: [www.tni.org](http://www.tni.org)

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## Abstract

This paper is aimed to unpack the processes of land deals in large-scale agricultural investment that utilised the power of brokering, which were done by the state actors to launch, smoothen, accelerate, but also to stop the deals. State actor brokerage does not only channel the power of capital owners to appropriate land and landowners into their accumulation strategy or channel the landholders' counter-power against the capitalists' agenda of dispossession, but state actor brokerage is an important mechanism to produce legitimation. According to Sikor and Lund (2009:7) an important element in this process has to do with social conceptualization; that is, how concepts and 'truths' are established. Legitimacy is created by the moral value, which therefore cannot work effectively if it is not interplayed with regulation, force, and violence. Land deals were justified as legitimate and able to produce control when it is also capable to create consent or 'morally acceptable and desirable reasons'. Brokering and translation are important mechanisms where consent is created and legitimacy is produced. Furthermore, this working of brokerage web is invisible to the organized counter-movement. This invisibility is successfully gained because movement organisations failed to connect their advocacy agenda with the working of everyday politics that produces problem of fragmentation and factions at the grass root level. The invisibility has weakened and, even, inactivated the counter-brokerage, which makes difficult the consolidation of resistance from below. The large scale agricultural investment in Indonesia, therefore, continues to thrive because, among other reasons, the working of state brokerage and its implication to the organized counter-movement is not yet recognised.

**Key words:** state actor, brokerage web, legitimation

“In Asia there is a feeling that after you invest in China and after you invest in India, where are you going to invest? It’ll have to be Indonesia. It’s a natural destination.”

(Fauzi Ichsan, senior economist for Standard Chartered in Indonesia, *The New York Times*, August 5, 2010).

## 1 Introduction

This paper is aimed to unpack the processes of land deals for large-scale agricultural investment that utilised the power of brokering and translation, which were done by the local state actors to launch, smoothen, accelerate, but also to stop the deals. As stated by Neil Smith (2008: 260) that “[n]eoliberalism has reasserted the fundamentals of liberal capitalism, not so much by eliminating the State, but by selectively rendered the state apparatus as its own entrepreneurial entity, a purer catalyst of capitalist expansion than ever before”. The ‘flow’ of global capitalist accumulation needs ‘a geographical space’ to fix itself and expand. The contemporary research about the role of state in governing global land deals show that the state is a key player in land grabbing and capital accumulation. Therefore, the state needs to be unbundled by placing government and governance as processes, people and relationship (Wolford et al 2013:).

Taking that argument into a case of farm land investment in Indonesia, state function as a catalyst is undertaken by the national government as a natural role in order to accelerate economic growth. The National Planning Agency (2011:5) stated in the bulletin published specifically for government and private sector partnership issue that: “Private sector will take the main and important role in the expansion and acceleration of economic development, especially in generating investment and job opportunity, while the government will function as a regulator, facilitator and catalyst”. The Indonesian national government seems quite clear that the catalyst function means to provide the infrastructure and fiscal incentives, including deregulation or *debottlenecking* of regulations that allegedly has been clogging the flow of investment. The challenge is to explain what kind of power and mechanism that were undertaken by the state to operate its function as a ‘purer catalyst than ever before’, which level of state and who does that kind of role. Two cases of land deals for large-scale agricultural investment in Indonesia try to answer these problems by showing the importance of local state actors’ brokerage power as a mechanism to produce legitimate land deals and localize capital accumulation.

The importance of studying brokers in the contemporary context of land questions has been mentioned by James (2011), Sud (2014) and Vel (2014) as they argue that the brokerage concept should be brought back to a discussion of state/market/people relation. Sud (2014) argues further that the role and power of the broker is important to localizing capital accumulation, because only through his or her power and identity the capital can find a new space to operate. But, it is a missing dimension in global land deals. In a case of Indonesia, the role of broker in accessing land by trading a commodity that does not exist is argued by Vel (2014) as an example of successful functioning of brokerage. She is convinced that the country has the perfect circumstances for brokerage, because rules and regulations are often not clear or contradictory, and procedures to get access to resources are personalized in patron client networks. Similar as Sud, she focuses on commercial (non-state) brokers who act as middlemen between potential investors and Indonesian institutions. They are intercultural brokers between Indonesians and foreigners, emphasizing their dual identity, fluent in both Indonesian and English.

Land deal cases as analysed by James in Africa, Sud in India and Vel in Indonesia were situated in a condition where state actors do not directly engage in a process of land deals. However, as I observed, the case of food estate in Indonesia shows the brokerage power of state actors is the key to

access and control the land, makes it available for investors and muted resistance from below. Brokerage function was taken by the local state actors to provide a smooth process of land negotiation between rural landholders and capital owners. The state actors, who were given permanent contradictory tasks: to facilitate the process of capital accumulation, while maintaining a minimum level of political legitimacy (Fox as cited by Borrás and Franco 2013, Harvey 2003) were obliged to keep land deals away from conflict and resistance. By ways of persuasion and manipulation - intimidation is used only as the last resort to gain consent-, brokerage works have maintained a continuous success of large-scale land deals, which cover more than one million hectares of land in Merauke (Papua) and Ketapang (West Kalimantan).

The word broker is a neutral term, which could contain a negative or positive connotation. However, Vel (2014) indicates that the word 'broker' in Indonesian language is associated with private interest, corruption and cheating, which therefore it is never used to state someone's profession. Precisely, because of its relevance to Indonesian cultural context, the use of brokerage as a concept in analyzing land deals in Indonesia food estate case is chosen to explain brokerage as a work of brokers to seek profits from channeling the interest of capital owners at the expense of rural land holders' benefits. Therefore, it is important to explain in what ways that brokers are successful to make channels of meaning (or 'shared discursive frame') and social connections between capital owner and rural land holders, how they were able to convince rural land holders, gained their trusts, and received a legitimation in land negotiations. To highlight these processes, I put my focus on how the state actors' power of rhetoric, web of relations through primordial ties and clientelism has enabled a production of 'truth' that legitimates land deals for agricultural investment in Indonesia. Furthermore, it also explains how the state actors' power of persuasion seems to be invisible before the eyes of counter-movement organisations and enables the expanding process of dispossession. This case may differ considerably with the Special Economic Zone case in India (Levien 2011, 2013), where the state emerges as a land broker and expands dispossession by the use of regulations, force and coercions.

## **2 The brokerage power and processes of legitimation**

The sociological approach to brokerage is proposed by Stovel et al. (2011, 2012) to understand brokerage as the process of connecting actors in systems of social, economic, or political relations in order to facilitate access to valued resources. Using a substantive category rather than structural explanation (based on network theory), Stovel and Shaw categorise brokers into two types: middlemen brokers who facilitate exchange between two groups and catalyst brokers who creating connections between previously unconnected groups or actors. However, Stovel and Shaw choose to focus on middlemen broker and leaves catalyst broker unexplained, whereas the brokerage that I observed places its most important mechanism in the creating new connections between groups in asymmetrical power relations and work on this gap to seek benefits for their own.

The discussions and debates about brokers and middlemen who categorized by Stovel and Shaw as a catalyst broker finds its larger space in anthropological theories of brokerage and intermediation. Many studies which were dated back to the 60s until 80s put focus on the relation between colonial states and the colonies in a context of new state formation after independence. One of the most important works which has brought the brokerage concept into anthropological discussions is the work of Eric Wolf (1956). In his study on the role of brokerage between Mexican state and Indian communities, Wolf explained brokers as people who are nation-oriented who he perceived as the agents of the great national institutions which reach down into the community, and form "the bones, nerves and sinews running through the total society, binding it together, and affecting it at every point". Therefore, he suggested an understanding of community as the local termini of a web of group relations which extend through intermediate levels from the level of the community to that of the

nation. However, in order to come into that point of understanding, Wolf strongly encouraged anthropologist to study the state not merely as ‘institution’, but place importance to its apparatus and their functions. He argued that: “.. institutions are ultimately but cultural patterns for group relationships. Institution’s complex forms allow groups to relate themselves to each other in the multiple processes of conflict and accommodation which must characterize any complex society. They furnish the forms through which some nation-oriented groups may manipulate other nation-oriented or community-oriented groups” (Wolf, 1956:1065-1066). The unit of analysis is a group of people whose web of relationships connects localities and national level institutions within a certain political economic power. Brokers are able to gain their intermediary positions because they are the economic or political apparatus of such power. In his case of Mexico, Wolf highlights the importance of brokers’ ability to have a Janus face and act as a connector and buffer between Mexican state and Indian communities. He termed individuals who are able to operate in terms of nation-oriented and community-oriented expectations as economic and political brokers of nation-community relations. He found different group of people took place as brokers in the trajectory of political economic changes in Mexico. They can be hacienda owners, political party members or local government officials. This explains his argument that brokers were shaped by particular work of political economic power, but also created a condition of possibility to constitute such power.

Studies on brokerage in postcolonial states put attention to the problem of aid for development projects. The works of Bierschenk and others (2002) and Olivier de Sardan (2004) in Africa highlight the agency of the development brokers where brokers as social actors operate as active agents, building social, political and economic roles, rather than simply following normative transcripts. These works were followed by Lewis and Mosse, with different stance of methodological perspective. Lewis and Mosse place their argument in a context of global ethnography, where they seek to connect local power, agency, actors’ network and mechanisms with global forces, structure and processes. This is the point where Mosse and Lewis’ use of broker and translator as a concept in pairs is useful, because their ability to highlight how global agenda of local development projects become real through the work of generating and translating interests, creating context by tying in supporters and so sustaining interpretations. They emphasize the concept of ‘translation’ borrowed from Bruno Latour (1996) to refer to mechanism on how projects were produced as realities. In their point of view, brokers deal in people and information not only for profit in a narrow sense of immediate reward, but also more broadly in the maintenance of coherent representations of social realities and in the shaping of their own social identities (Lewis & Mosse 2006:16).

This overview of works on brokerage, however, shows no attention to or gives a very little discussion to the state’s function as a catalyst broker, which was only found in Wolf’s study. The contemporary phenomenon of global land grab cannot set aside a discernible pattern of an emerging class of what can be termed ‘land grabbing entrepreneurs’—they are the land brokers, speculators and scammers who have taken advantage of pre-existing institutional arrangement of land control in order to cash in on the ongoing global land rush (Borras & Franco 2013). The state can be a member of this class of land grabbing entrepreneurs, because as Borras and Franco argue (2013:1728-1729) one of the areas of state actions include coercion through police and (para)military force to enforce compliance, extend territorialisation and broker private capital accumulation. As stated by Wolford et al (2013) various actors within different level of state can be an active player in land deals, which is demonstrated by Levien in his case of Rajasthan state where the government works to legitimize its own role as land broker and in so doing sometimes supports land deals and sometimes fosters resistance against them. Levien (2013, 2011) calls this type of state as a land broker state. He argues that the state uses of extra-economic coercion to expropriate private and common land for private capital accumulation, had enabled different processes of accumulation by dispossession in India. Levien argues that land brokering as a form of transparent coercion by the state has initially muted a

counter-movement, but later on triggered resistance. This is the point where Indonesia food estate case differ considerably, as I perceive that state actors' practices to seek legitimation from below could be a key process to understand why brokering by the state renders brokerage process invisible or difficult to be addressed by the counter-movement.

Legitimation, understood as justifications of what is or of what should be and appeal to moral values, is proposed by Hall et al (2011) as one of powers that work in combination with regulation, force and market in the process of exclusion. Legitimation never works alone and one way, it always a matter of appeal to an audience, which therefore requires a work to establish a shared discursive frame. In this case, the concept of translation (Lewis and Mosse 2006) is useful as a means to create 'the narrative of legitimation'. Regulation that authorizes a property right to certain group or individuals may give authority to the State, but not necessarily legitimacy, because it is not intrinsically embodied within the State; it must be actively established (Sikor and Lund 2009). Therefore, it is important to look into the processes through which various state actors attempt to legitimize action and vindications. To what extent that these processes are able to appeal before its audience and produce consent is largely determined by legitimizing practices of what considered as 'truth', 'right thing to do' or morally acceptable, created within shared cultural frame.

In the case of food estate land deals in Indonesia, I use the concept of state actor brokerage as an explanation of actions taken by the local state actors and their web of relations to create a consistent representation of investors as the Good Other and investment projects as a benevolent conduct, because regulation and coercion are not efficient enough to produce consent.

### **3 The cases of Food estates: MIFEE (Merauke Integrated Food and Energy Estate) and KFE (Ketapang Food Estate or *Kebun Pangan Ketapang*)**

The reformation era was argued by many Indonesian political scholars as transformative because it has changed the autocratic state into a democratic one. From the political economy perspectives, however, Robinson and Hadiz (2004) argue that democratization which is signified by a decentralisation in Indonesia has served for a continuous practice of the 'predatory' state, where oligarchy perpetuates and disperses from national to local level. According to them, local state institutions are emerging as a site for the auctioning of powerful positions and the distribution of political largesse (Robinson and Hadiz 2004:260). Moreover, they also perceive that decentralization policy may not serve for the best interest of the corporations, since their interests are not so much in whether the regime is democratic or whether transparent market institutions prevail, but in a guarantee for a degree of predictability and protection for property rights. Even, for resource companies, decentralisation had greatly expanded the complexity and number of government demands for taxes and rents and given rise to unpredictable political alliances that now included regional governments, local business figures and politicians (Robinson and Hadiz 2006: 261). This is the problem that is supposedly tackled by the 'debottlenecking' of regulations. However, as a new attempt to exercise control 'from above', the extent to which it will effectively change the local government operations is still unknown.

The methods of 'debottlenecking' were applied in food sector through a concept of food estate. Food estate is explained by the Ministry of Agriculture in their grand design of Merauke Integrated Food and Energy estate (MIFEE), which is one of the locations for the program, as: "...is a large-scale agribusiness (more than 25 hectares) within a concept of industrial agriculture based on science and technology, capital, including modern management and organization. The baseline concept of food estate is an integrated sectors and sub-sectors within one system of agribusiness, which utilizes and optimizes resources in a sustainable manner, is professionally managed and supported by qualified

human resources, accurate use of environmentally friendly technology, and strong institutions. Food estate is oriented toward an agribusiness system that is rooted strongly in rural areas and based on local/customary communities empowerment within regional development” (Ministry of Agriculture, 2010). As a new policy term, the Food Estate was firstly declared at the 2006 national rice harvest ceremony in Merauke, which was attended by the President (Ito et al 2014:11). This concept enters the policy nomenclature when it was used by the Ministry of Agriculture for designing MIFEE as a materialization of Government Regulation on the National Spatial Plan that points to Merauke regency, in Papua Province, as the new food production centre for Indonesia. The Master Plan of Indonesia Economic Acceleration and Expansion or called as MP3EI places the food estate as a new node of growth centre for Papua. However, for Kalimantan economic corridor, food is actually not incorporated as one of the growth sectors (see Annex 1, Table 1).

The food estate in West Kalimantan may have never been stated as one of Kalimantan’s growth nodes (see Annex 1, Table1), but it came out from the situation where MIFEE is considered as a failure. Food estates are the products of President’s instruction to develop rice production farms that mobilized two ministries, i.e.: the Ministry of Agriculture and Ministry of State-owned Enterprises. Coming from the Ministry of Agriculture initiative, Merauke Integrated Food and energy Estate was launched in 2010. However, after a year of – considered by the national government as- little progress<sup>1</sup>, in 2011, The President issued a decree that instructed the Ministry of State-owned Enterprises to tackle the measure of rice production increase. This instruction is followed by the Minister act to launch ‘Movement on Food Production Increase based on Corporations’ (*Gerakan Peningkatan Produksi Pangan berbasis Korporasi or GP3K*), and merged seven state-owned corporations that involves in agribusiness into one holding company called as Food-Concerned Corporation (*Korporasi Peduli Pangan*). Several production sites have been tried out, but only one still remains in operation, which is in Ketapang, West Kalimantan (Ketapang Food Estate or KFE).

It is important to understand that the Master plan and food sector policy from national to local level is not operated in coherence. The materialization of the Master Plan to place food as the main growth center encounters many complexities of interpretations. There are many actors with various agendas shape the ways in which the plan interpreted, perceived, translated, acted and responded at a local level. Both food estates in Merauke (MIFEE) and Ketapang (KFE) present examples of ‘distortions’ from national policy. In both cases, local policies and state actors played an important role to produce permits and regulations, and maneuver to transform a national plan to a local plan of accumulation. Decentralisation provides a context where ‘distortions’ become natural and legitimized.

The KFE program, which was operated by a state-owned company, was claimed to be a type of ‘non-capitalist’ farming, since it doesn’t require land acquisition from the landholders, but employ a ‘community partnership’ scheme in a form of harvest sharing. In practice, however, this ‘non-capitalist’ program was utilized by the local government to invite domestic and foreign investment. Coming back from his visit to China, the secretary of regency stated that he successfully attracted investors from China, who conveyed a willingness to invest 1000 hectares on maize and cassava productions, from on farm to off farm agribusiness. Taking this commitment as a sign of promising future for food estate realization, the Ketapang state authorizes a location permit for two domestic companies and place their farm area inside the village of the Edot and Baning people, which potentially imply to their dispossession and displacement.

In Merauke, West Papua, the Merauke Integrated Food and Energy Estate (MIFEE) is materialized also as ‘distortions’ from the national plan. The food estate grand design depicted MIFEE as the centre for food crops and energy resources with an ambitious projection of high food productions to substitute imports, i.e.: 1.95 million tons of rice, 2.02 million tons of maize, 167,000

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<sup>1</sup> See Savitri (2013) for detail explanations of the context



tons of soya beans, beef from 64,000 cows (Ministry of Agriculture 2010). However, the implementation on the ground up to 2014 shows a rapid increase of investment mainly on oil palm and sugar cane plantations, which comprises of 13 corporations, while investment in staple food crop (cassava) was done in 2012 only by one South Korean company (see Annex 1, Table 2).

On the contrary to Robinson and Hadiz' perspective on decentralization, the Merauke and Ketapang cases of large scale agricultural land investment show that decentralization of land policy situate advantages received by the corporations rather than producing disadvantages. Decentralisation law delegates the authority of spatial/land allocation for investment to the regency government. Location permits for investment which comes under the authority of the Regency Head (*Bupati*) situate the emergence of local state actors' brokerage. This land brokerage converges the state's quests for new investment -or in Aspinal's term (2014) 'looking for projects'- with brokers' own strategy of accumulation, without paying any interest to or with a less interest to the landholders' actual benefits. This type of brokerage is termed as predatory broker (Aspinal 2014).

#### 4 State actors brokerage and translation in MIFEE case

The idea of brokering a development project has been rooted in the practice of colonial state in Papua. Visser (2009) has documented the oral history of Papuan administrators who were educated by Dutch colonial government to become a development broker. She describes the importance of these brokers as they are able to communicate in native language and represent the role of the state:

“.....the visibility and brokerage of the Papuan administrator or *tuan bestir* were vital elements. He would be out of office three times more often than inside going on *tournee* or patrol, which regularly meant walking up and down hills through the jungle for days on end or taking a boat to reach the upland and coastal villages. He would stay overnight in villages, getting a first-hand impression of the social, natural, and health conditions, and he would talk, teach or 'advise' (*nasehat*) the people about keeping their huts and living environment clean, about schooling, and the need to live together in larger communities to be more accessible and to obtain access to 'development'”(2005:16).

Development did not come as an abstract notion, because the visit of Tuan Bestir would be followed by the construction of the roads, bridges, schools and the introduction of new crops and seeds. The catholic-church mission also did not come as a faceless entity. In Merauke, the visits of the Dutch catholic priests to villages and followed by the deployment of catechists and teachers who came from Kei island in Maluku were vital to broker the church programs of civilization. The teachers and catechists did not only educate the natives' children, but also surpassed the role of traditional leaders by settling almost every problem in the community<sup>2</sup>. The outsiders became the big Other, who are smarter and often condemn the indigenous people of Merauke or the Marind as lazy, passive and slow to progress. Once, the Marind elders told a story on how they were taught by the priests to conduct church ceremony. The priest taught them in a hard way by using punishment, hit their hands or other parts of the bodies, whenever they made mistake. The same method was also applied by the Kei teachers, as a grandson of Kei teacher proudly told a story of his grandfather who was famous as one of the fiercest teachers. Up to present the social relation between Kei and Marind ethnic groups are still depicted by a hierarchical upper-lower class, which situate the ethnic competition in leadership of the regency. The Marind people historical experience of Tuan Bestir, priest and teacher as development brokers provide a cultural frame where state actor brokerage is taken as having a positive moral value.

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<sup>2</sup> Interview with the second generation of Kei teacher and Overwheel (1992) analysis of teachers and catechists role in Merauke during colonial time.

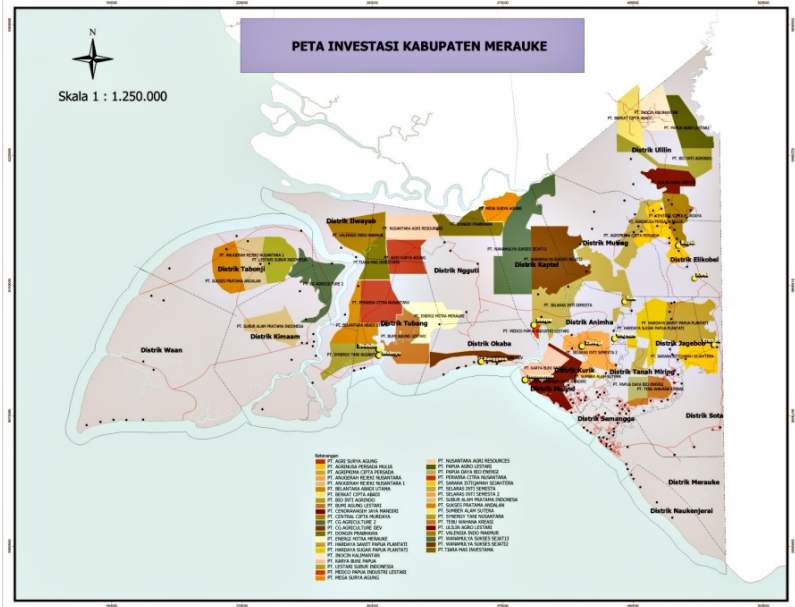
*The state actor Brokers*

**a. The Regency Head (Bupati)**

The influx of investors to Merauke started since 2007, initiated by the investment of MEDCO Group for green energy business under the scheme of Merauke Integrated Food and Energy Estate (MIFEE). The MIFEE was officially launched in 2010, but the MEDCO operation has already started three years earlier. The brokering line starts from the the Head of Merauke regency down to a village apparatus and leaders.

The former Head of Merauke Regency, Bupati Gebze, is a Marind, who sat in his office for ten years, and started this brokering role when he introduced his idea of Merauke Integrated Rice Estate (MIRE) to the national government in 2001. Nine years later, in 2010, through many events and policy processes at the national level (Ito et al. 2014) MIRE was transformed by the national government into Merauke Integrated Food and Energy Estate (MIFEE).

Bupati Gebze in his positional power as a head of regency declared 2007 as the year of investment for Merauke. He frequently made a visit to Jakarta, the capitol city, arranged meetings with company owners and invited them to invest in Merauke<sup>3</sup>. The first realization of private sector investment in green energy sector was the issuance of permit and license for industrial forest plantation, including a wood chip and pellet industry covering 169.000 hectares of land, which was given to the MEDCO corporation. Immediately, land acquisition became the main problem due to customary ownership system that is still strongly applied (Savitri 2013, Ito et al 2014). Bupati Gebze was successfully tackled the MEDCO’s land problem by ways of cultural brokerage, i.e.: translating the investment plan as a way to modernization, which has always been the dream of the Marind<sup>4</sup> (Savitri 2013), and endowed the company owner a Gebze clan membership (Savitri 2013, Ito et al 2014). When this approach did not yield consent from the landholders, he re-enforced it by using his power as the head of regency to ban any development support to the village. The later approach was successfully forced the landholders to sign agreement with MEDCO to handover their forest and land.



**Figure 3. Land investment allocation of MIFEE in 2010**

Close to the end of his office period, he issued permits for 46 corporations (see Figure 3 for a

<sup>3</sup> Interviews with two companies, one is with the owner himself (February 2012) and the other one is with the company’s representative (June 2014)

<sup>4</sup> He promised to turn the village into small city by providing electricity and roads.

map of land investment allocation). In the initial stage of MIFEE, the Bupati successfully place the MEDCO land transaction to gain legitimacy and consent, which has driven him to multiply the number of land permits. Unfortunately, the MEDCO case was becoming more problematic. The land deal negotiation, which was perceived as final by MEDCO after the MoU was signed, continued to a re-negotiation due to internal conflict between clans (Savitri, 2013).

After many problems emerged from negotiations between MEDCO and the indigenous landholders, investment became an ambiguous word for the Marind, somewhat notorious but also promising hopes. Such situation was utilized by the next Bupati who finally won the election by spreading promises that he would not give any permits for new investors. The newly elected Bupati, Bupati Mbaraka, is a Kei descent whose father is from Kei island and mother is a Marind. The process of winning the Bupati office itself was controversial, since the result of election was taken into the constitutional court by all of his opponents with an accusation of money politics and bribery, which was given to the election committee who chaired by a Kei descendant. Mbaraka won the case and now has been sitting as Bupati for four years (2011-2015). Ethnic and kinship ties are important elements in the contestation of Merauke leadership, especially after the flow of investment is entering the region. Unlike his campaign promises, Bupati Mbaraka has issued permits for 13 corporations from 2011-2014, which none of them are related to rice production (see Annex 1, Table 2). These actions of breaking promises call for practices of legitimation.

Bupati Mbaraka rarely appears in the customary ceremony of land transfer from the landholders to the corporations. Publicly, he always tries to convince the landholders that government does not have anything to do with land transfer decision, because it lays on the hands of the landholders. However, the hidden transcript is: handing over land for investment symbolizes consent for development, progress, modernisation and welfare, and rejecting that may mean an opposition to the government. The later has a greater consequence: a risk of accusation as member of the separatist movement (known as OPM). This hidden transcript is well understood by the landholders. When Rajawali corporation started their process of negotiation with the Marind landholders in Domande, some of the leaders were clouded in doubts whether the investment plan is going to give them a better future or not. They heard from the village where MEDCO operates that many of the Marind in that village felt a loss of their future after giving up their land to the company. The leader of customary institution in Domande repeatedly stated that: "We do not oppose the development. We are Indonesian too". This sentence is loaded with fear. If they were ever perceived as opposing the development, it would mean that they oppose the government, and will be automatically labeled as OPM. The OPM label calls to very traumatic and terrifying memories, since it invited a military operation to their village as they had experienced in the past<sup>5</sup>.

Behind the scene, Bupati Mbaraka brokers the investment through conveying persuasions and threats. He uses his state apparatus, particularly the District Heads to practice the actual brokering and translating process. The district heads facilitate investment by identifying the name of landholders' clans in locations which plantations will be placed. Then, through the district heads the corporation will receive names of the head of clans, head of customary institution, other customary leaders who are decisive in land matters, and the influential leaders in the village due to their education background or church related attributes or public speaking ability. This is called by the villagers as 'surveying the people'. Head districts through village heads and clan leaders sometimes are able to provide the companies with a sketch of landownership mapping. The second task is to initiate the communication with the village heads and customary leaders about the investment plan, including range of benefits that the people may receive from the investment. The district head is the initiator of negotiation

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<sup>5</sup> Interview with the head of Marind customary institution in Domande, June 2011 and recent incident in the village of Yowid when OPM rumor was spread by the company staff to threat the landholders who reject the investment (interview with the friend of a military personnel who took part in the operation)

process in land deals. If the initial communication signals a positive response, the district head continues with further acts of translation with aims to convince the landholders to accept the corporation in their village.

### **b. The Head of District**

One example of the district head practices of brokering for land deals is presented by the former Malind district head (YT). He played an important brokerage role to channel the corporation interest and moulded it into a traditional fashion to convey a meaningful gesture to the Marind; the *tali asih* or the gift money was one of the successful translations. The words of *tali asih* literally means the cord of love, which used by the corporation to match with the idea of ‘borrowing to use’ or *pinjam pakai*, a social mechanism of land transfer that is commonly practiced by the Marind, which is a contrast to terms like rent or lease. The Marind in Domande stated that the former Malind sub-district head introduced these words to them.

The former Malind sub-district head does not appear like general Papuans. Although he is originated from Domande village, her father is not Papuan, so he does not have a pure Marind blood. However, her mother is from the Gebze clan who owns a majority of land in Domande. Therefore, his identity position as the state representative as well as the half-Marind of Domande has made possible an easy entry of the Rajawali Group to the village elites’ consent, especially to approach the village head, the village secretary who holds the actual leadership, and head of Customary Community Council of Domande. Later on, after the MoU was signed and customary rite to validate the release of land was performed, these three village elites were paid monthly by the corporation to work as the liasons of the company to the Domande people and vice versa.

Besides translating corporation narratives and practices to local custom, other significant role of this state actor is to reduce or eliminate any tendencies of conflict that may hinder the company work. When the Marind in Domande protested the company road construction that has transgressed their territory, the former district head advocated the company position as the Good Other by convincing the Domande elders that the company build the road not only to serve for its self-interest but for public use as well. Even, the company has assisted the government by taking over its responsibility to provide a good infrastructure. He tried to convince that without the presence of companies, Merauke will be infamous for a bad place for investment, which means no development for Merauke. After presenting the company as the Good Other, he turned to play the identity connection. As the Domandean descent, he guarantees a protection of his elders from tricks or manipulation of agreement. Supporting this argument, the head of Customary Community Council tried to convince others that they are the one who control the negotiation with the company, because they listen to him and the former sub-district head as the representative of the Domandean.

Although according to Bailey (1983) passionate talk is a good tactic in daily political contests of winning the hearts and minds of people, acquiring supporters, conveying ideologies, manipulating symbols, YT’s rhetoric did not effectively lower the tone of opposition coming from young leaders. After a meeting with the company to settle account on this alleged transgression, the Domandean were split into two camps. The one who lead by young leaders rejects the company request for more land to build road and demanded for new compensation. The other camp lead by the head of Customary Community Council, who accept *tali asih* as a close deal for all land needed by the company, agrees to give the company permission for road construction. At the end, a one-on-one approach by the liasons produced a new land deal with the head of clan who owned the land on the planned road construction. This is a relatively new strategy in compare to other companies. Different to other company strategy of having one MoU to bind all land agreement, Rajawali Group -aside of MoU- has managed to make a one on one deal with separate head of clan to gain land little by little.

This strategy was attainable due to internal access to head of clans that was abridged by the 'liaisons'. Although the voice of opposition was still expressed by the young leaders of Domande, but a promise of employment and community cooperative has reduced it to the wait-and-see position.

The former district head managed to construct a narrative of legitimation by interplayed the identity connection, a translation of contractual relation into traditional practice (from 'rent' to 'borrow for use'), and a consistent representation of the company as the Good Other. His interplay of these cultural elements: identity, tradition, and representation enabled a control over land by dividing people into factions. He connected the offered modernity of cash, motorcycle, and hi-tech audio-player with individual clan's agenda, and uses the liaisons relations with the clans to avoid collective process. This two level of mediation between the former sub-district head who plays at the village supra-level and the liaisons at the village level has developed an effective brokerage to land control for the Rajawali Group.

### ***Brokerage web of relations & mechanisms: Persuasions, debt bondage, reward and punishment***

State actor brokerage needs to create a web of relations beyond state's structure, which means an incorporation of village and/or customary leaders and other influential actors within the village. Their roles are important to access daily politics, because they present in the everyday life of the rural landholders. Their continuous presence is important to follow and understand the dynamics of landholders perceptions, thoughts, and feelings, so these brokers and translators able to grasp the landholders' wariness and desires, and inform these to the corporation. They called themselves as the 'tongues connector' ('*penyambung lidah*') or persons who connect communications between the rural landholders, the corporation and the state apparatus. These village level brokers and translators with their capacities and charisma, are usually persons to whom rural landholders will go for advice. They are usually better educated than other landholders in his/her village, with a good public speaking ability (mostly teachers, village leaders, mix-blood of natives and migrants), and speak Indonesian language fluently.

The web of relations may spread through the district heads' kinship or social relations with the village leaders or clan leaders, but it is centred on Bupati's positional power. Playing behind the stage, Bupati offers his district heads and strategic influential persons in the village of the landowners various forms of assistance, such as: a project contract or money assistance (for school fee, medical cost, marriage cost) or political position<sup>6</sup>. He also knows that any person who is interested to extract rents from land dealings will eventually approach him for assistance. Then, it will become a moment of bonding<sup>7</sup>. Other means, which can be directly or indirectly related to Bupati's power, is by being employed by the corporations as staff of Corporate Social Responsibility division, so they can receive payment formally and legally<sup>8</sup>. Then, they were bonded into an obligation to return the deeds by supplying information needed by the corporation and influence the rural landholders by building up positive images of the investment. This clientilism works effectively to form asymmetrical dependency between the clients and their patron.

The former district head of Malind, for instance, within less than a year after he was successfully mediated 35,000 hectares of land transfer for a sugar cane plantation in Domande and Kaliki village, was rewarded a promotion as the head of governmental division at the regency office, then this promotion immediately followed by another promotion as the executive secretary of Merauke Regency Planning Agency (MRPA). This position is quite powerful since the Planning Agency was

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<sup>6</sup> Interview with village brokers of Okaba

<sup>7</sup> Interview with a person who is from the closest circle of Bupati Mbaraka (June 2014)

<sup>8</sup> Interview with village brokers in Zanegi and Domande village (March 2012, June 2014)

assigned by the Bupati as the coordinating body of MIFEE implementation, which means that as an institution MRPA has an authority to lead and organize other state agencies and offices to implement the project.

However, not all district heads in Merauke willingly entered the brokerage web of the Bupati. The former district head of Okaba, who supported 13 villages in his district to reject several investments in their land was transferred by the Bupati to a position in the Office of Trade and Cooperative at a Protection of Consumers division with a task to inspect expired goods in the shops, stores, and storages – a task with no relation whatsoever to land and investment matters. Only after a week after he was replaced by a new head district, the Astra Group, which was rejected previously by him, has successfully gained the new district head agreement to invest in Okaba District. The former district head of Okaba was not the only district head who received such ‘punishment’ from the Bupati, because his colleague from Tubang district, the neighbouring district of Okaba, was also removed from his post for the same reason. There are 12 district heads were replaced in 2012 due to land problems. Most of them were the region leaders within which the large-scale industrial agriculture investment are located.

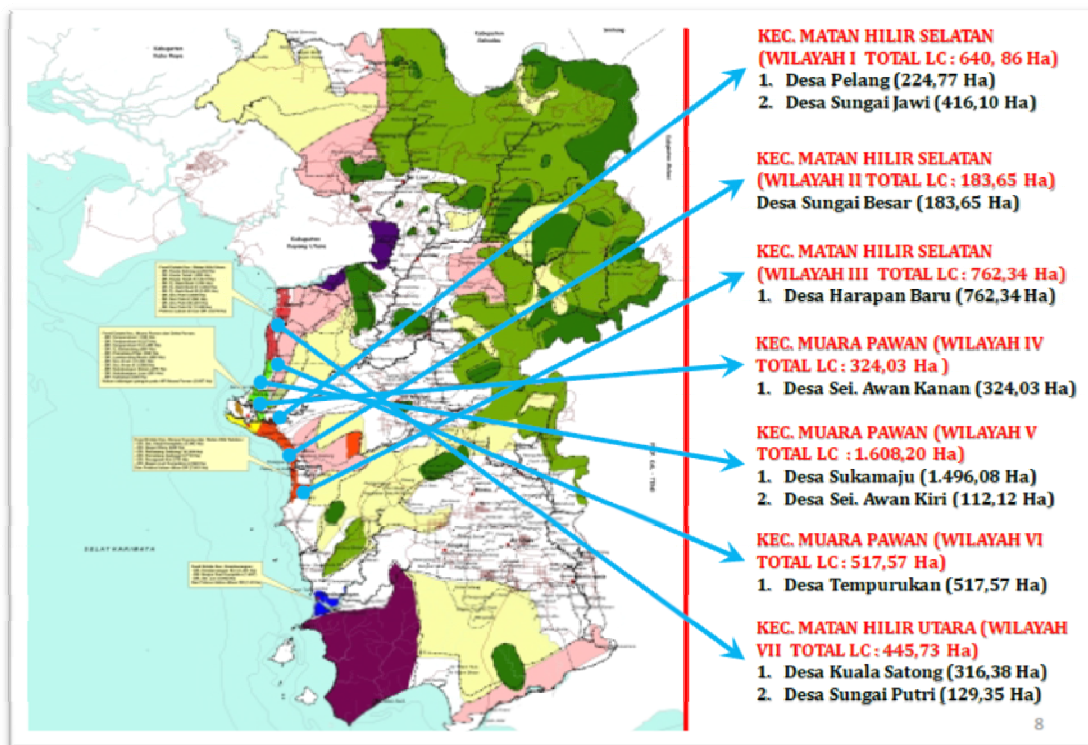
Local state brokerage in large-scale agricultural investment in the Merauke case does not only involve mechanisms of opening and connecting relations, information and interests that orient land deals to the benefit of the corporations and individual brokers, but also involving a mechanism to maintain the web of power through reward and punishment which is operated by the core position holder of this network. Using the highest positional power in the local state structure, and also through clientilism, the Bupati runs a role as gate keeper through members’ selection mechanism. He reproduced the predatory brokers through rewards and eliminated non-brokers by punishment. Throughout the network, the translation of investment project as a coherent representation of ‘better future’ for landholders was done not only by using material gains as persuasion or physical threats as oppression, but also employs the most intimate and familiar cultural frames: vernacular terms, metaphors, desires, kinship and blood relations.

## **5 State actors brokerage in Ketapang case**

The leadership competition between Dayak and Melayu ethnic in Ketapang becomes the context within which the food estate programme emerge as a primary growth centre for this regency since 2010. Morkes Effendi, the former Bupati of Ketapang, who comes from Malay ethnic group, was infamous for a massive distribution of permits and licenses for oil palm plantation. The expansion of oil palm plantation has created a huge conflict between Dayak and other local community groups with plantation companies in 2008. To date the total coverage area of oil palm plantation in this regency is close to 850,000 hectares, which is the largest oil palm plantation compound in West Kalimantan. Since Henrikus, who is a Dayak, took his office as the head of regency in 2010, he banned the issuance of permits for oil palm plantation in Ketapang, following the Governor instruction dated in 2008.

The idea of placing food crops as a new frontier of capital accumulation is the mission of Henrikus as the new Bupati, but only after almost to the end of his office that it received a high wind. The support came from the national government when the Ministry of State-owned Enterprises (MSoE) chose Ketapang as their site of rice production after a failure in East Kalimantan. The executor of bupati’s mission is the head of planning agency, Mahyudin, who later became the executive secretary of the regency. He immediately seized this opportunity and claimed that the concept of large scale rice farming, which is called as food estate or *Kebun Pangan* as the regency’s concept, not the ministry’s. He enlarges the coverage of rice estate from mainly the Ministry’s farm into several types of rice plantation programmes (see Annex 2, Table 3), which covers 100,000 hectares of land.

The total area of KFE is allocated in seven sub-districts and ten villages as described in the following map (Figure 2), which includes Sukamaju as the biggest site at a village level (1.496,08 hectares), then follows by Matan Hilir Selatan sub-district that covers 1.586,85 hectares, but in four villages. The state-owned enterprises work in Sukamaju village and Matan Hilir Selatan sub-district.



**Figure 2. Ketapang Food Estate locations**

The map does not include the areas of food crop farms within oil palm plantation and forest land. There are 8,225 hectares of forest that has already been approved by the Ministry of Forestry for conversion to rice farms<sup>9</sup>. Another 138,448 hectares or 55% of total forest for production area has also been proposed by the Bupati to be converted for food crops farms<sup>10</sup>. To make available new frontiers for his accumulation project, apparently, the ambition of the Bupati is to clear close to 150,000 hectares of forest or almost five times to what is stated in the food estate programme plan: 38,700 hectares (see Annex 2, Table 3).

### ***Brokerage power and its web of relations***

The head of Ketapang Planning Agency who is also the executive secretary of the regency stated that: “The development of food estate is for seeking new private investment, because rice is preferable by the farmers than oil palm, also it will be able to tackle the problem of food crisis. The provincial government has not yet realized that West Kalimantan is facing an acute rice dependency from outside supply. It will be dangerous to let this problem unaddressed. Even more, the National Intelligence Agency (BIN) has come to Ketapang to make sure that through the food estate West Kalimantan will not experience another political instability due to ethnic conflicts as years before”. In his position as the executive secretary of the regency, Mahyudin coordinates other regency offices, such as:

<sup>9</sup> The release of forest land based on the decree of the Ministry of Forestry: S.20/Menhut-VII/2013, 15<sup>TH</sup> of January 2013 for 8,225 Hectares of land

<sup>10</sup> Two letters of request from Bupati Ketapang to the Minister of Forestry No.: 050/0481/Bappeda-B, 11<sup>th</sup> of March 2013 and No.: 520.51/0785/Bappeda-B, 24<sup>th</sup> of April 2013

Agricultural Agency and the regency representatives for National Land Agency, to oversee whether budgets were allocated for the implementation of rice farms mechanization programmes, also whether land allocation for food crops within oil palm plantations was made possible. Furthermore, the Bupati and his seven senior government officers bought land in the food estate area of MSoE a year before the project started and before farmers were even aware of the plan. It is justified as the measure to give examples to (or demonstration plots for) the people.

Trying to expand state/public investment on food to a private investment, the regency secretary made a maneuver to invite private investment. He stated that government budgets alone will be insufficient to boost rice and other food crops farming as a new investment sector, therefore, he went to China with the head section of food crops and horticulture from Agriculture Agency to visit large-scale rice farms, maize and cassava production and manufacture industry. Commitment of 1000 hectares investment from a China company for mix cropping of sweet potato, maize and peanut was gained from the visit. Afterward, the Mayora group also expresses interest to invest for sweet potato plantation and manufacture industry.

Although both commitments of investments were not yet materialized, the brokering role of this high-rank state actor in his positional power has already made possible a twist from a national programme of 'non-capitalist' farming food estate led by the state-owned company to a private sector investment in his region. In the same time, it also successfully opened an access for several high rank local state officials to invest on land through flourishing land market around the area<sup>11</sup> and justifies this land transfer as a programme of 'demonstration of examples'; a hundred hectares of land was targeted for this purpose (see Table 3).

As the Head of Ketapang Regency Planning Agency (KRPA), Mahyudin's role is also central in locating the land for KFE project. The village head of Sukamaju, a village where the majority of landowners have already signed an agreement to transfer their land for the state-owned company rice farm project, admitted that without the advice from Mahyudin, a large extent of land would be difficult to release. Although he claims that the project placement in his village was because his initiative to submit data and map of village potentials to the head of KRPA, but it was the head of KRPA decision that enabled his village to become a KFE project site. When difficulty arises to release land from the landholders who use their land for cattle grazing, it was also the head of KRPA who suggested a proposal to build a collective stall, which made the landowners eventually agreed to release their land.

The village head of Sukamaju did not only play as a land collector for the national state owned company project, but he also gave a guarantee to the company that he would be dealing with any 'social' problems coming from the rural landholders. When the landholders were angry and wanted to take back their land and planting it, because after almost a year of land clearing the company was incapable to till their land, the village head convinced them not to take such actions because they have already signed a contract with the state owned company. Some of the landholders follow his advice, but some decided to disobey him and start to plant vegetables in their land. As explained by the village head, it was not always easy to convince the landholders about going into agreement or accepting the terms of project, but he understands quite well how to use the landholder logics and influence their decision.

The ways in which he is influential was proven by his ability to use the landholders' profit making rationale. Unlike the Merauke case, the village head did not present the company as a benevolent entity in terms of brotherhood making and equal sharing, but he was delivering the offer of harvest sharing from the state owned company to the landholders, which is forty percent share of harvest for the landholders and sixty percent for the company. Such offer was seen beneficial by the

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<sup>11</sup> More than ten parcels of land along the road to the location of the MSoE's farm were put to sale as it is announced on a wooden board placed on each site with a phone number to call the seller. When I made a call to the seller, it turned out that he is a trader who sells and buys land as one of his commodities to make profits.



landholders, since they were not required to place any costs of production, but will receive income at the end. In addition to this, it is also important to understand that the land that was given to the state owned company is not the land that the landholders cultivate for their livelihood, but most of it was unused land which was saved for their future use. The landholders categorize this land as ‘a dormant land’ or ‘lahan tidur’.

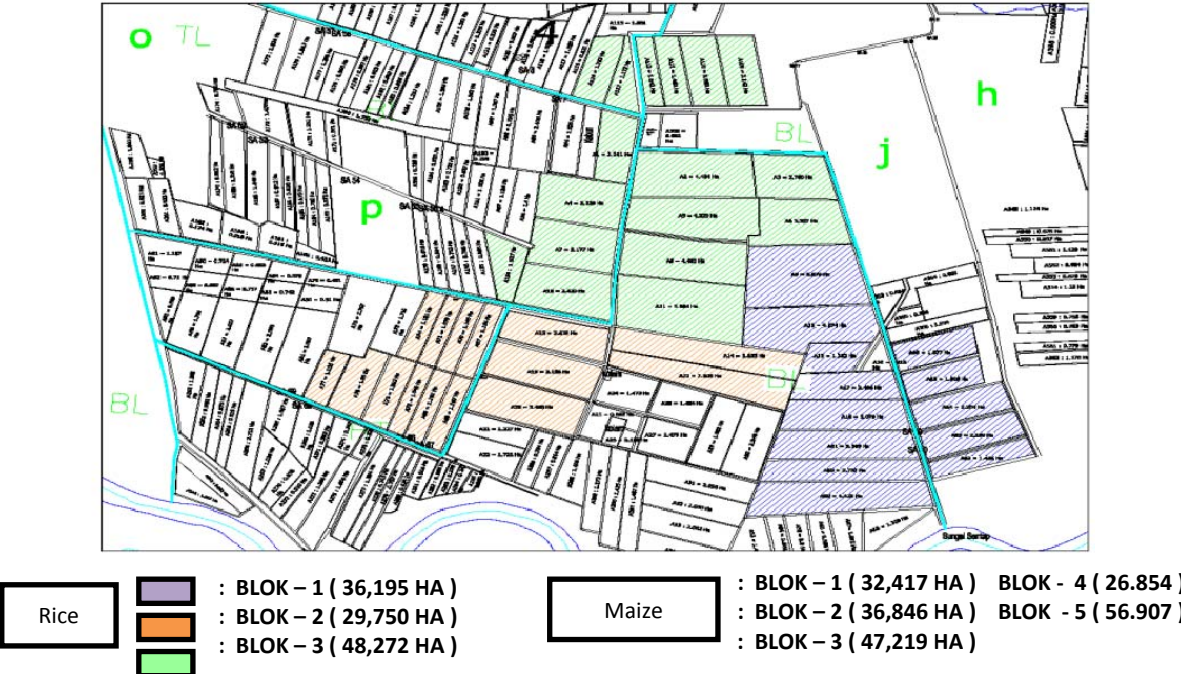


Figure 3. Trial plots of KFE in Sukamaju village

Most of them, including the village head, have already cleared forest and distributed this ‘dormant land’ since 2006. The pioneer farmers were entitled to 2 hectares of land for each, and the follower farmers were 1 hectare. But, due to many process of land transfers triggered by the initiation of food estate project, rich farmers can buy and expand their land up to 4-5 hectares. The total land area that has been cleared is about 1400 hectares. However, the whole land was left dormant because the problem of flood that has been coming every year. Without proper drainage and irrigation system, the flood is beyond farmers’ ability to tackle, therefore, it has been preventing farmers to use this land until the food estate project came. That is the reason why the coming of state owned company to construct rice field and irrigation system was accepted with almost no resistance. Moreover, they don’t have to spend any cost of production, but will receive part of the harvest at the end. The rural landholders thought that it was a very good deal in comparison to oil palm plantation. They have already rejected a deal with oil palm plantation because they learned from experiences of other villages that oil palm means losing landownership, degraded land fertility and decreasing water sources. Using this benefit-cost calculative rationale, the village head easily collected signatures from more than 300 landholders in his village to give their land for the food estate project, which covers around 1400 hectares of land. In return for his brokering work, the village head received project contracts for roads and dikes construction from the KFE project.

Trouble comes to the village head when the state owned company failed to cultivate the whole land and produce good yields. The harvest failure had pushed the company to reduce their investment to a level of trial of 200 hectares of rice and maize and to refuse any expansion before the trial plots produced better yields (see Figure 3). The company even pressured to lower the share of the

landholders from forty to twenty percent due to the harvest failure. Such situation caused a drawback of eleven landholders from their land agreement. At this point, the village head thought that he should not prevent such decision in order to keep the resistance insignificant. He put high hopes on more incoming investors from China that is said to be interested on rice farming.

The brokerage web of power, again, is initiated by the actor with a high rank official position at the local state institution. His positional power enables the transformation of national programme and interest into a local state's strategy of accumulation, also through a network down to the village level. Using high-rank state positional power alone is insufficient to enable an access to land, only through the role and power of the village head that land for KFE project was available. The striking difference with MIFEE case is the use of profit making logic as a key for successful brokerage instead of using vernacular terms, primordial ties and clientilism relations. The relation between the village head and the secretary of the regency is strictly formal and rational, based on their own profit making interests.

## **6 The brokerage power and its invisibility to the counter-movement**

In both cases, MIFEE and KFE, the power of brokerage seems to work successfully to roll out land deals in the direction of local state's agenda and benefits rather than for the betterment of landholders positions within or without land deals. Such situation may lead us to question why after many devastating impacts coming from vanishing sources of life that leads to sickness, deaths, killing incidents, intra and inter-clans conflicts through sorcery, especially in MIFEE case (Savitri 2014), counter-movement is difficult to be organised? How is it related to the brokerage power?

In the MIFEE case, the brokerage power to create legitimate land deals work successfully, because it is able to endure the unstable processes of legitimation. The endurance is derived from state actors' ability to construct a controlled web of relations by using bureaucracy system to apply reward and punishment as mechanism to maintain the brokerage work on its track. These mechanisms can work well since it is centralised in the positional power of the head of regency who control and distribute or cut access to resources, which is not limited to material resources (money, projects, personal facilities) but also political resources (more powerful position in a state structure). Moreover, the web of brokerage power is enlarging beyond state's organizational structure because of two reasons: 1) recruitment of members becomes a continuous process due to the continuity of incoming investments, and 2) the work of daily politics which is the most important sources of information to understand landholders' needs, dreams, expectations and desires require recruitment of actors who live within the same system of meanings of the people. They either have multiple identities as state and non-state actors or non-state actors who possess close relations to the members of brokerage web. Clearly, the large scale agricultural investment, multiple desires toward it and the gaps in-between are the engines that keep alive the possibility of brokerage and endure the processes of legitimation.

This continuous penetration of brokerage power divides people into factions and different alliances based on how investments were perceived. Clans and systems of belief sometimes are able to unite rejection toward investments, but more often associations to clans and belief systems were used by the brokers and translators to create suspicions and jealousy that put landholders into internal conflicts. These conditions resulted into a difficult consolidation of resistance. This is not to deny that various forms of resistance emerged and were formed in villages, particularly around the issues of unfulfilled promises and threats to life sources. Certainly, discontent and fear can always become a seed of resistance, but as stated by scholars who work on everyday rural politics and peasant resistance (Scott 1990, Kerkvliet 2008, Hobsbawm 2008, Wolford et.al 2009 and Couete and Turner 2009) there are processes that may and may not lead into open resistance, organized movement and influence peasants' decisions to join or not join the movement. However, none of these touch deeply into the work of brokerage power; how it becomes an obstacle to the organizing of movement.

Despite of many efforts done to build alliances and push the issue to an international level in order to create a boomerang effect, which is aimed to hit the national state's commitment to non-discrimination and protection of indigenous people rights (Ginting and Pye 2013), movement organisations failed to consolidate resistances from below. Savitri (2013) explains on how rural landholders were becoming ambiguous toward land investment and this ambiguity created a situation where acceptance and rejection is always a decision in process rather than a 'final' act. I would argue that this failure is precisely because the movement organizations were unable to recognize this ambiguity which was produced from the work of state actors web of brokerage. Differentiations that are created through clans' alliances and factions based on belief systems are out of the of counter-movement organisations' frame.

They inability to identify pro-counter movement local leaders has also made difficult the formation of counter-brokerage web of power. It limits the movement's possibility to build alliances at landholders' level or within local state structures. For example, none of NGOs working in Merauke has supported and defended head districts who tried to protect his people. Movement organisations that have been working at the national and local level around MIFEE issue face a difficulty to tap into rural daily politics, factions and fragmentations, and the actors behind the power play, because fragmentation also occurs within local NGOs. In the period of Mbaraka government, there are only two church-based NGOs work on the issue. Initially, both actively facilitated, involved in, assisted and supported the local and national advocacy work by facilitating village discussions, village mapping and formation of village regulation against large-scale investment. However, lack of funding, limited human resources to handle lots of village level advocacy work, not to mention a security threat, have made these two NGOs turn their backs from 'the counter-investment' work. One of them received a corporate social responsibility funding to run the company's programme for the rural landholders, and the other chose to receive local government's funding to involve in local state's project of building legitimation through money distribution programme for 'village development'. This inability to reach to the daily rural politics and local state level had caused a failure to understand and respond toward the dreams, expectations, doubts, resentment and discontents of the rural peasants, where the seeds for consolidation of resistance were located and kept dormant.

While MIFEE case presents a later stage of land deals process where state brokerage and emergence of resistance can be analysed more clearly, the early stage of successful large scale land investment in KFE case can be also understood in the frame of invisible state brokerage before the counter-movement organisations. From the perspective of several movement organisations that work on social-environmental issues in West Kalimantan, a perceived-to-be bigger issue of land conflicts in oil palm plantations has made invisible the potential threat of large scale land deals of food estate to the livelihood security of rural peasants. The magnitude of land grab phenomena caused by oil palm plantation in Kalimantan, including Ketapang has made 100,000 hectares for food estate seems like a small amount of land and still 'unreal'.

According to the data from Civil Society Coalition for Just and Sustainable Spatial Plan (2013), the total land allocation for oil palm plantation and mining in West Kalimantan has already exceeded the total land area of West Kalimantan Province, which means that on paper there is no room left for the people's life space. Therefore, the advocacy NGOs in West Kalimantan have to deal with hundreds of land conflict almost every day. On the other hand, to be considered as an 'issue' that needs to be tackled, food estate has not yet become 'a case', since from the NGOs' perspectives it hasn't triggered any conflict yet. In this situation, the counter-movement toward food estate cannot be expected to emerge at its early stage of implementation, because for the landholders, the profit sharing scheme and early stage of KFE implementation are reasons to keep them in a wait-and-see position as well rather than react on a clear stance. However, it is precisely because the damaging effects are still unseen or far to be seen, the brokerage power freely works to enable land deals at the expense of small

landholders future benefits.

The relation between state brokerage and the weak consolidation of counter-movement or non-emergence of resistance can be placed in three ways: 1) the state brokerage works successfully in making land deals beneficial for others except for the indigenous or small landholders because they are invisible before the eyes of counter-movement organisations, 2) the invisibility of brokerage and translation power is enabled by its insertion within the state system and structures, 3) because the state brokerage power is invisible, the counter-brokerage power remains 'dormant' and seeds of consolidation for resistance remain untouched.

## 7 Conclusions

State actors brokerage is not only channeling power, but it creates and is instituted by its own power. State actors brokerage is able to constitute its own power because its ability to endure the processes of legitimation through controlled web of relations. By using internal state structure and bureaucracy system, the brokerage web maintain its power by the selection of membership in the brokers web of relations through reward and punishment, given by the highest power holder in the web. The brokerage power maintains its track to enable land deals through reproducing 'predatory' brokers and eliminating 'protective' brokers.

Working effectively by using the system of state's organizational structure, the brokers and translators transform the daily politics and desires of rural peasants into legitimation practices and gain consent. In parallel, state brokerage brakes the strength of social movement organizations to consolidate resistance by operating freely within the blind spots of rural social movement: rural daily politics and the 'absence of conflict'. The problem of why counter-movement is difficult to be organised, however, lay on the ability of state brokerage power to penetrate rural daily politics, create fragmentations and factions and use the ambiguity as a space for continuous legitimation practices. The large scale agricultural investment in Indonesia, therefore, continues to thrive because, among other reasons, the working of state brokerage and its implication to the organized counter-movement is still unaddressed. Indonesia becomes a land of large estates, but not a nation of large scale agriculture.

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### About the Author

**Laksmi Savitri** is a Researcher in AISSR-University of Amsterdam's project of "Transnational investment on land and agricultural crops in Indonesia and Philippines" and lecturer in the Anthropology Department, University of Gajah Mada.