Violent to Non-Violent Displacement: Corporate Land-Control Strategies in Register 45, Mesuji

Devy Dhian Cahyati

Received: August 6th 2021 | Accepted: October 21st 2022 | Published: November 18th 2022

Abstract

This article discusses land contestation as a factor in the creation of agrarian conflict and the marginalisation of local people. Through field research in Register 45 Mesuji, Lampung, the author explores the geographical displacement of the indigenous people and forest squatters who occupied the land since the fall of The New Order. This paper attempts to explain the strategies used by corporations to displace local people and accelerate capital accumulation. In such situations, the state functions to legitimise the process of land displacement. However, where violence is used for displacement, this indicates a failure to uphold the global norm of human rights. This article shows that the process of displacement has continued through contract farming, i.e., partnership programmes used to control the land in Register 45 and limit squatters' access. In this situation, forest squatters are used as labourers who benefit the company by easing its capital accumulation. However, squatters have rejected this mechanism, preferring to remain independent.

Keywords: displacement; marginalisation; capital accumulation; contract farming; partnership programme.
Background

In Indonesia, displacement is not a new phenomenon. Hedman (2008) argues that, in the context of conflict and violence, displacement has been an integral—if often overlooked—dynamic in the making of the Indonesian nation-state since its independence. Various political, economic, and religious factors have underpinned this displacement. After independence, the military used displacement to demolish separatist movements, such as the Revolutionary Government of the Republic of Indonesia/Universal People’s Struggle (PRRI/Permesta) in Sumatra and North Sulawesi (Hedman, 2008). A similar strategy was also applied to separatist movements in Papua, Aceh, and East Timor. In these cases, the state was involved in the displacement process, and its apparatuses were often perpetrators of violence.

Studies of land displacement typically deal with political-economic concepts such as enclosure, primitive accumulation, accumulation by dispossession, and commodification. These concepts are not only useful analytical tools but may also offer distinct angles for understanding the issue of forced displacement (Thomson, 2014). Borras and Franco (2012) equate the term displacement with dispossession, using it to understand the land-grabbing phenomenon because of the explosion of (trans)national commercial land transactions, thus generating dual processes of inclusion and exclusion.

Some scholars have explored displacement as related to the special dynamics of land and borders (Lunstrum, 2015; Vandergeest, 2003), viewing it as necessary to provide a space for capital accumulation. Environmentalists argue that displacement occurs as a result of the conservation agenda, wherein people are excluded...
from their land—which is the basis of their livelihood—in the name of protecting the land. Displacement may occur in contract farming schemes, thus leaving smallholders alienated from their lands (Lund, 2018). Through contract farming, direct dispossession can be avoided while continuing to increase capitalist production (Pérez Niño & Oya, 2021). Some problems related to contract farming include asymmetric contracts, minimal control and monitoring functions, and abuse of power (Rustiani et al., 1997). The process of displacement occasionally generates resistance from smallholders. A study by Ito et al. (2014) shows that the process of land dispossession always contains competition and contradiction.

Land displacement is an important issue in Indonesia, where it involves various actors with diverse levels of power and interests. In this paper, we use Register 45 as a case study to explain the process of displacement that has occurred since the New Order. Lampung has experienced numerous land conflicts, as colonial transmigration policies—which continued into the New Order era—have altered local social structures and created a multicultural society (Sania, 2010). In the colonial period, the government made a regulation to manage Sumatra’s forests as state forests (boschwezen). At the time, local people were prohibited from accessing the forest (Kusrowo, 2014). Such a phenomenon has occurred not only in Indonesia, but also in developing countries in Latin America, Africa, and Asia. Colonial governments established conservation programmes to preserve flora and fauna, thereby excluding local communities from the areas that had been designated “protected forests” (Chatty & Colchester, 2002).

After independence, the state-controlled much of the forests in Lampung. During the 1970s,
the New Order regime—which depended heavily on timber as an export commodity—began issuing permits allowing companies to start logging in state forests. In some areas, logging companies attempted to seize land, which faced resistance from local people (Davidson, Henley, & Moniaga, 2010; Kusrowo, 2014). At the same time, the transmigration policy created a dilemma for the land tenure system. Transmigrant families needed new land for residence and agriculture; as such, they cleared new land in state forests. This not only resulted in land contestation among transmigrants, corporations, and the state but also resulted in horizontal conflict between transmigrants and local people (Peluso, 2007).

The fall of the New Order's centralistic regime did not significantly resolve land displacement issues. Rather, the decentralisation that followed the regime change provided new arenas for contesting control over authority and resources (Hadiz, 2004), thereby creating new forms of territorial governance as well as spatialised governance and conflict (Peluso, 2007; McCarthy, 2004). In some cases, the enclosure of resources and exclusion of individuals and groups resulted in violence (Peluso, 2007). However, most land displacement works through the logic of capital accumulation—with land and other resources framed as commodities.

Register 45 is an area in Mesuji District, Lampung Province, which has been designated a state forest since the colonial period. As with other states’ forests in Indonesia, Register 45 was used by the New Order for timber production, first by state enterprises and later by private companies. The involvement of these companies resulted in conflict with local communities whose land was being exploited. However, these companies’ exploitation of forest resources was legitimised by
the state, which used various strategies to evict squatters—including violence.

This article will explore how displacement works in the process of capital accumulation. Economic globalisation thus facilitates displacement (Meyfroidt, Lambin, Erb, & Hertel, 2013). Sarkar (2007) argued that acquisition is necessary for industrialisation, which in turn is essential for long-term development. Furthermore, this article aims to understand the strategies used by companies to control land, especially after violent approaches were criticised by many actors. Several studies have suggested that partnership programmes may be used for conflict resolution (Ferdian & Soerjatisnanta, 2017). In this case, using qualitative research methods, the researcher reviewed relevant literature, documents, and news stories; conducted interviews with key informants (in 2017 and 2022); and observed the situation in Register 45. This paper argues that the partnership programme was designed to ensure corporate control of land and discipline squatters, even when they refused to accept the programme.

This article is divided into four sections. First, it explores the debate on displacement and how it relates to capital accumulation. Second, it explains the history of the land conflict in Register 45, Mesuji. Third, it explores the multiple displacements experienced by local people and forest squatters, as well as their social, economic, and political consequences. Fourth, it explains the practice of land displacement through the partnership programme after the cessation of violence in 2011.

Displacement and the Dynamics of Land Contestation

The study of displacement has long been a concern for scientists. Human displacement
entails the uprooting of people, not only as refugees and asylum seekers in foreign lands but also—and more frequently—within their homelands (Feldman & Geisler, 2012). In Indonesia, the study of displacement is closely related to religious issues, as seen in the cases of Central Sulawesi, Maluku, and North Maluku (Sidel, 2008). In these contexts, anxieties about the “incompleteness” of religious identities, boundaries, and hierarchies prefigured the outbreak of violence, including the forced displacement of villages and neighbourhoods by armed groups, which promoted the spread, transformation, and, finally, de-escalation of the violence (Sidel, 2008).

Another study explored contested accumulations through displacement (Leitner & Sheppard, 2017). Based on the case of Jakarta, it explained three important things related to the concept. First, the variegated vectors of displacement range from forced eviction to residents’ sales of land rights. Second, displacement engenders multiple forms and conditions of possibility, including and even exceeding Marx’s definition of capitalism’s accumulation of profits for expanded commodity production. Third, these processes entail ongoing contestations that precede, respond to, and exceed the commodification of the urban commons (Jeffrey et al., 2012).

The concept of displacement has existed for a long time. Marx can be credited with the initial theory of displacement, which he linked to his history of capitalist modernity. His discussion of primitive accumulation, which required the massive displacement of peasants from their land, was one of the first to explore displacement on a large scale (Escobar, 2003). Based on his study of the Colombian Pacific, Escobar (2003) explained that displacement is an integral element of Eurocentric modernity.
and its post-World War II manifestation in Asia, Africa, and Latin America—i.e., development.

Another study explains the close association between development and displacement (Sarkar, 2007; Hussain, 2008) by arguing that development is fundamentally about reorganising space (Vandergeest, 2003). Based on his studies in West Bengal, Sarkar (2007) explained that industrialisation encourages the displacement of people from their traditional occupations and livelihood. Sarkar argued that the success of land acquisition depends crucially upon a well-thought-out compensation and rehabilitation programme, which is frequently lacking in the state. In this issue, the state has an important role in the process of displacement (Hussain, 2008, Levien, 2011), even though it never operates with one voice (Wolford, Hall, Scoones, & White, 2013). However, Twomey (2014) showed that the law’s limits when addressing the displacement and dispossession resulting from land grabbing in Mozambique are rooted within how international norms—professed to resolve such issues—are implemented within a domestic context. Such a failure to implement international norms cannot be separated from the interests of the state and international actors to continue their development agenda.

Displacement implies not only physical eviction from a dwelling but also the expropriation of productive lands and other assets to make alternative uses of the space possible (Parasuraman, 1999). It is more than an economic transaction, a simple substitution of property with monetary compensation. Furthermore, Parasuraman (1999) argued that involuntary displacement is a process of unravelling established human collectivities, existing patterns of social organisation, production systems and social service networks. In some literature, displacement can be affected by conflict, disaster,
war, persecution, political discrimination, and infrastructure development (Lin, 2008; Thomson, 2014). Based on their research in Bangladesh, Feldman and Geisler (2012) argued that naturalising displacement is an “inevitable” consequence of changing weather conditions and population dynamics. Displacement due to war is seen as universally problematic, while displacement due to large-scale development projects, such as agricultural investment, often embodies a grey area (Oliver-Smith, 2009, in Twomey, 2014). In addition to losing land rights, livelihoods, and resource bases, which are often undervalued even when compensated, resettled people also lose their social networks and control over development (Lin, 2008).

Lunstrum (2015) argued that contemporary displacements were provoked by land and green grabs. Her research in Mozambique’s Limpopo National Park additionally illustrates how various triggers of environmental displacement – here, conservation, agricultural extraction, and climate change mitigation – dovetail to place ever more pressure on local communities by both inciting displacement and ultimately interfering with it in ways that threaten livelihoods and provoke novel patterns of (displaced) labour (Lunstrum, 2015). Furthermore, displacement could simultaneously occur at multiple scales (home, community, nation) (Feldman & Geisler, 2012), which may affect the cultural, spiritual, psychological, institutional, environmental, and economic conditions of social groups (Cernea 1997; Oliver-Smith 2010, in Athayde & Silva-Lugo, 2018).

Direct displacement has received a lot of criticism from activists, humanitarian agencies, and NGOs for forcing people to lose access to land and sources of livelihood. To avoid large-scale land acquisition, global development agencies
and international policymakers promote contract farming, which is considered beneficial for investors and farmers (Oliveira, et al, 2021). Although it seems to be a better solution than forceful displacement, the mechanism of contract farming is also hotly debated. Martiniello (2021) argues that, although contract farming might at first seem to not generate dispossession or displacement, it leads to other forms of expulsion and the marginalisation of poor smallholders from sugar agro-poles through social differentiation.

Displacement is not just about physically moving in the same dimension. Li (2017) explains that land displacement emerges from other displacements. When people are displaced from the land and not absorbed as workers, they suffer from double displacement: the land is needed, but the people are not needed (Li, 2011). To this double displacement, a third form is added: the selection of workers according to tightly defined ethnic, age, and gender specifications (Li, 2017). In her research, Li showed that displacement involves not only expelling communities from the land but also has multiple effects that affect their livelihoods.

This paper shows that displacement in Register 45 was conducted through the territorialisation of state forests that were occupied by indigenous people. This paper argues that displacement does not always result in forceful eviction and land grabbing, but can also occur through non-violent situations—for example, through contract farming (Feldman & Geisler, 2012). Based on field research, this paper explains that displacement also involves violence against immigrants, who are considered illegal squatters. However, facing criticism from human rights activists, the companies initiated partnership programmes without abandoning the logic of capital
accumulation that displaces farmers and reacquisitions land from forest squatters.

**Register 45 Mesuji: The Historical Conflict**

This section will explain the history of Register 45 and the emergence of conflict in the area. Lampung consists of vast forested areas. Data from Statistics Indonesia indicate that, in 2014, the province was covered in 1,004,735 hectares of forests, consisting of Conservation Areas (462,030 hectares), Protected Forests (317,615 hectares), Limited Production Forests (33,358 hectares), and Permanent Production Forests (191,732 hectares) (BPS, 2014). Geographically, Lampung is the main entrance to South Sumatra Island (Verbist & Pasya, 2004). Meanwhile, its proximity to Jakarta, the national capital, makes it a buffer zone. Verbist and Pasya (2004) noted that 33,000 km² of Lampung has changed in use due to developments during the past fifty years.

Mesuji is a new autonomous region in Lampung Province, which was created as a result of the expansion of Tulang Bawang Regency in 2008. It had a population of 194,282, consisting of various ethnic groups. Geographically, Mesuji consists of a flat lowland area, one that is singularly suitable for agriculture. Products of the region include food crops, medicinal and ornamental plants, forestry products, livestock, and fisheries. Some of the region’s primary commodities are rubber, cassava, and palm oil (BPS, 2016).

The colonial government’s forest governance policy influenced the policies of the post-independence Indonesian government, including in Lampung. Between 1911 and 1944, the Dutch government registered fifty-one forested areas in Lampung: seven between 1911
and 1929, twenty-seven between 1930 and 1939, and seventeen between 1940 and 1944 (Charras & Pain, 1993, p. 293). At that time, Lampung was still a residential area that was administratively under the Province of South Sumatra (Kusworo, 2000, p. 9). After these forested areas (boschwezen/BW) were registered, community members were prohibited from accessing or clearing the land; these forests thus became referred to as “prohibited forests” (Kusworo, 2000, p. 10; IPAC, 2013).

Register 45 in Mesuji was one of the forested areas designated by the Dutch government. Some areas in Register 45 had been inhabited by indigenous people since 1918. In 1940, the indigenous peoples of Kampung Talang Batu surrendered their land to the Dutch colonial government, which was represented by the Resident of Lampung, Bahoesin Gelar Tuan Pesirah. The resident of Lampung issued Besluit Resident Distrik Lampung no. 249, dated 12 April 1940, which certified the 33,500 hectares of surrendered land as “prohibited forest” (Putusan Mahkamah Agung No 38/G/2010/PTUN-JKT). This phase marked the beginning of the primitive accumulation process in Register 45. This land, a community asset, was controlled by the colonial government and legalised through state regulation. Community access to state forests was subsequently limited. After independence, all Dutch government assets were taken over by the Indonesian government, including the aforementioned prohibited forests.

The Indonesian government subsequently implemented regulations to privatise forests. At this time, the government granted Forest Concession Rights to PT B.G Dasaad, a corporation in Lampung. PT B.G Dasaad had several HPH areas in Lampung Province, one of which was in Way Kanan. Most likely, this company belonged to
Agoes Muhsin Dasaad, a post-independence conglomerate originating from Lampung-Sulu (Philippines). In the logic of capitalism, the forest was treated as a commodity for accumulating capital. The exploitation of the forest continued unimpeded until 1985, when the Indonesian government was under international pressure to stop deforestation (IPAC, 2013). The government thus implemented a policy of replanting forests using industrial crops, including providing opportunities for private companies.

During the New Order regime, the central government had the authority to control the country’s natural resources. At that time, the New Order government granted forest management rights to PT Inhutani V, allowing the company to plant industrial crops such as Albizia. The government treated forests as productive assets and commodities. Industrial forests were needed to fulfil the needs of the timber and pulp industry, which were prioritised by President Suharto’s economic policy. Forests that were originally prohibited or conservation forests, and thus not supposed to be exploited, were turned into production forests.

In the mid-1990s, PT Inhutani merged with PT Silva Lampung Abadi—a subsidiary of Sungai Budi Group—to form PT Silva Inhutani Lampung (SIL). This company was involved in plantation activities and the production of consumer goods, such as palm oil and tapioca powder (Novri & Wahab, 2014, p. 40). In 2005, ownership of the company shifted; PT SIL’s shareholders consisted of PT Silva Lampung Abadi (99.99 per cent), Widarto (0.005 per cent), and Santoso Winata (0.005 per cent) (Pujiriyani & Wahab, 2013, p. 106).

PT Silva was suspected to belong to the Soeharto family. When the two companies merged, its concession area was
expanded. In 1991, the Ministry of Forestry granted PT SIL the rights to 33,500 ha in Register 45, based on Decree of the Minister of Forestry No. 668/Kpts-II/1991. The decision to expand the concession was supported by the Governor of Lampung, who recommended that the Minister of Forestry expand the concession available to PT SIL from ± 9,600 ha to ± 43,100 Ha. This expansion was granted through Decree no. 93 / Kpts-II / 1997 and valid for forty-five years.

The government not only allowed investment in Lampung but also continued transmigration in the area. In the early 20th century, the Dutch government developed its first transmigration programme as part of its ethical policy (Irianto, 2011). During this programme, the government transplanted people from densely populated Java (which had a population of 38 million in 1930) to Lampung (which had a population of 300,000 that year) (Verbist & Pasya, 2004). This transmigration programme resulted in dissatisfaction and land disputes in much of Lampung (Tirtosudarmo, 2007). This led to the creation of Javanese enclaves, which were separated from the areas populated by indigenous peoples (Heeren, 1979, in Tirtosudarmo, 2007).

This transmigration policy continued into the New Order period. For instance, in the 1970s, large-scale unregulated migration from Java to Lampung took place, stimulated by the possibilities of coffee cultivation in upland areas, the accessibility of ancestral land that had been appropriated by the state (as government forests, including logged-over and previously cultivated land), and the pressure associated with rural restructuring (landlessness and underemployment) in Java (Elmhirst, 2012). Population growth drove contestation for access to land, including the ability to cultivate land in state forests. Ultimately, transmigration created competition for dominance, not
only between transmigrants and local communities but also transmigrants and the company.

Therefore, the New Order government established a local transmigration programme that was coloured by environmental authoritarianism and concern over the activities of “illegal forest squatters” (Elmhirst, 1999). In some parts of Lampung, the programme had the specific aim of removing (in the name of environmental conservation) all those who had settled within the bounds of what were now defined as state forests. However, many forest squatters refused to participate in the local transmigration programme. Accordingly, the government used violence to drive them out of the state forests. Some of the forest squatters decided to leave the area and moved to others state forests (Amin, 2018).

**Multiple Displacements: A Process to Control Land**

Land conflict in Register 45 is a complicated issue which involves companies, local communities, and transmigrants. The expansion of PT SIL’s concession was a land grab that was facilitated by the state, disregarding the rights of the Talang Gunung and Labuan Batin communities. Talang Gunung refers to a hamlet that is administratively part of Talang Batu Village. It existed long before Dutch colonialism and the division of the forest into several registers, and the expansion of Register 45 resulted in its enclosure.

The expansion of Register 45 resulted in the Talang Gunung community losing its land. The community claimed that its land was taken by PT SIL when PT SIL was granted an expanded Land-Cultivation License over 43,100 ha of land. As evidence of land ownership, community members had land certificates and tax
payment receipts since the 1970s. The government’s decision to expand Register 45 by taking Talang Gunung land indicates the continuation of the process of primitive accumulation. Land, as a means of production, was controlled by the company to meet market demands. The company also acknowledged that the Talang Gunung community already existed before the company received its operating license from the government (Nia, 2017).

Even as the problem with the Talang Gunung community went unresolved, the company had another problem: migration to the area. Transmigrants needed arable land to preserve their livelihood, thus encouraging them to enter Register 45. Some of the transmigrants experienced displacement when they occupied Register 45 after leaving Gunung Balak, East Lampung. This indicates that the displacement in Register 45 was part of the displacements that occurred in other regions of Lampung.

The arrival of forest squatters was not only driven by the need for land but also the company’s failure to cultivate Register 45. Forest squatters entered the area because they saw an opportunity, especially when the company was not managing the entire forest. During the economic crisis of 1998, timber was no longer a leading commodity, and thus production was sub-optimal. The economic crisis has also encouraged a wave of reforms at both the national and local levels. At the grassroots level, reforms encouraged people to take control of abandoned land, as seen in Register 45. The economic crisis also affected PT SIL, which led to the revocation of Industrial Plantation Forest Concession Rights through Decree of the Minister of Forestry No. 9983/Kpts-II/2002. There were two reasons behind the revocation of the company’s license. First, PT
SIL was deemed technically and financially unable to carry out industrial plantation development activities as it did not fulfil its financial and other obligations following applicable regulations. Second, PT SIL had not submitted its annual plans or quinquennial work plans since 1999 (Harisun, 2014).

The arrival of the Moro-Moro and Karya-Karya communities in Register 45 resulted in them being deemed forest squatters. The Moro-Moro community had occupied Register 45 area since 1997. In the beginning, the community came to the area to collect wood, which they sold for firewood and charcoal. Later, they decided to plant cassava and built shelters; ultimately, hundreds of hectares of cassava were planted, with these commodities distributed to PT Bumi Waras—the holding company of PT SIL and PT Bangun Nusa Indah Lampung (BNIL), part of the Sungai Budi Group—as raw materials (IPAC, 2013). The presence of migrants in Register 45 was not entirely detrimental to the company, as it received a supply of cassava from migrants. Over time, the number of squatters increased. Many were second- and third-generation transmigrants from Java and Bali; some were local transmigrants from South Sumatra.

To occupy the land, they paid compensation to the people who opened the land. They gained control of 7,000 ha of land, split among 4,000 people. The community spans five villages: Simpang Asahan, Moro Dewe, Moro Seneng, Moro Dadi, and Suka Makmur. The community occupied Register 45 for three reasons: economic, land, and envy. Community members were envious of the fact that the company had received concession rights to the land, when they themselves did not have any access to Register 45 (Ferdian & Soerjatisnanta, 2017).
The other community is Karya-Karya, also known as the Pekat community, which consists of several smaller groups—Marga Jaya, Tugu Roda, Sido Rukun, Mekar Jaya, Karya Tani, Karya Jaya, and Maju Jaya. It consists of 9,000 households, each of which controls 2 ha of farmland and 1/8 ha of other land. After riots broke out in 2011, people from other regions, including land brokers, thugs, and capital owners, came to register and control the land. The community and land brokers in Register 45 have a grey relationship (Ferdian & Soerjatisnanta, 2017). Brokers are paid to recoup part of the cost of clearing the land. Likewise, capital owners buy land from brokers, and then rent it to farmers or entrust it to others. Each group in the Karya-Karya community is coordinated by a leader, who is responsible for coordinating with other community leaders. The group leaders have the courage and physical strength to defend their followers.

Land displacement generated political, economic, and social displacement in Register 45. According to the government and PT SIL, the people living in Register 45 are squatters. They are not recognised as residents of Mesuji, as they have occupied Register 45—a protected forest. As such, community members do not have national identity cards. At the same time, since 2002 the government has frequently tried to evict the community members.

To deal with these evictions, the Moro-Moro community established an organisation, the Peasant Community Moro-Moro Way Serang (Paguyuban Petani Moro-Moro Way Serdang/PPMWS) in 2006. Several NGOs, like the Alliance of Agrarian Reform Movement (Aliansi Gerakan Reformasi Agraria/AGRA) and the Democratic People’s Party (Partai Rakyat
Demokratik/PRD), organised PPMWS to teach residents about popular movements. The community attempted several strategies to defend their stake in Register 45, buildings schools to provide education as well as places of worship such as a mosque, a church, and a temple. At that time, their goal was to prevent their forced removal from Register 45. However, the government did not recognise the schools built by the community, and these too were evicted.

The increasing number of squatters in Register 45 drove the government to attempt to control the forest area. To overcome this problem, the government implemented a policy of evicting squatters from the registered area. The government attempted enforcement by creating a Joint Forest Protection Control Team consisting of police, soldiers, prosecutors, and government officials. This team is responsible for removing illegal residents from Register 45. Meanwhile, the company restricted community access to the land by digging a five-metre-deep trench around the squatters’ settlement. The peak of the conflict between the company and squatters occurred in 2011, culminating in a large riot that left several squatters injured and resulted in the prosecution of several others.

Following up on the riot, the central government established a Joint Fact-Finding Team, which made several recommendations. First, it recommended reviewing forest expansion permits, improving law enforcement, and encouraging mediation. Therefore, in dealing with Talang Gunung community, the central and local government made a special enclave encompassing three villages. This enclave consisted of 2,600 ha; the remaining 4,400 ha were still under the control of SIL. Ultimately, however, this enclave was rejected by the community (Novri & Wahab, 2014).
Although the Team made several recommendations, the conflict in Register 45 was not resolved. For example, the company retained a strong position, in part due to its proximity to state officials. Widharto, the chairman of the Sungai Budi Group, has a close relationship with Susilo Bambang Yudhoyono (SBY)—the former Indonesian President. According to informants, Widharto had funded SBY’s 2009 campaign, and therefore the president was unwilling to take a firm stance. In addition, Widharto enjoyed a close relationship with Wiranto (Interview with Tisnanta, 2017). Meanwhile, at the provincial and district levels, the local government has no power to resolve the conflict. According to the head of the Local People’s Representatives Council, per Law No. 23/2014 concerning Local Government, the local government has no authority over Register 45 because forestry management is a provincial and central authority.

**Land Control Through the Partnership Programme**

After the 2011 riots, the government was encouraged to resolve the conflict in Register 45. Meanwhile, PT SIL was required to respect the principles of human rights. The government and the company sought to avoid the use of violence as a means of conflict resolution, choosing to use a new strategy to deal with forest squatters. Based on Law No. 39/2013, PT SIL established a partnership programme and invited the community to participate. Generally, the Ministry of Forestry issued regulations to empower communities. However, the government and the company perceive the partnership programme at Register 45 as intended primarily to discipline squatters, who are held to have occupied the land illegally (Interview with Lampung...
Province Forestry Office, 2017), through contracts that bind squatters, limit their land tenure, and restricts their ability to profit from cassava production.

The partnership programme was established through negotiation between the company and squatters. The forestry office and police agencies were also involved in this process. As of writing, seven groups from the Karya-Karya community have joined the programme and signed a Memorandum of Understanding (MoU) with the Ministry of Forestry: Marga Jaya, Karya Jaya, Karya Tani, Maju Jaya, Tugu Roda, Sido Rukun, and Mekar Jaya. Through these groups, 6,252 ha of land is used for the partnership programme.

Through the partnership programme, the mode of production began changing. The corporation was responsible for providing participants with the means of production, such as seeds, fertilisers, and machinery. In return, farmers are required to sell their products to PT SIL at a price determined by the market price. Per the MoU, squatters must plant staple crops (such as acacia) on 20% of the total cultivated land in the first year, with 20% added in subsequent years. Ultimately, however, this partnership programme is more profitable for the company. For timber, the company receives 75% of profits; the other 25% of profits go to the squatters. For seasonal crops, the company receives 50% of profits, while squatters earn 50%.

However, not all persons occupying Register 45 have agreed to join the partnership programme. The Moro-Moro community refused to join the programme, despite repeated offers, as it argued that the programme solely benefitted the company. The community, meanwhile, would not be able to farm independently, as the company would retain control over the means of production.
(land, farm equipment, and seeds). At the same time, the company was solely responsible for determining the sale price of crops. This scheme would not only leave the squatters heavily reliant on the company but also be detrimental to the long-term economic welfare of the squatters.

Although not all of the communities joined the partnership programme, the company still benefitted from squatters’ cassava production. The cassava produced by squatters is sold to PT Bumi Waras, which does not have to pay them for their labour. In this case, the accumulation process does not stop simply because the land is occupied. Even when industrial crops are no longer a strategic commodity, other commodities can be exploited for the companies’ benefit.

Map of Corporate Partnership, PT Silva Inhutani Lampung

Source: Lampung Province Forest Office
However, the community has faced various obstacles and inconsistencies in the company’s implementation of the partnership programme. Several times, when they experienced trouble with their machinery, the company was unwilling to solve the problem immediately (Amin, 2018). Moreover, after two years, forest squatters who were involved in the programme complained that it provided them with minimal benefits (Rosario, 2018). Members also complained about the company’s lack of transparency. Siska, a woman who has lived in Register 45 since 2011, explained that she decided to leave the programme because of transparency problems. She only received a profit of around two million rupiahs per hectare of land, without any explanation of the calculations used to determine this sum (Interview with Siska, 2022).

In addition, the programme also faced other obstacles. According to the company and forestry office, thugs have disturbed the implementation of the partnership programme (Nia, 2017) and pressured potential participants. Furthermore, several communities—especially Labuhan Batin and Talang Gunung—have refused to join the programme because they consider the land to be customary land. To ameliorate such issues, the government established the Integrated Team for the Implementation of the Partnership Programme, a joint military–police task force (Hendy, 2017).

Since the implementation of contract farming, forest squatters have no longer experienced violent displacement. However, this programme has caused other forms of displacement. First, forest squatters’ land tenure has been limited. The partnership programme has been used to control lands that were occupied by forest squatters. By law, programme participants are only allowed up to 2 ha of
land. As such, those who control more land feel threatened by the programme. Unfortunately, those squatters who do not agree to the partnership programme are dealt with firmly by law enforcement. In this case, a partnership programme that normatively aims to empower farmers is being used by companies to retake land occupied by squatters.

Second, the partnership programme has encouraged the displacement of workers. The squatters in Register 45 are farmers with their own means of production. However, when they join the partnership programme, they rely on others for the means of production, the timing of the harvest, and the sale of crops. However, the company continues to accumulate capital in managing Register 45 as well as the partnership programme. However, efforts by the state and company to discipline forest squatters have faced several challenges. Many squatters have rejected the partnership programme and chosen to be independent in both producing and selling cassava. Moreover, some have brought their issues with the partnership to the district court, with the support of a local legal aid agency (Interview with Yanuar, 2022).

Conclusion

This paper shows that land displacement occurs within the framework of capital accumulation. The case of Register 45 shows that the agenda of capital accumulation has successfully converted protected forests into production forests to fulfil market needs. At the same time, the company and the state have displaced local communities by extending Industrial Plantation Forest Concession Rights through state regulation. As a result, local people lose access to the land.

Displacement processes have occurred in various regions, where the state and company have not only displaced local
landowners but also those perceived as forest squatters. Such land displacement allows the practice to spread to other regions. Forest squatters move to other state forest areas to maintain their livelihoods, even though they would be subject to eviction threats.

The company used various strategies to displace forest squatters from the land. When negotiations failed to persuade squatters to leave, the government and the company began using violence through hired thugs and security forces. However, the violence that was used by the state was criticised by human rights activists. The state began working to resolve land conflicts by considering the value of humanity and justice. As a result, the partnership programme was implemented in place of the previous approach. However, such farming contracts ultimately alienated communities from their access to land.

This paper shows that the partnership programme has been used to ensure corporate control over land without requiring forced displacement. At the same time, the companies have sought to integrate forest squatters within the framework of capital reproduction by requiring them to plant crops that are chosen by the company and must abide by the agreement. This programme has not been fully successful, however, as it has been rejected by communities that do not want to rely on the company.

Acknowledgements

The research for this article was funded by FISIPOL Universitas Gadjah Mada and The University of Melbourne through the "Conflict Management and Multilevel Governance in Natural Resource Governance in Banyuwangi, Bojonegoro, and Lampung. The author would like to thank Ayu Diasti Rahmawati.
for her collaboration in the field study. I am very grateful to Nanang Indra Kurniawan, Poppy S. Winanti, and Rachael Diprose for the discussion during the research.
References


Nia. (2017, 8 June). Interview with Nia, Public Relations Staff at PT SIL.


Amin. (2018, June 8). Interview with Amin, Coordinator of Karya-Karya Community.


Siska. (2022, 27 June). Interview with Siska, a woman in Register 45.


Anto. (2017, 8 June). Interview with Anto, Chairman of the Wanarun Jaya Cooperation.


Tisnanta. (2017, 5 June). Interview with Tisnanta, Member of TGPF.


Yanuar. (2022, 31 June). Interview with Yanuar, Legal Aid Agency.