Socio-Economic Perspective of Indigenous Community Conflict with Corporation

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Abstract. The Datuk Sinaro Putih indigenous community is a traditional community whose existence has been officially recognized by the Bungo Regency Government. Currently, the existence of this indigenous community is increasingly threatened. Indigenous peoples in the village conflict with several companies operating around their customary forest areas. The research was conducted in Batu Kerbau village and Baru Pelepat village, and Lubuk Telau village, Pelepat District, Bungo Regency. The three villages are the territory of the Datuk Sinaro Putih Indigenous Peoples. This research is qualitative. Data were collected from interviews with traditional leaders and communities in the Datuk Sinaro Putih area, the Village Head (Rio), Sub-village heads, administrators of customary forest management institutions, the Datuk Sinaro Putih customary forest mapping team from the Bungo Regency Government, and the environmental watchdog KKI Warsi. The data were analyzed, interpreted, and discussed with previous studies relevant to the topic of this research. From a socio-economic perspective, the study identified several things: conflicts caused by the company's aggressiveness and indifference to indigenous peoples and forest management rights (HPH) operating in customary forest areas. At the lower-level conflicts also occur with illegal logging actors (timber entrepreneurs) who intimidate indigenous peoples and with local village heads (Rio) on suspicion of collaborating with companies for personal gain.

Keywords: Conflict; Indigenous communities; Socio-economic; Corporation; Indigenous forests

1 Introduction

The Datuk Sinaro Putih indigenous community is a traditional community whose existence has been officially recognized by the Bungo Regency Government [1] [2] [3]. Currently, the existence of this indigenous community is increasingly threatened. This is because their authority over customary land has begun to decline. This condition makes the villages in the area of the Datuk Sinaro Putih indigenous community lose their customary land[4]. The arrival of large Forest Tenure Rights (HPH) has made forest areas even more pressing. Various kinds of persuasion were carried out by large corporations so that Datuk Sinaro Putih as the Customary Stakeholder in the Indigenous Law Community Datuk Sinaro Putih wanted to release his customary forest area to the company, but he still refused the persuasion.

In recognition of their services in preserving forests and the environment, Dusun Batu Kerbau as a part of the territory of the Datuk Sinaro Putih Indigenous Peoples was awarded
Kalpataru by the government in 2004 for their persistence in maintaining and preserving their forest area[5]. Even though they have managed to get Kalpataru, the sustainability of their forest is still under threat. The Regent's Decree regarding the Inauguration of the Batu Kerbau Customary Forest is only on paper, the local Forestry Service continues to issue permits for HPH in their forest areas[6].

Conflicts have occurred several times between the indigenous peoples and the company, including in May and August 2004, the community had a conflict with PT. Merangin Karya Sejati (MKS) carried out logging in the customary forest area of the Datuk Sinaro Putih indigenous people. In 2006 the community was protected with residents of the neighboring village of Muara Kibul village, Merangin lifted the timber company bridge and made a letter of complaint to the Jambi Provincial Forestry Service[7]. Furthermore, the community came into conflict with PT Citra Sawit Harum (CSH) who did not want to build clean water facilities for the community. The community blocked the company's roads and detained the company's heavy equipment. Finally, PT CSH agreed. Then the community also came into conflict with PT Prima Mas Lestari (PML) operating in their area, the people in Batu Kerbau village and Belukar Panjang village demanded PT PML build clean water facilities like the one built by PT CSH. Several times lobbying was carried out by representatives of indigenous peoples which was finally granted by PT PML.

In June 2021 there was a conflict between several indigenous people and PT PML because PT PML expanded its working area by buying several community lands without the knowledge of the landowner himself several years ago. Finally, the village head (Rio) intervened to resolve the conflict along with several traditional leaders. Because if it is not resolved quickly then the scale of the conflict will be higher. Mediation between the owner of the land, Rio, traditional leaders, and the community who owns the land finally got a satisfactory result for the community. PT PML is willing to return community land that has been cultivated by the company for several years. Then, in September 2021, the community again came into conflict with PT PML which prohibited the community from mining gold in its oil palm plantation area. The community considers the company to be tolerant of the mining community because their activities do not damage PT PML's plantations. By mobilizing the assistance of the security forces, the community finally stopped gold mining activities around the PT PML area.

Studies on the conflicts of indigenous peoples in defending forests as their economic source from corporate threats include Afizal's 2015 research on conflict resolution between communities and companies. The conflict between the community and the company was finally resolved through non-Governmental organizations (NGO) actors after the local government was unable to resolve it [8]. The next research was conducted by Pei-Shan Sonia Lin and Yen-Lan Liu. This research conducted in Taiwan found that indigenous peoples' knowledge and rights can be part of a compromised collaboration with protected areas supported by law if this collaboration benefits indigenous autonomy as well as environmental sustainability and local livelihoods. Based on this research, the collaboration of customary values and laws made by the government is effective in preserving forests[9].

Another study conducted by Heli Saarikoski and Kaisa Raitio in Finland's Upper Lapland found that the Upper Lapland conflict between state forestry and traditional reindeer farming is an illustrative example of a situation where scientific knowledge has not helped settle decades of debate about it. Forest management is almost impossible without involving traditional communities because it will always end in conflict[10]. Meanwhile, research by Julia H. Lawler and Ryan C. L. Bullock in Manitoba, Canada found that local community control, social, economic, environmental benefits to them, and local values are the core principles of indigenous forestry. Involving indigenous peoples in forest management can avoid conflict, bridge their
traditional customary rights, and collaborate with contemporary forestry values is a new insight in contemporary forest management[11].

In his work, Tadjoeddin identifies four channeling mechanisms that link natural resource abundance and conflict: economic disruption, institutional failure, growth failure, and relative deprivation. Natural resources play different roles and have different interests in the four actor-based conflict categorizations: separatism, state vs. community, company vs. community, and inter-communal groups. The relationship can be direct or indirect. For inter-communal conflicts, natural resources can be the trigger or direct cause of conflict[12].

Furthermore, Tadjoeddin's work in Conflict, Natural Resources, And Development examine the relationship between natural resources and conflict resulting from the fact that many countries with abundant natural resource wealth have experienced violent internal conflicts, in which severe civil wars have occurred, although this is not the case in all resource-rich countries. For example, 'conflict diamonds' has become a well-known term referring to diamonds mined in (civilian) war zones and sold internationally to finance insurgencies, such as in Sierra Leone, Angola, and the Democratic Republic of the Congo (DRC); while on the other hand, the abundance of diamonds in Botswana did not lead to civil war. Oil in countries like Nigeria and Sudan sparked a separatist civil war, while oil in Norway and Malaysia did not. Variations in the presence of natural resources and the presence/absence of civil conflict have led to investigations (systematic large samples or in-depth case studies) why the presence of natural resources can create the context for underlying causes, or acts as a trigger for conflict [13].

Olsson et. al in their work Natural Resource Conflicts And Sustainable Development found that the causes and driving forces behind natural resource conflicts are diverse, complex, and often interrelated, including global economic growth, explosive consumption, poor governance, poverty, unequal access to resources and power. Different interpretations of nature-culture and the role of humans in ecosystems are often the centers of conflict. Natural resource conflicts range from armed conflicts to conflicts of interest between stakeholders in the North and the South. To change existing resource conflicts, as well as to reduce the risk of future conflicts, approaches that enhance and enforce collaboration for sustainable development at global, regional, national, and local levels are reviewed, and sustainable pathways are suggested[14].

This research focuses on the socio-economic perspective that takes place both internally and externally in society. This study is different from previous studies which rarely discuss conflicts that occur at the internal and external levels of indigenous peoples in their struggle to maintain their customary forest areas. This internal factor was not seen in previous research because it only focuses on external parties dealing with outsiders, actually, within the indigenous peoples themselves, some parties want to reap personal benefits from the struggle.

2 Research Methods

The research was conducted in Batu Kerbau village and Baru Pelepat village, and Lubuk Telau village, Pelepat District, Bungo Regency. The three villages are the territory of the Datuk Sinaro Putih Indigenous Peoples. Indigenous peoples in the village conflict with several companies operating around their customary forest areas. This research is qualitative. So it is hoped that the picture of the role, service, quality, social reality, and perception of the research target will be raised without being polluted by formal measurements [15]. Data were collected from interviews with traditional leaders and communities in the Datuk Sinaro Putih area, the Village Head (Rio), sub-village heads, administrators of customary forest management
institutions, the Datuk Sinaro Putih customary forest mapping team from the Bungo Regency Government, and the environmental watchdog KKI Warsi. The data were analyzed, interpreted, and discussed with previous studies relevant to the topic of this research. According to Bogdan and Biklen, qualitative data analysis is an effort made by working with data, organizing data, sorting it into manageable units, synthesizing it, looking for and finding patterns, finding out what is important and what is learned, and deciding what can be done told to others [16].

3 Results and Discussion

3.1 Results

3.1.1 Company Aggression and Indifference as Source of Economic Conflict

The palm oil company PT Prima Mas Lestari (PML) is very aggressive in expanding its arable land by buying community land from irresponsible people without being noticed by the landowners. Because they have been threatened for years, the community is unable to get their land because PT PML has planted oil palm. This conflict has dragged on until now and only a few landowners have managed to get their land back after being mediated by the Village Head (Rio) and local traditional leaders. The head of the Batu Kerbau village, Mr. Efendi said: “PT PML has been cultivating community land which was sold by irresponsible people. For years the community could not get their rights to their land. Only yesterday, together with traditional leaders and the community, lobbied the company to return community land that had been processed, I risked my position for it.”

The company understands that the indigenous community of Datuk Sinaro Putih is very weak economically. So, the company made another offer to expand its territory. The community was offered to sell their land at a low price, but this price meant a lot to the land-owning community because their economy was very weak. In the end, many people sold the sesap land (fields where the wood had been cut but not yet planted) at low prices. People are forced to sell their land to companies to cover their daily needs. This is in line with the findings Lawyer and Saarikoshi identify that conflict will never end in forest resource management without involving local communities in the management of their natural and forest resources [10], [11]. The role of indigenous peoples cannot be ignored because they have indigenous knowledge about the resources and landscapes in the area [17][18].

In addition, the company's indifference to the needs of the surrounding community is also a source of conflict. For years PT Citra Sawit Harum (CSH) and PT Prima Mas Lestari (PML) have never given corporate responsibility (CSR Corporate Social Responsibility) to the people of Batu kerbau, Dusun Baru, and Lubuk Telau. Finally, because they were annoyed with the company, the community took PT CSH's heavy equipment hostage and blocked their activities. Lobbying took place between the indigenous people and the company, PT CSH finally agreed to build clean water facilities for the homes of residents in these villages. Furthermore, the community also came into conflict with PT PML, they demanded that PT PML provide CSR like PT CSH, namely to develop clean water facilities for the surrounding community. Datuk Sinaro Putih and the village head (Rio) together with traditional and community leaders lobbied PT PML after the previous conflict.

PT PML also granted the community's request by building clean water facilities in Batu kerbau village and Dusun Baru village. Companies often ignore the interests of the community and their arrogance in carrying out business activities creates conflicts with the community [19]. In addition, local and indigenous community actors play an important role in the success of
indigenous peoples in getting their demands. These two actors are actors who are always at the forefront of every indigenous people's struggle[20].

Mr. Idris, a Batu kerbau community leader, said: 

“We blocked PT CSH's road and detained their heavy equipment so that our demands to build clean water facilities for the community were granted. At first, the company didn't agree, but through our lobbying, PT CSH finally agreed to make them for Lubuk Tebat Village, Belukar Panjang Village, and Batu kerbau village, while for the Dusun Baru village, we haven't yet.”

The struggle of indigenous peoples to get their demands cannot be separated from cooperation and affiliation between local community actors in fighting for the aspirations of indigenous peoples. Affiliation between indigenous and local community actors plays an important role in their success in lobbying the company.

3.1.2 Forest Management Rights (Hph) Operate in Customary Forest Areas as Source of Economic Conflict.

The operation of PT Merangin Karya Sejati (MKS) with a timber harvesting and utilization permit (IPPK) is one of the causes of conflict between the community and the company. The community is upset that PT MKS has expanded its area of cultivation into the customary forest. The intensity of the conflict continues to increase even to intimidation and threats by the company. Meanwhile, the company feels that they are carrying out activities in the work area according to the map provided by the Bungo Regional Government. Several times demonstrations took place in the forest where PT MKS operates, the community even detained several PT MKS heavy equipment and intimidated PT MKS workers into expressing their protest.

Olsson said that the different interpretations of nature-culture and the role of humans in ecosystems are often the centers of conflict[14]. Indigenous peoples think that the forest is a legacy of their ancestors that must be protected. Indigenous forests must be protected for sustainability, even if the economic benefits are taken only modestly, not massively exploited. Meanwhile, the company considers that the economic benefits of the forest must be taken for human welfare. Tadjoeddin identified that conflicts between indigenous peoples and companies are included in the category of conflicts that often occur anywhere[12]. Companies with large capital support can influence local governments to issue production permits in customary forest areas. Meanwhile, the government often ignores the rights of indigenous peoples to their forests to increase regional income. Indigenous communities eventually become victims as a result of pro-entrepreneur government policies. Their customary forests are exploited for the benefit of a few people who have the capital and manage to influence the government.

Indigenous actors and local communities are affiliated with each other in defending their customary forest areas from looting and illegal logging. Cross-actor affiliation in preserving customary forests in the Datuk Sinaro Putih indigenous community is defensive, namely to defend themselves against attacks from outside[21]. They use their traditional identity in fighting for their aspirations. Because customary identity is more effective in the struggle of indigenous peoples in defending their forest area[22].

3.1.3 Community Horizontal Conflict With Timber Entrepreneur

Timber entrepreneurs from neighboring villages such as Rantau Keloyang have come into conflict with the Datuk Sinaro Putih indigenous community for logging in their customary forest area. This horizontal conflict lasted for several years which caused great losses to indigenous peoples. The intensity of the conflict continues to increase to the level of threats and intimidation by timber tycoons (entrepreneurs) to indigenous peoples.
The Rantau Keloyang Village Market is the only market nearby that can be accessed by indigenous peoples to fulfill their daily needs. The road connecting the village of Rantau Keloyang and Batu kerbau village, Baru Pelepat village, and Lubuk Telau village is also the only road that can be accessed by the public to the district capital in Muara Bungo City. The timber entrepreneur in Rantau Keloyang threatens the indigenous people if they dare to stop them from taking wood in their village area. However, with the help and guidance of the environmental NGO KKI Warsi, the community was convinced that the threat was unfounded and asked the public not to be afraid. Mr. Eriya Dharma, one of the KKI Warsi facilitators in Batu Kerbau Village said:

“I struggled for months at risk to convince indigenous peoples not to be afraid to face the threat of the timber entrepreneur. In the end, the community got the courage and forbade illegal loggers to cut logs in their customary forest area.”

KKI Warsi plays a very important role in assisting indigenous peoples in defending their customary forest areas. Road access to Batu kerbau Village, Baru Village, and Lubuk Village is very difficult with a dirt road approximately 80 kilometers from Bungo City. Sometimes Warsi staff stayed at Rantau Keloyang before waiting for the car to enter Batu kerbau Village. And often they return to the Rantau keloyang ride on wooden rafts of illegal loggers. The motivation of KKI Warsi's facilitator is very high to save the customary forest.

As environmental NGOs, their intrinsic motivation comes from the challenges in the field[23]. In addition, NGO activists generally have motivations related to altruistic concern for other people and society, their commitment to their organization, and they are trained for it[24][25][26]. For environmental activists, defending indigenous peoples is a calling that cannot be avoided other than as their career development[27][28].

### Table 1. Actors, Demands, And Forms of Conflict

<table>
<thead>
<tr>
<th>Num</th>
<th>Conflict actor</th>
<th>Claim</th>
<th>Forms of conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Indigenous people vs PT Citra Sawit Harum (CSH)</td>
<td>The company provides its CSR in the form of clean water facilities</td>
<td>People take company heavy equipment hostage</td>
</tr>
<tr>
<td>2</td>
<td>Indigenous people vs PT PML</td>
<td>The company returns community land that has been taken The company provides its CSR in the form of clean water facilities</td>
<td>Demonstration</td>
</tr>
<tr>
<td>3</td>
<td>Indigenous people vs PT MKS</td>
<td>stop operations in indigenous forest areas</td>
<td>Intimidating company employees</td>
</tr>
<tr>
<td>4</td>
<td>Indigenous people vs timber entrepreneurs</td>
<td>stop illegal logging in indigenous forest areas</td>
<td>Intimidation of indigenous peoples by timber entrepreneurs</td>
</tr>
</tbody>
</table>

Source: Field data processed, 2021

### 3.1.4 Internal Conflict of Indigenous Peoples With The Village Head (Rio)

Within the community itself, there was also a conflict between the village head (Rio) and the indigenous community. The village head (Rio) is suspected of collaborating with the company for personal gain. This was stated by Mr. Affendi as a member of the Village Representative Body (BPD):
“The village head (Rio) used to get personal benefits by collaborating with companies. Even though it's not real, we can see it.”

Likewise, the KKI Warsi staff confessed:

"When he was young, I was the one who nurtured him and considered him a younger brother because I often spent the night at his house when I went inside (Batu kerbau Village). After being elected as the village head (Rio) he betrayed the struggle that we pioneered in preserving the indigenous forest, I was angry with him and expressed his disappointment at having sold his village to the company for personal gain."

Conflicts occur because of human greed for existing resources, natural resources and conflicts are always symmetrically related and occur in various places [29][30]. Many government officials, including the lowest government, are unable to resist the persuasion and lure of the company when he is in office. Even though they were previously people who fought against the company's occupation of their customary forest. That's why many indigenous people's struggles are identified as struggles[31] [32][33].

The phenomenon towards inclusiveness also occurs when the village head (Rio) does not want to settle the case of a resident's land dispute with a palm oil company. The problem was allowed to drag on. For example, when the community's land was taken by PT PML, the village seemed unwilling to take it seriously for years. This indicates that the village has a special relationship with the oil palm company. In addition, when distributing production forest land on the edge of oil palm plantations, village officials get a large share. While the small people only get a little and many people don't get it. There are even certain actors who sell community land to PT PML without their knowledge. The community is increasingly marginalized because the parties who have authority in the village are looking for profits behind it all.

3.2. Discussion

It is essential to highlight and discuss the following results. Socio-economy conflicts between indigenous peoples and companies are formed in four patterns, namely the aggressiveness and indifference of the company as a source of conflict, forest tenure rights (HPH) operating in customary forest areas, horizontal conflicts between communities and wood tokens, and internal conflicts between indigenous peoples and village heads (Rio).

Involvement of indigenous peoples in the management of their natural resources and forests is very important so that there is no prolonged conflict between indigenous communities and
companies. The results support the findings of previous studies on conflict and natural resource and forest management[11][17][10][9][34].

The finding that the struggle is elitist is the impact of the greed of conflict actors in exploiting conflict situations for personal gain. This also supports previous research on the exclusivity of the struggle of indigenous peoples in dealing with companies[33][32][31]. The role of the environmental NGO KKI Warsi is very important in raising public awareness to oppose all forms of corporate oppression against them as well as protecting their customary forests from destruction. This supports previous research that NGOs play a major role in protecting indigenous peoples when the government cannot do so[8]. There is a deep, altruistic awareness among NGO activists that protecting indigenous peoples is their vocation[24][25][26][27][28].

What is interesting from this finding is the internal conflict between the indigenous peoples themselves, namely between the village head (Rio) and the community. The village head as part of the indigenous community seeks personal gain to enrich himself. He takes advantage of his position as the administrative head of government in the village in bargaining with companies, of course, there are deals in every bargaining that provide benefits to the village head. This supports previous research on the exclusivity of actors in the struggle of indigenous peoples [22][32][33].

4 Conclusion

From a socio-economic perspective, the study identified several things: conflicts caused by the Company's aggressiveness and indifference to indigenous peoples and forest management rights (HPH) operating in customary forest areas. At the lower-level conflicts also occur with illegal logging actors (timber entrepreneurs) who intimidate indigenous peoples and with local village heads (Rio) on suspicion of collaborating with companies for personal gain. Further research development has the opportunity to look at the political economy of the conflict between indigenous peoples and companies. Because multi actors are involved in it, especially those related to the company's licensing policy in customary forest areas.

References


