Indigenous Peoples’ Resistance to Oil Palm Plantations in Borneo

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ABSTRACT. The expansion of oil palm plantations in Southeast Asia is threatening the right to food of rural communities who are being displaced and deprived of the land and other natural resources on which they rely to produce their food. Since the 1980s, this expansion has been particularly significant in Malaysia and Indonesia, two of the major world producers and exporters of palm oil. Huge forest areas on the island of Borneo have been cleared and converted to the production of palm oil both on the Malaysian side (Sarawak and Sabah) and on the Indonesian side (Kalimantan) of the island. While the development of the biofuel and food industries may translate into considerable revenues for multinational corporations and governments in the region, it is far more difficult to show how villagers living in these forests have benefited from all these activities. The development of oil palm plantations has adverse impacts on indigenous communities of Borneo, many of which are trying to resist their expansion. In this paper, we tried to understand why and how these communities are opposing resistance. Through the analysis of twenty-five cases from Borneo, we found that the issues of land rights and land damage are the ones that generate the strongest resistance from communities in Sarawak and Kalimantan. While the reactions of indigenous communities in both countries are very similar at the beginning and consist mainly of asking to meet corporation and/or state officials to negotiate proper compensation for the use of the land and the damage done, as well as to have their land rights recognized, they take different paths after this initial stage.

KEYWORDS. oil palm plantation · biodiesel · Borneo · indigenous communities · resistance

INTRODUCTION

Over the last thirty years, Southeast Asia has experienced dramatic and contradictory pressures over land use. On the one hand, economic growth, industrialization, and urbanization led to massive conversion of agricultural land to commercial, industrial, residential, tourism, or infrastructural uses. On the other hand, the growing agricultural
population led to an expansion of the land area dedicated to crops and livestock, mainly at the expense of forests (Hall, Hirsch, and Li 2011, 1). The recent global food, energy, and financial crises—amid an ongoing environmental crisis—have further increased pressure on land as land ownership is revalued and large-scale land investments, also known as “land grabs,” increase rapidly (Borras et al. 2011, 209). While land grabs have various purposes (food production, mineral extraction, conservation, etc.), the quest for alternative energy sources, such as biofuels, has been particularly prone to conflicts over land use in the region. And because of its massive scale, the production of palm oil for biodiesel and other uses is at the heart of the problem.

The expansion of oil palm plantations in Southeast Asia is threatening the right to food of rural communities who are being displaced and deprived of the land and other natural resources on which they rely to produce their food. Since the 1980s, this expansion has been particularly significant in Malaysia and Indonesia, two of the major world producers and exporters of palm oil. Huge forest areas on the island of Borneo have been cleared and converted to the production of palm oil both on the Malaysian side (Sarawak and Sabah) and on the Indonesian side (Kalimantan) of the island. While the development of the biofuel and food industries may translate into considerable revenues for multinational corporations and governments in the region, it is far more difficult to show how villagers living in these forests have benefited from all these activities.

In Indonesia and Malaysia, peoples’ resistance to the expansion of oil palm plantations has led to numerous conflicts for two main reasons. First, the expansion of oil palm plantations has often occurred in forest lands that are already inhabited. Second, the financial crisis of 1997 led to some democratic reforms in the region and opened a space for the expression of dissent—especially in Indonesia after the fall of Suharto. The territorial expansion of plantations on people’s territory, and a more open space for contestation combined to make the oil palm industry one of the most conflict-ridden industries in Southeast Asia. The numerous ongoing struggles have made it very clear that a large number of local citizens, including many indigenous peoples, are resisting the development of oil palm plantations. This is not to say that all communities always offer resistance: some welcome the plantations and participate actively in their development, at least in the first stages. States and corporations, for their part, argue that oil palm plantations have clear benefits: first, when used to produce biofuels,
palm oil provides a renewable source of energy that is a “clean” alternative to fossil fuel, thus contributing to the fight against climate change by reducing greenhouse gas emissions; and second, they are instrumental in fighting poverty, bringing economic development and jobs to the poor and isolated forest peoples. Many civil society organizations (CSOs), however, disagree with that analysis, highlighting the negative impacts of oil palm plantations both on the environment and on the local people.

This paper offers a case study of resistance around palm oil in Malaysian and Indonesian communities in Borneo using secondary data in a span of twelve years, from 1995 to 2007. It looks more specifically at why and how these communities resisted the expansion of oil palm plantations. The main objective is to present a picture of the indigenous peoples’ struggle against oil palm plantations by addressing the dynamics of resistance in the two biggest palm-oil-producing countries in the world, using the social capital framework.

**FRAMEWORK OF ANALYSIS**

Large-scale land acquisitions to develop oil palm plantations are already pervasive in Malaysia and Indonesia—the two largest producers of crude palm oil in the world—and both countries are encouraging further the expansion of these plantations through various policies. Before presenting our two research questions, we briefly describe the context in which indigenous people struggles are taking place in Malaysia and Indonesia.

Malaysia has a total land area of 33 million hectares, of which 4 million hectares are dedicated to oil palm cultivation (Colchester 2011, 2). Because developing plantations in the peninsula is no longer possible due to lack of available land, the expansion of this industry is occurring now mainly in Sabah and Sarawak, on the island of Borneo. In Sarawak, for example, the Malaysian government plans to increase the area under oil palm cultivation by 60,000–100,000 hectares a year (Colchester, 2). This expansion often results in land disputes, and about fifty such disputes directly concerning oil palm are currently in the courts (Colchester, 13).

Indonesia has a much larger total land area of 240 million hectares, of which 7.5 million hectares are currently devoted to oil palm cultivation. The Indonesian government sees the development of biofuels—derived from palm oil—as key to economic growth, poverty
alleviation, and new employment opportunities (Schott 2009, 45), so it has put in place various policies supporting investments in oil palm plantations from large transnational corporations such as tax incentives, a new law allowing foreign investors to acquire land, and special biofuel production zones (ADB 2009, 48). The government has already identified more than 20 million hectares of land for oil palm expansion (Colchester 2011, 2). Almost half of this area will be planted in Kalimantan while other conversion “hot spots” are Riau and Jambi in Sumatra as well as Papua (Schott 2009, 51). In 2009, Indonesian NGO Sawit Watch observed 576 open conflicts in the palm oil sector (ibid., 52).

Thus, Indonesia and Malaysia are already the biggest players in the world in the palm oil business and have plans for significant expansion of plantations in the near future. While state policies are facilitating large-scale land acquisitions by national and foreign corporations, indigenous peoples are trying to cope with the increasing pressure on their customary land. Numerous land disputes and conflicts have erupted as a consequence.

**First Research Question**

*Why do indigenous communities resist the expansion of oil palm plantations in Borneo?*

Oil palm plantations have several negative environmental and social impacts, which are briefly discussed below. More specifically, the development of an oil palm plantation is undertaken in several stages, which may lead to various intensities of resistance on the part of local communities.

On the environmental side, the use of palm oil to produce this supposedly “green” energy—that is, biodiesel—has been nothing but clean. Due to its scale, the oil palm industry may, in fact, be the most polluting industry in Southeast Asia (FoE 2004, 9). The plantations have significantly contributed to deforestation and the loss of biodiversity (AIDE 2004); forest fires and air pollution (AIDE 2004; FoE 2004, 21-22); the poisoning of water and land due to the use of pesticides and toxic chemicals such as the paraquat, and due also to the palm oil mill effluent (FoE 2004, 24; AIDE 2004; RAN 2008); and the destruction of wildlife habitats (AIDE 2004).

In terms of social impacts, the introduction of this monoculture on a large scale generally means the forced transition of the local
Since oil palms hardly allow for intercropping methods on which villagers rely for products such as medicinal plants, fruits, honey, etc., plantations create incoherent situations where local people, after being deprived of their traditional sources of food and income, are offered low-wage jobs through which they cannot provide for the needs of their family as well as they could before the shift to oil palm cultivation (WRM 1998; DtE 2006). It deprives inhabitants of their traditional and customary land rights, leads to displacement of populations, and increases landlessness (Rainforest Action Network 2008; WRM 1998). Oil palm plantations also threaten traditional cultures and food security (DtE 2006; DtE 2007b), create social conflicts between local communities and plantation workers (DtE 2007a), and lead to human rights abuses (DtE 2007b). These local struggles are also part of an international trend of large-scale land investments—often referred to as landgrubbing—by transnational corporations and foreign states, to secure their own profits or food supply, with drastic consequences for local communities (Via Campesina 2011).

In the last decade, the palm oil industry tried to adjust its policies to create a production system more respectful of local communities. The main outcome has been the Roundtable on Sustainable Palm Oil (RSPO), established in 2004 with the objective of “promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders” (RSPO 2011). It offers a framework where the industry becomes imputable to international norms and in which civil society organizations (CSOs) can demonstrate whether their production is coherent with their public discourse (Keck and Sikkink 1998). One outcome that may be linked to the RSPO is Nestlé’s pledge to use 100 percent certified sustainable palm oil by 2015 and to end controversial partnerships (The Borneo Post 2011). However, it is unclear whether this decision should be linked to the RSPO or the 2010 provocative social media campaign by Greenpeace, asking for a worldwide boycott of Nestlé for its role in the deforestation of Borneo (Metro 2010). In general, the voluntary guidelines of the RSPO have been criticized for not being pro-poor and innovative enough in terms of social justice and protecting land access of marginalized communities (Franco and Borras 2010).

While the expansion of oil palm plantations, as discussed above, has several negative environmental and social impacts, these are not felt all at once but rather at various stages of plantation development.
There are five of these stages: land acquisition, land clearance, nursery, production, and postproduction. In this paper, we will examine the contentious issues that lead to resistance in relation to these stages, which will not be discussed chronologically but rather will be presented as different spaces of resistance. As Potter says, “the levels and types of resistance have grown and changed ... keeping pace with the changes in the countryside as the industry matures in some areas and the trees become overaged, while in more remote districts the plantation is still new” (2007, 3). Particular stages bring about particular contentious issues.

Second Research Question

_How do indigenous peoples resist the expansion of oil palm plantations?_

To examine this question, we will look at the type of resistance strategies used by communities through a comparative lens. More precisely, we will compare the resistance strategies of Malaysian and Indonesian communities in Borneo from 1995 to 2007. While all the communities examined in this article are located on the same island, they belong to different national states. Our working hypothesis is that communities will use different resistance strategies to deal with similar issues related to the development of oil palm plantations particularly because they have different levels of social capital. In the next section, we define the concepts of _resistance_ and _social capital_.

Case studies show that in Indonesia, people’s resistance strategies from 1995 to 2007 have often been more violent than in Malaysia for the same period. We argue that because Indonesians were confined to a more authoritarian political system than Malaysians before 1998—a system that left no space for the expression of dissent—they lacked the social capital necessary to organize efficiently and find effective ways to reach a compromise with state and market actors. Although the Malaysian political system is by no means the most liberal one, it has left before 1998 a larger space for dissent, allowing people and groups to work together and build their social capital through a succession of experiences. Thus, we would argue that social capital—rather than the current openness of a regime to dissent—best explains the choice of resistance strategies used by indigenous communities.

Another important factor to consider in explaining resistance strategies is the different legal systems in which Malaysian and Indonesian indigenous groups are evolving. In Malaysia, the Constitution recognizes custom, and the country has a plural legal regime in which states can
have their own distinct bodies of law. In Sarawak, where our case studies are located, judges in the higher courts have often upheld indigenous peoples’ land claims and accepted that these peoples “have rights in their lands on the basis of their customs and not as a result of grants by the State” (Colchester 2011, 5). And while “the Land Code in Sarawak has been amended several times in an effort to frustrate indigenous peoples’ land claims” (Colchester, 6), the legal system on the Malaysian side of Borneo offers greater opportunities for indigenous peoples’ rights to be upheld than on the Indonesian side of the island. The Indonesian state has been dismantling customary institutions since its independence, and the country’s Forestry Law and Basic Agrarian Law prioritize the allocation of exploitation rights to large plantation and logging schemes, and severely limit customary rights of indigenous peoples. (Colchester, 7). Still today, these old laws “pose formidable obstacles to indigenous peoples in the face of imposed palm oil schemes” (Colchester, 7). While this study focuses on social capital as an independent variable that influences resistance strategies, we also acknowledge the important role of the legal regime variable and suggest that further research could be conducted to assess more clearly the impact of each variable. This, however, goes beyond the scope of this paper.

We argue that the selected case studies, which range from 1995 to 2007, are significant and relevant in understanding today’s struggles for land and the role of social capital. In Ketapang alone (an Indonesian district in Borneo), out of the fifty-four oil palm companies operating, twenty are involved in land conflicts. In Sarawak, two hundred court cases about land conflicts related to the oil palm industry are pending (The Malaysian Insider 2010), while the government announced plans to convert one million hectares of rainforest to oil palm plantations within the next ten years (Illegal-Logging.Info 2010). Indeed, the deforestation rate in Sarawak “shows a constant increasing trend for the period 2005-2010. In the period 2005-2007 1.89% of the total forest cover was cleared, while in the period 2009-2010 this increased to 2.14%” (SarVision 2011). The 2008 food crisis also brought to the fore the issue of landgrabbing, raising serious concerns about large-scale investments, monocultures, and the right to food. This study of resistance strategies, in a context of growing inequalities and social protests, remains relevant today despite the fact that the cases are from a few years back. Now, because resistance and social capital are controversial concepts sometimes used to mean different things, we
will proceed to clarify the way in which both concepts will be used in this paper.

**DEFINITION OF CONCEPTS**

**Indigenous Peoples**

The term “indigenous peoples” can be defined in various ways. For the purpose of this research, “indigenous peoples” refer to communities locally considered “aboriginal,” “native,” or “tribal” (Colchester 2011, 3). In Malaysia, about 2.29 million people can be considered “indigenous,” including eight hundred thousand in Sarawak. This includes the Orang Asli, Kadazan-Dusun, Dayak peoples, and rural Malay peoples who still inherit and transfer land through customary law. In Indonesia, 60–110 million people fall under the definition of indigenous peoples. This includes the komunitas terpencil (isolated communities), the masyaarakat adat (peoples governed by custom), and other groups who inherit and transfer land through customary law (ibid.).

In both Malaysia and Indonesia, indigenous peoples are particularly vulnerable to the process of land exclusion, which can be defined as the “large-scale and often violent actions in which poor people are evicted from their land by or on behalf of powerful actors” (Hall, Hirsch, and Li 2011, 4). The global market for palm oil is driving a process of rapid and large-scale land acquisition in these two countries, which together produce more than 80 percent of the internationally traded crude palm oil. And the land targeted for expanding plantations is mainly located on the island of Borneo where majority of the population are indigenous peoples. The weak governance and legal regimes protecting indigenous peoples in Malaysia and Indonesia increase their vulnerability in the face of competing land claims from powerful state or corporate actors (Colchester 2011, vi).

**Resistance**

Resistance has been defined in many ways. Until the 1960s, resistance was opposed to accommodation as these two concepts were mainly used in the studies of slavery and colonialism. Accommodation was to agree tacitly, comply, and avoid conflict while resistance was equated to active contestation (Horowitz 2005, 2107). A more nuanced idea of resistance, however, was put forward in the 1980s by James C. Scott
and his now famous *Weapons of the Weak: Everyday Forms of Peasant Resistance* (1985). Scott showed that there were open and hidden forms of resistance. As the author says, “the nature of resistance is greatly influenced by the existing forms of labor, control and by beliefs about the probability and severity of retaliation” (Scott 1985, 34). In other words the more repressive the political system, the more likely it is that resistance will be hidden and will include strategies such as foot dragging, petty thefts at work, absenteeism, etc. The absence of open contestation can therefore not be automatically equated to accommodation but might be masking hidden resistance.

Moreover, the binaries *resistance* and *accommodation* provide only a partial view of conflict dynamics, which can be enhanced by introducing the idea of *compromise*. Building on the work of Li (1999), we would argue that resistance should be understood in relation to both accommodation and compromise. Borrowing from Horowitz and Scott’s ideas, we suggest that accommodation refers to compliance with a set of rules enforced through coercion, while compromise refers to the reaching of an agreement between two parties rather than simple compliance. Compromise implies that political power and agency are distributed, if unevenly, between the actors (Li 1999, 298).

The reason why we stress the importance of compromise is that it has consequences on the way we look at resistance itself. Given the dichotomous choice between accommodation and resistance, resistance strategies can be perceived as aiming to change “social structures and systems of domination” (Horowitz 2005, 2107). Compromise, on the other hand, enables us to grasp the objective of the more common type of people’s resistance against oil palm plantations, which is often not concerned with profound structural change but with immediate improvement of personal situations. In her analysis of people’s resistance in Kalimantan, Potter came to the conclusion that farmer resistance has been extremely local and limited to the level of the village (Potter 2007). Resistance strategies are most often aimed at forcing the negotiation of a compromise rather than at changing the structure of the system of domination. Frustration caused by unsuccessful attempts at compromise, however, will lead to more violent resistance strategies (Potter, 3).

Until now, we have stressed the local aspect of resistance. But today, local resistance can hardly be dissociated from global processes. Myers says that “resistance is inseparable from social or cultural analyses of colonialism, imperialism, capitalism, or globalization. Resistance
takes shape as the ‘anti-’ preceding each of the latter words” (Myers 2006, 409). The local resistance of villagers against oil palm plantations can therefore be identified with anti-capitalist, anti-globalization struggles where “the plantation [is] representative of the forces of capital globalization” (Potter 2007, 3). Consequently, rural activists’ advocacy started crossing borders in the 1990s through global networks such as Friends of the Earth, Via Campesina, Greenpeace, and many more (Caouette and Turner 2009). Caouette and Turner identify two main themes at the heart of today’s transnational rural activism: “food sovereignty and the rights of indigenous peoples to natural resources and their ancestral domains” (Caouette and Turner, 2009). In our case studies, these two themes are central in the local communities’ political discourse. This paper will focus on the open forms of resistance for two reasons. First, hidden forms of resistance, by definition, are difficult to observe and would require extensive fieldwork, which goes beyond the scope of this paper. Second, as we try to see if resistance strategies in Indonesia are more violent in general than in Malaysia—violent strategies being the most visible ones—limiting our analysis to open forms of resistance will meet our needs.

Social Capital

The concept of social capital is a highly controversial one and it is not the objective of this paper to discuss it in length. Recently, however, some have pointed to the difference between social capital applying to individuals and “coalitional capital” applying to groups (Weiss 2007, 29). For the purpose of this paper, we will use social capital to mean both interpersonal trust in collective action as well as trust between groups based on the experience of working together (Weiss 2007, 29). Our argument is that before 1998, Malaysia was a more democratic system than Indonesia and that “a greater degree of democracy translates into greater ability to develop social capital” both among individuals and groups (ibid., 28). While Malaysian nongovernment organizations (NGOs) have developed since the 1970s generally without being condemned by the state, Suharto’s Indonesia has left very little space to civil society actors in general and has eroded the social capital of individual and groups (ibid., 34). It can therefore be argued that by 1998, Malaysian people had built more social capital than their Indonesian counterparts.

After the fall of Suharto, however, Indonesia has moved toward democratic reforms, with new decentralization policies, and civil
society organizations have been provided with much larger democratic space. The extraordinary increase of NGOs in Indonesia, from ten thousand in 1996 to seventy thousand in 2000, can be viewed as a manifestation of that opening (Hadiwinata 2003, 1). However, social capital builds on experience. In Ecuador, for example, NGOs before 1979 were exclusively developmental, and it is only after the fall of the military regime and the coming of a more democratic government that they became engaged in the empowerment of villagers (Perreault 2003, 334). This, however, was a long process, and the efficiency of these civil society groups today builds on almost thirty years of experience in social organizing (Perreault, 2003). The argument we make is that democratic space does not translate instantly into social capital: it takes time to build. Therefore, in the period 1998-2007, we witness more violent resistance strategies in Indonesia than in Malaysia, not because of the degree of democracy of the regime but because Indonesian individuals and groups only recently started to (re)build their social capital. Larger stocks of social capital in Malaysia lead to more contained resistance strategies notably because individuals and groups share common experiences in reaching compromises and were able to build on these to address current problems. Within the same period, with smaller stocks of social capital, Indonesian people have used more violent strategies.

**Method and Sources**

The issue of resistance is discussed based on the secondary analysis of twenty-five case studies from the island of Borneo: ten cases from Kalimantan, Indonesia (I001 to I010) and fifteen cases from Sarawak, Malaysia (M001 to M015). Some are very short and provide only partial information about the whole case while others are more detailed. Together they provide enough information to discern trends and answer our two research questions. Because providing a description of all twenty-five case studies would require too much space, we selected six cases that will be presented in the next section: three from Sarawak and three from Kalimantan. Although these have been selected to illustrate various issues leading to resistance and resistance strategies, we will sometimes refer briefly to other cases as well. These cases are listed in table 1 and table 2 with their respective sources. After presenting the six case studies, we provide an analysis of these cases and try to answer our two main research questions. In the third section, we
use a comparative approach to analyze issues leading to resistance and resistance strategies of Malaysian and Indonesian communities in Borneo. The issues of resistance will be raised in relation to specific stages of development, and the strategies discussed will include only overt forms of resistance.
As discussed in the first section, we will illustrate indigenous communities’ resistance to oil palm plantations based on issues related to different stages of plantation development. We have chosen to briefly present four of the five stages for our analysis: land acquisition, land clearance, production, and postproduction. We are deliberately leaving out the nursery stage because no particular issue has been linked directly to that stage among the twenty-five case studies on which our article is based.
Malaysian Case Studies

Pelugau Iban of Sungai Pelugau, Upper Balingian, Sarawak

The operations of Rosebay Enterprise Sdn Bhd started in 1997. The company has been developing an oil palm plantation in the area of Upper Balingian, Sarawak, affecting 120 indigenous families living in the ten longhouses of Sungai Pelugau. The Iban community claims that since 1997, the company has been trespassing on their land and clear-cutting their communal forest without ever asking for their informed consent. The spokesperson of the residents’ committee of Sungai Pelugau told the press, in 2001, that the residents believe that the headman has been receiving monthly wages to allow the company to use the land. Despite numerous protests and attempts to get the company to negotiate with them, no compensation was given to the Iban community for the use of their land. It took the people two years to get better organized and negotiate with the company for the recognition of their customary rights and fair compensation for the damages they had done. For example, the community has mapped twelve thousand hectares of land in the area. In 1999, the community challenged the legality of the company’s provisional lease in court by filing a legal action against the company, the superintendent of Land and Survey Sibu Division, and the government of Sarawak. On July 23, 2001, while the case was still pending in court, a group of forty-eight Iban longhouse residents began a blockade to stop the operation of the plantation until an agreement was reached. The company refused to hold a dialogue with the protesters. Five days later, the police arrested four members of the Sungai Pelugau community for protesting.

According to a report published in 2007 by Colchester et al., the dispute between Rosebay Enterprise Sdn Bhd and the Iban community of Pelugau was ongoing.

Ibans of Kampung Wawasan, Sibuti, Sarawak

Ibans from five longhouses have decided to independently start growing oil palm on a small scale. They started planting in 2000 and started harvesting in 2004. In 2005, however, the company Mega Jutamas was issued by the Sarawak authorities a provisional lease of sixty years over 2,145 hectares, some of which overlaps the land of the Ibans. Ibans’ objections were not taken into account, and the company started clearing the land planted by the small community. The Sarawak
Dayak Iban Association reported that the company sent men and machines, along with armed policemen, to clear the contentious site. The Iban community also mentioned that oil palm plantation workers of Indonesian origin were destroying their small oil palm gardens. Some Ibans have been in conflict with Indonesian workers. In November 2007, two Ibans were arrested. First, an Iban longhouse chief was arrested for an alleged attack on Indonesian workers. Second, a young man, twenty-three years old, was arrested at his house a few days after he was spotted by uniformed policemen while taking pictures of the land clearing taking place under the protection of these policemen. Both men were released the next day. The Iban chief who was arrested and the secretary-general of the Sarawak Dayak Iban Association went to a meeting (the Roundtable on Sustainable Palm Oil in Kuala Lumpur) in November 2007 but with few results. Five residents were arrested in 2008 following their persistent protests against Mega Jutamas.

The Ibans filed a legal case in the Miri High Court to ask for compensation for the destruction of their oil palm plants, but their case was dismissed. In 2011, the residents of Kampung Wawasan wrote a letter asking the Sarawak state government to urgently take the necessary action to exclude all the land that has been occupied and cultivated by the Ibans from the provisional lease issued to Mega Jutamas for the establishment of an oil palm plantation.

**Iban Dayaks of Lebor, Sarawak**

In 1996, the Land Custody and Development Authority (LCDA) leased land to Nirwana Muhibba Sdn Bhd that overlapped the Iban Dayaks land. In 1997, they started clearing the land, destroying the Iban Dayaks’ crops and boundary markers without warning. The Iban community then requested that the company pay a fine for trespassing on their territory. Instead of paying the fine, the company and state officials held a meeting with the Iban Dayaks, inviting them to join the oil palm development scheme: the Iban Dayaks agreed. But afterward, when they realized that they were not given clear information about the scheme and that the promises made by the company were not kept, they rejected it and filed a case in court against the company. The company reacted by hiring thugs and sending them to Lebor to intimidate the villagers. The people then filed police reports about these acts of intimidation. Because no action was taken by the police, the people then decided to set up a blockade. This blockade led to a
meeting where the company agreed to pay compensation to the Iban Dayaks for the use of their land. However, the company never actually paid the compensation.

In 1998, the Iban in Kampung Lebor filed a lawsuit against Nirwana and the state in a bid to get compensation. The case was finally heard in 2006 and was still awaiting judgment as of 2010. A local resident describes the current situation in these terms: “Fruit trees have been cut down. It’s become harder to hunt and fish. Now we are forced to get meat and vegetables from the bazaar, and we are very poor” (Bloomberg 2009).

Table 2. Indonesia (Kalimantan) Cases

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Indonesian Case Studies

Dayak Jelai and Melayu of Manis Mata villages, Ketapang District, West Kalimantan

PT Harapan Sawit Lestari (PT HSL) is a private company that has been operating an oil palm plantation of twenty-five thousand hectares in the Ketapang district since 1993, affecting fifteen indigenous communities of Dayak Jelai and Melayu. Under the New Order regime, PT HSL made full use of the close relationship between village administrators, local police, and the military to start their operations without consulting the local people affected by the development. It is widely believed that village officials received payments to hand over the land to the company “in the name” of the people. If persuasion from
the village head did not work and villagers still refused to hand over their land, PT HSL would rely on the local police or the military to ensure the villagers’ “cooperation.” Another strategy was to brand anyone who was not complying as communist or antigovernment. The people were also given misleading information by the company and the local government about the benefits of oil palm, and they were not made aware of its potential negative effects.

The first reports of the local community’s complaints were received by an NGO in Pontianak at the end of 1997. At that time, Down to Earth also found out that a UK-based development finance institution—the Commonwealth Development Corporation (CDC)—was investing in PT HSL and they raised concerns with the CDC’s London office in 1998. Following the fall of Suharto and the regime change in 1998, many villagers in Manis Mata (as in villages throughout Indonesia) dared to openly express their resentment at the way they were treated by the company and the local authorities. They started by asking to meet with the company and state officials; they were ignored for many months. The number of discontented people grew as they wanted to receive recognition of their land rights and fair compensation for its use by the plantation.

While the Ketapang administration had paid no attention to the demands of the villagers, they set up a team (called TP3DII) to solve the dispute between them and PT HSL at the request of the company. The team was put together not to provide fair compensation for the villagers or address their grievances about land seizure and destruction of property but because the company was complaining about the villagers’ protests. The team merely suggested that the people take the case to court—which is hardly feasible considering their very low income—and the company responded only with vague promises of compensation. In 1999, the villagers found a lawyer to help them. He wrote a few letters to the company, accusing the village officials of corruption. Around that time, CDC became the new manager of PT HSL, increasing its shares to 65 percent of the business.

A group of thirteen people from Manis Mata made the long journey to the local assembly in Ketapang in December 1999 to get a hearing. This hearing quickly turned to a confrontation, and another government team (called Tim 8) was set up in January 2000. The team visited eight villages but failed to produce a final report or take any kind of action. In May 2000, the WALHI team carried out a two-week field investigation in the area, investigation that led to the publication of
this case study. At the same time, people from three villages cut down four hundred oil palms in broad daylight. Plantation operations were stopped for several days, and local security forces were reinforced by additional police from Ketapang. Also, after the CDC realized that NGOs were not going to drop the issue, they finally commissioned a social and environmental audit later in 2000.

One particularity of this case study is that traditionally there has been a lot of tension between the two communities of the area. In fact, the Melayu have always enjoyed a certain ascendancy over the Dayak Jelai who used to be their serfs. So because the village heads—who are always Melayu—have been co-opted and corrupted by the company, social tension has been increasing between the two groups. It must be stressed, however, that for all the problems they are facing, the local people were not asking PT HSL to pull out: they wanted proper compensation and some guarantee of a sustainable livelihood.

In 2002, tensions between PT HSL and the indigenous communities in the Manis Mata area increased when the company started to clear the villagers’ customary land (about 100 hectares of forest, fields, and burial ground) in Terusan even though the community has repeatedly stated its outright opposition to oil palm. The villagers were furious and asked for compensation. But instead, PT HSL asked the Ketapang district authorities to intervene. The state response was to convene a meeting in which no one came from Terusan (the community had not agreed to any mediation by a third party) and where local NGOs were accused of being antidevelopment and even terrorists.

By 2005, the plantation area had grown to thirty-two thousand hectares, and PT Harapan Sawit Lestari was acquired by the US multinational Cargill. A report from the Rainforest Action Network (RAN) in 2009 noted that Cargill’s 4,300 plantation workers in the area were outsiders. Local communities mostly live on the periphery of the plantation and try to make the most of their marginalized position. But the destruction of the natural rainforest, the elimination of land tenure of thousands, and the contamination of the watershed have left the indigenous communities of the Manis Mata area in a precarious situation.

Engkadik village, Serimbu sub-district, Landak, West Kalimantan

In May 2006, PT Airlangga Sawit Jaya (PT ASJ) held a meeting with the local government officials in Engkadik village to tell them that the company had obtained a permit from the Landak district to develop
an oil palm plantation over an area of seventeen thousand hectares. This area covered a total of fifteen villages and served as home to Kendayan Dayak communities. Local people were asked to hand over their land, but Engkadik villagers were not informed or consulted about this. Following the meeting, the company started the land clearance. On August 1, 2006, Engkadik Pade villagers noticed that PT ASJ had bulldozed a burial site of 150 graves. The villagers submitted a written demand for compensation. The response of the company was to hide behind the local government and the land transfer statement that they obtained. The villagers replied that they had never seen or agreed to such a transfer, and a meeting was held at the district head’s office in Landak to solve the dispute. After this meeting, held in September 2006, the case was left pending. In November, one member of the Engkadik Pade village met with a member of another community of the Niut mountains who gave him a book about the impacts of oil palm, written by PENA, an Indonesian NGO. Taking the address from the book, they paid PENA a visit and asked for help. PENA decided to help the villagers by getting support from other NGOs and by bringing their case to the press. In December 2006, PENA organized a meeting with the villagers to explain the impacts of oil palms and provide them with information on their rights. As a result, the villagers decided to reject oil palm development and mount a blockade. On December 22, the villagers impounded three bulldozers of the company and began the blockade. On January 3, 2007, the Landak district sent a team to try to end the blockade. PT ASJ and the customary council said the villagers were only entitled to US$ 790 and threatened to bring the paramilitary force (Brimob) to secure the bulldozers by force. The villagers quickly contacted PENA, which agreed to work on the case with WALHI Kalbar (the local chapter of Friends of the Earth) (Down to Earth and WALHI Kalbar 2000). On January 12, PENA invited journalists to the village. On the following day, articles were published in the Indonesian national daily Kompas and the Kalimantan Review. The press releases seem to have put pressure on state authorities and the company to settle the dispute because on January 17, the company agreed to pay the full compensation: USD 16,220 in cash, the building of a road, and the construction of a monument marking the ancestors’ graves. This is not the end of the story, however, because the company still plans to develop oil palm in the region. The community remained opposed to these developments and worked with PENA to strengthen their case.
In 1995, the local government granted PT Rana Watsu Kencana (PT RWK) land use rights over three thousand hectares for the development of a plantation. This was done on the grounds that the people of Maribas village had given their consent. Actually, only the former village head knew about this, and the people were never consulted nor asked for their consent. In 1996, PT RWK was given the permission to extend the plantation to 9,500 hectares. The Nyayat inhabitants saw the land clearance affecting their neighboring communities. They did not take action against it at that point but they clearly marked the boundary of their land. In September 1998, PT RWK did not take notice of the boundary markers: they destroyed 1,400 hectares of fruit trees and other crops, and they bulldozed a burial ground of thirty-one graves. Furious about the lack of respect shown by the company for their property and ancestors, the Nyayat community demanded compensation and the cessation of the operations of PT RWK on their land. PT RWK ignored the villagers’ pleas, so the villagers confiscated two company vehicles. In 1999, the company finally agreed to a meeting. But PT RWK set the meeting in West Java, far from the Nyayat village. The Nyayat community was therefore not represented at the meeting but other communities were, and the company made a deal with them, ignoring Nyayat. When they heard about the outcome of the meeting, the villagers went out and cut branches of the oil palms planted on their land. In 2000, while the villagers were still ignored by the company, a part of the plantation was burned down and the Nyayat’s customary leader was arrested and charged with arson. He pleaded guilty because the police told him the village would not get any compensation if he did otherwise. The villagers also attempted to convince the plantation workers to leave, and in October 2001 they ransacked two buildings of the company. Following these actions, fifty armed policemen came to the village and arrested three people who were subsequently sentenced to a year in prison. One of the prisoners explained his actions in these terms: “I live here. What is there for me in life if my forest has been destroyed and we just suffer and get no benefit at all (from the plantation)? Once the forest has gone, where will our children and grandchildren go?” (DtE 2004).

In an interview that she gave to Down to Earth in March 2010, Erma Ranik—of the indigenous peoples’ alliance in West Kalimantan (AMA Kalbar)—said that after the events of 2001, no organization was
able to assist the community. There is still oil palm in the Nyayat village and many members of the community still work there (DtE 2010).

**Indigenous Communities’ Resistance to Oil Palm Plantations in Malaysia and Indonesia**

This section will address the issue of indigenous communities’ resistance to oil palm plantations, comparing Malaysian (Sarawak) and Indonesian (Kalimantan) communities in Borneo. First, we look at the issues leading to resistance in both countries. Second, we examine the resistance strategies of the communities.

**Indigenous Communities and Resistance to Oil Palm Plantations**

The analysis focuses mainly on the first two stages of land acquisition and land clearance for two reasons. First, covering all five stages in depth would require a much longer analysis that would go beyond the scope of this paper. Second, the first two stages are the ones causing the most resistance.

**Land Acquisition**

WALHI suggests that during the land acquisition stage, villagers will face intimidation and that the company will often provide them with misleading information on palm oil benefits and make them false promises (DtE 2005). What the case studies have shown us, however, is that the usual pattern of land acquisition by private businesses from state officials rarely involves the participation of local communities. These transactions occur without their knowledge and consent, as many cases show: Upper Balingian (M002) and Sungai Pelagau (M003) in Malaysia as well as Danau Sembuluth (I002) and Engkadik (I003) in Indonesia. Villagers, therefore, rarely show any resistance at all at the beginning of the land acquisition process. This is not to say that they agree to the presence of these plantations but simply that they are kept out of the loop. Resistance generally begins later on, when the plantation makes itself “visible” during the land clearance stage by burning land, destroying crops, or burial grounds. During this second stage of development, most of the resistance is aimed at the process of land acquisition in general and the issue of land rights in particular. Citizens’ demands at this stage include the recognition of their rights to own the land, and also fair compensation for the use of that land by
the plantation. The communities of Kalimantan and Sarawak both strongly resisted the issue.

**Land Clearance**

At the land clearance stage, the company proceeds to clear the land, either by burning it or by bulldozing the area, to plant palm trees afterward. This is often the trigger for resistance to land acquisition. But as land clearance leads to the destruction of the livelihood of inhabitants, it also brings about two other contentious issues: the destruction of people’s crops and the desecration of religious sites, such as burial grounds. These two issues are generally addressed together because when the company starts bulldozing, it does not pay attention to boundary markers or signs of burial grounds. The issue of crop destruction, in fact, is common to most of the case studies both in Malaysia and Indonesia. To make way for oil palm trees, the company proceeds to bulldoze the existing crops of the inhabitants, depriving them of their food and cash crops. Because they are kept uninformed during the land acquisition process, communities are generally unaware of the imminent destruction of their land and therefore cannot physically stop the operations in most cases. The resistance strategies that they use will therefore be aimed at getting compensated by the company and/or the state for the damage to their crops. The issue of religious site desecration (e.g., the bulldozing of burial grounds) is also often reported and results in much indignation over the lack of respect for the people’s ancestors and culture, as was the case in Nyayat (I007).

The issues that lead to resistance are the same among the peoples of Kalimantan and Sarawak. The two main concerns are land rights issue and the damage to land, either through the destruction of crops or the destruction of burial grounds. The stages of nursery, production, and postproduction are not as controversial and find little resonance in our case studies. The nursery stage is mentioned nowhere. The production stage is mentioned a few times but often involves plantation workers, migrants or transmigrants, whose concerns are different from those of local inhabitants. In the case of postproduction, the Bawan-Balingian case (M004) provides a detailed account of the people’s resistance to the extended operation of the plantation on the leased land. However, resistance strategies are similar to those employed to deal with the issues of land rights and land damage.
Ways of Opposing Oil Palm Plantations

In the two countries, villagers tend to be kept uninformed by corporations and state officials during the land acquisition phase. As they see their land rights being ignored or denied, the people’s initial reactions are very similar in both countries. Once they are made aware of the intrusion of the plantation into their land—when land clearance starts—they try to meet officials from the state or the corporation to express their opposition to the project, and they seek recognition of their land rights as well as compensation for the use of the land. In many cases, they also send letters to these officials. However, these initial protest actions almost invariably fail to bring about meetings where a compromise could be negotiated between the parties. Until this point, resistance strategies in Kalimantan and Sarawak present little or no difference. The main difference resides in the next steps to be taken.

Malaysian Model

In Sarawak, the first reaction of the people to the encroachment on their land and the damaging of their crops or burial sites is to seek compensation through meetings and negotiations with both state authorities and the company. Sometimes they will also file police reports about it. It was the case in Ulu Niah (M001) in 1999 when villagers filed seven police reports against intrusion into their land, as well as the intimidation that they were facing from the corporation’s thugs. This initial reaction is similar to that of the people in Kalimantan. The resistance strategies in the two countries start to differ after the people have realized that their grievances are ignored by the police, the corporation, and the state authorities.

The Sarawak communities, in most cases, will then opt for two strategies: taking legal action and staging a blockade. These two resistance strategies are not mutually exclusive, and many cases show the use of both. In fact, among the fifteen cases we have found, none referred to a blockade that was not accompanied by legal action. In the case of Sungai Pelugau (M003), the community filed a legal case in 1999 to have their land rights recognized and for them to receive fair compensation. After waiting for two years for the matter to be settled in court, they decided in 2001 to stage a blockade to stop the plantation’s activities until an agreement was reached. The strategy failed, and four Ibans who participated in the blockade were arrested.
In Lebor (M015), Iban Dayaks were also seeking compensation both for the use of the land and the damaging of their crops. After negotiations failed with state and corporate actors, they brought the case to court. Because the corporation hired thugs to intimidate them, Iban Dayaks reacted by staging a blockade. In this case, the blockade led to subsequent negotiations and forced a compromise where the company promised to pay compensation. However, these were empty words as the company never paid the compensation. In Selezu (M012), Iban Dayaks also used both the legal strategy and the blockade strategy. In this case the blockade led to a meeting with the corporation, which agreed to pay compensation. Unlike in the Lebor case, the compensation for the land was actually paid, but it divided the community: some accepted the compensation while others rejected it as unfair.

It seems that in every case where a blockade was set up, it was always accompanied or followed by a legal action; a blockade alone is not a common option in Sarawak. These blockades also have various consequences, ranging from police arrests to payment of compensation. But blockades have commonality in that they generally follow unsuccessful attempts at negotiations, and they seek to force corporations and state authorities to agree to a compensation for the use of and the damage done to their land. As discussed above, the most common resistance strategy used in Sarawak is to take to court both the corporation and the state to have their land rights recognized and proper compensation paid. Filing a legal case is a long process and communities will often try to speed up the resolution of the conflict by staging blockades and forcing the corporation to cease its operations. In some cases, however, such as in Long Jaik (M009) and Rumah Dunggat (M010), legal cases were not accompanied by blockades.

We see two possible and complementary explanations for the popularity of the legal case and blockade dual strategy in Sarawak. First, indigenous communities had some successes in the past when asking for their land rights to be recognized in the state of Sarawak (Colchester et al. 2007, 2). These successes in court probably make the legal avenue attractive because there is a chance that it might actually turn to the advantage of communities. When cases are left pending for too long—which ironically can be partly explained by the popularity of the recourse to legal action and the great number of cases filed—people turn to blockades to try to speed things up. Because of past successes of villagers in court, the company might find it in its interest to reach a compromise outside the court and negotiate with local communities,
although that is not always the case. But filing a legal case is generally easier said than done for forest peoples who are poor and may lack the means to hire a lawyer. This brings us to our second explanation: social capital. For rural communities, bringing a case to court certainly requires a strong social organization at the local level. In Gumbang Asal Bau (M0014), people established a village committee to decide on the strategies to be used before opting for the legal avenue. In Bawan-Balingian (M004) in 2005, people also created a village committee and organized a meeting where they invited civil society agents such as the Sarawak Native Dayak Union and the Sarawak Iban Association. Together, they decided to take legal action and stage a blockade. This last example, however, is the only one in which civil society actors played a role, which suggests that collective action in Sarawak communities rests more on individual social capital than on cooperation between groups.

In sum, the main resistance strategies used by Sarawak communities are a combination of legal actions and blockades. The use of peaceful means of resistance can be attributed to the reasonable chances of success provided by the legal option and the stock of social capital within communities enabling them to organize effective and coordinated collective actions. Resistance strategies are planned and enacted at the local level in the vast majority of cases without any help of civil society groups.

**Indonesian Model**

In Indonesia, resorting to the tribunals to settle disputes around the issue of land acquisition is not a strategy pursued by many. The first reaction of communities in Indonesia is similar to that of their Malaysian counterparts: asking to meet company officials to seek proper compensation for the use of and damage done to their land. And as in the Malaysian cases, the requests of Indonesia’s indigenous communities are generally ignored. The difference in the modes of resistance resides in the next step taken by the protesters. While the people of Sarawak use mainly blockades and legal actions, the people of Kalimantan often use more violent strategies. The examples are numerous. In Manis Mata (I001), the consistent failure of both state authorities and PT Harapan Sawit Lestari to address the grievances of the communities about the use of their land and the destruction of their crops led to land occupation in 1999 and the cutting down of 400 oil palm trees in 2001. In Danau Sembuluh (I002), the failure of
PT Agro Indomas to compensate people for using their land and damaging their crops, as well preventing them from making a living by other means, led to the destruction of a bridge in 1999. In the Nyayat village (I007), PT Rana Watsu Kencana ignored the compensation demand of the Dayak Bekati concerning the destruction of their burial ground during land clearance. This led to the confiscation of two company vehicles in 1998, the cutting of oil palm trees in 1999, oil palm burning in 2000, and ransacking of two company buildings in 2001.

We found no occurrence of the use of the legal strategy among the ten Indonesian cases. More information would be needed to assess if a lack of confidence in the legal institutions of Indonesia might be depriving Indonesian communities of a channel through which they could express their resistance, as is the case in Sarawak. Using the variable social capital, however, we can say in this case that smaller stock of social capital at the individual level could explain why the people in Kalimantan have failed to organize effective legal action and peaceful resistance strategies, such as a blockade. Instead, they have frequently relied on less concerted, more spontaneous and violent strategies, such as destroying oil palm trees, destroying buildings, and seizing machinery.

It is interesting to note that in the cases in which civil society actors were involved, resistance strategies have been less violent and have even led to successful results in some cases. The best example may be the case of Engkadik village (I003), where the involvement of PENA at the local level, in sharing knowledge with the community and providing media exposure, quickly led to the payment by PT Airlangga of the compensation the villagers were asking for. In Sekadau as well (I006), the involvement of an NGO at the local level brought benefits to the villagers since they forced PT Sumatra Makmur Lestari to withdraw and even close its offices in the district in 2006. This was the result of information sharing and funding of local actions by international NGOs. The important point to stress here is that beneficial results were the consequence of local actions, particularly knowledge sharing and media exposure. In the cases of Manis Mata (I001) and Danau Sembuluh (I002), the NGO Down to Earth tried to help local communities by putting pressure on the plantations’ main investors in London, the CDC. They were “successful” in Manis Mata by forcing the CDC to commission a social and environmental audit, and in Danau Sembuluh by forcing European financial backers to take a more
active interest in their problems. However, as we have seen before, it did not lead communities to use more peaceful strategies.

In sum, resistance strategies used by protesters in Kalimantan have been generally more violent than in Sarawak. We explain this by a lack of social capital at the individual level, which hinders effective and organized collective action leading to more spontaneous and violent resistance strategies. We deliberately put the focus on individual social capital since cooperation with civil society groups—which can build the social capital of groups—has been even more frequent in the Indonesian case studies than in the Malaysian ones. But what we observe is that while peaceful means of resistance have been used in Kalimantan following the involvement at the local level of civil society groups, more violent strategies are used almost every time local communities are left to themselves. This would tend to support our argument that social capital in Indonesia—although it is starting to build up, as we have seen through the effective cooperation of PENA with indigenous communities in Engkadik (I003)—is lower still than in Malaysia, which leads to more violent strategies of resistance.

CONCLUSION

The development of oil palm plantations has adverse impacts on indigenous communities of Borneo, many of which are trying to resist their expansion. In this paper, we tried to understand why and how these communities are posing resistance. Through the analysis of twenty-five cases from Borneo, we found that the issues of land rights and land damage are the ones that generate the strongest resistance from communities in Sarawak and Kalimantan. While the reactions of indigenous communities in both countries are very similar at the beginning and consist mainly of asking to meet corporation and/or state officials to negotiate proper compensation for the use of the land and the damage done, as well as to have their land rights recognized, they take different paths after this initial stage. In Sarawak, the two most common resistance strategies are filing legal cases and staging blockades. These are considered peaceful strategies and can be explained by a larger stock of social capital compared to their Indonesian counterparts. High levels of social capital make communities more likely to launch efficient collective actions, such as hiring a lawyer for the village or perpetuating a blockade. In Indonesia, communities seldom used legal actions or blockades as resistance strategies. Their
strategies included more aggressive actions, such as cutting down or burning trees, seizing machinery, and destroying buildings and bridges. We thus argue that the lower level of social capital of communities in Indonesia, a legacy of the Suharto regime, made people less likely to organize efficiently and more likely to resort to spontaneous and violent actions. The argument of the openness of the democratic system cannot be used in favor of Malaysia in view of the fall of Suharto in 1998 and the ensuing democratic reforms in Indonesia. Therefore, we believe that social capital can credibly explain why communities we studied in Sarawak used more peaceful resistance strategies than their Indonesian counterparts in Kalimantan.

However, we also think that variables other than social capital should be considered and that further research would be necessary to assess which variables could explain the differences in terms of resistance strategies. Access to and confidence in the legal system, in particular, may also help explain the more common use of the legal strategy in Sarawak. An analysis of the social and economic level of development of various communities and their historical background, for example, could also shed some light on the choice of their resistance strategies. Also, different goals could explain the level of violence. With the fast transformation and globalization of communication strategies, violent actions can serve as a leverage to attract attention of international organizations, as explained in Keck and Sikkink’s boomerang effect framework, and as illustrated by Greenpeace’s extensive support to the Indonesian communities in Borneo in 2010. To conclude, a study of more recent cases would be helpful to assess if resistance strategies have started to change in Borneo due to evolving levels of social capitals or other variables.

REFERENCES


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