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Pursuing Livelihoods, Imagining Development
Smallholders in Highland Lampung, Indonesia

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Except where otherwise indicated, this thesis is the result of original work carried out by the author

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For Nana, Alia, and Nabila
This study explores how people experience ‘development’ and the ways they shape and maintain their modes of life. The discussion begins with Lampung province, moves to one of the province’s highland regions, and to a village in this highland region. Colonial and post-colonial initiatives drove the transformation of Lampung in the 20th century, bringing mixed results and effects: rapid growth in agricultural production, the formation of ‘wealthy zones’ in some areas, and the creation of pockets of poor in other areas. In Sumber Jaya and Way Tenong highlands, migrants have transformed one of Lampung’s last frontier regions into one of its ‘wealthy zones’. Although the bulk of these migrants migrated spontaneously, they were integrated within the framework of planned development. The level of progress that the region has achieved is largely the result of villagers’ efforts to bring the state resources to the village. For decades in conflict with forestry authorities, recently farmers in some villages have agreed to establish a new relationship with forestry authorities, but the struggle for control over land resources continues. In Gunung Terang village, village social organization mediates official relations between people and the state as well as in community affairs. Household smallholder farming dominates the village economy. The persistence of this smallholder tradition is closely related to the social flexibility of smallholder agriculture.
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TERMS AND ABBREVIATIONS

ABRI (Angkatan Bersenjata Republik Indonesia)
Indonesian Armed Forces
alang-alang

AMPI (Angkatan Muda Pembaharuan Indonesia)
Youth for the Renewal of Indonesia
arisan

BRN (Biro Rekonstruksi Nasional)
National Reconstruction Bureau
bujang

DI/TII (Darul Islam/Tentara Islam Indonesia)
the House of Islam/Indonesian Islamic Army
bupati

DPRD (Dewan Perwakilan Rakyat Daerah)
Regional House of Representatives
camat
desa, pekon

dukungan masyarakat
community, popular support
dusun, pemangku

Golkar (Golongan Karya)
Functional Party
gotong royong

HKm (Hutan Kemasyarakatan)
a version of community/social forestry
ICRAF
International Centre for Research in Agroforestry, World Agroforestry Centre
IDT (Instruksi Presiden Desa Tertinggal)
President Instruction on Neglected, Left-Behind Village
terbuka

kebun
smallholder garden
kecamatan
subdistrict
Koramil (Komando Rayon Militer)
subdistrict military post
KNPI (Komite Nasional Pemuda Indonesia)
National Youth Committee of Indonesia
krismon (krisis moneter)
monetary crisis
lurah, kepala desa, peratin
village head
ladang
upland field
<table>
<thead>
<tr>
<th>Term</th>
<th>Translation</th>
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<tbody>
<tr>
<td>LHP (Lembaga Himpun Pekon)</td>
<td>village legislative council</td>
</tr>
<tr>
<td>LPMP (Lembaga Pemberdayaan Masyarakat Pekon)</td>
<td>village council for community empowerment</td>
</tr>
<tr>
<td>marga</td>
<td>clan, shire</td>
</tr>
<tr>
<td>maro, garap</td>
<td>sharecropping</td>
</tr>
<tr>
<td>musiman</td>
<td>credit with a high interest; usury</td>
</tr>
<tr>
<td>numpang</td>
<td>using somebody else’s property for free; temporary village resident</td>
</tr>
<tr>
<td>ojek</td>
<td>motorbike taxi</td>
</tr>
<tr>
<td>PAN (Partai Amanat Nasional)</td>
<td>National Mandate Party</td>
</tr>
<tr>
<td>pasar</td>
<td>market</td>
</tr>
<tr>
<td>perambah hutan</td>
<td>forest squatters</td>
</tr>
<tr>
<td>PKB (Partai Kebangkitan Bangsa)</td>
<td>Nation Awakening Party</td>
</tr>
<tr>
<td>PJS (Pejabat Sementara)</td>
<td>caretaker, acting officer</td>
</tr>
<tr>
<td>PKI (Partai Komunis Indonesia)</td>
<td>Indonesian Communist Party</td>
</tr>
<tr>
<td>PKK (Program Pendidikan Kesejahteraan Keluarga)</td>
<td>Family Welfare Education Program</td>
</tr>
<tr>
<td>Posyandu (Pos Pelayanan Terpadu)</td>
<td>Integrated Health Service Post</td>
</tr>
<tr>
<td>PDIP (Partai Demokrasi Indonesia Perjuangan)</td>
<td>Indonesian Democratic Party of Struggle</td>
</tr>
<tr>
<td>PPP (Partai Persatuan dan Pembangunan)</td>
<td>Unity and Development Party</td>
</tr>
<tr>
<td>reformasi</td>
<td>reformation</td>
</tr>
<tr>
<td>RT (Rukun Tetangga)</td>
<td>neighbourhood</td>
</tr>
<tr>
<td>sawah</td>
<td>irrigated rice field</td>
</tr>
<tr>
<td>sedekah</td>
<td>ritual feast (Semendo)</td>
</tr>
<tr>
<td>tegalan</td>
<td>dry field</td>
</tr>
<tr>
<td>TGHK (Tata Guna Hutan Kesepakatan)</td>
<td>Agreed Forest Land Use Plan</td>
</tr>
<tr>
<td>toko</td>
<td>shop, store</td>
</tr>
<tr>
<td>tunggu tubang</td>
<td>female primogeniture inheritance     (Semendo)</td>
</tr>
<tr>
<td>upahan, harian</td>
<td>daily wage</td>
</tr>
<tr>
<td>puyang</td>
<td>great-grandparent, ancestor (Semendo)</td>
</tr>
<tr>
<td>warung</td>
<td>stall, kiosk, shop</td>
</tr>
<tr>
<td>WATALA (Keluarga Pencinta Alam dan Lingkungan Hidup)</td>
<td>Friends of the Nature and Environment</td>
</tr>
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CHAPTER ONE

Introduction

This study considers how people experience ‘development’ and the ways they shape and maintain their modes of life. It explores the forces that drive changes, their consequences, and the ways people cope with them. The focus area of this study is Lampung, the southernmost province of Sumatra, Indonesia. The approach explores local understandings within a local and regional perspective.

My discussion begins at the provincial level, moves to one of the province’s highland regions, and finally, to a village in this highland area. This changing scale provides an opportunity to look at a range of developments at various levels and people’s experiences and strategies in dealing with them. This approach is taken as an attempt to overcome what Eric Wolf (1982: 13) has called ‘the false confidence’ of micro-level ethnography. Similarly, the approach is employed to avoid treating ‘societies... [or] villages... as if they were the islands into themselves, with little sense of the larger systems of relations in which these units are embedded’ (Ortner 1984:142).

Imagining Development and Change

A commonly accepted view of the effects of post-colonial ‘development’ throughout the so-called Third World is that development has either failed to deliver its stated objectives and/or faced resistance from its intended...

Escobar (1995) has identified development as a regime of knowledge embedded in world asymmetrical power relations. Development was a set of ideas and practices about ways to bring or deliver progress. These ideas and practices are produced and reproduced by and serving the interests of the first world (the north) applied efficiently in the third world (the south). The consequences have been continued domination by the first world of the third world, accompanied by processes of underdevelopment and resistance to development in the south. Continued poverty and environmental degradation have been the legacy of this structure of relations.

In a similar vein, Ferguson (1994), based on his ethnographic study in Lesotho, identified what he considered to be ‘real’ effect of development. Apart from failing to improve people’s livelihoods, mainly because it offered technical solutions to non-technical problems, the real effect of development was the expansion of state power whose role in improving the welfare of the people was taken over by development projects. Another real effect of development projects—that are planned, funded, and implemented by numerous international development agencies—has been the emergence of a global development industry.

Viewing development as the key element in global post-colonial relations, Hobart (1993) attributed the failure of development to the growth of ignorance. The production and reproduction of development packages were guided by the principles of western scientific knowledge. For Hobart, this western scientific logic and rationality was incompatible with and in
opposition to local/indigenous knowledge. It is little wonder, he argues, that the development packages ended in failure. Development practitioners were ignorant of local knowledge and continued to apply inappropriate models based on western scientific knowledge. The growth of such ignorance has also kept development and global development business, running. Hence processes of underdevelopment have continued to be reproduced.

In critiquing these views, Grillo has attributed the various perspectives promoted by Ferguson (1994), Escobar (1995), and Hobart (1993) as development myths that ‘see development as monolithic enterprise, heavily controlled from the top, convinced of the superiority of its own wisdom and impervious to local knowledge’ (1997: 20). Grillo (1997) further outlines the problems with this development myth. According to this perspective there are only developers and victims or resistors involved in development. The analysis ignores other responses, agendas, and actors. Moreover, the myth oversimplifies the situation and places the dominant power as an easy target. The myth fails to capture the multiple, diverse voices and realities embedded in the processes of directed/planned change and transformation. Rather than complete, static, and impermeable structures, both western scientific and local/indigenous knowledge continue to change and to be exchanged. Actors in development, as circumstances change, modify and adjust their perspectives, voices, and positions.

There are, at least, two directions that can be taken to study development. The first is by observing and interpreting the ways people are affected by and/or react to development practices. The second is by studying development in the context of the expansion of power. James Scott’s work in this field is of particular importance in this regard because he approaches development from both directions. His argument is grounded in the
powerful analytic tools articulated in the concepts of ‘weapons of the weak’ (1985) and ‘simplification and legibility’ (1998).

Scott (1985) used his ethnographic materials to demonstrate the ways in which peasants in a village in Malaysia experienced and reacted to the green revolution. The green revolution initiatives on rice cultivation (improved varieties, double cropping, engine-powered harvesters), he argued, made the rich richer while the poor remained poor. The poor used ‘everyday forms of resistance’ (from a war of words, boycott, disguised strikes, petty theft, to imposed mutuality among themselves) as ‘weapons’ in their class struggle against the rich and, indirectly, against the state. The poor peasants’ important accomplishment, Scott claimed, was to delay the complete transformation to capitalist relations of production, which was the aim of the implementation of agricultural development policy of green revolution by the Malaysian state.

In his later work, Scott (1998) provided explanations as to why development schemes to improve human conditions have failed. Examples of development initiatives around the globe—from scientific forestry, agricultural development, and city planning, to Soviet and African socialism—were painstakingly analysed. The failure of these schemes was attributed to expanding state power to control resources and people by simplifying complex, illegible, local social practices to make them legible from above and from the centre, hence, enabling those in power to record, monitor, and manipulate their subjects. In the process, local knowledge and know-how were ignored within the simplified administrative grid of formal state observations.
In criticising this analysis Ortner (1995) has focused on the problem of locating resistance in its every day forms. She raises the question of what is or is not resistance. ‘When a poor man steals from a rich man, is this resistance or simply a survival strategy?’ (Ortner 1995: 175). Ortner (1995: 175) argues that

resistance ... highlights the presence and play of power in most forms of relationship and activity... [But] we are not required to decide once and for all whether any given act fits into a fixed box called resistance... [T]he intentionalities of actors evolve through praxis, and the meanings of acts change, both for the actors and for the analysts.”

For Ortner (1995: 175), the elements that need to be emphasized include;

...the ambiguity of resistance and the subjective ambivalence of the acts for those who engage in them... [because] in a relationship of power, the dominant often has something to offer, and sometimes a great deal (though always of course at the price of continuing power). The subordinate thus has many grounds for ambivalence about resisting the relationship. Moreover, there is never a single, unitary, subordinate...in the simple sense that subaltern groups are internally divided... [into various] forms of difference and that occupants of differing subject positions will have different, even, opposed, but still legitimate, perspectives on the situations.

Moreover, with the complexity of resistance and non-resistance (cooperation, reciprocity, harmony) there is the tendency to overlook the latter. In this regard Pelzer White went on to say that ‘we must add an inventory of “everyday forms of peasant collaboration” to balance our list of “everyday forms of peasant resistance”: both exist, both are important’ (1986: 56 quoted in Ortner 1995: 176, emphasis in original). In a similar vein, Brown (1996: 734) exaggeratedly pointed out:

[H]uman institutions... [such as] family, organizations, and systems of production doubtless impose forms of subjugation, [but] they are also institutions that enable. Without them society would cease to exist, and with it, the capacity of human beings to survive.
Like the concept of ‘legibility’, Scott’s ‘everyday forms of resistance’ placed the ‘state’ and the ‘people’ in an oppositional framework in the context of ‘development’. In situations where development brings mixed results, effects, and responses—rather than only failure and resistance, alternative conceptual tools are needed. The present study illustrates the experience in which development brings mixed results and effects. In dealing with the initiatives of development and its concomitant changes, people’s responses or strategies involve competition, accommodation, and compliance, as well as resistance.

In the modern Indonesian uplands, as Li (1999a: xvii) explains, the state’s primary concern ‘has been to bring order, control and “development” to upland regions, while deploying upland resources to serve national goals’. Key state initiatives in Indonesian uplands are territorialisation and development (Li 1999b). Through territorialization ‘modern states divide their territories into complex and overlapping political and economic zones, rearrange people and resources within this units, and create regulations delineating how and by whom these area can be used’ (Vandergeest and Peluso (1995: 387).

State power in the Indonesian uplands has been directed to a greater control over resources and people. A large portion of the land is classified as state forest land to be granted to logging and forest plantation companies—prohibiting access to local people and transforming them into labourers; logged-over lands are ‘developed’ into large scale plantations by state and private companies; or, alternatively, designated as transmigration sites, that ‘thereby promote economic growth while also bringing political and administrative order to peripheral areas’ (Li 1999b: 15-16 ). A more peaceful
initiative to intensify state control over people and resources, Li (1999b: 17) continues, is accomplished

by regularising the spontaneous incursion of migrants into frontier zones. Once new comers have been organised into administrative units (desa), their daily activities can be monitored and regulated through the various village committees and institutions specified in law.

This initiative is accomplished because:

As new comers trying to make their way outside the formal structure of a project, they may be especially eager to transform themselves into model communities and thereby legitimate their presence and consolidate their hold over resources. They want and need to be enmeshed in state systems in order to claim their place as citizens and as clients of state officials and institutions.

At the heart of development relations lies a tension between 'centres' and 'peripheries'. In this context Tania Li has introduced the concept of 'relational formations' of social marginality (1999b, 2001). Marginality emerges from on-going centre and periphery relations, rather than from the resistance of the periphery toward the centre or the absence of centre and periphery relations. Indonesian upland communities that are often depicted as geographically isolated and socially marginal such as the Meratus Dayak in Borneo (Tsing 1993) and the hill Lauje in Sulawesi (Li 2001), were arguably reproduced through the engagement of local tribes with pre-colonial courts, colonial administrations, and postcolonial regimes. In the pre-colonial and colonial period, relations took the form of rule and trade; in postcolonial times 'development' is the leitmotif. Li explains (2001:44) 'Like the Lauje, the Meratus practice shifting cultivation and continue to live and move about in ways that are illegible to the government administrators nominally responsible for them. Yet they are not an autonomous group resisting outside authority.' Their marginality was developed in dialogue with state
formations. And ‘their lifeways are formed not outside state agendas but relationally, in and through them’ (Li 2001:44).

Li (2001) also contends that, in cases like the hill Lauje of Sulawesi, rule and trade relations enabled the centre to control the people and exploit local resources (forest products, agricultural commodities, labour) in the absence of legibility (maps, statistics, monitoring). In the context of the failure of Indonesia’s New Order rural development programs, Dove and Kammen (2001: 633) suggest, that the state produced illegibility as much as legibility. Illegibility is not an accidental product of weak governance, but may form a strategy by political central elites for political and economic purposes. State-based appropriation and exploitation of economic resources are facilitated in the absence of clearly defined local right and practices.

Dove and Kammen (2001), also in the framework of relations between centre and periphery, examined development in terms of resource flows in everyday practices of development in Indonesia’s New Order era (1966-1998). They suggest that

...[t]here were two co-occurring models of development: an official one and a ‘vernacular’ one. The former represents a formal, uniform, and idealized vision of what the state professed, whereas the latter represents a more nuanced, normative, and conflicting vision of what state agents actually strove for. ... The vernacular model is an intentional one: it was the product not of accident but institutionalized values and desires. (2001: 633)

As opposed to official models where development was supposed to promote the flow of resources from centre to periphery, vernacular models of development enabled the centre to block the flow of resources from centre to periphery, and in fact reverse the flow by extracting resources from the periphery. Contract farming on rubber cultivation, for example, was said to
provide assistance to the smallholders. In reality the estate companies prevented the flow of resources to the smallholders, while contract farming on sugar cane provided a venue for sugar companies to extract resources from local smallholders. The types of resources that ‘were allowed to proceed unhindered down and out from the centre were those that central elites did not want’ (Dove and Kammen 2001: 626-627). Examples of resources that were successfully transferred to marginal people were programs of the Social Department and family planning services whose resources were small in size, but they facilitated a view of the receiving areas as deficient and undeveloped thereby justifying increased state intervention. Another resource that central elites did not seek was allotments in the transmigration program. ‘According to the official model of development, the state gave valuable resources to marginal groups; according to [the] vernacular model, it gave value-less resources to them’ (Dove and Kammen 2001:627).

Locating the state/centre and people/periphery perspective relationally, the concepts of relational formation and the vernacular model of development can be applied strategically to analyse the formation of social marginality (Li 1999 and 2001) and the failure of development schemes (Dove and Kammen 2001). In the present study, the concepts of relational formation and the vernacular model of development are combined and modified to analyse situations where state/centre and people/periphery relations do not necessarily lead to marginality and development failures. That is, this study explores how people in geographically marginal areas position themselves within the orbit of state power in order to promote resource flows from the centre to the periphery, while restricting resource extraction from the periphery to the centre.
To look only at the ill effects of development raises the risk of overlooking its manifold benefits. In relation to the impacts and effects of development in Southeast Asia, Rigg (2003:328-329) contends that;

[I]t is hard to think of one indicator of human well-being that has not improved during the course of modernization over the last half century. It is notable that those countries which have experienced sustained stagnation or decline in such indicators are those that have experienced an absence of development as modernization...

[D]evelopment has led to real, substantial and, in some cases, sustained improvements in human well being... Nor can this be rejected as a case of the benefits accruing to just a small segment of the population, leaving the majority mired in poverty... [I]mprovements in livelihood have been broadly based, even if they have not been equally distributed.

Development is ‘as much a fact of everyday life for most people of the world as other kinds of overarching frameworks of assumption and action’ (Croll and Parkin 1992: 8, cited in Grillo 1997: 1). Legg (1992), discussing examples from Nepal, goes on to assert that development connects villagers, the urban elite, national political institutions, international development [institutions], and representation of the third world in the West. ‘Everyone wants a piece of the development pie’ (Legg 1992:511).

**Smallholders, Production, and Differentiation**

Fundamental to an understanding of development and change are the ways rural populations reproduce their modes of livelihood. The people discussed in this study are predominantly smallholder farmers. The argument advanced in this study is that flexibility in the social organisation of production and in the use of available resources to respond to constraints and opportunities is the key to the persistence of smallholder farming (as a
system of agricultural production) and the smallholding tradition (as a social [agrarian] structure).

People discussed in the present study accord with Netting (1993:2) characterization of smallholders, who are defined as;

...rural cultivators practicing intensive, permanent, diversified agriculture on relatively small farms in areas of dense population. The family household is the major corporate social unit for mobilizing agricultural labor, managing productive resources, and organizing consumption. ... Smallholders have ownership or other well-defined tenure rights in land that are long term and often heritable.

Netting’s (1993: 2-3) characterization of smallholders thus excludes:

... shifting cultivators practicing long fallow or slash and burn farming where land is still plentiful and population density low, as in some parts of the humid tropic today; ... herders whether they are nomadic pastoralists of east Africa or the ranchers of Texas;...and the farming systems of dry monocropping of wheat, sugar estates, cotton plantation with slaves, or California agribusiness.

The argument that Netting (1993: 27) advances on the persistence of smallholder household farming is that ‘intensive agriculture by landowning smallholder households is economically efficient, environmentally sustainable, and socially integrative’.

One of the key characteristics of smallholder production is the superiority of household labour compared to communal labour in collective farming, and to hired labour in capitalist farming (Netting 1993). It is the smallholder household members who complete the diversity of tasks and the requirements for skilled, responsible, unsupervised task performance in intensive cultivation.
Population pressures and the market are often attributed as the driving forces of agricultural transformations toward intensive farming. Population growth increases land scarcity and promotes agricultural intensification (Boserup 1965), while markets create demand for cultivated commodities (cf. Netting 1993, Brookfield 2000). With land abundance, the market attraction of rubber, and labour shortage, indigenous people in Kalimantan cultivate extensive rice swiddens and rubber gardens (along with other tree crops); with labour abundance and shrinking landholdings rural populations in Java practise intensive irrigated rice cultivation (Dove 1986).

On the topic of the economic efficiency of small-scale agricultural production, Dove (cf. 1986) has noted that the production orientation of intensive irrigated rice cultivators is significantly different from swidden cultivators. Where land availability is a constraint, intensive irrigated rice cultivation is aimed at a high return to land, namely, production per unit of land. In swidden cultivation, characteristically constrained by labour shortage, farming is oriented toward a high return to labour, that is, production per unit of labour.

With regard to the elements and processes of agricultural transformation, Brookfield (2000) emphasises capital and skills as the key elements besides labour, in substitution for the land factor, that are involved in the process of increasing agricultural production. Increasing productivity may not necessarily derive from an increase in labour input. Conversely, there are cases where increases in production actually reduce the demand for labour. Here investment in working capital, such as tools and animals, may be more responsible for the increase in production. Farmers’ skills usually refer to agro-technical skills, but their organisational skill may be more important.
Although an agricultural transformation can be triggered by various factors, such as new technology, expanding commercialisation, and/or state interventions, the real foundation of such transformations is the skill of small farmers to organise their land, workforce, and resources.

Brookfield (2000) goes on to argue that the key factor in maintaining small farms’ ecological and production sustainability is agrodiversity, namely, a diversity of plant and animal species cultivated, the methods and practices of farming, and labour organization, all of which require the farmers’ deep knowledge of ecology and technology and sensitivity to respond to market opportunities.

Flexibility in ‘[t]he ability to use different resources, and employ different strategies for making a living’ (Brookfield 2001: 187) is another key perspective to understand agricultural transformations. Agricultural transformations can occur either through intensification or ‘disintensification’. In many cases, Brookfield argues, increasing production ‘involved new skills in [the] use of “dynamic” land, and both agricultural and non-agricultural opportunities, and not increased inputs into any constant land or, indeed, increased current inputs of any kind except of management skills’ (2001:189).

Smallholder farmers’ commodity production for markets, more often than not, is possible due to their incorporation of non-market relations. In the Sulawesi highlands, for example, one strategy is to use non-market inputs such as mutual labour assistance to pursue market relations, otherwise production of rice for the market is difficult or may not even be possible (Schrauwers 1999). Similarly, for Minangkabau smallholder farmers (Khan 1999), the main inputs for production such as labour, land, and capital are
obtained largely through non-market relations. Access to land, for example, was obtained through inheritance, sharecropping, and squatting on forest reserves and plantations. In the production of rubber in Riau, smallholders retain their traditional elements of the farming system such as cultivation of jungle rubber, adat and communal land ownership, and, wherever possible, subsistence rice farming (Potter and Badcock 2004).

State policies regulating access to upland lands in Indonesia often influence smallholder intensive agricultural practices. A large portion of the Indonesian uplands has been either classified as forest reserves or granted to plantation companies. Responding to the loss of land to forest reserves and estate plantations many indigenous peoples in Sumatra, Kalimantan, and Sulawesi changed their agricultural practices from dry land swidden of rice to tree crop cultivation and managed agroforests, sometimes with accompanying wet rice (Potter 2001). In the Lauje hills and Lindu areas of Sulawesi highlands, the government’s inability to control these ‘state lands’ has enabled the indigenous population and Bugis migrants to transform forests and former swiddens into intensive cocoa groves (Li 2002).

In the present study, one line of inquiry into the persistence of the smallholder tradition is directed at agricultural transformations, through changes in farming practices. A second line of the inquiry is oriented toward understanding agrarian transformations, through changes in the social organisation of farming. A key element in the social structure of rural society is rural differentiation.

Netting (1993) depicts smallholder agriculture as akin to gambling where some players, due to their personal ability, moral virtue, and environmental conditions, play the game better than the others. Differentiation and
inequality are inevitable in these circumstances. The state often plays an important role in promoting or constraining differentiation. In the Tengger highlands, East Java, for example, land distribution by the colonial government led to the emergence of a 'smallholding tradition' (Hefner 1990). In lowland Java, New Order initiatives such as the green revolution and the absence of land reform favoured village elites and promoted differentiation (Hart et al. eds. 1989). Studying agrarian structure, as Li (2002) and Potter and Badcock (2004) suggest, is an exploration into human agency. The agrarian structure is the result and medium through which rural people work out constraints and opportunities in their attempts and desires for the 'good life'.

Ben White defines agrarian or rural differentiation as one that involves a cumulative and permanent (i.e., non-cyclical, which is not to say that it is never reversible) process of change in the ways in which different groups in rural society—and some outside it—gain access to the products of their own or others' labor, based on their differential control over production resources and often, but not always, on increasing inequalities in access to land (1989:20).

White goes on to argue that,

It is useful to make a distinction between the process of differentiation itself and various aspects of that process which we might call the causes, the mechanisms, and the symptoms or indicators of differentiation. Similarly, any analysis of rural differentiation processes in a specific place and time will have to encompass their contexts (regional, national, political, cultural, etc.) and also the constraints to differentiation (which may originate externally or internally and may affect the pace and form of differentiation). (1989: 25-26, emphases in original)
In lowland rice areas in Java, White and Wiradi (1989) reported that the ownership of rice fields was highly unequal and differentiation ensued as well as constrained.

On the one hand, wealthy households have many other avenues for profitable investment, and many demands for non-productive expenditure, which compete with the alternative of land acquisition. On the other hand, the many smaller owners whose agricultural incomes do not provide reproduction at minimal levels ... are able by participating in a variety of low-return nonfarm activities both inside and outside the village to achieve subsistence incomes without the distress sale of their ‘sublivelihood’ plot. (White and Wiradi 1989: 299).

In the Tengger mountains (Hefner 1990), Malang (Suryanata 1999), and the Sulawesi uplands (Li 2002) wealthy migrants, through buying, renting, and mortgage, took over the control of a large portion of upland food or cash crop fields, converting a significant number of the local inhabitants into landless labourers. This differs from the situation in Langkat, North Sumatra (Ruiter 1999), where Batak villagers retained their control over smallholder rubber gardens, leaving the Javanese migrant labourers to occupy the bottom of village socio-economic stratum.

Hefner (1990) has pointed to a distinct rural social group he interchangeably called the ‘middle peasantry’ or ‘smallholder peasantry’ whose ethos and aspirations are to maintain the ‘smallholding tradition’. This persistence is related to the desire for social autonomy, to stand on one’s own, and the ability to own land. ‘Situated between the more visible agrarian elite and the mass of the poor’, Hefner asserts, ‘the middle peasantry... received scant comments in many agrarian accounts of agrarian change. Influenced by ... [the] vision of social polarisation ... scholars assume that middle peasants are doomed to historical oblivion’ (1990: 154). Villagers in the Tengger
mountains, like rural people elsewhere in Java, were pressed by shrinking landholdings and were incorporated fully into national markets and politics. The villagers, Hefner claimed, acknowledged that there are ‘haves’ and ‘have-nots’ but ‘[they] deny [a] suggestion that there might be an unbridgeable gap between rich and poor’ (1990: 154). Hefner went on explaining that middle peasantry in the Tengger mountain regions

...is characterised by neither the servile dependence of a dominated underclass nor the collective solidarity romantically attributed to proletarians.... Its social orientation emphasized neither selfless collectivism nor self-possessed individualism. Its animating ethos is an almost-paradoxical mix of self-reliance and communalist commitment. Ideally, in this view, each household guarantees its own welfare. (1990: 154)

Hefner continues:

The aspiration of these uplanders ... is ... [that] one seeks to stand on one’s own and not to be ordered about. Only in doing so can one be fully acknowledged as a member of the community. The simple achievement of respectful standing in a community of brethren is a valued end in its own right. (1990: 157)

Smallholders in the Lampung highlands too are characterised by the ethos and aspiration stressing social autonomy; that ‘one seeks to stand on one’s own’ and ‘each household guarantees it own welfare’. Their desires include having enough money for family needs, more education for children, possessing modern household items, better housing, and access to credit. These are goals to be achieved through personal development, that is, ‘the development of a person by themselves’ (Green 2000: 68), which is pursued within the context of state-led development. For migrant smallholders in the Lampung highlands, state-led development offers resources that have enabled them to attain the goals of their personal development. They have transformed a forest frontier into a flourishing highland. In the process, this thesis argues, they have produced and reproduced the smallholder tradition.
It is further argued that their village's social life is organised principally to attract state resources and to reap the benefits of development.

**The Fieldwork**

Fieldwork for this study was conducted between March 2002 and February 2003. During this period I lived in Sumber Jaya and Way Tenong, two adjoining subdistricts (*kecamatan*) in West Lampung district (*kabupaten*). For most of the time I lived in the village of Gunung Terang. There I lived in two homes; first in a Semendo neighbourhood in the main village hamlet of Gunung Terang, and secondly in the hamlet of Rigis Atas on the slopes of the Bukit Rigis mountain.

I visited and sometimes stayed for days in other villages of the region. Friends from WATALA¹ and ICRAF (International Centre for Research in Agroforestry, now called the World Agroforestry Centre) often visited me in the village or invited me to visit their other work sites. I also regularly participated in their community meetings and workshops. ICRAF and WATALA have been working in West Lampung district for several years to support the negotiation processes between local communities and government agencies on the issues of natural resource management. ICRAF scientists collaborate with various national research institutions and also conduct their own socio-economic, biophysical, and policy research in the region. During my stay in Gunung Terang, friends from WATALA and ICRAF conducted community mapping of the village and assisted the

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¹ *Keluarga Pencinta Alam dan Lingkungan Hidup* (the Friends of Nature and the Environment), an environmental NGO founded in 1978 by students from Lampung University based in Bandar Lampung.
community group in Rigis Atas to obtain a community forestry permission contract. Assistance in obtaining such contracts was also given to community groups in other villages across the region.

The 2002—2003 fieldwork was not my first visit to the Sumber Jaya and Way Tenong region. Between 1994-1995 with other friends and NGO activists from WATALA, WALHI, and YLBHI I visited the region at the invitation of the World Bank and PT. PLN (Perusahaan Listrik Negara, state-owned electricity company) to assess the social impact of the construction of the Way Besai dam and to discuss plans to mitigate these impacts. We were expecting villagers’ resistance to this mega project. To our surprise however, villagers were receptive and local leaders denied a suggestion that villagers rejected (menolak) the project. When we pointed out possible hardship for landless and near landless villagers in finding alternative sources of livelihood, as suggested in the environmental impact assessment report, a common response from village leaders was that the project would give more benefits than harm. A Semendo village leader even stated that to refuse the project was a sin, and against their ancestors’ wishes. It was said that their ancestors knew and had told them that a big dam would be built in the area.

1994-1995 was the time of the commencement of military operations to destroy smallholder gardens and houses inside the boundary of the state forest zones, for replacement by plantation forests. This was also the time when the region had begun to flourish as a new population centre in the

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2 Wahana Lingkungan Hidup Indonesia (Indonesian Forum for Environment) is a national NGO forum with a secretariat in Jakarta and regional secretariats in many Indonesian provinces.

3 Lembaga Bantuan Hukum Indonesia (Indonesian Legal Aid Foundation) has their headquarters in Jakarta and regional offices and posts throughout Indonesia.

4 The project paid relatively high compensation to hundreds of families in Way Petai, Sukapura, and Dwikora whose rice fields and coffee gardens were used for the project. PT PLN also provided credit for the village community groups.
highlands. The market villages of Sumber Jaya and Fajar Bulan were transformed into small market towns. The villages were electrified. Along the road sturdy wooden and brick houses were constructed or refurbished, thanks to the rise in prices and production of coffee. Between 1996 and 1998, on my trips to and from Krui on occasions related to my work on the damar agroforest in Krui, I frequently stopped in Fajar Bulan and Sumber Jaya either for a short rest or to meet acquaintances.

Between 1998 and 2000 I conducted a series of fieldwork visits to Sumber Jaya and Way Tenong. I was working for ICRAF and with friends from WATALA I visited different parts of the region. We did a general survey of community and forest interaction, farming households, and background history. This was the period of reformasi (the overthrow of Suharto in 1998 and the demise of the New Order regime), the El-Nino drought, and krismon (monetary crisis), all of which were embraced as ‘good things’ by the people in the region. Reformasi was interpreted as granting ‘freedom’ to reclaim land in forest zones, El-Nino effectively brought higher coffee production and made the dried bush easy to burn, while krismon hiked the export price of coffee and brought in a flush of money. The region was flooded with luxurious items from wool blankets, electronics, to motorbikes and cars.

When I returned to the region in the early 2002, the ‘good times’ of reformasi and krismon were over. Cars and motorbikes had been sold and many houses under construction were left unfinished. More recent migrants had left the region, returning home or moving on to new frontier zones in the neighbouring province of Bengkulu and elsewhere. The talk among ordinary smallholders in the region changed from aspiring to higher education for the children and sturdy modern houses for themselves, to how
to ensure enough food for their families and sufficient inputs to their diversified agricultural production.

**Thesis Organization**

Chapter 2 traces Lampung history during the 20th century. The focus of discussion is on the rural areas of the province. Depicted as an 'empty land' in the early 1900s, by the end of the century Lampung was perceived as a province peopled by land hungry migrants. Colonial and post-colonial initiatives are identified as the driving forces of the transformation of Lampung in the 20th century. Colonial and post-colonial government initiatives to bring progress to Lampung brought mixed results and effects: rapid growth in agricultural production, the formation of 'wealthy zones' in some areas, and the creation of pockets of poverty in other areas. The chapter explores the ways people in different rural regions of the province have experienced this transformation.

Chapters 3, 4, and 5 explore how migrants transformed one of Lampung's 'last frontiers' into one of its highland 'wealthy zones'. The chapters also explore how, in the process, these migrants shaped their modes of life. Chapter 3 gives an account of the history of the influx of different groups of migrants to settle in the Sumber Jaya and Way Tenong region. Although the bulk of these migrants migrated 'spontaneously', they were strongly integrated within the framework of planned development. It is due to the strong integration of its population with state, within this framework of state development and administration that the region was transformed into a 'wealthy zone'. This situation is described in the second part of chapter 3.
Chapter 4 further explores the nature of villagers’ integration into the state. The level of ‘progress’ that the Sumber Jaya and Way Tenong region has achieved, it is argued, is largely the result villagers’ efforts to bring the state to the village as a strategy to tap state resources. The chapter outlines villagers’ engagements with the state within the context of national politics, rural development, and village administration.

Chapter 5 illustrates the ways in which local people in the region defend their smallholder farming by resisting forestry authorities’ attempts to exact a greater control over land and people. Having been in conflict with forestry authorities for decades, after reformasi some of the villagers in the region have agreed to engage in a new kind of relationship with forestry authorities. Collaboration between government and ‘community’ in ‘sustainable natural resources management’ is perceived to be the official goal of the new relationship. In practice, however, the desires of both parties are not easily reconciled and the struggle over control of land and resources continues.

Chapter 6 outlines the history of the formation of Gunung Terang as an administrative village, focussing on the village’s organization; its administration, leadership, and subdivisions. The chapter considers this village in the context of internal community affairs as well as within the framework of wider village relations. The village’s collective strategy, it is argued, is to mediate official relations between people and the state as well as in community affairs (social relations that are outside the state sphere).

Chapter 7, focusing on the village economy, is devoted to examining the persistence of smallholders. The chapter explores the flexibility of smallholding agriculture, beginning with a discussion of socio-economic
differentiation among villagers. This discussion is then followed by a closer look at the persistence, modification, and alteration in farming systems. The chapter concludes with a discussion of the dynamics in other aspects in the social organization of smallholder agricultural production (land, labour, capital).

Chapter 9 summarized the discussions with a view to possible future directions and developments. The chapter also highlights recommendations for future research and renewed development agendas.
CHAPTER TWO

Lampung in the 20th Century:
The Making of ‘Little Java’

Lampung up to the mid-1900s, like many areas in Indonesia’s outer islands, was a thinly populated, empty land. Lampung was known as a world leading pepper producer. By the end of the 20th century, besides pepper, Lampung produced surpluses of rice and other agricultural commodities. The province had a high incidence of poverty and, like Java, was perceived to have a problem with overpopulation. This chapter examines the driving forces behind these changes. Colonial and post-colonial governments development initiatives (land alienation and subsequent plantation and forestry development, decentralisation of administration and regional development, and transmigration and spontaneous migration) are identified as the key forces transforming Lampung in the 20th century.

Colonizing ‘The Empty Land’

In the past Lampung was known as the world’s pepper basket. When Banten developed into a flourishing international trading port in the 17th and 18th centuries, its main export commodity was pepper, which came largely from Lampung. From Lampung’s coasts and inland navigable rivers, boats (perahu) loaded with sacks of pepper regularly sailed across the Sunda strait to Banten. Maintaining steady supplies of pepper from Lampung to Banten, and later from the 18th to the 20th centuries to Batavia,
and monopolising its trade was one of the top agendas of the Dutch trading company (VOC) and the subsequent colonial administration (Kingston 1987 and Sevin 1989). Pepper production in Lampung steadily increased from 400 to 600 tonnes a year in the early 1800s to 2,000 tonnes in the 1880s; 4,000 tonnes in 1890; 10,000 tonnes at the turn of the 20th century; and 45,000 tonnes in the 1930s, making Lampung the source of 60% of the world’s pepper production (Bulbeck et al. 1998: 68).

The monopoly over pepper exports from Lampung has long been a source of rivalry between regional and international power centres. The Banten Sultanate controlled pepper supplies in most of the southern part of Lampung, in fierce competition with the Palembang Sultanate at Lampung’s northern tip, before both fell under Dutch control in the first half of the 19th century (Kingston 1987 and Sevin 1989). Bugis and Malay seamen were constantly involved in this trade, either by offering a higher price or by simply pirating the shipments. Denied access to pepper from Batavia and Banten, from the 1680s the British controlled the western part of Lampung (then part of Bengkuly residency) until the British transferred Bengkulu to the Dutch in exchange for Singapore in 1825 (Bastin 1965). In the second half of the 19th century the Dutch were able to unify and put under their control the southern part of Sumatra (Lampung, Palembang, and Bengkulu). To ensure the flow of profit, in addition to forced delivery of pepper and coffee to their warehouses for a low set price, the Dutch reoriented trading routes. Batavia was designated as an obligatory transit point for all export commodities, cutting the trading networks between southern Sumatra and Singapore (Sevin 1989).

In addition to pepper, coffee gained in importance as an export crop from Lampung during the 19th century. Coffee cultivation began at the
beginning of the 19th century (Sevin 1989: 45) and became a lucrative cash crop in Lampung by the end of the 19th century. Unlike in Java, where cash crop booms were largely the result of the imposition of the Dutch’s infamous forced cultivation (*cultuurstelsel*), in Lampung both pepper and coffee were cultivated by traditional smallholders (Bulbeck et al.1998). These smallholder farmers practised an ancient farming method, which is said to be typical of upland southern Sumatra, namely ‘supplementing shifting cultivation with cash crops’ (Pelzer 1945: 24-26). Coffee or pepper supplemented the traditional crop (i.e. upland rice), and the gardens were not permanent:

The lifetime of coffee bushes on *ladangs* is only from 3 to 5 years once they have started to yield berries... The lifetime of a pepper garden is considerably longer, perhaps 15 years... [S]hifting cultivators plant coffee bushes 1.5 to 2 metres apart in the midst of upland rice fields during the first year that they occupy a *ladang*. In the following year the bushes are still small enough to permit the growing of a rice crop among them. In the third year a new *ladang* is made and planted with rice and coffee, while a coffee harvest is gathered from the first *ladang*. In the fourth year the first *ladang* produces an excellent crop of coffee. In the fifth year the first *ladang* yields its third coffee harvest and the second its first coffee harvest, while rice and coffee are planted in a third *ladang*. In the seventh year the cultivator may have as many as four *ladangs*, the first producing its last coffee crop before it is abandoned because of the declining yields, the second yielding its third coffee harvest, the third just entering the bearing stage, while the fourth *ladang* supplies the shifting cultivator with rice grown among young coffee bushes. (Pelzer 1945: 25-26).

Such a traditional method of cultivation was strikingly different from methods of cash crop cultivation practiced until the 20th century by farmers elsewhere in the nearby regions. *Hevea* rubber in Sumatra and Borneo and benzoin in North Sumatra were produced in permanent gardens (Pelzer 1945). In Java, under forced cultivation, cash crops such as coffee and sugar were produced using (modern) intensive farming
methods. In the case of pepper, Chinese migrants in a few areas of the Riau archipelago, Malay peninsula, Siam, Cambodia, and Brunei introduced intensive pepper cultivation where hardwood—instead of traditional chinkareen (dadap) trees—was used to support the pepper vines, the ground was turned for clean-weeding twice a year, and fertilizer was applied (Bulbeck et al. 1998: 144-149). Production in these fields was much higher (over 2,000 pounds an acre) compared with the traditional system in Sumatra. By contrast, in Bengkulu annual production per acre was just 310 pounds. The weakness of this ‘Chinese method’ compared with the traditional system was its inability to withstand price variations, due to high demand on labour and cash outlay, which eventually led to its abandonment (Bulbeck et al. 1998: 155-156). Due to its low inputs, production of traditional swidden agriculture was relatively high in terms of return to labour (Dove 1986), and could withstand significant export price variations.

Apart from pepper and coffee, forest products were also important export commodities from Lampung. Rattan, elephant tusks, rhinoceros horns, swallows’ nests, kollelet rubber, and damar resin were exported to Batavia and Singapore in the mid 1800s (Sevin 1989: 45). Rice, on the other hand, was regularly imported from Java. Unlike neighbouring Java, Bali, and highland Palembang, natives of Lampung were not very fond of constructing large irrigation networks. Wet rice fields were limited to the banks of streams and rivers. Swidden ladang were by far the primary source of rice (Kingston 1987 and Sevin 1989).

The continuation up to the 20th century of smallholder production of rice, pepper, and coffee using traditional farming systems was possible largely because of the low population density (i.e. land abundance/labour