

Agrarian Differentiation and the Limits of Natural Resource Management in Upland Southeast Asia

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Mehta *et al.* (1999) critique understandings of the role of institutions in natural resource management that underestimate the uncertainties, the flux and flexibility, and the power dynamics of everyday practice. But they retain their faith in the idea of *management* as a collective endeavour, and confirm the need for policy interventions to design, craft or otherwise enable and empower better institutions – in this case, institutions that can accommodate uncertainties and extend possibilities for deliberative democracy, inclusiveness, and justice (Mehta *et al.* 1999: 34, 39). There is an underlying tension in their argument: management is premised on the reduction of uncertainty, but the detailed studies of resource use and allocation undertaken by Mehta *et al.* and other studies presented in this *Bulletin*, show that uncertainty is routine, and that managerial interventions frequently intensify it rather than offering definitive resolution.

Taking the tension between understandings of uncertainty and the goals of management as my point of departure, I make three related points. First, I argue that agrarian struggles lie at the heart of some of the more serious rural livelihood crises, but our understanding of these dynamics has been occluded by a preoccupation with questions of management. Second, I argue that managerial interventions play only a limited role in directing processes of agrarian differentiation, although they do set some of the conditions, often unwittingly. Third, I propose that, the limits of managerialism notwithstanding, the effort to understand political-economic processes affecting resource use and allocation is still worthwhile, for there are several possible uses for this kind of knowledge. My arguments are informed by my research on the Southeast Asian uplands, especially Sulawesi, but I believe some of them have a more general relevance.

1 Agrarian Differentiation in Upland Southeast Asia

For several decades, the rural uplands and hinterlands of Southeast Asia have been apprehended by government administrators, conservationists, and indigenous rights activists primarily through a managerial lens: a shared assumption that environment and livelihood problems can be resolved

through better laws, policies and institutional design. While differing in their assessments of how communities and landscapes should be arranged, they agree on the importance of improved natural resource management. The blurring of forest/farm boundaries intrinsic to swidden systems, the collection of forest products alongside agriculture, and expectations about the sustainability of indigenous agroforestry systems have helped to maintain a focus on environment, forests and communities rather than land, capital and class. I suggest it is time to apprehend the uplands anew, through a thoroughly agrarian lens, and focus on 'a cumulative and permanent ... process of change in the ways in which different groups in rural society – and some outside of it – gain access to the products of their own or others' labour, based on their differential control over production resources and often ... on increasing inequalities in access to land' (White 1989: 20).

Change itself is not new to Southeast Asia's upland regions. Contrary to images of remote and secluded terrain, inhabited by people imbued with culture but 'without history' (Wolf 1982), upland identities, livelihoods and political relations have been at least as dynamic as those in lowland areas, where fixed, intensive land uses and patronage relations tied to individual land ownership have been in place for several centuries (Bremner 1980; Elson 1997; Hirsch 1993; Li 1999b). Uplanders have a long history of market involvement, sometimes committing their entire energies to market-oriented production or extraction to the neglect of subsistence pursuits, and depleting or eliminating some forest products (Brookfield *et al.* 1995:127; Henley (forthcoming); Knapen 1997: 141–44). Apart from the pull factor of market opportunity, historical demography points to upland populations frequently on the move due to disease, famine, enslavement, tax avoidance or warfare, in varying combinations (Brookfield *et al.* 1995: 27–8; Henley (forthcoming); Knapen 1997). Archival records of lean years and famines confirm that swidden farming was not able to guarantee food security even under conditions of low population density and abundant forest (Henley (forthcoming); Knäpen 1997). For these reasons, many uplanders have not occupied their current territories since 'time immemorial', even though they often have legitimate claims to be more 'local',

or longer in place, than other contenders. Nor was conservation a likely priority of dispersed and mobile populations.

Uplanders' usual response to resource pressure, as to the other exigencies listed above, has been to move off to the forest frontier, or to accept a dependent position within the orbit of powerful patrons keen on expanding control over their labour and loyalty. It follows that the engagement of upland populations with external bosses whose power derives from erratic blends of law, bureaucracy, charisma and violence also has a long history. Colonial authorities typically attempted to resettle remote populations in more accessible valleys and plains for purposes of taxation and control, but many evaded these schemes or returned to their upland homes or other forest frontiers when government attention waned (Hirsch 1993: 138). In the modern era, although material embodiments of state power (offices, maps, enforcement of forest boundaries) are still sparse in some upland areas, the idea of the 'state' is routinely invoked in resource struggles (Hirsch 1993; Li 1999a; Peluso 1992). The uncertainties created by waves of settlement and displacement, cycles of boom and bust, and overlapping regulations and modes of rule are quite at odds with the images of the uplands as the location of unchanging nature and culture.

Thus it is not exposure to world markets and state power that is new in the uplands. What has changed is the structure of agrarian relations, a change precipitated by the conjuncture of new market opportunities and the closing of the forest frontier. Where land is still abundant, food/export crop combinations have sometimes reached a stable equilibrium (Dove 1993), resulting in ecologically complex, resilient agroforestry systems embedded in practices of kinship and community (Brookfield *et al.* 1995: 121; Peluso 1996). But in many upland areas, indigenous smallholders who have switched to commercial crops have displaced subsistence production. Over time, and even more seriously, indigenous populations have themselves been displaced, as their land is taken over by local elites or migrants whose capital and connections enable them to better withstand market and ecological adversities (Brookfield *et al.* 1995: 30; Elson 1997: 90, 99, 102, 240; Hefner 1990; Hirsch

1993: 105; Suryanata 1999). The direction of change is unmistakable. A survey conducted in Indonesia during the recent economic crisis, a period during which observers expected food security to be a priority, showed instead that food production decreased both relatively and absolutely as smallholders converted former swidden land to expand their commercial tree-crop holdings (Sunderlin *et al.* 2000: 34–36). High export prices pegged to the US dollar, and the attempt to use trees as a mechanism to consolidate land claims at a time when political uncertainty weakened forest-boundary enforcement, account for Indonesia's tree-crop fever, but these factors only accentuate a pre-existing trend (Sunderlin *et al.* 2000: 42–43). Many of these processes are underway in Sulawesi, the site to which I turn for illustration.

2 Sulawesi's Cocoa Boom

In Sulawesi in the past decade, cocoa smallholdings averaging two to three hectares, occasionally reaching 10 to 20 hectares, have been established in the uplands by indigenous hill folk as well as by Bugis migrants from the southern coasts and rice-producing lowlands (Ruf 1997). All over Sulawesi's hills, ancestral land previously used for food and cash-crop swiddens has been privatised, commoditised and often sold off, as some parties accumulate and others find themselves displaced to the remaining forests or consigned to wage labour. This displacement has not occurred through obviously coercive means, such as state appropriation of land for allocation to conglomerates. It has occurred piecemeal, one plot and one negotiation at a time. There is no sign here of the risk averse, conservative peasant, who takes the needs of future generations into account unless driven by dire need. Trees, reputedly assets that buffer poor people against ecological and market shocks and the key to 'sustainable agroforestry systems', appear instead to be the mechanism displacing people from livelihoods and resources. Yet the whole transformation, with all its damaging effects on (some peoples') livelihoods and the remaining forest resources, is taking place, apparently as a result of voluntary, individual transactions.

Several assumptions in the literature on resource management in general, and indigenous and

community-based resource management in particular, are challenged by Sulawesi's cocoa boom. First, in the absence of a singular, massive enemy, indigenous communities have not crystallised to defend their borders, distribute resources internally or engage in collective re-thinking about property, locality and the rights of individuals to make land transactions. Individually, hill farmers have coped, and the more thoughtful have observed the effects of land alienation on particular people and, cumulatively, on categories of persons. These include the young, disinherited by their parents; the poor, forced by debt obligations to spend their days collecting rattan and unable to invest in trees; and the indigenous folk displaced by migrants. But there are no local institutions, either traditional or state-derived, which are generating the kinds of knowledge, practice or debate that would halt, redirect or *manage* the process of agrarian differentiation currently underway.

Second, there does not seem to be much emphasis on sustainability, diversity or food security in the emerging agricultural system: indigenous farmers and migrants alike have readily given up food production for the more lucrative crop, massive price fluctuations associated with Indonesia's financial woes notwithstanding. Market uncertainties play a surprisingly limited role: Ruf (1999: 250) has found that farmers begin to doubt the wisdom of cocoa dependence only when the price ratio drops below 1kg cocoa/1kg of rice. Even then, cocoa's superior returns to labour and memories of boom times delay their response (1999: 252). No one on the cocoa frontier talks about the need for conservation, and government regulations to protect the residual forests are deeply resented and ineffective. Where populations are up against the border of a protected forest or national park, the process of agrarian differentiation is not halted but intensified, as those who have lost their land have nowhere to retreat.

In the Lauje hills to the north of the Tomini bay where I have been following the process of land privatisation and transfer since it began in 1990, indigenous farmers quickly replaced the swidden crops they produced for market and home consumption (rice, corn, tubers, vegetables, tobacco, shallots, garlic, groundnuts) with cocoa.

Now, ten years later, the landscape is covered by monocrop cocoa. According to customary understandings, private rights in land established by the first pioneer have always been transferable, based on a payment to compensate for the costs of land clearing. But descendants did not divide up the land they inherited from the pioneer: they used it in a loose rotation according to their needs, and lent it freely to neighbours and kin for seasonal use. By planting tree crops on the land a person effectively encloses it, extracting it from the inherited swidden pool. Once privatised, land can then be sold to a third party, a transaction generally regarded as permanent. Over time, farmers with more capital, labour and genealogical knowledge about where their ancestors had cleared land have been able to consolidate their hold over large areas (Li 1997). They now live off the proceeds. Hill farmers who prospered in this way have abandoned swidden farming and some have built new houses, emulating coastal lifestyles and consumption patterns. Coastal elites who bought land and trees in the hills never intended to reside there, and leave their holdings in the care of paid workers, often the former landowners. The less successful farmers, slower to begin planting cocoa, lost out to their co-heirs, or sold up to meet immediate cash needs or gambling debts, and are now working for wages or beginning again with cocoa and swiddens several kilometres further inland. They, in turn, have begun to displace the swiddeners formerly in those locations, domino style, but there is little primary forest left as an outlet or retreat.

In another part of Central Sulawesi, the area around the Lore Lindu National Park, easier access by road has brought in a flood of Bugis migrants from the more densely populated southern province. Some have come directly from the lowland rice sector, where the Green Revolution has rendered their labour superfluous. Others have already established cocoa elsewhere and are looking to expand. Bugis' migration to Central Sulawesi's forest frontier long predates cocoa (Acciaoli 1998), but it received a major boost with the huge hike in export prices caused by Indonesia's monetary crisis of 1998: the returns to cocoa, tied to the dollar, increased sevenfold between July 1997 and July 1998 (Ruf and Yoddang 1999: 248). For Bugis farmers with cocoa already in production, the windfall provided both

capital and incentive to expand and for others the desire to partake in the boom became overwhelming. Would-be migrants moved in with established Bugis farmers, using kin and home-village networks as sources of information and support while they accumulated capital and acquired land. In some of the areas around the Park, village population has doubled in the past two years, and village officials are unable to monitor, let alone control, the influx of people. Lacking knowledge about the potential of this new crop, the indigenous people of Lore Lindu were slower to begin planting cocoa, and within the past three years much of their land has fallen into the hands of migrants. The resulting social tensions, which have agrarian roots, are being expressed as ethnic hostility between migrants and locals, or, more dangerously, as a conflict between Muslims (the Bugis) and Christians (the indigenous uplanders). In Poso, a few hours away by bus, conflicts reported in the press as religious or ethnic included, notably, the burning of cocoa and fancy new houses owned by immigrants.

3 Institutional Complexity and the Limits of a Managerial Response

Encountering processes with such serious repercussions for resources, livelihoods and human lives, it is tempting to search for new policies or ways to rearrange institutions in order to reverse or redirect the changes taking place. I do not reject this approach, but I think it is important to recognise two limitations. First, an understanding of the problem and the formulation of responses through the lens of management tends to yield initiatives such as 'stakeholder consultations', 'joint fact finding', or attempts to amend forest law that are inadequate to the depth, scope and rapidity of the agrarian processes my studies and others have revealed. Second, a managerial approach underestimates the extent to which laws and policies, institutions and advocacy are *already* implicated in the agrarian struggles they seek to resolve. Customary practices and understandings, official legal codes, the authority of government and other forms of power 'mould and pervade' (Mehta *et al.* 1999: 35) the processes through which agrarian differentiation occurs, though seldom in a straightforward fashion.

There is ample illustration of the complex imbrication of customary, administrative, and alternative legal frameworks for regulating land use and tenure in my Sulawesi study sites. Within the Lauje hills, the apparently solid customary principle of recognising the land rights of pioneers and their descendants yielded to struggles over the control and credibility of information about histories of land clearing (who had cleared where, when); over subsequent transactions (gifts, purchases, devolution in absentia); and over the rights that derived from subsequent labour investments, including the establishment of cocoa. 'Customary' dispute resolution procedures were not invoked in land matters on the grounds that land was the concern of 'the government'. Village headmen asked to adjudicate had recourse, in turn, to their own understandings of 'customary practice', mediated through the prism of contested knowledge, intimidation and bribery. Government authority was invoked in attempts to displace hill farmers in favour of coastal elites. But hill folk also invoked government authority to legitimate their land claims, pointing out that they had planted cocoa as members of an official farmers' group, and were given free seedlings and advice by the Department of Estate Crops. To add further complexity, an expert on indigenous peoples' land tenure systems confirmed that the hill folk, as descendants of the first pioneers, were indeed the legal land owners. Persuasive on a general level, this argument ran into trouble in many parts of the hills, where people were not actually farming their own ancestors' land, but had moved into areas vacated by others who had moved off during periods of drought or disruption, their residual entitlements unresolved.

Similarly, on the borders of Lore Lindu National Park, customary and official frameworks for entitlement are deeply intertwined. Dutch resettlement schemes inadvertently set the scene for land transfers almost a century later. Forced to move from the hills to the valleys and lakeside plains, indigenous farmers asserted entitlement to the new land they cleared under government direction, but they did not claim the collective right to exclude subsequent waves of migrants, some of whom also had 'official' backing. The combination of weak collective rights and strong individual tenure created by resettlement has facilitated land

alienation where land has been cleared within living memory, it is easy to establish the identity of the pioneer, and land unencumbered by the overlapping claims of kin can readily be sold. When people sell up, they look to their former hilltop settlements as a refuge, a place to which they can withdraw and start again, but many find their retreat blocked by the National Park boundaries. Village headmen use their interpretation of various legal rulings to foster a sense of insecurity among indigenous landholders in order to facilitate the transfer of land to migrants and strengthen their own role as brokers of land, information, and 'official' permits. The irony here is that the more secure an individual's tenure over the land (through registration and taxation, for example), the higher the price migrants are prepared to pay, so the obvious institutional solution – fixing the rules to improve tenure security – would have the opposite effect. Here, as in the Lauje case, indigenous rights activism has been added to the mix. Talk of indigenous rights has encouraged villagers to confront government authority by reclaiming ancestral land appropriated from them under various official schemes. But it has not helped anyone to identify, still less to address, the causes, mechanisms or effects of the process of agrarian differentiation occurring between and among indigenous villagers and migrants in the context of cocoa. Landless households facing impoverishment turn their frustration into anger against fellow citizens, or withdraw into the remaining forest reserves, where the process of displacement is being repeated.

4 Understanding Uncertainty, Complexity and Process: To What End?

However great the uncertainties, and in the absence of a crystal ball, rural landscapes and livelihoods still have definite tracks of power across them which scholarly analysis can help reveal. Here I have highlighted a systematic process of agrarian differentiation and exposed some of its mechanisms and effects. But why is this kind of understanding important? If the concept of management is problematic, power pervasive and capitalist relations unfolding in an all-too-predictable fashion, of what use is such detailed analysis?

First, even though perfect institutions are unattainable, studies of real-world complexity highlight the unintended effects of government and non-government interventions, inviting corrections and 'damage control'. Although I am sure this is not always the case, I have been encouraged by the interest of government officials and activists in understanding more about the 'on the ground' effects of their interventions. No doubt such knowledge filters into future decision making, even if outright reversals are unlikely.

Second, there may be opportunities for new understandings of agrarian processes to stimulate the kinds of discussion or 'counterpoint' (Li 1997) that clarify the patterns and causes of inequality and foster a multi-level response. By multi-level I do not mean a managerially engineered 'participatory' planning process or consensus-building exercise, but a potentially more politicised response from a range of parties according to their own interests and capacities. For example, advocacy groups defending the land rights of indigenous communities from appropriation by government or large-scale commercial interests might intervene differently if they recognised agrarian differentiation within and between such 'communities' as a central problematic. Upland villagers experiencing land-loss as an individual calamity might react differently if they understood their predicament as one that is shared by (some) co-villagers, reconstituting community around this common concern. Although I concur with James Ferguson's statement (1994: 281) that subalterns 'know the tactics appropriate to their situations far better than any expert does', making detailed prescriptions presumptuous, I would argue that the development of strategies that alter the larger field of force requires additional knowledge resources. Again, I turn to Sulawesi to illustrate.

In the Lauje hillside neighbourhoods for which I have detailed maps and lists of households, my informants have been intrigued and alarmed by the cumulative changes we have tracked over ten years. What they had experienced as unconnected incidents, each embedded in a personal story – 'that was when he was ill; his son needed money to marry' – yielded to an understanding of a process of differentiation in which kin and co-villagers were separating into distinct classes. On another scale of analysis, the social, economic and ecological trajectory of the world's great cocoa booms is quite well understood: the patterns of displacement and accumulation currently being experienced in Sulawesi, and the post-boom dislocation that is yet to come, have occurred elsewhere (Ruf 1997; Ruf and Yoddang 1999). This, I would argue, is knowledge that should be shared, both with villagers and with planners fixed on the immediate goal of increased production.

More generally, I suggest that a focus on agrarian relations re-opens some avenues of inquiry and action neglected in the natural resource management agenda. It is the grab for land ownership, much more than the deficiency of institutions, that is shaping the transformation of the lives, livelihoods and resource base of Southeast Asia's upland populations. At this point I doubt that any policy intervention could halt the advance of Sulawesi's cocoa boom, or prevent the radical reconfiguration of the relations between people and land, capital and labour that comes in its wake. Nor am I convinced that tens of thousands of farmers could or should be dissuaded from the path they have chosen, even if they fully understood the probable consequences. But more knowledge and reflexivity is always better than less, and practices of research and engagement directed towards increased understanding of the processes and mechanisms through which agrarian differentiation occurs and its unintended, cumulative, downstream effects is a constructive, if modest, response.

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