



UvA-DARE (Digital Academic Repository)

Anti-Corporate Activism and Collusion: The Contentious Politics of Palm Oil Expansion in Indonesia

Berenschot, W.; Dhialulhaq, A.; Afrizal ; Hospes, O.; Adriana, R.; Poetry, E.

DOI

[10.1016/j.geoforum.2022.03.002](https://doi.org/10.1016/j.geoforum.2022.03.002)

Publication date

2022

Document Version

Final published version

Published in

Geoforum

License

CC BY

[Link to publication](#)

Citation for published version (APA):

Berenschot, W., Dhialulhaq, A., Afrizal , Hospes, O., Adriana, R., & Poetry, E. (2022). Anti-Corporate Activism and Collusion: The Contentious Politics of Palm Oil Expansion in Indonesia. *Geoforum*, 131, 39-49. <https://doi.org/10.1016/j.geoforum.2022.03.002>

General rights

It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations

If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: <https://uba.uva.nl/en/contact>, or a letter to: Library of the University of Amsterdam, Secretariat, Singel 425, 1012 WP Amsterdam, The Netherlands. You will be contacted as soon as possible.

UvA-DARE is a service provided by the library of the University of Amsterdam (<https://dare.uva.nl>)



Anti-Corporate Activism and Collusion: The Contentious Politics of Palm Oil Expansion in Indonesia

Ward Berenschot^{a,*}, Ahmad Dhiaulhaq^a, Afrizal^b, Otto Hospes^c, Rebekha Adriana^d, Erysa Poetry^d

^a Royal Netherlands Institute of Southeast Asian and Caribbean Studies (KITLV), Reuvensplaats 2, 2300 RA Leiden, the Netherlands

^b Universitas Andalas, Gedung Dekanat FISIP Limau Manis Padang, 25163 Sumatera, Indonesia

^c Public Administration and Policy Group, Department of Social Sciences, Wageningen University, Netherlands

^d Independent researcher

ARTICLE INFO

Keywords:

Land conflict
Anti-corporate activism
Collusion
Contentious politics
Plantation
Conflict resolution
Indonesia

ABSTRACT

The rapid expansion of oil palm plantations in Indonesia has generated a large and growing number of protests against palm oil companies over, mainly, access to land. So far, these protests have been mainly studied through scattered case studies, which precludes an understanding and analysis of general patterns. Addressing this challenge, this paper presents the results of the first-ever large-scale collaborative effort to document 150 conflicts between rural Indonesians and palm oil companies in four Indonesian provinces (West Kalimantan, Central Kalimantan, Riau and West Sumatra). With this material this article unpacks trajectories of the anti-corporate activism sparked by the rapid expansion of palm oil plantations, discussing the causes, character of protests, conflict resolution efforts and outcomes of these conflicts. We find that palm oil conflicts generate a particular ‘rightless’ form of collective action: instead of invoking legal provisions or rights, communities often avoid formal institutions while adopting largely accommodative forms of protest aimed at improving their bargaining position vis-à-vis companies. Despite regular and intense protests often directed at local governments, we find that in 68 percent of the studied conflicts communities fail to address their grievances. We argue that this limited success is not just due to the inadequacies of legal frameworks but also to the way in which Indonesia’s informalized state institutions foster collusion between powerholders and palm oil companies. Such collusion has facilitated the repression of protests and undermined the effectiveness of conflict resolution mechanisms.

1. Introduction

The current oil palm boom is arguably one of the most rapid agro-environmental transformations in modern history (Cramb and Curry 2012: 234), as the size of oil palm plantations in Southeast Asia has doubled each decade since the early 2000 s (Brad et al. 2015). Aside from environmental impacts (e.g. deforestation, pollution and worsening of forest fires (Obidzinski et al. 2012; Purnomo et al. 2017)), this expansion has caused what we call ‘palm oil conflicts’: publicly expressed disagreements between members of rural communities and oil palm companies over the establishment or management of plantations. Every year, on average over a hundred palm oil-related conflicts

emerge¹: in many parts of Indonesia, communities are protesting against palm oil companies, and engaging in demonstrations, lobbying and litigation as well as road blockades, destruction of property and violence (Colchester et al. 2013, Cramb and McCarthy 2016, Pye and Bhattacharya 2013, Anderson 2013). They protest against the loss of access to land and the lack of adequate compensation, as well as pollution, poor labor conditions and disappointing partnership schemes, known locally as *kebun plasma* (Levang et al. 2016, Haug, 2014, Dhiaulhaq et al., 2014).

To date these conflicts have mainly been examined in case studies. These studies have been insightful in the way in which they have highlighted the relative powerlessness of rural communities when

* Corresponding author.

E-mail addresses: berenschot@kitlv.nl (W. Berenschot), dhiaulhaq@kitlv.nl (A. Dhiaulhaq), afrizal@soc.unand.ac.id (Afrizal), otto.hospes@wur.nl (O. Hospes), rebekhaadriana@gmail.com (R. Adriana), erysapoetry@gmail.com (E. Poetry).

¹ Since 2011, Konsorsium Pembaruan Agraria (KPA) has been counting palm oil-related conflicts as well as other types of agrarian conflicts; see for example KPA, 2020 for the cited figure.

dealing with corporate violations (e.g. IPAC 2016, Colchester et al. 2013, Colchester et al. 2006, Acciaoli and Dewi 2016, Afrizal 2007, Potter 2009, Lund, 2018), the fragility and fractiousness of collective action (Afrizal 2013, Lucas and Warren 2013) and the limited capacity of Indonesia's legal system to address these conflicts (Bedner 2016). However, there is an urgent need to move beyond case studies, as this reliance on case studies prevents the analysis of general patterns of trajectories and outcomes of the conflicts sparked by the rapid expansion of palm oil plantations. Furthermore, while there are a number of insightful overview studies of land conflicts elsewhere (e.g. Hall et al. 2015, Borrás and Franco, 2013), these articles are not attuned to (nor are they aimed at) interpreting the specific features of the conflicts sparked by palm oil expansion. Without systematic documentation of a large number of conflicts, we cannot identify or explain their general features. What are the main grievances fueling palm oil conflicts? What strategies do communities and companies adopt to deal with these conflicts? What are the outcomes of these conflicts? How often do communities feel they have succeeded in getting remedy for their grievances, and what might account for their success (or lack of success)?

Addressing these questions, this paper presents the results of the first ever large-scale collaborative effort to document the trajectories and outcomes of 150 conflicts between rural Indonesians and palm oil companies in Indonesia. Focusing on four provinces with a high intensity of palm oil cultivation — Riau, West Kalimantan, Central Kalimantan and West Sumatra — our partner NGOs first drew up a longlist of conflicts taking place during the last twenty years, using their own experiences as well as newspaper reports and government reports. They identified 544 conflicts. From this longlist, we randomly selected 220 conflicts. We ended up with 150 conflicts as we lacked sufficient sources or informants for some cases. A team of 19 researchers traced the emergence, chronology and outcomes of these conflicts by collecting written sources (newspaper articles, online sources, government and NGO documents and academic studies) and conducting 283 interviews with community leaders between May 2019 and May 2020. Based on these materials, researchers wrote extensive reports of each case. The reports documented: 1) basic characteristics of the conflict; 2) basic characteristics of the actors; 3) protest events; 4) use of dispute resolution mechanisms; and 5) conflict outcomes. The collected data were subsequently coded to arrive at the descriptive statistics presented in this paper. To further acquire insights into specific dynamics, we also engaged in more lengthy fieldwork for in-depth studies of 14 of these cases. A more detailed discussion of the research process and data analysis can be found in the online [supplementary material](#).

Employing this extensive material to provide a broad overview of the anti-corporate activism sparked by the rapid expansion of oil palm plantations in Indonesia, this article highlights the impact of informal dimensions of politics on the character and prospects of such activism. We argue that the limited success of communities in getting remedy for the grievances caused by oil palm expansion is due to the ways in which Indonesia's political economy fosters collusion between companies and power holders. We propose that in order to better understand the trajectories of the conflicts caused by corporate land grabbing in the global South, the rather Western-oriented literature on anti-corporate activism needs to pay more attention to the political economy of collusive corporate-state relationships and the ways in which this collusion affects the political opportunity structure facing anti-corporate activism.

We proceed as follows. We start by discussing our approach in relation to the broader literature on anti-corporate activism, after which we provide an overview of the background of the community grievances that give rise to these conflicts. We subsequently analyze the strategies that communities adopt, and the 'corporate contentious politics' of palm oil companies. After discussing the usage and functioning of different conflict resolution mechanisms, we analyze the outcomes of these conflicts and the reasons for the relative ineffectiveness of these mechanisms. We end by discussing the implications of our findings for the study of anti-corporate activism in the context of informalized state

institutions.

2. Anti-corporate activism and informalized state institutions

Anti-corporate activism refers to the deliberate targeting of companies by one or more activist groups, seeking to persuade them to change their conduct and impact on a range of socio-economic or environmental issues (Sadler 2004: 853). As civil society organizations increasingly target companies rather than states to achieve social and environmental goals, a growing literature on anti-corporate activism, or 'private politics' (Baron 2003), has emerged. This literature mainly studies how activists and NGOs use a combination of critical reports, boycotts and media-savvy protests to shame companies into changing their policies (Soule 2009) on issues ranging from genetically modified seeds (Schurman 2004) to labor standards (Fransen 2011). These studies pay particular attention to the role of 'transnational advocacy networks' (TANs) in pressurizing multinationals by drawing media attention to local injustices (see for example Della Porta and Tarrow 2005, Pye and Bhattacharya 2013).

Building on the broader field of social movement studies, this body of literature has generated important insights into when and how anti-corporate activism is most likely to succeed (see Soule and King 2015 for an overview). Focusing on the characteristics of companies that are most likely to give in to activist demands — termed the 'corporate opportunity structure' — studies have highlighted, for example, that activists are most successful when they target publicly known companies dependent on a good reputation (King 2008), companies with an institutionalized commitment to Corporate Social Responsibility (CSR) standards (McDonnell et al. 2015) or companies led by CEOs espousing liberal values (Briscoe et al. 2014). Taking a broader analytical lens, other scholars have instead studied how the character of an industry — referred to as 'industry opportunity structure' — fosters or limits opportunities for activists. In this vein scholars have emphasized the importance of the competitive dynamics between firms (e.g. Raeburn 2004), the character of the production chain of an industry (Schurman 2004) and the presence of industry-level regulatory mechanisms where activists can lodge their claims (Bartley 2007). A commonality of these studies is that they describe the opportunity structure facing activists mostly in terms of industry and company characteristics, while the 'political opportunity structure' — so strongly emphasized in the associated literature on contentious politics (e.g. McAdam et al. 2001) — recedes into the background.

Going by this literature on anti-corporate activism, palm oil companies ought to be fairly responsive to claims and grievances from communities: most palm oil companies have adopted extensive CSR policies, and the palm oil industry has also set up a multi-stakeholder forum, called the 'Roundtable on Sustainable Palm Oil' (RSPO), that seeks to uphold elaborate and relatively stringent standards while offering communities a forum where they can lodge their claims. At the same time public scrutiny from international NGOs like Friends of the Earth or Greenpeace, but also the governments of European countries, has been intense. While most palm oil producers are not household brands, they supply to well-known companies like Unilever and Nestlé, who are exerting considerable pressure on their suppliers to clean up their act because of NGO campaigns criticizing their use of 'dirty palm oil'² (see Pye 2013).

Yet, as we will explore in this paper, such potentially conducive aspects of the palm oil's 'industry opportunity structure' might be insignificant compared to the negative impact that informal, collusive relationships between the palm oil industry and state authorities are having on the nature and outcomes of community activism. This is partly due to the different nature of the anti-corporate activism adopted by

² See for example Greenpeace's campaign: <https://www.greenpeace.org/aotearoa/act/tell-big-companies-to-drop-dirty-palm-oil/>

rural Indonesian communities compared to the campaigns discussed in the largely Western-oriented literature. With a few important exceptions, the protests against palm oil companies involve communities with tenuous citizen rights who do not attempt to change corporate policies but rather aim more modestly to improve the terms under which companies obtained their land. Palm oil conflicts are marked by a stark imbalance of power, as these conflicts involve communities with limited education, low per capita incomes and limited experience with politics and government, facing wealthy, well-connected companies with considerable political goodwill due to their substantial contribution to Indonesia's economy (3.5% of Indonesia's GDP)³. Furthermore, due to their collusive relationships, state actors are so heavily involved in these conflicts that the term 'private politics' would be a real misnomer.

These characteristics — particularistic aims, a stark imbalance of power, collusion — apply to a broad range of community protests sparked by processes of land use change across the global South (see *Caouette and Turner 2009*). Perhaps because of these particular characteristics, scholars studying land use change conflicts in the global South make remarkably little use of (and rarely frame their study in terms of) the literature on anti-corporate activism or even the broader field of contentious politics (see *Hall et al. 2015*, *Borras and Franco, 2013*, *Afrizal and Berenschot, n.d.*). While the need to extend the social movement literature beyond its narrow focus on the US and Europe is regularly expressed (e.g. *McAdam et al. 2001: 69*), so far this call has rarely been heeded by scholars of anti-corporate activism. While there are important exceptions (see *Kröger 2013*), generally speaking, the current literature on anti-corporate activism is not easily applicable to the global South.

One of the key challenges facing the study of anti-corporate activism in the global South — and, in particular, protests against palm oil companies — concerns the impact of informalized state institutions and a political arena dominated by economic elites on the trajectories and outcomes of contentious politics. By 'informalized state institutions' we mean state institutions whose capacity to implement rules and regulations in a universal, rule-bound manner is affected by regular personal exchanges of favors through informal networks. In this context, informal institutions — the social norms and obligations that are embedded in personal relationships (see *Lauth 2000*) — shape access to power and privileges and, by extension, influence the character of governance and politics. The actual outcomes of bureaucratic processes are often the product of shadowy deals taking place in a world where personal connections, bribe-taking and clientelistic exchange relations rule.

Informalized state institutions breed collusion, which we use as a shorthand term to refer to informal exchanges of favors between business actors and powerholders. Given the importance of having strong personal relationships with powerholders — bureaucrats and politicians but also police and officials — for obtaining the necessary paperwork for economic opportunities, business actors face strong incentives to provide personal favors (gifts and donations to election campaigns but also positions on corporate boards) as a means to smoothen regulatory processes (*Khan and Jomo 2000*). The term 'crony capitalism' has gained traction to capture this importance of relationships with powerholders as a means to obtain economic opportunities (e.g. *Kang 2002*). For heavily state-dependent sectors like the palm oil industry, such incentives to cultivate collusive relationships are particularly strong because the establishment of plantations requires an elaborate set of concessions and permits from a range of state institutions (see *Gellert and Andiko 2015*).

In view of this, we propose that anti-corporate activism needs to be studied in the light of the evolution of state-business relations in Indonesia, and in particular the ways in which the close interaction and

interdependence between economic and political elites has generated an 'oligarchic democracy' (e.g. *Winters 2011*, *Ford and Pepinsky 2014*, *Aspinall and Van Klinken 2010*) in which governance is highly skewed towards the interests of economic elites. Indonesia's economic development has depended heavily on such collusive relationships between 'politico-bureaucrats' and economic elites (*Robison 2009*) as Suharto's authoritarian regime (1965–1998) developed a 'franchise system' which allocated most economic activities to those business actors closest to Suharto's regime (*McLeod, 2011*). In democratized Indonesia such collusive practices have continued, albeit in a more decentralized form: as regional politicians (and bureaucrats) gained greater powers, they could use their discretionary control over government contracts, permits and concessions to extract considerable bribes from business actors. The costly nature of election campaigns has further cemented this embrace between business and politics: politicians tend to use their control over licensing procedures as a means to extract funds from palm oil companies, among other groups, as a way of financing their election campaigns (see *Aspinall and Berenschot 2019*, *Gecko Project 2017*). In that light scholars have shown that local power constellations have a considerable impact on the outcomes of palm oil conflicts (e.g. *McCarthy 2004*, *McCarthy et al. 2012*, *Rasch and Köhne 2016*) while others highlight the impact of clientelist exchanges between companies and politicians (*Varkkey 2015*). As scholars of Indonesia's political economy regularly emphasize (e.g. *Carroll, Hameiri and Jones 2020*, *Mudhoffir and A'yun 2021*), the character of capitalist development in Indonesia is generating considerable economic and political inequalities, as governance is skewed to towards the interest of economic elites in both formal ways (through the adoption of pro-business legislation) and informal ways (through collusive practices). The prevalence of informal exchanges of favors between economic and political elites is providing corporate actors with a considerable advantage when faced with conflicts with societal actors such as labor unions, environmental groups or — in this case — disgruntled rural communities: "The predominance of informality means that when social movements achieve gains, those gains are often ephemeral (...). This gap between formal and substantive rights is part of the everyday political vernacular in Indonesia" (*Aspinall 2019: 193*; see also *Berenschot and Van Klinken, 2018*).

For these reasons we will pay particular attention to the ways in which the pervasiveness of informal connections between state officials and corporate actors not only serve to discourage community protests, but also delimit the particular 'contentious repertoires' that communities adopt. The nature of state-business relationships in Indonesia impacts the whole trajectory of palm oil conflicts: as we will show, the collusion between companies and authorities not only generates conflicts (since it has generated legislation that prioritizes the interests of companies while enabling companies to disregard clauses that protect the interests of communities) but also shapes the strategies that rural Indonesians adopt to address their grievances (as it makes demonstrations riskier, for example) while posing an obstacle for the resolution of conflicts (since it complicates and discourages efforts to use legal provisions to discipline the behavior of companies). We will start by exploring the nature of the grievances that give rise to palm oil conflicts.

3. What are the grievances fueling palm oil conflicts?

We took all the 150 conflicts in our study and documented and categorized the grievances that communities expressed during their protests and during interviews. *Table 1* provides a general overview of our findings. As conflicts usually involve two or more different grievances, the percentages add up to more than 100%.

As this table illustrates, palm oil conflicts concern grievances about the conditions surrounding both the establishment of plantations and their day-to-day management. A single conflict often involves a complex mix of such grievances as communities may start out protesting against their land being taken without consent and then, in subsequent years, move on to focus on pollution or profit-sharing. The largest two

³ According to the Indonesian Coordinating Minister of Economic Affairs, August 18, 2021. See <https://mediaindonesia.com/ekonomi/426343/menko-ai-rangka-ungkap-kontribusi-industri-sawit-dalam-pemulihan-ekonomi>

Table 1
Types of complaints fueling community protests.

Type of complaints (Number and percentage of total cases in provinces)	Riau (N = 48)	West Sumatra (N = 25)	West Kalimantan (N = 32)	Central Kalimantan (N = 45)	Total (150 cases)
Land taken without consent	32 (67%)	16 (64%)	15 (47%)	36 (80%)	99 (66%)
Problems with profit-sharing (<i>plasma</i> scheme)	25 (52%)	13 (52%)	21 (66%)	27 (60%)	86 (57%)
Plantation violates regulations	4 (8%)	5 (20%)	5 (16%)	17 (38%)	31 (21%)
Pollution and other environmental impacts	4 (8%)	0	7 (22%)	8 (18%)	19 (13%)
Inadequate compensation	5 (10%)	3 (12%)	5 (16%)	7 (16%)	20 (13%)
Refusal of new plantation	0	0	2 (6%)	3 (7%)	5 (3%)
Loss of access to village and agricultural fields	2 (4%)	0	1 (3%)	2 (4%)	5 (3%)
Poor labor conditions	8 (17%)	2 (8%)	6 (19%)	2 (4%)	18 (12%)
Other complaints	3 (6%)	1 (4%)	2 (6%)	7 (16%)	13 (9%)

categories of grievances are grievances about the way in which palm oil companies obtain control of land (involving 66% of the studied conflicts) and grievances about how companies are implementing profit-sharing schemes (or failing to do so) (57%). Generally speaking, we did not encounter major differences across our four provinces⁴. The grievances concerning land grabbing involve claims to return land to the community as well as claims for fair compensation for land that companies have obtained. These conflicts over land have their roots in the way in which the Indonesian law curtails the rights of local communities and indigenous people to land in areas claimed as state land (*tanah negara*) and forest areas (*kawasan hutan*) — the latter category currently applies to over 63% of Indonesia's territory (Nurbaya 2018). This curtailed recognition of land ownership — which goes back to Dutch colonial laws (see Dhiaulhaq and Berenschot 2020) — has created the paradoxical situation that while rural Indonesians often cannot obtain legal title to the land on which they live and work, companies can achieve control over this land through the licenses and concessions they obtain from both local governments and national ministries⁵. The result of this 'concession system' is that rural communities feel that their land is being stolen from them while at the same time this corporate acquisition of land is legal (in most cases).

However, when companies obtain such concessions they are obliged — both by Indonesian laws, such as the 2014 plantation law and 2007 law on spatial planning, and by the palm oil industry standards adopted by the RSPO — to obtain the informed consent of a community before incorporating their land into a new plantation (Anderson 2013, RSPO 2018)⁶. Many conflicts can be traced back to the haphazard process through which this consent is obtained. Typically, this process starts with a number of 'socialization' meetings, during which company representatives present their plans to villagers and promise monetary compensation and, sometimes, jobs in the plantation (e.g. Rietberg and Hospes, 2018). Yet generally the offered 'compensation money' (*uang ganti rugi*) is low and below villager's expectations. The amounts paid in the studied cases ranged from Rp. 500,000 (about USD 35) per hectare in 2004 to Rp. 2 million (about USD 140) in 2014, with twenty to forty dollars added for land planted with cash crops such as rubber. As these sums are generally hardly enough to compensate for the loss of livelihood implied by the loss of land, villagers often refuse such offers at first.

⁴ The slightly higher incidence of grievances about *plasma* in Kalimantan might be due to the fact that the plantations in this region were established under less beneficial profit-sharing schemes (see Potter 2016), while we have no explanation for the somewhat higher number of grievances related to land in West Kalimantan.

⁵ Or, in the case of non-forest land, the Ministry of Agriculture and Ministry of Agrarian Affairs and Spatial Planning/BPN.

⁶ If villagers actually formally own the land (as in the case of the villages of transmigrants, who usually possess land certificates) the company has to buy the land or convince villagers to participate into a profit-sharing partnership agreement (such as the *inti-plasma* scheme).

We found 67 cases (44.7% of the total number of cases) in which no compensation at all was paid before community protests started.

Palm oil companies employ a range of strategies to overcome such hesitation. A particularly important strategy consists of attempts to co-opt community leaders: palm oil companies target village heads and other community leaders with gifts, trips to the provincial capital or Jakarta and monthly allowances as a means to get their consent. This complicity of community members greatly complicates the character and resolution of land-related conflicts, as the grievances often have their roots in how village heads sign consent letters without consulting the community, how local bureaucrats falsify proofs of ownership, and how muscular community members and police officials agree to intimidate other community members. In other words, the collusion between certain community members, local authorities and palm oil companies creates messy and confusing situations that are difficult to clear up even for well-meaning palm oil companies. The effect of this collusion, however, is quite straightforward: the majority of the conflicts that we studied involved community members who complained that they lost their land without having given their consent to this and without receiving compensation.

The second major grievance concerns the *implementation of profit-sharing schemes*. These schemes are often referred to as '*kebun plasma*', which refers to the part of the plantation that is reserved for communities alongside the larger company part (the '*kebun inti*'). Since 2007, the Regulation of the Indonesian Minister of Agriculture (No. 26/2007) concerning Guidelines for Plantation Business Licenses requires companies incorporating community land into their plantation to provide at least 20% of the resulting plantation (or the profits from this land) to the community. Yet often companies simply renege on their promise to provide *plasma* land. In other cases companies do share some of the profits from this *plasma* land, but the profits are so low, and shared in such a non-transparent manner, that villagers feel cheated. Profits are made once palm oil trees start to bear fruit (about four to five years after planting) and the costs of planting the oil palm trees (and the fertilizer, etc.) are deducted from these profits. In many of the cases we studied, villagers were disappointed with the money they received after five years of waiting, with amounts sometimes as low as Rp. 100,000 (USD 6) per hectare per month (in the case of PT. GIJ in Central Kalimantan). In relatively better cases (e.g. in the case of PT ANI in West Kalimantan), villagers reported that on average each household receives less than Rp. 500,000 (USD 35) per month — still much less than the two to three million rupiah per hectare that a plantation can yield. Such disappointment with the implementation of the *plasma* scheme often fuels considerable protest. This messy and often rather fraudulent manner of implementing joint venture schemes constitutes a major cause of conflicts, as people mobilize to demand a fairer share of the plantation's profits.

4. The contentious repertoire of palm oil conflicts

To address these grievances, what strategies do rural Indonesians employ? How do they voice their grievances and claims? To identify this ‘contentious repertoire’, we turned to our case documentation and counted all the public gatherings organized by villagers to express their grievances (i.e. ‘protest events’, see Tilly 2008). As shown in Table 2, we found that demonstrations and hearings with local politicians and bureaucrats are the two most common types of protest events (organized, respectively, 247 and 170 times in the course of our 150 conflicts), followed by land occupations (105), attacks on company property (64) and petitions to local governments (50).

While demonstrations are very common (involving 76% of the studied cases), a remarkable finding is that these demonstrations are mostly directed at local governments rather than companies. Many communities do start out trying to negotiate with the company directly, but as companies often do not respond, communities then frequently organize demonstrations in front of district government and local parliament buildings (Dewan Perwakilan Rakyat Daerah/DPDR). The aim of these demonstrations is generally to convince local authorities to organize a hearing to discuss the grievances. Hearings are common (involving 63% of the cases); these are rather formal events during which communities present their complaints and demands to local authorities, while companies are given an opportunity to respond (if they attend, which often they do not). Such meetings partially serve to shame the company through the newspaper coverage of these meetings. But just as importantly, communities target local politicians and civil servants to get them to engage in some sort of conflict resolution: these hearings are often a prelude to conflict mediation — which we will discuss below. In other words, we found that the anti-corporate activism of rural communities is notably government-oriented, as the activists often target local authorities in order to pressurize companies.

Communities often rely on support from both local and national NGOs: we find NGO involvement in over 63% of the studied conflicts (94 cases). While this is not the place for a full examination of their role in these conflicts (but see Berenschot et al., 2022), a number of aspects of their contribution deserve highlighting. First, local NGOs like Walhi, Gemawan and Scale Up play an important role in boosting the capacities of rural communities. Villagers involved in these conflicts generally have limited experience in dealing with state institutions. Yet considerable skills are required, particularly when cases are reported to authorities and enter mediation processes. Maps with GPS coordinates need to be made, proofs of land ownership and history need to be collected, a community organization needs to be formed and many letters need to be written.

A second important contribution by NGOs lies in forging connections with national and even international NGO networks, thus enabling communities to pressurize companies by generating national and

international attention (including in the media). For example, in 2007 Gemawan (an NGO based in West Kalimantan) undertook a joint field investigation in collaboration with Milieudefensie (Friends of the Earth Netherlands) and presented the findings regarding a conflict involving the Wilmar Group in West Kalimantan via a press conference in the Netherlands. There were interviews with international media, such as *The New York Times*, Reuter, VARA TV (Dutch TV) and others⁷. Such ‘internationalization’ of conflicts is, however, rare as most of the studied cases involved companies without such clear links to European companies. In our set of 150 cases, only seven cases (5%) involved international NGOs. Three of these cases resulted in partially or largely successful outcomes.

Another remarkable finding is that the communities themselves remain relatively peaceful. Communities do sometimes adopt more confrontational strategies that disrupt the operations of the plantations, such as land occupations and blockades, for example to prevent heavy machinery from entering the plantation. Particularly in Central Kalimantan, such road blockades sometimes take the form of an *adat* ritual called *hinting pali* (*portal adat*) in which the spirits of ancestors are invoked to seal the barrier — implying that individuals who break the blockade risk the wrath of these spirits (we documented 14 such events). Another form of protest is the placing of a *portal*, a wooden gate, in front of the road leading to disputed parts of the plantation, generally with signboards expressing the claim to the land. Furthermore, community members also engage in ‘protest harvesting’, i.e. the harvesting of palm fruit bunches from disputed land (this took place in at least 27% of the cases). Yet road blockades are generally brief and land occupations are rarely sustained. We encountered relatively few incidents (37) of violence involving community actors only. Most of the violence that we documented actually concerns acts perpetrated either by the police or by security forces hired by palm oil companies (see Table 3).

In short, communities engage in forms of collective action that are quite accommodative. Rather than insisting on formal procedures and citizen rights, they largely aim at improving their bargaining position by attracting media attention and cultivating the support of local authorities. Most violence is perpetrated by actors associated with the company, which, as we discuss in the next section, often succeeds in curtailing community protests.

5. Corporate contentious politics

To understand the intractability of palm oil conflicts as well as this pattern of community protests — its relatively peaceful nature, the focus on negotiations rather than legal procedures and the fear of arrests — it is important to also probe the strategies that companies employ. This study finds that companies not only make strategic use of formal mechanisms such as lodging formal complaints or taking adversaries to court, but also engage in strategic cultivation of informal exchange relationships with local authorities in order to defuse community protests and minimize the possible resulting damage. While these relationships are quite secretive, we encountered various indications that such collusive relationships are fairly common. In 87 cases (58% of the total cases), community leaders we interviewed stated that they had indications of actual or suspected informal connections between companies and powerholders — such as having a retired general on the board of a company, politicians or their family members co-owning a company, or indications that company management provided campaign donations to politicians. Indonesia’s palm oil industry is quite tightly interwoven with the country’s political elites. Many political leaders — from Aburizal Bakri (Golkar), Surya Paloh (Nasdem) and Oesman Saptana

Table 2
Types of protest events.

Protest event	Number of such protests	Number of cases involving such protest events (% of total of 150 cases)
Demonstrations	247	115 (76%)
Hearings, public facilitation and press conferences	170	95 (63%)
Land occupations or blockades	105	68 (45%)
Attacks on property and protest harvesting	64	41 (27%)
Petitioning	50	31 (20%)
Adat ritual and sanctions	14	13 (9%)
Land delineation/mapping events	13	12 (8%)
Others	5	5 (3%)

Source: authors’ analysis of 150 palm oil conflicts.

⁷ See for example <http://gemawan.org/en/3512-laili-khairmur-milestone-of-social-empowerment-activist-in-west-kalimantan?fbclid=IwAR22J8aLqFT6NiOBERnRLbMmTQH1siWXFqyupMFVx4GjcWT2z-pz9k6ZE>

Table 3
Cases involving violent incidents and arrests.

	West Sumatra	West Kalimantan	Riau	Central Kalimantan	Total (% of 150 cases)
Incidence of violence*	8(32%)	6 (19%)	14 (29%)	16 (36%)	44 (29%)
Violence perpetrated by community alone**	3	8	12	14	37
Violence perpetrated by company, police, <i>preman</i> (thugs), security officials, army**	14	11	5	23	53
Violence perpetrated by both community and company**	2	3	5	6	16
Arrests*	7(28%)	10 (31%)	26 (54%)	20 (44%)	63 (42%)
No. of people wounded***	60	25	72	86	243
No. of deaths***	0	0	14	5	19
No. of arrests***	107	144	236	302	789

*Number of cases **Number of incidents *** Number of people.

(Hanura) to the Minister of Maritime Affairs Luhut Panjaitan, presidential candidate Prabowo Subianto and provincial governors like Sugianto Sabran from Central Kalimantan — are co-owners of palm oil companies themselves⁸, while an even greater, as yet undocumented, number of politicians derive campaign and other funds from this industry (Varkkey 2012). For example, the district head of Seruyan in Central Kalimantan, Darwan Ali, employed a wide range of family members to set up and manage various plantations, in a way that generated many protests among affected inhabitants. As the Gecko Project revealed, Darwan Ali did not just use his control over the local government to obtain the licenses for the plantations, he also used this control to make sure that the local government supported these companies when protests arose (see Gecko Project 2017).

In addition to such elite-level relationships, we came across local company representatives (community liaisons called *humas*) who stated that they were tasked with distributing monthly ‘gifts’ to local authorities. In the words of this *humas* from Central Kalimantan, “As *humas* my most important task was to give *uang jatah* (‘gratuity’) for the *kapolsek* [head of local police], *koramil* [local military commander], *village heads* and *camat* [sub-district head]. A monthly incentive. The village heads we gave 500 thousand rupiah [40 USD] per month, the head of the local police and the sub-district head get 1 million [80 USD].”⁹ Furthermore, from our interviews with company representatives we gathered that it is quite standard practice for companies to pay the police and local army units to help out during community protests. In the words of the head of the conflict resolution division of a large palm oil company: “The police and soldiers have become smart in making proposals [to companies]. So that every time there is a conflict, the company has to spend billions of rupiah. Because the proposal includes operational costs, money for meals (*lauk pauk*), pocket money for their families, for the *kapolres*

⁸ See <https://kabar24.bisnis.com/read/20190220/15/891417/pengusaha-dan-pejabat-di-lingkarannya-jokowi-kuasai-ribuan-hektare-lahan-negara-ini-inciannya> (accessed 19 July 2021)

⁹ Interview 8 September 2017

[police chief]: everything is included and it can reach over a billion”¹⁰.

Other indications of the regularity and character of such collusive relationships stem from sting operations by Indonesia’s anti-corruption commission KPK. From time to time the KPK succeeds in catching politicians and bureaucrats in the act of accepting bribes from company representatives. In October 2018, for example, the KPK caught three executives from Golden Agri Resources (GAR) offering bribes to four members of Central Kalimantan’s parliament (DPRD). These politicians had been investigating community grievances regarding pollution, land grabbing and license violations involving several of GAR’s subsidiaries. In exchange for a bribe of 240 million rupiah (about USD 16,000) they promised to cancel a scheduled hearing and drop the issue. In the end, both the GAR executives and the politicians were given jail sentences of two to five years¹¹.

Such informal exchanges enable palm oil companies to curtail community protests, weaken conflict resolution mechanisms and preserve the status quo. With the backing from local authorities, companies can enlist the support of the police to suppress community protests. While many demonstrations proceeded without such police intervention, as Table 3 shows, we documented 69 community protests that were met with a violent response from the local police, the mobile police brigade (*Brimob*), the army or *preman* (‘thugs’) (of which 16 instances also involved violence from community members). This violence and intimidation is a means to intimidate and silence critical villagers (see also Li 2018, Dhiaulhaq et al. 2014, Dhiaulhaq & McCarthy 2019).

Furthermore, these collusive ties between companies and state officials facilitate the criminalization of protest leaders. A striking aspect of conflict trajectories is that they often lead to the arrest and imprisonment of community leaders (this happened in 63 cases, or 42%; see Table 3). While some such arrests seem occasioned by actual violations, in other cases the accusations against villagers seem fabricated or trumped up. For example, in the case of PT. BAK (Central Kalimantan), the local leader Hison was sentenced to five months in jail in April 2014 for carrying a machete inside a plantation, which is a criminal offence in Indonesia according to an old 1951 emergency law¹². This seems to have been a set-up: Hison brought this machete at the behest of the district head of Kotawaringin Barat, who had invited him to conduct a ritual slaughter of a buffalo.

6. The ineffectiveness of conflict resolution mechanisms

These collusive relationships between companies and state authorities not only facilitate the suppression of protests, they also undermine the impartiality and effectiveness of conflict resolution mechanisms. We found that communities rely on four main conflict resolution mechanisms to seek redressal for their grievances: bilateral negotiations, informal mediation facilitated by local authorities, Indonesia’s court system and the complaints system set up by the RSPO. We traced how often communities employed these different mechanisms. Table 4 presents the results.

Community disputants usually start out trying to negotiate with a company. For example, after a community realizes that a company has commenced operations on their land, a few representatives visit the local office of the company to attempt to stop the activity or to demand compensation or profit-sharing. In the cases that we studied, we found that companies surprisingly often refuse to engage in such negotiations. With government permits in hand, plantation managers feel that their

¹⁰ Interview, February 28, 2020.

¹¹ See Tipikor Court (Indonesian Court for Corruption Crimes) Decision, Case Number 4/Pid.Sus-TPK/2019/PN Jkt.Pst. See also <https://www.forestpeoples.org/en/palm-oil-rspo/press-release/2020/large-scale-bribery-and-illegal-land-use-violations-alleged-large> (accessed May 20, 2021).

¹² See Article 1, UU Darurat 1951.

Table 4
Usage of conflict resolution mechanisms.

	Riau (N = 48)	West Kalimantan (N = 32)	West Sumatera (N = 25)	Central Kalimantan (N = 45)	Total (150 cases)
Mediation and facilitation	29 (60%)	23 (72%)	23 (92%)	34 (76%)	109 (73%)
Court	12 (25%)	5 (16%)	13 (52%)	10 (22%)	40 (27%)
Bilateral negotiation	9 (19%)	12 (38%)	3 (12%)	5 (11%)	29 (19%)
RSPO	2 (4%)	5 (16%)	1 (4%)	9 (20%)	17 (11%)

legal position is strong and they are reluctant to recognize the land claims of locals. In cases where serious negotiations took place (such as PT Karya Dewi Putra in Central Kalimantan and PT Laras Inter Nusa in West Sumatra), this was usually only after large community protests threatened the operation of the plantation. Yet in both these cases (and many others) the resulting agreement was not implemented by the company. It seems that without outside pressure, companies regularly renege on the promises they make to communities. Due to this regular refusal of companies to either engage in negotiations or implement agreements, we find that bilateral negotiations rarely lead to the resolution of conflicts.

Another striking conclusion is that villagers make relatively little use of Indonesia's legal system. Overall, communities turned to courts in only 27% of the cases we studied. Litigation is perceived to be an unattractive option because of the difficulty of proving land ownership in a manner recognized by the court, the high costs involved and the perceived corruptibility of the courts. Similarly, the RSPO complaints system plays only a minor role. Set up to provide an alternative dispute resolution mechanism, in theory the RSPO complaints system offers a promising avenue since member companies need to abide by the RSPO's principles to obtain and maintain a sustainability certification. Yet communities in our study involved the RSPO only in 17 cases (11%). Our interviews suggest that informants are either not aware of the RSPO's complaint facility, or perceive this option as unattractive due to the perceived complexity of reporting a complaint to the RSPO.

Given the regular breakdown of negotiations and this distrust and inaccessibility of formal mechanisms, communities rely on local authorities to facilitate communication and to mediate the conflict in the majority of the studied cases (73%). Most commonly this alternative dispute resolution involves a set of meetings facilitated by local government representatives such as the district head (in high-profile cases) or local bureaucrats such as sub-district heads (*camats*) or department heads (*kepala dinas*). Initial discussions revolve around clarifying the basic facts about land boundaries, for example, or whether compensation has been paid and if so, how much. These mediation processes are generally lengthy due to the complexity of verifying land ownership, but also the reluctance of companies to participate or to implement agreements.

We regularly encountered examples of companies stalling or obstructing mediation processes by refusing to attend, to provide requested documents, or to implement an agreement. In the case of PT SSS (Central Kalimantan), for example, both the district parliament and the district head organized several mediation sessions, but company representatives refused to attend and little progress was made even after 14 years of conflict¹³. A particularly striking example concerns the case of the conflict between the state-company PTPN V and the Senama Nenek Community in Riau. First the *bupati* (district head) of Kampar district tried to mediate this conflict. After he gave up, the Governor of Riau formed his own conflict resolution team. Several meetings were conducted between 2007 and 2009 and the company ended up promising to return 2800 ha of land to the community. Yet as the company subsequently refused to implement the agreement, several more years of community protests followed. This conflict was only resolved after a

highly unusual intervention by President Joko Widodo, who in 2019 ordered the company to return community land¹⁴. Apart from this unique intervention, a remarkable general aspect of these efforts by local governments to facilitate conflict resolution is their lack of teeth: while palm oil companies regularly refuse to participate constructively in such meetings involving allegations of serious (license) violations, local governments generally avoid taking any kind of disciplinary action.

Villagers regularly express their disappointment with the role of politicians and bureaucrats, accusing them of organizing these facilitation and hearing sessions merely to obtain media attention and solicit bribes from companies:

When the DPRD mediated the case [involving PT. GAL in central Kalimantan], they only investigated but they did not really do anything. My suspicion was that this was an ATM for them [i.e. that the case was used to demand bribes from the company]. They kept asking us for documents, but when we gave these documents they said, 'oh we lost the documents and we can no longer work on this case'. They just got involved to get known [i.e. for publicity]. They gave nice speeches emphasizing that we should do our best to gather documents, and then they were gone. (Interview, Central Kalimantan, July 16, 2018).

Due to the inaccessibility and communities' distrust of formal mechanisms like the courts and the RSPO, communities are forced to rely on such mediation efforts by the authorities to resolve their conflicts — while often having suspicions about authorities siding with the oil palm companies because of personal incentives. Informal dispute resolution headed by local authorities generally fails to produce tangible results because of this lack of teeth and the regular collusion between government officials and palm oil companies.

To evaluate the effectiveness of the available dispute resolution mechanisms, we documented the outcomes of the palm oil conflicts in terms of whether, and to what extent, communities were able to get companies to meet their demands. Such an assessment is complex not only because most conflicts never really 'end', but also because companies or communities rarely publicly announce agreements between them and because such agreements, court verdicts or RSPO judgements often remain unimplemented. To address this challenge, we decided to rely on the subjective assessments of both our local researchers and the interviewed community representatives. The researchers and community representatives were asked separately to provide an assessment of the achievements of the community, in terms of remedy, by scoring the outcomes of the conflict from one (we had no success at all) to five (we fully achieved our aims).¹⁵

The results — reported in Table 5 — suggest that successful conflict resolution is rare. In 57 (38%) of the studied conflicts in the four provinces, community representatives reported that they did not achieve anything at all while in 45 cases (30%) they felt that they had achieved hardly any results — apart from minor tokens or gestures of

¹³ See for example <https://www.borneonews.co.id/berita/14505-pt-sss-tak-hadiri-rapat-mediiasi-dprd-merasa-dilecehkan>

¹⁴ See <https://bisnis.tempo.co/read/1201657/jokowi-selesaikan-kasus-sengketa-tanah-puluhan-tahun-di-riau> (accessed July 9, 2021)

¹⁵ While such assessments are unavoidably subjective, the agreement between these informants was generally high: in 84 % of the cases all informants provided the same evaluation, while in 15 % of the cases the informants differed by only one point (in these situations we adopted the highest evaluation).

Table 5

Overall evaluation of conflict outcomes in four provinces.

	Riau (N = 48)	West Kalimantan (N = 32)	West Sumatera (N = 25)	Central Kalimantan (N = 45)	Total (150 cases)
No success at all	23 (48%)	12 (38%)	9 (36%)	13 (29%)	57 (38%)
Barely successful	10 (21%)	9 (28%)	7 (28%)	19 (42%)	45 (30%)
Partially successful	9 (19%)	7 (22%)	4 (16%)	9 (20%)	29 (19%)
Largely successful	5 (10%)	4 (13%)	5 (20%)	3 (7%)	17 (11%)
Fully successful	1 (2%)	0 (0%)	0 (0%)	1 (2%)	2 (1%)

goodwill from the company (such as a contribution of CSR money or more local people hired as labor) unrelated to the main claims of the community. In other words, in 68% of the studied 150 conflicts the communities did not succeed (or barely succeeded) in getting remedy for their grievances, with very little difference between the four provinces. We encountered only two conflict cases (PT UHP in Central Kalimantan and PTPN V in Riau) in which community representatives felt that they had been fully successful (while we also documented 17 cases where communities succeeded 'to a large extent'). Most conflicts drag on for years: in cases where some sort of resolution was reached, this took 8.5 years on average. The ongoing, unresolved conflicts have been dragging on for 11 years on average. These findings suggest that the existing conflict resolution mechanisms — the courts, RSPO's complaint facility, mediation by local authorities and bilateral negotiation — are rather ineffective in addressing community grievances.

7. Collusion and anti-corporate activism

What might explain this regular failure of the efforts of communities to address their grievances against palm oil companies? The intractability of palm oil conflicts is often attributed to the limited organizational and legal capacities of communities, unequal power relations and the inadequacies of Indonesia's legal framework (e.g. Acciaioli & Dewi 2016; Potter 2009; Pichler 2015). We would argue, however, that the systemic collusion between business actors and state authorities constitutes a more important obstacle.

There are good reasons to attribute this lack of success to a disjuncture between the skill sets of local communities and the considerable complexities of addressing palm oil conflicts. Indonesia's legal regime related to land is mind-bogglingly complex, the procedures for establishing and managing joint-venture schemes are intimidating and the official procedures for obtaining plantation licenses bear a complex relationship to reality. Community leaders such as *adat* leaders or village heads often complicate matters further by making deals with companies without properly consulting their community. Internal divisions make things worse: during the course of a conflict, alternative leaders may emerge (sometimes secretly supported by the company) who generally end up weakening both the organizational capacity and the bargaining position of the community. On top of that, the available conflict resolution mechanisms — the courts, local governments, the RSPO — all maintain their own complex procedures and they require communities to understand how to measure their land, produce proofs of land ownership and communicate their demands in a clear manner. In that light it is lamentable and somewhat surprising that both the Indonesian government and the RSPO and development agencies spend relatively little effort and money on providing legal aid to affected communities.

But the successful cases that we encountered also bear testimony to the considerable stamina, inventiveness and skills of communities. The cases of both PT UHP (Central Kalimantan) and PTPN V (Riau) illustrate how communities could win by maintaining unity and implementing a diversity of strategies over the course of lengthy struggles. The fact that such successful cases were very hard fought illustrates that we should not attribute the failures of other communities to their limited capacity to overcome the obstacles but rather to the nature of these obstacles.

One such frequently mentioned obstacle is the character of Indonesia's legal framework related to land. Indeed laws related to land

tenure tend to privilege the interests of (palm oil) companies over those of communities (see Bedner 2016). As mentioned, this legal framework prevents many rural Indonesians from obtaining legal title to their land. Lacking formal evidence of their land claim, the Indonesian courts generally prioritize the concessions of companies over the proofs of land ownership that rural Indonesians do possess, such as the 'SKT' (*surat keterangan tanah*, ownership letters issued by local state authorities). This weak land tenure of rural Indonesians limits the effectiveness of Indonesia's legal system in resolving conflicts and strengthens the bargaining position of companies. The persistence of such curtailment of land rights in Indonesia (itself a colonial legacy, see Dhiaulhaq and Berenschot 2020) is in itself a testimony to the oligarchic nature of Indonesia's democracy.

In that sense, Indonesia's legal framework obviously poses an obstacle for the resolution of palm oil conflicts as this legal framework limits the usefulness of courts and weakens the bargaining position of communities. Yet our study also reveals that even when communities do possess strong land claims — such as in the case of transmigrant communities who do possess formal land titles — they are not noticeably more successful in addressing their grievances: of the 15 conflicts involving transmigrants that we studied, only three had a relatively successful outcome. This limited impact of the strength of land claims on the outcomes of palm oil conflicts suggests that weak land tenure cannot be the only explanation for the limited success of communities in addressing their grievances.

Our study suggests that this limited success is mainly due to the way in which Indonesia's informalized state institutions foster collusion between powerholders and palm oil companies. We identify four specific ways in which this collusion impacts anti-corporate activism. First, the informalized character of state institutions enables companies to obtain privileges and regulatory favors that disregard regulations that protect the interest of communities. Through bribes and other personal inducements, corporate actors can persuade state authorities to turn a blind eye to illegal business practices, such as operating plantations without proper licenses, disregarding concession boundaries, polluting the environment and ignoring their legal obligations to seek consent and compensate communities for their loss of land (e.g. McCarthy and Zen 2009) — despite exhaustive efforts by communities and NGOs to draw attention to such violations.

Second, the systemic collusion between companies and powerholders undermines the capacity of local governments to act as impartial arbiters of conflicts. This collusion constitutes the main reason why the alternative dispute resolution facilitated by local authorities generally fails: due to the backing from local authorities, company representatives can ignore or stall such mediation processes without running a risk, while local authorities are easily persuaded not to act on the complaints and demands of communities. At present there are simply no neutral arbiters of palm oil conflicts. In the light of this systemic collusion, and given the scope and intractability of these conflicts, Indonesia urgently needs new, independent, more neutral bodies to handle and mediate conflicts.

Third, collusion impacts the trajectory of anti-corporate activism by fostering the repression of community protests and the criminalization of protest leaders. As we documented in this paper, companies use their connections with state authorities (and financial incentives) to obtain support from both the police and the army to intimidate and harass

protesters, and to take up cases against protest leaders. In this sense the pervasiveness of informal connections between state officials and corporate actors not only serves to discourage community protests, but also delimits the particular ‘contentious repertoires’ that communities adopt since more ‘transgressive’ protests (such as blockades or the harvesting of oil palm seeds) carry considerable risks.

Finally, systemic collusion and the experience with highly informalized state institutions stimulates communities to adopt a form of collective action that avoids invoking (or engaging with) state regulations and citizen rights. In this paper, we have documented how communities largely avoid formal conflict resolution institutions while adopting broadly accommodative forms of protest aimed at improving their bargaining position vis-à-vis the companies. The strategies that communities adopt are largely aimed at influencing negotiations with companies rather than ensuring a better implementation (or reform) of government regulations. In this light, a particularly noticeable feature of palm oil conflicts is that communities are mostly engaged in atomized struggles with individual companies. While there are hundreds of communities struggling with palm oil expansion in all four provinces, as yet these communities hardly collaborate with each other at all in joint protests to demand more effective measures from district-level or provincial governments. Instead, each community engages in its own struggle aimed at securing concessions from a given company. We found that the collective action sparked by palm oil expansion is largely aimed at improving the relative bargaining position vis-à-vis particular companies rather than engaging in a broader, more collective struggle to achieve specific changes to state policies and laws.

Such ‘rightless’ strategies make sense given the everyday experience of the relative insignificance of formal regulations and rights. We would argue that this limited engagement with state laws and regulations (and lack of mobilization aimed at changing these laws and regulations) is also an effect of systemic collusion between business actors and state authorities. As rural Indonesians regularly experience how little impact laws and formal procedures have on actual outcomes on the ground, they have little reason to expect that sustained civic action to change such regulations would lead to beneficial outcomes. In this light it makes sense for communities to opt for strategies that involve cultivating good personal connections with local authorities in order to pressurize companies into making a better deal. One can observe a self-reinforcing mechanism at work here: the informalized nature of Indonesia’s state institutions is discouraging rural Indonesians from engaging with these institutions, which means that the many ongoing struggles against palm oil companies do little to formalize and strengthen land rights in Indonesia.

8. Conclusion

This article has employed an extensive documentation process to discuss the trajectories and outcomes of 150 conflicts between rural communities and palm oil companies in Indonesia. This assessment yielded a relatively bleak picture. Local communities are relatively powerless and face considerable intimidation from company representatives and the police, while the available dispute resolution mechanisms are largely ineffective due to collusion between power holders and companies.

This difficulty of addressing and resolving oil palm conflicts is due not only to the inadequacies of Indonesia’s legal framework regarding land and plantations but also to the way in which Indonesia’s informalized state institutions foster collusion between local power holders and palm oil companies. This collusion enables companies to evade regulation, suppress community protests and avoid engaging in constructive efforts to resolve conflicts. Furthermore, this collusion has made the available conflict resolution mechanisms largely ineffective.

The implication of these findings is that in order to understand the anti-corporate activism triggered by corporate land grabbing in the global South, we should not only look at corporate or industry

opportunity structures. To understand the challenges and prospects of the activism triggered by processes of land use change, it is vital to pay attention to the causes and effects of collusive relationships between companies and powerholders. In the various ways identified in this paper — by fostering regulatory violations, undermining conflict resolution mechanisms, enabling the suppression of protests and fostering ‘rightless’ forms of collective action — state-business collusion severely constrains the ‘opportunity structure’ of struggles against corporate land grabbing. This constrained opportunity structure also shapes the rather particularistic and modest aims that protesting rural communities adopt. A notable feature of palm oil conflicts is that communities target their ‘own’ company, usually with demands for compensation, while rarely engaging in joint mobilization with other communities to pressurize companies and the government to make more systemic changes — such as better legal guarantees of land rights. We attribute this lack of attention for systemic change again to the constraints generated by informalized state institutions and pervasive collusion. In this context the prospects and effectiveness of policy change and legal reform seem so remote that communities settle for much more modest aims — thereby preventing themselves from addressing the structures underlying the stark power imbalances characterizing palm oil conflicts.

Funding details

Research for this article was supported by a research grant of the Dutch Research Council (NWO, grant number W 07.50.1826) and a research grant from the Indonesian Ministry of Research and Technology (Kemendikbud-ristek, grant number 195/E4.1/AK.04.PT/2021).

CRedit authorship contribution statement

Ward Berenschot: Conceptualization, Methodology, Funding acquisition, Writing – original draft. **Ahmad Dhiaulhaq:** Writing – original draft, Data curation. **Afrizal Afrizal:** Methodology, Funding acquisition, Writing – review & editing. **Otto Hospes:** Methodology, Writing – review & editing. **Rebekha Adriana:** Data curation. **Erysa Poetry:** Data curation.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Acknowledgements

Research for this article was supported by a research grant of the Dutch Research Council (NWO, grant number W 07.50.1826) and a research grant from the Indonesian Ministry of Research and Technology (Kemendikbud-ristek, grant number 195/E4.1/AK.04.PT/2021).

We would like to thank Wengki Purwanto, Sri Wahyuni, Dede Kunaifi, Anggi Kemala Rezki, Husni Setiawan, Hendra Cipta, Rikson Siahaan, Rahmawati, Paulus Dhanarto dan Yuliana, Wendy Waldyanto for their hard work collecting material used in this paper. We thank for Erysa Poetry (‘Echa’), Daniel Pranajaya, Rebekha Adriana, Aurel Deviane, Rizky (‘Kiki’) Ananda, Ghivo Pratama, Ariq Narendra, Desak (‘Ami’) Lakshmi, Daya Sudrayat, Cecilia Juwita, Pricilia Putri, Dominique Voskuyl, Koen de Hek and Ribut Purwanti for support in collecting and analysing this material.

Appendix A. Supplementary material

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.geoforum.2022.03.002>.

References

- Acciaioi, G., Dewi, O., 2016. Opposition to oil palm plantations in Kalimantan: Divergent strategies, convergent outcomes. In: Cramb, R.A., McCarthy, J.F. (Eds.), *The oil palm complex: Smallholders, agribusiness, and the state in Indonesia and Malaysia*. NUS Press, pp. 327–353.
- Afrizal. (2007). The Nagari community, business, and the state: The origin and the process of contemporary agrarian protests in West Sumatra, Indonesia. Sawit Watch.
- Afrizal, 2013. Oil Palm plantations, Customary Rights and Local Protests. A West Sumatran Case study. In: Lucas, A., Warren, C. (Eds.), *Land for the People: The State and Agrarian Conflict in Indonesia*. Ohio University Press.
- Afrizal, Berenschot, W., n.d. Land-use Change Conflicts and Anti-Corporate Activism in Indonesia: A Review Essay. Unpublished manuscript. Submitted for publication.
- Anderson, P., 2013. Free, Prior, and Informed Consent? Indigenous Peoples and the Palm Oil Boom in Indonesia. In: Pye, O., Bhattacharya, J. (Eds.), *The Palm oil controversy in Southeast Asia: A transnational perspective*. ISEAS Publishing.
- Aspinall, E., 2019. Conclusion: Social Movements, Patronage Democracy, and Populist Backlash in Indonesia. In: Dibley, T., Ford, M. (Eds.), *Activists in Transition: Progressive Politics in Democratic Indonesia*. Cornell University Press.
- Aspinall, E., Berenschot, W., 2019. Democracy for Sale: Elections, Clientelism, and the State in Indonesia. Cornell University Press.
- Aspinall, E., & Klinken, G. A. van (Eds.). (2010). *The state and illegality in Indonesia*. KITLV Press.
- Baron, D.P., 2003. Private Politics. *J. Econom. Managem. Strategy* 12 (1), 31–66. <https://doi.org/10.1111/j.1430-9134.2003.00031.x>.
- Bartley, T., 2007. Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions. *Am. J. Sociol.* 113 (2), 297–351. <https://doi.org/10.1086/518871>.
- Bedner, A., 2016. Indonesian land law: Integration at last? And for whom? In: McCarthy, J.F., Robinson, K. (Eds.), *Land and Development in Indonesia: Searching for the People's Sovereignty*. ISEAS-Yusuf Ishak Institute.
- Berenschot, W., Dhiaulhaq, A., Deviane, A., 2022. Local brokerage and international leverage: NGOs and land conflicts in Indonesia. *J. Int. Dev.*
- Berenschot, W., Klinken van, G., 2018. Informality and Citizenship: The Everyday State in Indonesia. *Citizenship Stud.* 22 (2), 95–111.
- Borras, S., Franco, J., 2013. Global land grabbing and political reactions 'From Below'. *Third World Quart.* 34 (9), 1723–1747.
- Brad, A., Schaffartzik, A., Pichler, M., Plank, C., 2015. Contested territorialization and biophysical expansion of oil palm plantations in Indonesia. *Geoforum* 64, 100–111.
- Briscoe, F., Chin, M.K., Hambrick, D.C., 2014. CEO Ideology as an Element of the Corporate Opportunity Structure for Social Activists. *Acad. Managem. J.* 57 (6), 1786–1809. <https://www.jstor.org.ezproxy.leidenuniv.nl/2048/stable/43589330>.
- Caouette, D., & Turner, S. (Eds.). (2009). *Agrarian angst and rural resistance in contemporary Southeast Asia* (1st ed.). Routledge. [Doi: 10.4324/9780203874943](https://doi.org/10.4324/9780203874943).
- Carroll, T., Hameiri, S., & Jones, L. (2020). *The Political Economy of Southeast Asia: Politics and Uneven Development Under Hyperglobalisation*. Springer Nature.
- Colchester, M., & Chao, S. (2013). *Conflict or consent?: The oil palm sector at a crossroads*. Forest Peoples Programme.
- Colchester, M., Jivan, N., Andiko, Sirait, M. T., Firdaus, A. Y., Sirambo, A., & Pane, H. (2006). *Promised land: Palm oil and land acquisition in Indonesia: implications for local communities and indigenous peoples*. Perkumpulan Sawit Watch ; Forest Peoples Programme.
- Cramb, R.A., McCarthy, J.F., 2016. The oil palm complex: Smallholders, agribusiness, and the state in Indonesia and Malaysia. NUS Press.
- Cramb, R., Curry, G.N., 2012. Oil palm and rural livelihoods in the Asia-Pacific region: An overview. *Asia Pacific Viewpoint* 53 (3), 223–239. <https://doi.org/10.1111/j.1467-8373.2012.01495.x>.
- Della Porta, D., Tarrow, S.G., 2005. Transnational Protest and Global Activism. Rowman & Littlefield.
- Dhiaulhaq, A., & Berenschot, W. (2020). *A 150-year old obstacle to land rights*. Inside Indonesia. <https://www.insideindonesia.org/a-150-year-old-obstacle-to-land-rights>.
- Dhiaulhaq, A., Gritten, D., De Bruyn, T., Yasmi, Y., Zazali, A., Silalahi, M., 2014. Transforming conflict in plantations through mediation: Lessons and experiences from Sumatera, Indonesia. *Forest Policy and Economics* 41, 22–30. <https://doi.org/10.1016/j.forpol.2014.01.003>.
- Dhiaulhaq, A., McCarthy, J.F., 2020. Indigenous Rights and Agrarian Justice Framings in Forest Land Conflicts in Indonesia. *Asia Pacific J. Anthropol.* 21 (1), 34–54. <https://doi.org/10.1080/14442213.2019.1670243>.
- Ford, M., Pepinsky, T.B., 2014. Beyond Oligarchy: Wealth, Power, and Contemporary Indonesian Politics. Cornell University Press.
- Fransen, L., 2011. Corporate Social Responsibility and Global Labor Standards: Firms and Activists in the Making of Private Regulation. Routledge.
- Gecko Project. (2017). *The making of a palm oil fiefdom*. Available at <https://thegeckoproject.org/the-making-of-a-palm-oil-fiefdom-7e1014e8c342> (accessed 3-12-2018).
- Gellert, P.K., Andiko, 2015. The Quest for Legal Certainty and the Reorganization of Power: Struggles over Forest Law, Permits, and Rights in Indonesia. *J. Asian Stud.* 74 (03), 639–666. <https://doi.org/10.1017/S0021911815000613>.
- Hall, R., Edelman, M., Borras, S.M., Scoones, I., White, B., Wolford, W., 2015. Resistance, acquiescence or incorporation? An introduction to land grabbing and political reactions 'from below'. *J. Peasant Stud.* 42 (3-4), 467–488. <https://doi.org/10.1080/03066150.2015.1036746>.
- Haug, M., 2014. Resistance, Ritual Purification and Mediation: Tracing a Dayak Community's Sixteen-Year Search for Justice in East Kalimantan. *Asia Pacific J. Anthropol.* 15 (4), 357–375. <https://doi.org/10.1080/14442213.2014.927522>.
- IPAC. (2016). *Anatomy of an Indonesian Oil Palm Conflict*. http://file.understandingconflict.org/file/2016/08/IPAC_Report_31_Oil_Palm.pdf.
- Konsortium Pembaruan Agraria (KPA). (2020). *Catatan Akhir Tahun 2020*. http://kpa.or.id/publikasi/baca/laporan/92/Catahu_2020_KPA_Edisi_I_Laporan_Konflik_Agraria_di_Masa_Pandemi_dan_Krisis_Ekonomi/.
- Kang, D.C., 2002. Crony Capitalism: Corruption and Development in South Korea and the Philippines. Cambridge University Press.
- Khan, M. H., & Jomo, K. S. (Eds.). (2000). *Rents, Rent-Seeking and Economic Development: Theory and Evidence in Asia*. Cambridge University Press. [Doi: 10.1017/CBO9781139085052](https://doi.org/10.1017/CBO9781139085052).
- King, B., 2008. A Social Movement Perspective of Stakeholder Collective Action and Influence. *Bus. Soc.* 47 (1), 21–49. <https://doi.org/10.1177/0007650307306636>.
- Kröger, M., 2013. Contentious Agency and Natural Resource Politics. Routledge. <https://doi.org/10.4324/9780203766736>.
- Lauth, H., 2000. Informal Institutions and Democracy. *Democratization* 7 (4), 21–50. <https://doi.org/10.1080/13510340008403683>.
- Levang, P., Riva, W.F., Orth, M.G., 2016. Oil Palm Plantations and Conflict in Indonesia: Evidence from West Kalimantan. In: Cramb, R.A., McCarthy, J.F. (Eds.), *The oil palm complex: Smallholders, agribusiness, and the state in Indonesia and Malaysia*. NUS Press.
- Li, T.M., 2018. After the land grab: Infrastructural violence and the "Mafia System" in Indonesia's oil palm plantation zones. *Geoforum* 96, 328–337. <https://doi.org/10.1016/j.geoforum.2017.10.012>.
- Lucas, A., Warren, C., 2013. *Land for the People: The State and Agrarian Conflict in Indonesia*. Ohio University Press.
- Lund, Christian, 2018. Predatory peace. Dispossession at Aceh's oil palm frontier. *J. Peasant Stud.* 45 (2), 431–452.
- McAdam, D., Tarrow, S. G., & Tilly, C. (2001). *Dynamics of contention*. Cambridge University Press.
- McCarthy, J.F., 2004. Changing to Gray: Decentralization and the Emergence of Volatile Socio-Legal Configurations in Central Kalimantan Indonesia. *World Development* 32 (7), 1199–1223. <https://doi.org/10.1016/j.worlddev.2004.02.002>.
- McCarthy, J.F., Vel, J.A.C., Afiff, S., 2012. Trajectories of land acquisition and enclosure: Development schemes, virtual land grabs, and green acquisitions in Indonesia's Outer Islands. *J. Peasant Stud.* 39 (2), 521–549. <https://doi.org/10.1080/03066150.2012.671768>.
- McCarthy, J.F., Zen, Z., 2009. Regulating the Oil Palm Boom: Assessing the Effectiveness of Environmental Governance Approaches to Agro-industrial Pollution in Indonesia. *Law Policy*. <https://doi.org/10.1111/j.1467-9930.2009.00312.x>.
- McDonnell, M.-H., King, B.G., Soule, S.A., 2015. A Dynamic Process Model of Private Politics: Activist Targeting and Corporate Receptivity to Social Challenges. *Am. Sociol. Rev.* 80 (3), 654–678. <https://doi.org/10.1177/0003122415581335>.
- McLeod, R., 2011. Institutionalized public sector corruption: A legacy of the Soeharto franchise. In: Aspinall, E., Klinken van, G. (Eds.), *The State and Illegality in Indonesia*. Brill, Leiden, pp. 45–64.
- Mudhoffir, A.M., A'yun, R.Q., 2021. Doing business under the framework of disorder: Iliberal legalism in Indonesia. *Third World Quart.* 42 (11), 2651–2668. <https://doi.org/10.1080/01436597.2021.1967738>.
- Nurbaya, S. (2018). *Status hutan Indonesia (The state of Indonesia's forest) 2018*. <https://www.situnurbaya.com/status-hutan-indonesia-the-state-of-indonesias-forests-2018>.
- Obidzinski, K., Andriani, R., Komarudin, H., Andrianto, A., 2012. Environmental and Social Impacts of Oil Palm Plantations and their Implications for Biofuel Production in Indonesia. *Ecol. Soc.* 17 (1) <https://doi.org/10.5751/ES-04775-170125>.
- Pye, O., 2013. An Analysis of Transnational Environmental Campaigning around Palm Oil. In: *The Palm Oil Controversy in Southeast Asia: A Transnational Perspective*. ISEAS Publishing, Singapore, pp. 179–199.
- Pichler, M., 2015. Legal Dispossession: State Strategies and Selectivities in the Expansion of Indonesian Palm Oil and Agrofuel Production: Legal Dispossession in Indonesian Palm Oil and Agrofuel Production. *Developm. Change* 46 (3), 508–533. <https://doi.org/10.1111/dech.12162>.
- Potter, L., 2009. Oil palm and resistance in West Kalimantan, Indonesia. In: Caouette, D., Turner, S. (Eds.), *Agrarian Angst and Rural Resistance in Contemporary Southeast Asia*, (1st ed.). Routledge, London. <https://doi.org/10.4324/9780203874943>.
- Potter, L., 2016. How can the people's sovereignty be achieved in the oil palm sector? In: McCarthy, J., Robinson, K. (Eds.), *Land and Development in Indonesia*. ISEAS Publishing, Singapore, pp. 315–342.
- Purnomo, H., Shantiko, B., Sitorus, S., Gunawan, H., Achdiawan, R., Kartodihardjo, H., Dewayani, A.A., 2017. Fire economy and actor network of forest and land fires in Indonesia. *Forest Policy Econom.* 78, 21–31. <https://doi.org/10.1016/j.forpol.2017.01.001>.
- Pye, O., Bhattacharya, J., 2013. *The Palm oil controversy in Southeast Asia: A transnational perspective*. ISEAS Publishing.
- Raeburn, N.C., 2004. *Changing Corporate America from Inside Out: Lesbian and Gay Workplace Rights*. University of Minnesota Press.
- Rasch, E.D., Köhne, M., 2016. Micropolitics in Resistance: The Micropolitics of Large-Scale Natural Resource Extraction in South East Asia. *Society & Natural Resources* 29 (4), 479–492. <https://doi.org/10.1080/08941920.2015.1086458>.
- Rietberg, P.I., Hospes, O., 2018. Unpacking land acquisition at the oil palm frontier: Obscuring customary rights and local authority in West Kalimantan Indonesia. *Asia Pacific Viewpoint* 59 (3), 338–348. <https://doi.org/10.1111/apv.12206>.
- Robison, R., 2009. *Indonesia: The Rise of Capital*. Equinox Publishing.
- RSPO. (2018). *Free, Prior and Informed Consent (FPIC) Guide for RSPO Members*. RSPO - Roundtable on Sustainable Palm Oil. <https://rspo.org/resources/free-prior-and-informed-consent-fpic->

- Sadler, D., 2004. Anti-corporate Campaigning and Corporate “Social” Responsibility: Towards Alternative Spaces of Citizenship?1. *Antipode* 36 (5), 851–870. <https://doi.org/10.1111/j.1467-8330.2004.00458.x>.
- Schurman, R., 2004. Fighting “Frankenfoods”: Industry Opportunity Structures and the Efficacy of the Anti-Biotech Movement in Western Europe. *Soc. Probl.* 51 (2), 243–268. <https://doi.org/10.1525/sp.2004.51.2.243>.
- Soule, S.A., 2009. *Contention and Corporate Social Responsibility*. Cambridge University Press.
- Soule, S. A., King, B., Della Porta, D., & Diani, M. (2015). Markets, business, and social movements. In *The Oxford handbook of social movements* (pp. 1–15).
- Tilly, C., 2008. *Contentious Performances*. Cambridge University Press.
- Varkkey, H., 2012. Patronage politics as a driver of economic regionalisation: The Indonesian oil palm sector and transboundary haze. *Asia Pacific Viewpoint* 53 (3), 314–329. <https://doi.org/10.1111/j.1467-8373.2012.01493.x>.
- Varkkey, H. (2015). *The Haze Problem in Southeast Asia: Palm Oil and Patronage*. Routledge.
- Winters, J.A., 2011. *Oligarchy*. Cambridge University Press.