



## UvA-DARE (Digital Academic Repository)

### Corporate contentious politics

*Palm oil companies and land conflicts in Indonesia*

Berenschot, W.; Dhiaulhaq, A.; Hospes, O.; Afrizal; Pranajaya, D.

#### DOI

[10.1016/j.polgeo.2024.103166](https://doi.org/10.1016/j.polgeo.2024.103166)

#### Publication date

2024

#### Document Version

Final published version

#### Published in

Political Geography

#### License

CC BY

[Link to publication](#)

#### Citation for published version (APA):

Berenschot, W., Dhiaulhaq, A., Hospes, O., Afrizal, & Pranajaya, D. (2024). Corporate contentious politics: Palm oil companies and land conflicts in Indonesia. *Political Geography*, 114, Article 103166. <https://doi.org/10.1016/j.polgeo.2024.103166>

#### 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.



## Full Length Article

## Corporate contentious politics: Palm oil companies and land conflicts in Indonesia

Ward Berenschot<sup>a,\*</sup>, Ahmad Dhiaulhaq<sup>e</sup>, Otto Hospes<sup>b</sup>, Afrizal<sup>c</sup>, Daniel Pranajaya<sup>d</sup><sup>a</sup> Royal Netherlands Institute of Southeast Asian and Caribbean Studies (KITLV), Reuvensplaats 2, 2300, RA Leiden, the Netherlands<sup>b</sup> Public Administration and Policy Group, Department of Social Sciences, Wageningen University, Hollandseweg 12, 6706 KN, Wageningen, the Netherlands<sup>c</sup> Universitas Andalas, Gedung Dekanat FISIP Limau Manis Padang, 25163, Sumatera, Indonesia<sup>d</sup> Casa Grande Residence, Tower Chianti #08-08 Kota Kasablanka, Jl. Raya Casablanca Kav 88, Jakarta Selatan, 12870, Indonesia<sup>e</sup> World Resources Institute (WRI) Indonesia, Jakarta, Indonesia

## ARTICLE INFO

## Keywords:

Company-community conflicts  
Palm oil  
Corporate social responsibility  
Contentious politics  
Land conflicts  
Indonesia

## ABSTRACT

The intensification of corporate acquisition of land in particularly the Global South has generated widespread resistance from rural communities who are being forced off their land with little or no compensation. Yet, while community protests have received ample scholarly attention, the strategies that companies adopt to deal with land conflicts are rarely studied. In contrast with studies that misleadingly describe these strategies in terms of ‘corporate social responsibility’, we adopt a contentious politics perspective. On the basis of a detailed documentation of the trajectories and outcomes of 150 conflicts between palm oil companies and rural communities in Indonesia, we show that palm oil companies are contentious actors, in the sense that companies engage in conscious and strategic efforts to make and realize their claims, and for this purpose mobilize a particular contentious repertoire, involving the co-optation of local leaders, the cultivation of connections with local authorities, the suppression of community protests, and the criminalization of protest leaders. We employ our dataset to explore how common these strategies are, finding that companies that have adopted RSPO’s code of conduct are not less likely to employ them. We argue that corporate contentious politics is a response to the informalized nature of Indonesia’s state institutions, and call for more comparative research on this understudied dimension of land conflicts.

## 1. Introduction

The global land rush and the associated intensification of corporate acquisition of community land in the Global South over the last decades (Pearce, 2012) has generated widespread resistance from communities who are being forced off their land with little or no compensation. As the rapid expansion of mining, agribusiness and real estate companies has led to the conversion of massive tracts of land, affected communities from Brazil (Kröger, 2012) to India (Levien, 2018) and the Philippines (Franco & Borrás, 2007) have taken to the streets, courtrooms and parliaments to protest against these instances of corporate ‘land grabbing’, as documented by a growing literature (see for example, Borrás & Franco, 2013; Hall et al., 2015).

Yet while the contentious politics of communities engaged in land conflicts has received ample scholarly attention, very few studies focus

on the on-the-ground strategies that companies adopt to deal with land conflicts. The studies analysing corporate dominance (e.g. Li & Semedi, 2021) and the trajectories of land conflicts (e.g. Hall et al., 2011, p. 257; Lund, 2021) do not focus on corporate conflict strategies. The literatures on ‘Corporate Social Responsibility’ and ‘Corporate Political Action’, which are most directly engaged with corporate political behaviour, pay little attention to the strategies that companies employ to realize their claims to land vis-à-vis communities, and provide limited leverage to analyse these strategies (see Latapí Agudelo et al., 2019; Matten & Moon, 2008 and Lamberg et al., 2004 for overviews). The few studies that do discuss corporate policies in dealing with land conflicts, do so mostly in terms of CSR (see for example, Abuya, 2016; Calvano, 2008; Jenkins, 2004; McKenna, 2015). We contend that such studies generate the misleading impression that there is only one side with claims and grievances – i.e. citizens – and that companies merely respond by

\* Corresponding author.

E-mail addresses: [berenschot@kitlv.nl](mailto:berenschot@kitlv.nl) (W. Berenschot), [ahmad.dhiaulhaq@wri.org](mailto:ahmad.dhiaulhaq@wri.org) (A. Dhiaulhaq), [otto.hospes@wur.nl](mailto:otto.hospes@wur.nl) (O. Hospes), [afrizal@soc.unand.ac.id](mailto:afrizal@soc.unand.ac.id) (Afrizal), [daniel.pranjaya95@gmail.com](mailto:daniel.pranjaya95@gmail.com) (D. Pranajaya).<https://doi.org/10.1016/j.polgeo.2024.103166>

Received 9 November 2023; Received in revised form 25 June 2024; Accepted 9 July 2024

Available online 18 July 2024

0962-6298/© 2024 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

benevolently trying to accommodate these claims in their (CSR) policies. Land conflicts involve two sides, with each side making claims and enacting strategies to realize these claims.

To overcome these limitations and biases we argue that corporate strategies dealing with land conflicts can be better understood by borrowing key concepts from the contentious politics literature. While there are obvious differences between the contentious politics of companies and communities, we show that companies also engage in conscious and strategic efforts to make and realize their claims, while they also mobilize support, and employ a contentious repertoire. Proposing that companies should be studied as contentious actors, we employ several concepts from the contentious politics literature – such as contentious repertoire, mobilization, political opportunity structure – to unpack and analyse corporate conflict behaviour.

The conflicts sparked by the rapid expansion of oil palm plantations call for such an examination of corporate behaviour. As companies are confronted with costly demands (see Barreiro et al., 2016) - ranging from the return of land, monetary compensation and profit-sharing as well as production losses and negative publicity - palm oil companies face considerable pressure to resolve these conflicts. In response, (some) palm oil companies have instituted special conflict management units or adopted grievance handling procedures, while also supporting industry-wide standards and codes of conduct such as those formulated by the Roundtable on Sustainable Palm Oil (RSPO). These corporate responses have been discussed in detail in various studies (e.g. Hospes, 2014; Pye & Bhattacharya, 2013; Schouten & Glasbergen, 2011). Yet, such studies have missed a less visible, more local dimension of corporate involvement in these land conflicts. Companies have not just adopted company or industry-level strategies, they have also adopted strategies at the plantation-level to mitigate and win these conflicts.

These more secretive and understudied on-the-ground strategies of companies are the focus of this article. Our central question is: what strategies do palm oil companies in Indonesia adopt at plantation level to deal with conflicts with rural communities? We study the conflict behaviour of palm oil companies on the basis of a - to our knowledge - first-ever large-scale collaborative effort to document the trajectories of 150 of land conflicts between rural Indonesians and palm oil companies in four provinces (West Kalimantan, Central Kalimantan, Riau and West Sumatra) involving a range of materials from interviews, newspaper archives to government reports and court documents. We employ this detailed documentation not only to identify recurring elements of corporate conflict strategies but also to assess (variation in) how commonly such strategies are adopted.

This article proceeds as follows. In section 2 we review the available literature on corporate strategies in dealing with company-community conflicts, and we outline why and how we employ a contentious politics perspective. In section 3 we present our methodology. We then briefly introduce the nature of palm oil conflicts in Indonesia in section 4. After an outline in section 5 of conflict-related pledges and procedures of palm oil companies, we present our findings on corporate on-the-ground conflict strategies in section 6. In section 7 we discuss (variation in) how common such strategies are. In section 8, we discuss the dimensions and distinctive features of corporate contentious politics (CCP). We end with a conclusion in section 9.

## 2. Studying corporate involvement in land conflicts

With ‘land conflicts’ we refer to conflicts between rural communities and agricultural, real estate and natural resource companies over the way these companies acquire access to land. Ongoing initiatives to document such conflicts, such as EJAtlas (see Martinez-Alier, 2021), suggest that they are a common phenomenon across the Global South, having considerable impact on the operations and profits of companies in various sectors. Given this regularity and impact, it is surprising that two main bodies of literature on nonmarket strategies of companies (see Baron, 2001; Mellahi et al., 2016) - the literatures on ‘Corporate Political

Action’ (CPA) and ‘Corporate Social Responsibility’ (CSR) - offer little insight into the corporate strategies in dealing with such conflicts. The CPA literature is largely focused on the activities that companies employ to obtain favourable government policies and laws - such as the provision of campaign donations, lobby activities and generating grassroots support (‘astroturfing’) (Hillman et al. 2004; Lux et al., 2011; Walker, 2014). The related literatures on the ‘contentiousness of markets’ (King & Pearce, 2010) and ‘private politics’ (Balsiger, 2014; Baron & Diermeier, 2007; Soule, 2009) focus only on the strategies that companies employ in dealing with (media) campaigns from social movements or NGOs against their production processes (e.g. Balsiger, 2018). As such the CPA literature does not pay attention to the strategies that companies adopt in dealing with land conflicts with communities as its focus is mainly on corporate efforts to influence public debate and policy-making (see Lawton & Rajwani, 2015 for an overview).

In the field of CSR, however, there are some studies that do discuss the policies and procedures that companies in various sectors have put in place to address grievances and claims of communities (e.g. Abuya, 2016; Calvano, 2008; Jenkins, 2004; McKenna, 2015; Sadler, 2004; Velásquez, 2012). With their focus on examining “the extent to which CSR has managed to assuage the disaffection of the local community” (Abuya, 2016, p. 1) and “contribute[s] to peace” (McKenna, 2015, p. 14), these studies overlook the contentious nature of corporate behaviour: companies do much more than ‘assuage disaffection’ as they also implement strategies to realize their own claims to land (or other benefits) and to counter claims of communities. While some studies are highly critical of CSR policies as a ‘smokescreen’ (Banerjee, 2014) and highlight their limited implementation (Graafland & Smid, 2019), a common feature is that these studies rather abstractly focus on contemporary CSR discourses (Banerjee, 2008) or new governance arrangements and state roles (Banerjee, 2014; Maher et al. 2019), with very little attention to the actual conflict behaviour of companies on the ground.

Yet, there are a few studies that do focus on the actual on-the-ground strategies of companies involved in land conflicts, and this study builds on them. Perceptive ethnographic studies and investigative reports on company-community conflict in, for example, Sierra Leone (Millar, 2018), Brazil (Global Witness, 2021), Bangladesh (Faruque, 2018) and Peru (Dunlap, 2019) offer glimpses of corporate behaviour – (hired) violence, criminalization, co-optation, manipulation – that seem comparable to the practices we document in this paper.

This nascent field faces the challenge of how to define and approach its topic. Some authors have defined corporate strategies in terms of ‘counterinsurgency’ (Brock & Dunlap, 2018; Dunlap, 2019), while others are using the term ‘corporate counter-mobilization’ (Kraemer et al., 2013). These terms – and their associated approaches – are unsatisfactory. The term ‘counterinsurgency’ generates the unwarranted impression – often propagated by corporate actors themselves – that anti-corporate activism is perpetrated by violent and extremist actors. As a result, the importance of violence gets overemphasized at the expense of analysis of non-violent elements. The term ‘corporate counter-mobilization’ focuses narrowly on mobilization which is not helpful to capture the broad range of strategies that companies adopt. Last but not least, these studies offer few conceptual tools to deepen the analysis of corporate strategies.

To address these shortcomings, we borrow from the contentious politics literature to develop a new approach to corporate dealings with land conflicts. The term ‘contentious politics’ is generally reserved for claim-making and collective action of citizens. Yet companies also engage in contentious behaviour: like communities, companies engage in coordinated efforts to express and realize claims bearing on the interests of others – such as claiming control over land or denying obligations to pay compensation or to share profits. To do so, companies also mobilize support and adopt a particular repertoire to express and realize these claims.

The contentious politics literature offers an elaborate conceptual

toolbox to unpack and analyse different elements of contentious corporate behaviour. In this paper we employ and adapt three key concepts from this literature. First, we use the concept of ‘mobilization’, that is “how people who at a given point in time are not making contentious claims start to do so” (Tilly & Tarrow, 2015, p. 38; see also Edwards & McCarthy, 2004; Tarrow, 2011). Tailoring this concept to study strategic action of companies involved in conflicts with communities, we analyse how companies engage in a particular form of ‘corporate mobilization’ by stimulating a range of actors to express support for their claims. Second, we borrow the term ‘contentious repertoire’, defined as “the clustered, learned, yet improvisational character of people’s interactions as they make and receive each other’s claims” (Tilly, 2006, p. 35; Tilly, 2008). We analyse the contentious repertoire of companies, studying what clustered and recurrent elements can be identified in the corporate dealings with land conflicts and community-claims. Thirdly, we discuss how this repertoire and mobilization relate to the ‘political opportunity structure’ that companies face, that is: “the specific environment of political opportunities and threats to which makers of claims necessarily respond” (Tilly & Tarrow, 2015, p. 43; see also Koopmans, 1999; Meyer, 2004). Building on the long-standing focus in this literature on the interaction between regimes and contentious repertoires (e.g. Tilly, 2006), we analyse how opportunities for developing collusive relationships with authorities shape the character of corporate involvement in land conflicts.

### 3. Methodology

The basis of our dataset consists of extensive reports of the trajectories of 150 recent conflicts between rural communities and palm oil companies in four Indonesian provinces: West Sumatra, Riau, West Kalimantan and Central Kalimantan. The studied conflicts were selected out of a long list of, in total, 544 conflicts that were identified by examining newspapers and government reports over the last decade. As budgetary constraints prevented us from studying all these conflicts, we randomly selected 220 cases from this list. During the research process we narrowed down our selection even further: in order to ensure reliability, we excluded all cases for which we found less than six different sources. We ended up with 150 cases.

A team of, in total, 19 researchers<sup>1</sup> traced the emergence, chronology and outcomes of these 150 conflicts by collecting written sources (newspaper articles, online sources, government and NGO documents and academic studies) as well as engaging in 283 interviews with community leaders. As part of these efforts we traced newspaper articles describing protests and other events related to our cases, using the complete newspaper archives of four regional newspapers – Padang Express, Pontianak Pos, Kalteng Pos and Tribun Pekanbaru – for the years 2010–2019. We used all these written sources as well as the interviews to write 150 extensive ‘case reports’ of each case using a shared template, developed on the basis of preliminary fieldwork. This template served to collect data on five major topics, each forming an element of a conflict history: (a) the community grievances, (b) the character of the conflict parties, (c) the trajectory of the conflicts, including protest events, (d) the usage of conflict resolution mechanisms and (e) outcomes. To acquire deeper insights into specific dynamics of community-company conflicts, we also engaged in more lengthy fieldwork and in-depth studies of 14 cases. We also conducted five interviews with representatives of companies whose names we promised to withhold in this article.

For the data collection on corporate conflict behavior, we analyzed all five elements of the conflict histories of the 150 case reports, searching for any evidence of efforts of companies to realize their claims to land. We did not set out with preconceived categories to code corporate behaviour. Instead, we used open coding to inductively label

similar and regularly encountered efforts of companies to deal with conflicts, resulting in the identification of the above-mentioned four recurring strategies. The analysis of this behaviour led us to adopt a contentious politics perspective.

To assess how regularly companies employ the conflict strategies that we identified, we used three quantitative indicators of such strategies, that we identified deductively from our topics or elements of conflict histories. First, to study the violent suppression of protests, we counted instances of physical violence by employing our archive of regional newspapers. We closely read relevant articles to discriminate between violence perpetrated by community members, and violence against community members. Second, to trace the criminalization of protest leaders, we counted the number of arrests of community members. Third, to study the willingness of companies to reach a compromise, we traced and counted the number of agreements between communities and companies. For this purpose, we used both our newspaper archive as well as our interviews with community leaders. In all our interviews we asked these leaders if they had reached an agreement with companies and whether this agreement was implemented. We employed newspaper articles and NGO reports to corroborate these reports.

Employing a chi-square test of independence, we used the quantitative data on these three aspects of conflict trajectories – occurrences of violence, arrests and agreements – to assess whether conflicts involving companies that signed up to RSPO’s code of conduct, differed in these respects from those that had not. The online supplementary appendix provides a detailed outline of our methodology, and access to the case reports.

### 4. Palm oil conflicts in Indonesia

In order to better understand the conflict strategies of palm oil companies, we preface our analysis with a few general observations about the nature of the conflicts sparked by the rapid expansion of oil palm plantations in Indonesia. An important root cause of these conflicts concerns the way in which the Indonesian state curtails the land rights of Indonesian citizens (Afriзал, 2007; Bedner, 2016). Building on colonial-era laws, the Indonesian state has restricted private ownership of land in areas officially designated as *kawasan hutan* or forest areas. In these areas - currently encompassing around 63 percent of Indonesia’s territory<sup>2</sup> - Indonesian citizens cannot obtain formal ownership of the land. Most rural Indonesians are, consequently, forced to rely on customary law, social relationships and more informal methods of land registration to organise their land dealings and access to land (see Ribot & Peluso, 2003). This restricted land ownership allows the Indonesian state to give (palm oil) companies access to land through 30-year concessions (while not allowing companies to own this land). As rural Indonesians have often been living and working on such land for generations, this situation inevitably sparks conflict: while palm oil companies have a firm legal basis for appropriating land, communities feel that this land is being stolen from them. Yet their position is vulnerable: lacking formal land titles, in most cases they do not have a strong legal basis to go to court to reclaim their land (see Hall et al., 2011, p. 257, Lund, 2021).

To address this problem, both the Indonesian government as well as the palm oil industry have adopted two types of solutions. On the one hand, companies are required to obtain prior consent from affected communities before commencing operations. This includes an obligation to provide monetary compensation. Companies are expected to approach communities with their plans, and obtain written consent that communities agree to the incorporation of their land into a plantation. Secondly, companies incorporating community land into plantations are required to set up profit-sharing schemes, often referred to as Nucleus-

<sup>1</sup> See the acknowledgements.

<sup>2</sup> See Ministry of Environment and Forestry (2022).

Estate (NES) or *inti-plasma* schemes in Indonesia. Here the *inti* refers to the company share, while *plasma* refers to the part of the plantation (currently around 20 percent of the total land ceded by communities) provided to communities. Communities are in theory entitled to all the profits of this land minus the expenses the company incurred in planting and cultivating the oil palm trees.

Both these 'solutions' constitute major sources of conflicts. As we will show in greater detail below (section 6), companies often obtain community consent in a very haphazard manner, focusing their efforts (and inducements) on getting a signature from the village head who often neglects to involve the rest of the community. Not infrequently this means that affected individuals get no, or very little (between USD 80 and 250 per hectare) financial compensation. Taking place in the context of limited land registration, the process of obtaining community consent generates messy, complex situations that are difficult to clear up even for companies intend on properly compensating villagers. The implementation of these joint-venture schemes is also messy. Not infrequently companies renege on their promise to provide the community a share of the (profits from) a plantation (i.e. *plasma*), or this scheme is implemented in a highly non-transparent manner leaving communities with very little and "insufficient" profit (World Bank & IFC, 2011, p.20; McCarthy, 2010).

The character of the resulting conflicts needs to be interpreted in relation to the nature of Indonesia's democratization process. After the fall of Suharto in 1998, Indonesia embarked on a simultaneous democratization and decentralization process. The availability of democratically elected members of local parliaments (DPRD) and, since 2004, district heads, has provided protesters with new avenues to advance their grievances. At the same time these new, competitive elections have intensified the relationships between politicians and business actors. As politicians face the challenge to finance increasingly expensive election campaigns, political elites have often turned to economic elites for help (see Aspinal & Berenschot, 2019). As a result, it is frequently argued that Indonesia's democracy is an 'oligarchy' as many politicians are either wealthy entrepreneurs themselves, or reliant on such rich campaign donors (see Ford & Pepinsky, 2014). These close ties are not always legal: not infrequently investigating agencies, such as the Corruption Eradication Commission KPK, have uncovered evidence that local authorities are providing palm oil companies with licences as well support against protesting communities in exchange for bribes and campaign donations (Gecko Project, 2017, 2018). As we will explore in greater detail in section 6, the existence of close ties and interdependencies between local politicians, bureaucrats and company representatives constitutes both a cause of conflict as well as an obstacle for its resolution, because such ties enable companies to circumvent regulation and ignore community protests.

## 5. Pledges and procedures of palm oil companies to deal with conflicts

In response to the growing global pressure to meet sustainability standards, such as those promoted by transnational regulatory systems like the RSPO, several large-scale agribusiness and forest plantation companies in developing countries made pledges to address environmental and social impacts across their value chain, including to undertake initiatives to resolve their prolonged social conflicts with local communities. We find that these pledges generally translate into three types of policy measures that (often big) plantation companies adopt to address their conflicts with communities affected by their plantations.

First, as part of their sustainability policies, companies have adopted Standard Operating Procedures (SOP) to guide managers in handling community grievances. Big groups such as Wilmar International, for example, issued a 'Grievance Procedure' as part of their 'No Deforestation, no Peat and no Exploitation' (NDPE) policy. As stated in the procedure, this Grievance Procedure has been designed to follow the United Nations Guiding Principles on Business and Human Rights regarding the

criteria for an effective grievance mechanism, which include transparency, participation and dialogue.<sup>3</sup> Similarly, Sinar Mas group (GAR/SMART) issued a social and environmental policy in 2015 as well as a procedure for handling social conflict in its operation.<sup>4</sup> This procedure is intended as a reference for its subsidiary companies, as it calls on these companies to handle social conflicts in a responsive and a proactive manner as they are expected to reach out to communities to find solutions. Typically, these SOPs contain a procedure of how community grievances should be handled, involving several steps: from the receiving of grievances, the conflict resolution process itself, and the monitoring and evaluation afterwards. Also, the SOPs often highlight the rights of communities to Free, Prior and Informed Consent (RSPO, 2015). For example, GAR's social and environmental policy document mentions that,

We commit to actively promoting and supporting the responsible resolution of any conflicts involving GAR operations with legitimate parties concerned at the time the underlying events occurred. This will include working with relevant stakeholders to ensure that a balanced, accountable, mutually agreed and documented conflict resolution system [can] resolve conflicts to the mutual satisfaction of the parties based on respect for their legal and customary rights, including to lands and resources and their right to give or withhold their free, prior and informed consent to operations planned on their lands.<sup>5</sup>

The SOP explains the division of roles and responsibilities of different unit and management positions in each conflict resolution stage. The former head of conflict resolution division of one of the largest palm oil companies, for example, explains their SOP in the following terms:

We instructed all our estates to use the SOP, making it very clear that we cannot let the conflict fester, maintain the conflict or ignore the conflict anymore. We cannot be like that anymore. We must resolve them. Because the conflict has become one of the problems that prevents us from selling in Europe. Because there are RSPO standards and so on. (Interview, Jakarta, 18 February 2020).

A second policy measure is the setting up of a special sustainability directorate, with a unit for conflict or grievance handling, staffed by experts in dispute settlement and including former environmental NGO activists. Such a unit is tasked with finding ways to resolve conflicts. Wilmar Group, one of the largest producers of palm oil, for example, has set up a grievance unit under its Sustainability Department, which is responsible for coordinating the handling of grievances, including receiving, managing and monitoring the handling of grievances against its operation. Since 2015, Wilmar has hired a dedicated full-time grievance handling coordinator to manage the implementation of its grievance procedure and coordinate actions with the company's senior management.<sup>6</sup>

A third key policy measure involves supporting multi-stakeholder fora and certification schemes, such as the RSPO. Of our sample of 150 conflicts, 64 cases involve companies that are members of the RSPO.

<sup>3</sup> [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure-\(prosedur-keluhan\)-2019-bahasa-indonesia.pdf?sfvrsn=203d7018\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure-(prosedur-keluhan)-2019-bahasa-indonesia.pdf?sfvrsn=203d7018_2).

<sup>4</sup> [https://goldenagri.com.sg/wp-content/uploads/2016/01/GSEP\\_-\\_GA\\_R\\_Social\\_and\\_Environmental\\_Policy-1.pdf](https://goldenagri.com.sg/wp-content/uploads/2016/01/GSEP_-_GA_R_Social_and_Environmental_Policy-1.pdf) and <https://www.smart-tbk.com/wp-content/uploads/2016/02/Ringkasan-PROSEDUR-PENANGANAN-KONFLIK-SOSIAL-Final.pdf>.

<sup>5</sup> <https://goldenagri.com.sg/wp-content/uploads/2016/01/GSEP-English.pdf>.

<sup>6</sup> Source: Wilmar's Grievance Procedure (2019) [https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure\\_final.pdf?sfvrsn=7670cea2\\_2](https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/grievance/grievance-sop/grievance-procedure_final.pdf?sfvrsn=7670cea2_2).

This membership involves a pledge to adhere to RSPO's Principles and Criteria,<sup>7</sup> which includes requirements for member companies to respect customary rights and to only develop plantations on lands where they have the Free, Prior and Informed Consent (FPIC) of communities who have used, owned or occupied those lands (RSPO, 2015). The RSPO requires companies to ensure that land developed for plantations "is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights" (Criterion 2.2 of the RSPO, 2007). This also involves excluding those areas from plantation development that are essential to community needs and cultural identity or found to have high biodiversity conservation values. Furthermore, RSPO principles and criteria require oil palm companies to proactively resolve land disputes (see Principle 2, Criteria 2.3 and 2.4, RSPO, 2007). To facilitate this conflict resolution process, the RSPO has created a Complaints System, including a Dispute Settlement Facility (DSF) which offers communities and companies a mechanism to resolve their disputes through constructive dialogue.

## 6. The contentious politics of palm oil companies in Indonesia

These publicly announced corporate policies and codes of conduct do not necessarily reflect or align with practices on the ground. This gap does not only stem from implementation challenges (e.g. Bartley, 2018). This gap also stems from more secretive conflict strategies that companies employ to limit the capacity of communities to voice their grievances and to mobilize support for their own claims regarding disputed land or, relatedly, regarding not having to provide (additional) financial compensation or profit-sharing. We identified four recurring elements: the co-optation of village elites, the cultivation of close relationships with local authorities, the suppression of protests, and the criminalization of protest leaders. These strategies enable plantation management to limit the damage caused by community protests while minimizing the provision of monetary compensation of villagers affected by the establishment of plantations. These practises are generally not part of - and often contradict - the Standard Operation Procedures discussed above. We will discuss these four strategies in turn.

### 6.1. Co-optation of village elites to circumvent informed consent

When companies obtain concessions they are obliged - by Indonesian laws as well as palm oil industry standards adopted by the RSPO - to obtain the informed consent of a community before incorporating their land into a new plantation. This process of obtaining consent generally starts with company representatives holding (a series of) meetings in affected villages, where they explain the company's plans and offer monetary compensation and (often but not always) participation in profit-sharing schemes and jobs in the plantation. This compensation for the loss of land is generally quite low: the amounts paid in the studied cases ranged from Rp. 500,000 (about 50 USD) per hectare in 2004 to Rp. 2 million (150 USD) in 2014, with twenty to forty dollars added for land planted with cash crops such as rubber. Based on interviews with our community informants, we found that in 67 out of our 150 cases (44.7%), no compensation at all was paid before community protests started. But even when money is offered villagers often refuse such offers, because these sums generally hardly compensate for the loss of livelihood implied by the loss of land.

In response to such refusal, palm oil companies have adopted various strategies that, in practice, amount to a circumvention of the obligation to obtain the informed consent from affected villagers. When the required land involves communal land, one common strategy has been to rely on community leaders and to assume that their signature represents the consent of the whole community. This strategy of targeting the village heads comes with various inducements: palm oil companies

particularly provide village heads and other local leaders with gifts and trips to the provincial capital or Jakarta to get their signature. This signature plays an important role, as it then serves to convince government officials, certification bodies such as RSPO, and disgruntled community members that the whole community has consented - while invariably other community members feel that no such consent has been given.

When individual claims to land are relatively well documented and, consequently, individual consent is required (as in the case of trans-migrants, who usually have legal ownership of land), companies often employ community members to persuade their neighbours to relinquish their land. Such individuals become *humas* (*hubungan masyarakat* or 'community liaison') in exchange for a small salary. These *humas* often get a fee of one to three million rupiah per hectare of land that they manage to 'free up'. This is done partly by friendly visits and persuasion but regularly descends into threats and intimidation. In 46 of the 150 cases that we studied, interviewed community leaders stated that they had felt intimidated during this process by either *humas* or the police.

Sometimes this process of obtaining consent descends into outright fraudulent behaviour. In the case of PT KHS (Central Kalimantan), for example, company representatives went around offering a 'goodwill payment' (*uang tali asih*) to villagers while asking them to sign for the receipt of this gift. These signatures were then later used as 'proof' that the villagers had received compensation and consented to provide their land to the company. In a similar vein, the attendance list of 'socialization meetings' in which companies present their plans to the community, are sometimes used as proof of consent. In other cases the receipts of compensation money (*Surat Keterangan Ganti Rugi*) are falsified. Sometimes this falsification is detected: for example, in Riau both the management of PT RAKA and a village head were taken to court for falsifying hundred such compensation receipts.<sup>8</sup> The effect of these practises of (those acting on behalf of) company representatives is community land is being taken without consent and without adequate compensation, thus sowing the seeds for further conflict.

The co-optation of village elites extends beyond the initial phase of seeking community consent, and constitutes an important strategy of companies to contain subsequent conflict. Companies seek to enlist the support of village heads, customary leaders and other prominent individuals by providing gifts as well as monthly 'salaries'. A village head from Kubu Raya (West Kalimantan) describes how all the village heads of nearby villages regularly received envelopes: "The money that was delivered to me was 1,250,000 rupiah for a month (80 USD). But [besides that] every time there is planting, land clearing, digging canals, there is *jatah* ['gratuity']" (Interview with a village head, West Kalimantan, January 22, 2020). In a similar vein, protest leaders or even leaders of supportive NGOs are offered bribes in exchange for backing down - arguably a highly monetized form of astroturfing (cf. Kraemer et al., 2013).

Sometimes, however, companies are faced with village elites who not only refuse these gifts but also become leaders of the protests against them. We found that in such cases companies can resort to exploiting divisions within communities by supporting alternative leaders. This most often takes the form - as we encountered in the case of PT MAL - of the company supporting the election of a new, more supportive village head who subsequently discouraged the protests organised by the old village head. In the case of PT BGA (Central Kalimantan) the company supported the foundation of a new village cooperative when the existing cooperative became highly critical of the opaque implementation of the promised profit-sharing. Another example comes from the case of PTPN V in Riau, where, in the words of a customary leader, the company has

<sup>8</sup> Source: Court document (Case no. 241/PID.B/2014/PN.SIAK), Siak District Court, 16 July 2014. [http://sipp.pn-siak.go.id/show\\_detil/VC9pUHBSdk1FeE9mdGN2aHR2dUJSVFILN3hRYWlLajhabWNjZ25qc085dVY1K3lOVnhzbn9kU5m5jUXRFT0c1cDF4YVF5SFVWR2phVOQrVmhTVIAwZ3c9PQ==](http://sipp.pn-siak.go.id/show_detil/VC9pUHBSdk1FeE9mdGN2aHR2dUJSVFILN3hRYWlLajhabWNjZ25qc085dVY1K3lOVnhzbn9kU5m5jUXRFT0c1cDF4YVF5SFVWR2phVOQrVmhTVIAwZ3c9PQ==)

<sup>7</sup> <https://www.rspo.org/file/revisedPandC2013.pdf>.

set up 'counterfeit customary leaders' (Interview, February 29, 2020).

Given the relative poverty of the regions in which palm oil companies operate, money, gifts and jobs are highly effective tools to undermine the unity and leadership of rural communities.

## 6.2. Cultivation of collusive ties with state authorities

This co-optation of local leadership is a form of 'corporate mobilization' that extends beyond the village. Companies also engage in active efforts to obtain the support of a range of elected officials and bureaucrats, using campaign donations as well regular 'tokens of appreciation' to a range of local authorities – from village heads and sub-district heads to police officials and military officials. A former *humas* ('community liaison') from Central Kalimantan described this monthly distribution of 'fees' to local authorities as follows:

As *humas* my most important task was to give *uang jatah* ('gratuity') for the *kapolsek* [head of police], *koramil* [local military commander], *village heads* and *camat* [sub-district head]. A monthly incentive. We gave the village heads 500 thousand rupiah [40 USD] per month, the head of the local police and the sub-district head got 1 million [80 USD]. This is outside the [financial] aid we give when there is a meeting. Then we also help for their participation, or we pay for plane tickets or hotel when this meeting is elsewhere. This is just to [make the activity] succeed, so that there is no obstacle for the expansion [of the plantation]. And when there is *Idul Fitri* or Christmas we also make a donation to them. Also, to departments of plantation and forestry – they get about three million per month. And the *bupati* gets even more, he gets 10 million (Interview, 8 September 2017).

Such monetary incentives constitute a key element of corporate mobilization as it serves companies to get influential actors to support their claims. The susceptibility of local authorities and politicians to such bribes should not simply be attributed to greed. The nature of local politics – i.e. the 'political opportunity structure' – provides companies with extensive opportunities for developing these collusive relationships. Local state officials need such bribes in order to recover the considerable sums that they have to lay out to get promoted to their positions (see Berenschot, 2018). In a similar vein elected officials - from village heads to district heads and governors – need such donations coming from palm oil companies to finance increasingly expensive election campaigns. In fact, sometimes this collaboration with palm oil companies constitutes an important avenue for politicians to fund their election campaigns (see Aspinall & Berenschot, 2019, pp. 155-181; Gecko Project, 2017). In other words, companies face a political opportunity structure that is highly conducive to collusive exchanges of favours.

Companies also provide financial contributions to police officials and local army units to obtain their support in dealing with community protests. According to one interviewed head of the conflict resolution division of a palm oil company, a result of these regular contributions is that police officials are sometimes disappointed when a company succeeds in reducing tensions and resolving conflict:

Before the *reformasi* [i.e. 1998] companies often used the military, police and so on. But after *reformasi* [...] 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: starting from operational costs, money for meals (*lauk pauk*), pocket money for their families, for the police chief (Kapolres), everything is included and it can reach over a billion. So when there is a conflict, when the company asks for security support [from the police], they will give [a budget] proposal. And it makes it more costly. So when my team was working [to resolve the conflict], the police seemed upset because they lost their

jobs. Lost their source of income too. Because now there is no more conflict (Interview, 18 February 2020)

In some instances the relationships between companies, law enforcement apparatus and bureaucrats are so close that they effectively operate as partners. It is not uncommon that provincial or district level police offices assign personnel (typically from *Brimob*, the Mobile Brigade Corps) to provide security service (*pengamanan*) for company activities such as harvesting or land clearing in response to request from (and paid by) companies.<sup>9</sup> We came across letters from local governments as well as the Indonesian Palm Oil Entrepreneurs Association (GAPKI) that openly acknowledge such corporate funding of police activities.<sup>10</sup>

This collusion between local authorities, police officials and company management is fairly apparent to villagers, and has a considerable intimidating effect. Such relations are conveyed through large banners littering the landscape of, particularly, Kalimantan, where logos of palm oil companies and the police feature next to the slogan 'give investors a sense of security' (see Fig. 1). The close relationship between the police and plantation companies is also apparent by the presence of police officials during activities at the plantations. As a community leader from Central Kalimantan describes, such signs of collaboration between the police and the company acts as a deterrent against community protests:



Fig. 1. Signboard with logos of both police and company, saying "Give a sense of peace to investors".

<sup>9</sup> This role is admitted by Police officials themselves <https://www.infosawit.com/news/546/polisi-dilarang-jaga-perkebunan-sawit>.

<sup>10</sup> See <https://gapki.id/news/3535/gapki-dan-polri-sepakati-pengamanan-perkebunan>.

For people who know nothing, this sight [of police helping the company] already makes them afraid. (...) The system just works to scare people so that they do not defend their land (Interview 23 July 2018).

### 6.3. Suppression of protests

This close relationship between companies and local authorities facilitates a third element of the 'contentious repertoire' of companies: the employment of security personnel, hired goons and local police to suppress protests through violence and intimidation. Informants stated that palm oil companies had bribed the local police in order to get them to quash demonstrations, including the just cited former head of a conflict resolution unit. Interviewed company representatives had relatively little qualms about admitting using both the police and their security personnel. As a member of another company's sustainability team stated in an interview about how they act when, even after being offered money, people refuse to vacate their land: "We start with approaching the civil servants (...) to convey suggestions to the community to move [to another location]. If not successful, the approach may become harder, that is, by using the security apparatus".

While many demonstrations also proceeded without such police intervention, we documented 69 instances where demonstrations or blockades were met with a violent reaction from either the local police, mobile police brigade (*Brimob*) or *preman* ('thugs'), involving not just the beating but sometimes also the shooting of protesters (of which 16 instances also involved violence perpetrated by community actors). In our sample of 150 conflicts, this violence has led to 16 deaths and 195 injured villagers. Table 1 presents some illustrative examples of particularly violent incidents.

While most protests are attended by a handful of police officials, the

accounts of these violent incidents in Table 1 illustrate that these escalations were often preceded by a considerable deployment of the police force (particularly *brimob*). As our quotations above illustrate, while in some instances the police, security personnel or hired goons might have acted independently, in most cases such deployment of police (in collaboration with hired goons (*preman*) and security personnel) take place at the request of (and with funding from) plantation managers. The acts of police violence are, to our knowledge, rarely investigated and we did not find any reports of any disciplinary action being taken against police officers. The result of this violence is that, as several informants commented to us, communities eventually concluded that anti-company protests around plantations are 'too dangerous'.

### 6.4. Criminalization of protest leaders

A fourth and related element of corporate strategies concerns the filing of criminal complaints against protest leaders. A striking aspect of conflict trajectories is that, because of these complaints, many community leaders are arrested and jailed. We documented 789 arrests for the conflicts we studied. While some such arrests might be occasioned by actual violations, in other cases the accusations against villagers seem fabricated. Table 2 provides some examples of cases leading to incarcerations.

Community members are most commonly arrested for the harvesting of palm oil bunches on their land, for carrying of weapons inside a plantation or for disturbing operations. Particularly this 'protest harvesting' of fruit bunches often led to relatively long jail sentences, despite the sometimes quite strong claim of the accused to the land on which they harvested. Other cases involve accusations of defamation, which is a loosely defined legal term that in Indonesia may even be applicable to the public airing of criticism. In all such cases, it is extremely unlikely that the police would pursue such offences without

**Table 1**  
Incidents of anti-community violence by police and company security personnel.

Company (province)	Event	Source
PT Sintang Raya (West Kalimantan)	On July 23, 2016, about 400 villagers tried to stage a peaceful protest at the disputed land, when police officials arrested several villagers. One week later a large police contingent raided the village, searched people's houses and confiscated several vehicles, forcing people to flee their homes.	<a href="http://kpa.or.id/media/baca2/siaran_pers/72/Siaran_Pers:_Hentikan_Kekerasan_Intimidasi_dan_Kriminalisasi_Petani_Kecamatan_Kubu_Akibat_Konflik_dengan_PT_Sintang_Raya/">http://kpa.or.id/media/baca2/siaran_pers/72/Siaran_Pers:_Hentikan_Kekerasan_Intimidasi_dan_Kriminalisasi_Petani_Kecamatan_Kubu_Akibat_Konflik_dengan_PT_Sintang_Raya/</a>
PT MMS (C. Kalimantan)	On May 26, 2005, 500 villagers occupied the premises of PT MMS (Central Kalimantan) when a large contingent of police officers came down and arrested 43 villagers. During the transport to the police station, several protesters were beaten and one of them was shot dead.	Investigation report by Betang Borneo (a coalition of NGOs in Central Kalimantan) and KontraS
PT Berjaya Agro Kalimantan (C. Kalimantan)	On January 14, 2015, the police broke up a blockade of PT BAK's plantation with violence, leading to five injuries as three people were shot and two others severely beaten.	<a href="http://sawitwatch.or.id/2015/01/29/27-warga-kecamatan-montalat-di-tangkap-meminta-tanahnya-kembali/">http://sawitwatch.or.id/2015/01/29/27-warga-kecamatan-montalat-di-tangkap-meminta-tanahnya-kembali/</a>
PT Kapuas Maju Jaya (Central Kalimantan)	After villagers had built a gate to block the road to the plantation, on August 18, 2017 the company hired 30 <i>preman</i> to attack the villagers and demolish the gate, seriously injuring five of them.	<a href="https://sampit.prokal.co/read/news/11390-diserang-preman-lima-warga-mengadu-ke-polisi">https://sampit.prokal.co/read/news/11390-diserang-preman-lima-warga-mengadu-ke-polisi</a>
PT Runggu Prima Jaya	When in 2014 and 2016 community members sequestered several excavators, the company hired an armed group of thugs to recover the machines.	<a href="https://www.mongabay.co.id/2016/07/24/beginilah-nasib-masyarakat-adat-talang-mamak-bagian-1/">https://www.mongabay.co.id/2016/07/24/beginilah-nasib-masyarakat-adat-talang-mamak-bagian-1/</a>



**Table 2**  
Examples of court cases against protest leaders.

Company	Accusation against villagers	outcome of (court) case	source
PT BGA (Kalteng)	A protest leader who accused the company of forging documents, was subsequently arrested for stealing these documents	After being jailed for 6 months, the district court cleared him of all charges	<a href="https://sampit.pr-okal.co/read/news/2935-di-vonis-bebas-ter-dakwa-penggelapan-uang-dihantui-jaksa">https://sampit.pr-okal.co/read/news/2935-di-vonis-bebas-ter-dakwa-penggelapan-uang-dihantui-jaksa</a>
PT Sintang Raya (Kalbar)	Local leader Bambang S. was accused and jailed for falsifying land ownership documents	The judges sentenced him for one year and two months in jail.	<a href="https://kbr.id/nusantara/10-2020/pahlawan-agraria-antara-perjuangan-dan-penjara_1/103729.html">https://kbr.id/nusantara/10-2020/pahlawan-agraria-antara-perjuangan-dan-penjara_1/103729.html</a>
PT Sumatra Agro Tunas Utama (Riau)	Two community leaders were arrested for stopping the company's operation.	They were jailed for 6 months and 24 days.	<a href="https://www.goriau.com/berita/baca/lahan-digarap-perusahaan-pt-satudan-tokoh-koto-tuo-juga-didakwa-warga-demo-ke-dprd-kampar.html">https://www.goriau.com/berita/baca/lahan-digarap-perusahaan-pt-satudan-tokoh-koto-tuo-juga-didakwa-warga-demo-ke-dprd-kampar.html</a>
PT Mitra Austral Sejahtera (Kalbar)	Five members of Serikat Petani Kelapa Sawit were arrested for organising a demonstration that led to attacks on property belonging to the company.	Four villagers were given two-year sentences for violation of the Plantation Law.	<a href="https://www.tuk.or.id/2017/03/04/penyelesaian-segera-bertanggungg-jawab-dan-jangka-panjang-konflik-hak-tanah-dat-antara-sime-darby-dan-masyarah-https://news.mongabay.com/2020/06/indonesia-indigenous-farmers-palm-oil-jail-sentence-conflict-hmbp-best-group/">https://www.tuk.or.id/2017/03/04/penyelesaian-segera-bertanggungg-jawab-dan-jangka-panjang-konflik-hak-tanah-dat-antara-sime-darby-dan-masyarah-https://news.mongabay.com/2020/06/indonesia-indigenous-farmers-palm-oil-jail-sentence-conflict-hmbp-best-group/</a>
PT HMBP (Kalteng)	On February 17, 2020, three villagers were arrested for harvesting oil palm trees that, according to villagers, were planted on their land.	They were given jail sentences of eight and ten months.	<a href="https://news.mongabay.com/2020/06/indonesia-indigenous-farmers-palm-oil-jail-sentence-conflict-hmbp-best-group/">https://news.mongabay.com/2020/06/indonesia-indigenous-farmers-palm-oil-jail-sentence-conflict-hmbp-best-group/</a>

the active prompting (and the offering of monetary incentives) by plantation management. In these cases the police are acting relatively quickly on the accusations of company actors against protest leaders – a responsiveness that contrasts quite sharply with the negligence of local authorities when it comes to pursuing allegations of licence violations of palm oil companies. It is likely that these prompt responses have to do with the close relationship that company representatives maintain with police officials. Because of such relationships, it does not matter whether the accusations that companies raise against local leaders are well-founded or not. Such arrests do not only force communities to focus their energy and collective action on freeing their community members, but also generate fear for further police repercussions.

## 7. Frequency and variation

Our dataset offers a unique opportunity to explore how common these elements of corporate conflict behaviour are in the studied 150 palm oil conflicts. While the regularity of collusive exchanges is (due to their secret nature) difficult to quantify, we did assess how often community protests were violently suppressed, how often community leaders were criminalised and how often communities complained that land was taken without consent. Furthermore, as an indicator of the effort and willingness of companies to solve conflicts and address the grievances, we investigated how often the studied conflicts led to a mutual agreement between communities and companies.

This material also allows us to explore whether companies that have signed up to RSPO's code of conduct behave differently compared to those that did not. As mentioned earlier, RSPO member companies have

signed up to the code of conduct on Free, Prior and Informed Consent. This means that companies must respect community rights, engage in dialogue with communities before any land clearing, and respond proactively to community grievances. Furthermore, RSPO-member companies are generally bigger companies involved in selling palm oil to western consumer goods manufacturers, who often require RSPO membership and who, as the literature suggests (e.g. Macdonald & Balaton-Chrimes, 2016), might be exerting pressure on palm oil producers to resolve their conflicts with communities. For these two reasons – a stringent code of conduct and more pressures from customers - we expected that conflicts involving RSPO companies would be characterised by lower numbers of arrests, less violence, and more regular agreements with companies. Tables 3 and 4 provide an opportunity to test this hypothesis.

We find that both anti-community violence and arrests are relatively common features of palm oil conflicts: conflicts led to arrests of community members in 63 (42%) of the 150 studied cases, while violence against communities occurred in 32 (21%) of these cases. Conversely, we find that implemented agreements between companies and communities are surprisingly uncommon. Despite the above-mentioned SOPs and codes of conduct that stimulate plantation managers to find convenient solutions, we could only document agreements between companies and communities in 51 (34%) out of the studied cases of which (again according to our community informants) 17 agreements were implemented. Efforts to negotiate or to mediate the conflict (often by local authorities) generally failed, while in 29 cases no attempt at either negotiation or mediation was even undertaken. While this relative lack of agreements should also be attributed to problems of community leadership and the above-mentioned complexity of land-related conflicts, these numbers do suggest that companies make little effort and are often simply unwilling to reach an agreement with communities (see Berenschot et al. n.d. for a fuller exploration for why mediation often fails). Even when allowing for the challenges involved when documenting instances of violence, arrests and (breaches of) agreements, the conclusion is that companies are remarkably uncooperative while quite regularly supporting various forms of intimidation and harassment of community members.

To our surprise, we did not find significant differences between the RSPO member companies and the non-RSPO member companies in our dataset. To test whether RSPO membership and the observed features of conflict trajectories are indeed unrelated (or in more technical terms: to test if the observed frequencies in one or more categories match the expected frequencies under  $H_0$ , i.e. no association between the two variables), we conducted a chi-square test of independence. These tests show no significant association between RSPO membership and whether violence happened,  $\chi^2(1, N = 150) = 0.4205$ ,  $p = 0.517$ ), no significant association between RSPO membership and whether arrests were made,  $\chi^2(1, N = 148) = 0.5385$ ,  $p = 0.463$ , no significant association between RSPO membership and the type of mediation outcome,  $\chi^2(1, N = 150) = 6.7041$ ,  $p = 0.152$ , and also no significant association between RSPO

**Table 3**  
Number of conflicts involving arrests and anti-community violence.

	RSPO (n = 64)	Non-RSPO members (n = 86)	Total (n = 150)
<b>Cases involving grievances about land taken without consent</b>	68.7% (44 out of 64 cases)	60.4% (52 out of 86 cases)	64% (96 out of 150 cases)
<b>Violence against community</b>	29.7% (19 cases)	15.1% (13 cases)	21.3 % (32 out of 150 cases)
<b>Arrest of protest leaders</b>	45.3% (29 out of 64 cases)	39.5% (34 out of 86 cases)	42 % (63 out of 150 cases)

Source: our documentation of 150 conflicts

**Table 4**  
Number of conflicts involving agreements between companies and communities.

Outcome of negotiation or third-party mediation	RSPO (n = 64)	Non-RSPO (n = 86)	Total cases n = 150
1. No Mediation/Negotiation attempted	15 (23.4%)	14 (16.2%)	29 (19.3 %)
2. No agreement reached	27 (42.2%)	43 (50%)	70 (46.6%)
3. Agreement reached but no implementation	8 (12.5%)	19 (22%)	27 (18%)
4. Agreement reached, implementation doubtful	3 (4.7%)	4 (4.6%)	7 (4.6%)
5. Agreement reached and implemented	11 (17.2%)	6 (6.9%)	17 (11.3)
Total cases	64	86	150

membership and whether companies were taking land without consent,  $\chi^2 (1, N = 150) = 1.2750, p = 0.259$ . While some caution and further study is required as this study involves just a subset of 150 conflicts, these findings are supportive of claims of critical NGO's and academics that the RSPO provides an opportunity for the palm oil industry to improve its image without significantly affecting environmental and social outcomes (e.g. Morgans et al., 2018).

## 8. Discussion: corporate contentious politics

Building on Tilly and Tarrow's definition of contentious politics (Tilly & Tarrow, 2015, p. 7) and the material presented in this paper, corporate contentious politics (CCP) can be defined as the efforts of corporate actors to make and realize claims bearing on other actor's interests and resources, in which governments are involved as targets or third parties. Does a contentious politics perspective indeed 'work' to analyse corporate conflict behaviour, compared to more common approaches offered by the literatures on CSR and corporate political action? First, it is important to reiterate that corporate contentious politics concerns a dimension of corporate behaviour largely overlooked by these literatures. Whereas the CSR-oriented literature focuses on the policies, codes of conduct and operational procedures that companies adopt to guide efforts to resolve conflicts and address community grievances, CCP concerns the practices that company representatives use on-the-ground (a 'contentious repertoire') to realize their own claims. As we have seen, whereas CSR policies and procedures are publicly announced, CCP is often more secretive in the sense that these practices are not published and involve, for example, the usage of secretive exchanges of favours rather than official procedures and formal conflict resolution mechanisms. Our findings suggest that CSR policies and procedures are often in contradiction and 'decoupled' (Khan & Lockhart, 2022) from corporate contentious politics: while CSR policies involve pledges and procedures about respecting the rights of communities, the corporate contentious politics that companies employ at plantation level is often geared at suppressing protest and preventing communities to realize their rights. A contentious politics perspective offers, in other words, a useful correction to blind spots in the literature.

Second, concepts from the contentious politics literature – such as contentious repertoire, political opportunity structure, and mobilization – were found to be useful to analyse and unpack corporate conflict behaviour. We identified a particular contentious repertoire adopted by companies, and documented that companies also engage in mobilization and collective action: their conflict behaviour involves efforts of corporate representatives to acquire the support of – and to coordinate between – a range of different actors, varying from security personnel, community leaders and hired goons to police officials, politicians and civil servants – ensuring that they 'start making contentious claims' on behalf of companies. While this 'corporate mobilization' of such actors obviously differs in character from the kind of mobilization that social movements engage in (as monetary incentives, exchanges of favours and corporate hierarchies play a big role here), we found that companies

engage in extensive efforts to mobilize support and that this mobilization of various kinds of supporters is of crucial importance for realizing their claims – as it is for social movements. We conclude that the character (and success) of such corporate mobilization is important to understand why communities often fail to address their grievances (see *ref withheld*) – and note that even the broader literature on land conflicts has paid scant attention to corporate mobilisation.

Third, a contentious politics perspective draws attention to the ways in which companies target government officials. To some this might suggest that these practices could be labelled as 'corporate political action'. However, in the CPA literature, the targets are government policies and regulations, that is, the aim is to *obtain* policies and laws that are favourable to their market performance and customer satisfaction (Walker, 2014; Walker & Rea, 2014). Corporate contentious politics, however, concern efforts to manipulate the *implementation* of regulation. The targets are local state officials (majors, police, bureaucrats); the aim is to persuade them to support their claims to land, overlook regulatory violations and suppress community protests. Often, this engagement of companies with local governments takes the form of collusive exchanges of favours. The need to engage with local state officials is all the more intense in the context of the political opportunity structure generated by Indonesia's highly informalized state institutions – i.e. state institutions whose capacity to implement rules and regulations in a universal, rule-bound manner is hampered by regular personal exchanges of favours through informal networks. In this context, any kind of business operation – but particularly those involving natural resources – requires paying attention to maintaining good relationships with state officials. The implication is that the study of corporate conflict behaviour requires paying close attention to informal and, often, secretive exchanges that shape such relationships.

Yet, while contentious politics perspective offers these considerable benefits – drawing attention to understudied corporate behaviour, and helping to conceptualize, unpack and better understand dimensions of such behaviour – it is important to also articulate key differences between corporate and citizen contentious politics. Whereas contentious behaviour of citizens tends to be public and largely voluntary, corporate contentious politics is somewhat secretive. Companies do engage in public claim-making but they also rely extensively on informal interactions and more monetized forms of mobilizing support. Companies do not engage in demonstrations, while they do symbolically perform the 'worthiness' (cf. Tilly, 2008, p. 53) of their claims (e.g. Fig. 1). Relatedly, companies tend to command considerable resources while citizen contentious politics is often (but not necessarily rightly) associated with relatively powerless communities. These considerable resources – monetary but also social capital – facilitate the corporate mobilization we observed. Such particularities, however, do not negate the applicability of a contentious politics perspective, as they can very well be analyzed and understood from within this perspective: these particularities constitute strategic responses of companies to the political opportunity structure they face and the resources at their disposal.

## 9. Conclusion

The accelerating corporate acquisition of community land is fostering large numbers of company-community conflicts around the world. The corporate involvement in such land conflicts have received limited attention, often under the misleading rubric of 'Corporate Social Responsibility'. In this paper we have developed a different approach: we employed a contentious politics perspective to unpack and analyse corporate conflict behaviour. We found that the conflict strategies of many palm oil companies are Janus-faced: on the one hand companies propagate high-minded sustainability standards and codes of conduct, while at the plantation-level company representatives are engaged in acts that, in effect, often violate these standards. Using our documentation of 150 conflicts between palm oil companies and rural communities in Indonesia, we identified four elements of such corporate

conflict behaviour: the co-optation of local leaders, the cultivation of connections with local authorities, the suppression of community protests, and the criminalization of protest leaders. Having thus found that companies adopt their own 'contentious repertoire' to make and realize their claims to (mainly) land, we proposed the term 'corporate contentious politics' to describe the conflict behaviour of companies. As an understudied field of research, CCP points to the importance of a close-up, on-the-ground study of actual corporate conflict behaviour, while providing explanations for why many communities do not experience a 'level playing field' and why state agents often side with companies.

As relatively few studies have paid attention to how companies deal with land conflicts, the study of corporate contentious politics could be expanded in various directions. An important issue is to explore whether corporate contentious politics is promoted by corporate leadership or rather stems from initiatives from plantation-level managers operating at a distance and with limited supervision from corporate headquarters. Another important avenue for future research concerns the exploration of variation between countries, industries and companies, in order to better understand the conditions that foster corporate contentious politics.

Particularly important is the question why companies actually engage in corporate contentious politics. We would speculate that the motivation of company representatives to engage in corporate contentious politics does not stem from the need to reduce costs but rather from the limited legal certainty offered by Indonesia's highly informalized state institutions. In other words, we would hypothesize that corporate contentious politics is likely most common in contexts where companies cannot rely on an impersonal, rule-bound implementation of laws and regulations. In such contexts companies face the strongest incentives to cultivate personal relationships with power holders as an alternative avenue to obtain a modicum of legal certainty needed to protect investments. Furthermore, this limited legal certainty also discourages companies from engaging in earnest efforts to reach agreements with communities. In the context of limited and conflicting registration of land ownership, companies have limited certainty about whether such an agreement will stimulate other community members to make similar claims – claims which would be similarly difficult to evaluate. Such an analysis would explain why we found few differences between the behaviour RSPO-member companies and non-member companies: while these companies face different market pressures, they face the same challenge of needing to acquire and control large tracts of land in the context of limited legal certainty.

Given the large number of corporate-community land conflicts around the world, and the extensive economic damage and human suffering associated with these conflicts, we believe that such a research agenda urgently deserves more attention.

#### Disclosure statement

We have no potential conflict of interest to report.

#### Funding details

Research for this article was supported by a research grant of the Dutch Research Council (NWO), grant number W 07.50.1826.

#### CRediT authorship contribution statement

**Ward Berenschot:** Writing – original draft, Project administration, Funding acquisition, Formal analysis, Data curation, Conceptualization. **Ahmad Dhiaulhaq:** Writing – review & editing, Investigation, Formal analysis, Data curation. **Otto Hospes:** Writing – review & editing, Formal analysis, Conceptualization. **Afrizal:** Writing – review & editing, Investigation, Formal analysis. **Daniel Pranajaya:** Data curation, Formal analysis.

#### 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.

#### Data availability

The data used for this paper will be made publicly available through the DANS depository, and the link to the data is provided in the supplemental file: [10.17026/dans-xbn-wmrj](https://doi.org/10.17026/dans-xbn-wmrj)

#### Acknowledgements

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. We thank participants at a seminar at City University of London in March 2022, and three anonymous reviewers for useful comments.

#### Appendix A. Supplementary data

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.polgeo.2024.103166>.

#### References

- Abuya, W. O. (2016). Mining conflicts and corporate social responsibility: Titanium mining in Kwale, Kenya. *The Extractive Industries and Society*, 3(2), 485–493.
- Afrizal, A. (2007). *The nagari community, business, and the state: The origin and the process of contemporary agrarian protests in West Sumatra, Indonesia*. Sawit Watch.
- Aspinall, E., & Berenschot, W. (2019). *Democracy for sale: Elections, clientelism, and the state in Indonesia*. Cornell University Press.
- Balsiger, P. (2014). Managing protest: The political action repertoires of corporations. In D. D. Porta, & M. Diani (Eds.), *The oxford handbook of social movements* (pp. 1–11). Oxford University Press.
- Balsiger, P. (2018). Explaining dynamic strategies for defending company legitimacy: The changing outcomes of anti-sweatshop campaigns in France and Switzerland. *Business & Society*, 57(4), 676–705.
- Banerjee, S. B. (2008). Corporate Social Responsibility: The good, the bad and the ugly. *Critical Sociology*, 34(1), 51–79.
- Banerjee, S. (2014). A critical perspective on corporate social responsibility: Towards a global governance framework. *Critical Perspectives on International Business*, 10(1/2), 84–95.
- Baron, D. P. (2001). Theories of strategic nonmarket participation: Majority-rule and executive institutions. *Journal of Economics and Management Strategy*, 10(1), 47–89.
- Baron, D. P., & Diermeier, D. (2007). Strategic activism and nonmarket strategy. *Journal of Economics and Management Strategy*, 16(3), 599–634.
- Barreiro, V., Iqbal, M., Limberg, G., Prasodjo, R., Sileuw, A., & Schweithelm, J. (2016). *The cost of conflict in oil palm in Indonesia*. Daemeter and IBCSD.
- Bartley, T. (2018). *Rules without rights: Land, labor, and private authority in the global economy*. Oxford: Oxford University Press.
- Bedner, A. (2016). Indonesian land law: Integration at last? And for whom? In J. McCarthy, & K. Robinson (Eds.), *Land and development in Indonesia: Searching for the people's sovereignty* (pp. 63–88). ISEAS Publishing.
- Berenschot, W. (2018). Incumbent bureaucrats: Why elections undermine civil service reform in Indonesia. *Public Administration and Development*, 38(4), 135–143.
- Berenschot, W., Dhiaulhaq, A., Afrizal, Hospes, O. (n.d.) *Rightless Resistance: Palm Oil and the Struggle for Land and Citizenship in Indonesia*. Unpublished book manuscript.
- Borras, S. M., & Franco, J. C. (2013). Global land grabbing and political reactions 'from below'. *Third World Quarterly*, 34(9), 1723–1747.
- Brock, A., & Dunlap, A. (2018). Normalising corporate counterinsurgency: Engineering consent, managing resistance and greening destruction around the Hambach coal mine and beyond. *Political Geography*, 62, 33–47.
- Calvano, L. (2008). Multinational corporations and local communities: A critical analysis of conflict. *Journal of Business Ethics*, 82(4), 793–805.
- Dunlap, A. (2019). 'Agro sí, mina NO!' the Tía María copper mine, state terrorism and social war by every means in the Tambo Valley, Peru. *Political Geography*, 71, 10–25.

- Edwards, B., & McCarthy, J. D. (2004). Resources and social movement mobilization. In D. Snow, S. Soule, & H. Kriesi (Eds.), *The Blackwell companion to social movements* (pp. 116–152).
- Faruque, M. O. (2018). The politics of extractive industry corporate practices: An anatomy of a company-community conflict in Bangladesh. *The Extractive Industries and Society*, 5(1), 177–189.
- Ford, M., & Pepinsky, T. B. (2014). *Beyond oligarchy: Wealth, power, and contemporary Indonesian politics*. Cornell University Press.
- Franco, J. C., & Borras, S. M. (2007). Struggles over land resources in the Philippines. *Peace Review*, 19(1), 67–75.
- Gecko Project. (2017). *The making of a palm oil fiefdom*. <https://thegeckoproject.org/the-making-of-a-palm-oil-fiefdom-7e1014e8c342>.
- Gecko Project. Ghosts in the machine. <https://thegeckoproject.org/ghosts-in-the-machine-4acb5c5236cc>.
- Global Witness. (2021). *Seeds of Conflict: How global commodity traders contribute to human rights abuses in Brazil's soy sector*. Available at: <https://www.globalwitness.org/en/campaigns/environmental-activists/global-commodity-traders-are-fuelling-land-conflicts-in-brazils-cerrado/>.
- 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'. *Journal of Peasant Studies*, 42(3–4), 467–488.
- Hall, D., Hirsch, P., & Li, T. M. (2011). *Powers of exclusion: Land dilemmas in Southeast Asia*. Honolulu: University of Hawaii Press. <https://doi.org/10.1017/S0021911812000551>
- Hillman, A. J., Keim, G. D., & Schuler, D. (2004). Corporate political activity: A review and research agenda. *Journal of Management*, 30(6), 837–857.
- Hospes, O. (2014). Marking the success or end of global multi-stakeholder governance? The rise of national sustainability standards in Indonesia and Brazil for palm oil and soy. *Agriculture and Human Values*, 31(3), 425–437.
- Jenkins, H. (2004). Corporate social responsibility and the mining industry: Conflicts and constructs. *Corporate Social Responsibility and Environmental Management*, 11(1), 23–34.
- Khan, M., & Lockhart, J. (2022). Corporate social responsibility decoupling in developing countries: Current research and a future agenda. *Business and Society Review*, 127(1), 127–143.
- King, B. G., & Pearce, N. A. (2010). The contentiousness of markets: Politics, social movements, and institutional change in markets. *Annual Review of Sociology*, 36, 249–267.
- Koopmans, R. (1999). Political. Opportunity. Structure. Some splitting to balance the lumping. *Sociological Forum*, 14(4), 93–105.
- Kraemer, R., Whiteman, G., & Banerjee, B. (2013). Conflict and astroturfing in Niyamgiri: The importance of national advocacy networks in anti-corporate social movements. *Organization Studies*, 34(5–6), 823–852.
- Kröger, M. (2012). The expansion of industrial tree plantations and dispossession in Brazil. *Development and Change*, 43(4), 947–973.
- Lamberg, J.-A., Skippari, M., Eloranta, J., & Mäkinen, S. (2004). The evolution of corporate political action: A framework for processual analysis. *Business & Society*, 43(4), 335–365.
- Latapí Agudelo, M. A., Jóhannsdóttir, L., & Davídsdóttir, B. (2019). A literature review of the history and evolution of corporate social responsibility. *International Journal of Corporate Social Responsibility*, 4(1), 1.
- Lawton, T. C., & Rajwani, T. S. (2015). *The routledge companion to non-market strategy*. Routledge.
- Levien, M. (2018). *Dispossession without development: Land grabs in neoliberal India*. Oxford University Press.
- Li, T. M., & Semedi, P. (2021). *Plantation life: Corporate occupation in Indonesia's oil palm zone* (p. 243). Durham: Duke University Press.
- Lund, C. (2021). *Nine-tenths of the law. Enduring dispossession in Indonesia*. New Haven and London: Yale University Press.
- Lux, S., Crook, T. R., & Woehr, D. J. (2011). Mixing business with politics: A meta-analysis of the antecedents and outcomes of corporate political activity. *Journal of Management*, 37(1), 223–247.
- Macdonald, K., & Balaton-Chrimes, S. (2016). *The complaints system of the roundtable on sustainable palm oil (RSPO)*. Available at: SSRN: <https://ssrn.com/abstract=2880049>.
- Maher, R., Valenzuela, F., & Böhm, S. (2019). The enduring state: An analysis of governance-making in three mining conflicts. *Organization Studies*, 40(8), 1169–1191.
- Martinez-Alier, J. (2021). Mapping ecological distribution conflicts: The EJAtlas. *The Extractive Industries and Society*.
- Matten, D., & Moon, J. (2008). "Implicit" and "explicit" CSR: A conceptual framework for a comparative understanding of corporate social responsibility. *Academy of Management Review*, 33(2), 404–424.
- McCarthy, J. F. (2010). Processes of inclusion and adverse incorporation: Oil palm and agrarian change in Sumatra, Indonesia. *Journal of Peasant Studies*, 37(4), 821–850.
- McKenna, K. (2015). *Corporate social responsibility and natural resource conflict*. Routledge.
- Mellahi, K., Frynas, J. G., Sun, P., & Siegel, D. (2016). A review of the nonmarket strategy literature: Toward a multi-theoretical integration. *Journal of Management*, 42(1), 143–173.
- Meyer, D. S. (2004). Protest and political opportunities. *Annual Review of Sociology*, 30(1), 125–145.
- Millar, G. (2018). Co-opting authority and privatizing force in Rural Africa: Ensuring corporate power over land and people. *Rural Sociology*, 83(4), 749–771.
- Ministry of Environment and Forestry (MoEF). (2022). *The state of Indonesia's forests 2022*. <https://backpanel.kemlu.go.id/Shared/20Documents/The/20State/20of/20Indonesia/20Forest/202022.pdf>. April 10 of 2024.
- Morgans, C. L., Meijaard, E., Santika, T., Law, E., Budiharta, S., Ancrenaz, M., & Wilson, K. A. (2018). Evaluating the effectiveness of palm oil certification in delivering multiple sustainability objectives. *Environmental Research Letters*, 13(6), Article 064032.
- Pearce, F. (2012). *The land grabbers: The new fight over who owns the earth*. Beacon Press.
- Pye, O., & Bhattacharya, J. (2013). *The palm oil controversy in southeast Asia: A transnational perspective*. ISEAS Publishing.
- Ribot, J. C., & Peluso, N. L. (2003). A theory of access. *Rural Sociology*, 68(2), 153–181. <https://doi.org/10.1111/j.1549-0831.2003.tb00133.x>
- RSPO. (2007). *RSPO principles and criteria for sustainable palm oil production*. <https://www.rspo.org/file/RSPO/20Principles/20&/20Criteria/20Document.pdf>.
- RSPO. (2015). *Free, prior and informed consent guide for RSPO members*. <https://rspo.org/news-and-events/announcements/free-prior-and-informed-consent-guide-for-rspo-members-2015-endorsed>. January 2022.
- Sadler, D. (2004). Anti-corporate campaigning and Corporate "Social" Responsibility: Towards alternative spaces of citizenship? *Antipode*, 36(5), 851–870.
- Schouten, G., & Glasbergen, P. (2011). Creating legitimacy in global private governance: The case of the Roundtable on Sustainable Palm Oil. *Ecological Economics*, 70(11), 1891–1899.
- Soule, S. A. (2009). *Contention and corporate social responsibility*. Cambridge University Press.
- Tarrow, S. G. (2011). *Power in movement: Social movements and contentious politics*. Cambridge University Press.
- Tilly, C. (2006). *Regimes and repertoires*. University of Chicago Press.
- Tilly, C. (2008). *Contentious performances*. Cambridge University Press.
- Tilly, C., & Tarrow, S. G. (2015). In *Contentious politics* (Second revised edition). Oxford University Press.
- Velásquez, T. A. (2012). The science of corporate social responsibility (CSR): Recontamination and conflict in a mining project in the southern Ecuadorian Andes. *Resources Policy*, 37(2), 233–240.
- Walker, E. T. (2014). *Grassroots for hire: Public affairs consultants in American democracy*. Cambridge University Press.
- Walker, E. T., & Rea, C. M. (2014). The political mobilization of firms and industries. *Annual Review of Sociology*, 40(1), 281–304.
- World Bank & IFC. (2011). *The World Bank group framework and IFC strategy for engagement in the palm oil sector*. [https://www.ifc.org/wps/wcm/connect/d876e1ef-6fba-44cc-a1fa-1af450ff3c5c/WBG+Framework+and+IFC+Strategy\\_FINAL\\_FOR+WEB.pdf?MOD=AJPERES&CVID=lcUFZxb](https://www.ifc.org/wps/wcm/connect/d876e1ef-6fba-44cc-a1fa-1af450ff3c5c/WBG+Framework+and+IFC+Strategy_FINAL_FOR+WEB.pdf?MOD=AJPERES&CVID=lcUFZxb). (Accessed 24 June 2023).