International Institute of Social Studies

Ezafus,

# New Exclusions in The Making: The Land Deals of Indonesian's State Capital Relocation (IKN) Project

A Research Paper presented by:

Nadia Gissma Kusumawardhani (Indonesia)

in partial fulfilment of the requirements for obtaining the degree of MASTER OF ARTS IN DEVELOPMENT STUDIES

Major:

Agrarian, Food and Environmental Studies (AFES)

Members of the Examining Committee:

Prof. Dr. Saturnino M. Borras Dr. Helena Perez Nino

The Hague, The Netherlands December 2022

#### Disclaimer:

This document represents part of the author's study programme while at the International Institute of Social Studies. The views stated therein are those of the author and not necessarily those of the Institute.

### Inquiries:

International Institute of Social Studies P.O. Box 29776 2502 LT The Hague The Netherlands

t: +31 70 426 0460 e: info@iss.nl w: www.iss.nl

fb: http://www.facebook.com/iss.nl

twitter: @issnl

#### Location:

Kortenaerkade 12 2518 AX The Hague The Netherlands Bismillahirrahmanirraheem

# **Contents**

List	of Tables		$\nu$
List	of Figures		$\nu$
List	of Maps		v
Ack	nowledgments		vi
List	of Acronyms		vii
Abst	tract		viii
Cha	pter 1 Introduction	1	
1.1	Overview of IKN	1	
1.2	The East Kalimantan: Bumi Harapan and Pemaluan Villages	3	
1.3	Justification and Relevance	6	
1.4	Research Question	7	
1.5	Scope and Limitations	7	
1.6	Organization of the Paper	8	
Cha	pter 2 Analytical Framework and Methodology	9	
2.1	Theorizing Land Deal and The Cycle of Land Exclusion	9	
2.2	Analysing the Process of Exclusion: Drivers and Actors	10	
2.3	The Trajectory of Land Exclusion in Indonesia	12	
2.4	Methodology, Positionality, and Ethics	14	
	Positionality	15	
	Ethics	16	
Cha	pter 3 Three Waves of Exclusion: Capital Shifts and Class Reformations	17	
3.1	The First Wave: Enclosure of The Commons and Transmigration Project	17	
3.2	The Second Wave: Timber Concession	19	
3.3	The Third Waves: Palm Concession	21	
Cha	pter 4 Land Deals to Exclusions: The Power at Work	25	
4.1	Past Powers between Three Waves of Exclusion	25	
4.2	Examining the Powers at IKN	29	
Cha	opter 5 – Investigating the Current IKN Land Deal	32	
5.1 I	Land Deal Setting and Mechanism	32	
5.2	The IKN: Early New Wave of Land Exclusion?	36	
5.3	Is There Any Seeds of Class Struggle?	38	
Cha	pter 6 – Conclusion	39	
Future Research Directions		40	
Арр	endices		41
App	endix 1 – Fieldwork and Interview Guides	41	
Appendix 2 – Informant's Profile			
Refer	rences		45

# List of Tables

Table 1 Land Ownership Informations in Bumi Harapan and Pemaluan Village	19
Table 2 Land and Class Relations in the KIPP area	26
Table 3 Three Waves of Exclusions in the KIPP area (1)	27
Table 4 Three Waves of Exclusions in the KIPP area (2)	28
Table 5 Supportive Regulations and Legitimations of the IKN	32
Table 6 Mechanism in the IKN land deal	33
Table 7 Informant's Profile (1)	43
Table 8 Informant's Profile (2)	44
List of Figures	
Figure 1 Logistic in Carrying Timber	20
Figure 2 Palm Oil Plantations	23
Figure 3 Prospective Transformation in The KIPP area	35
Figure 4 The Land Acquisition Mechanism for the IKN	35
Figure 5 Pematokan at the IKN borders	36
List of Maps	
Map 1 Indonesia Orientation Map (Red point: The IKN)	1
Map 2 The Geographical Orientation of the IKN	5
Map 3 Forest Tenurial Information of Bumi Harapan and Pemaluan Villages	18
Map 4 AIEK Location in Penajam Paser Utara Regency, East Kalimantan	22
Map 5 Mining and Forestry Concessions on the New State Capital Location	30

# Acknowledgments

This list of acknowledgment is a form of my gratitude or *shukr* for friends, family and collectives that genuinely have shared their energy, emotion, and time through the process of aligning my academic and individual self.

About this research paper, I would like to send my gratitude to a soulful teacher, Jun Borras. Thank you for your support, motivation, answers, appreciation, and patience in every progress of this study. To Helena, a thoughtful second reader that helps me to sharpen my arguments and allowed me to be optimistic and careful while presenting them. To Rizki, I am happy that we can work together, thanks a lot for your contributions for carried out the whole fieldwork, you nailed it. To all research participants, thank you so much for your trust and willingness to share some of your stories, emotions, and spaces. I am looking forward to coming back to Indonesia and meeting you in person. Thank you, Tiko (Walhi Kaltim), and Amel for our rich and moving discussions. Also, to Bosman Batubara, thank you so much for your insights that make me keep nurturing a faith to connect the critical urban studies to agrarian studies. To Yola, thank you for the proofread session. To the Rijswijk 'circle', Herta, and Nashir, thanks a lot for always supporting me with intellectual gossips and bunch of food of thoughts. The rest is to ARC people, Dianto, Hilma, Izzu, Vita, Syafiq, Erwin, and Nanang, thank you for your trust and endless inspiration that finally caged me to agrarian studies, I feel privileged.

Beyond that, I would like also to thank my family, Mama, Bapak, Deya (and Naadir), Dimas (in heaven), and Kanesha. Thank you for always giving me the freedom to determine the journey of my intellectual, spiritual, and love life. To Mbah Wimbar, thank you for your guidance. Dzikri Ahira, thank you for staying and witnessing all my struggles, I am grateful for us. To Patricia and Sarah, thank you for our friendship, a nest whenever I feel tired with master's life. To Nadya Karamy, for all your ears and (our) tears. To Intan, Dika, Ika, Via, Ivan, thank you for connecting and understanding my absence. To AFES comrades, Rebecca, Sergio, Sabina, Camila, Juan, Bruna, and many more, thank you for the beautiful memories, and you guys are angel.

Also, to my family that magically exist during my hard and happy times while I am in the Netherlands. To Delft family, Enik, Tri, Ayu, Raihan, Hadian and Milou, thank you so much for being there and accept me as a part of your family, from the warm hugs, food, blankets and talks. To Iyank, Budi, Eny, Dony, Udin, and Mira, thanks a lot for the helping hands, funny moments, and free Indonesian food. I would not be survived without them, I am grateful.

To the little me, you did a Master. I hope this achievement would make you more grounded. To all land rights fighters, human rights defenders and working classes whose struggles inspired me until now. To Allah, my everlasting friend, thank you for our intimate conversations, I believe, you are near.

# List of Acronyms

AIEK PT. Agro Indomas-East Kalimantan, a palm oil corporation

APL Other Land Use

ATR/BPN Ministry of Agrarian Affairs and Spatial Planning and National Land

Agency

BAL Indonesian Basic Agrarian Law of 1960
Bappenas Ministry of National Development Planning
BO-IKN The IKN Authority Agency (Badan Otorita IKN)

Golkar Golongan Karya party

HGU The Agriculture Commercial Lease

HGB The Building Use Rights
HP Production Forest (land) use

HTI The Industrial Timber Plantation right

IHM PT. ITCI Hutani Manunggal, a timber corporation

IKN Ibu Kota Negara (The New Capital City)

Kemenkomarves Coordinating Ministry for Maritime and Investment Affairs

K-IKN Kawasan IKN (IKN Area)

KIPP Kawasan Inti Pusat Pemerintahan (The Government Core Area)

KLHK Ministry of Forestry and Environment

KPA Agrarian Reform Consortium

KP-IKN Kawasan Pengembangan IKN (IKN Development Area)
MP3EI National Framework of Economic Corridor Policy

MPR Indonesian People's Consultative Assembly

Pansus IKN IKN Special Committee PCP Petit Commodity Producers

P3 IKN The Transitional Team to Support the Preparation, Development,

and Relocation of the National Capital

PPU Penajam Pasar Utara Regency

SBY Susilo Bambang Yudhoyono, the 6<sup>th</sup> President of Indonesia

Setneg The Ministry of State Secretariat

UU The second level highest law in Indonesia or undang undang

#### **Abstract**

Indonesia is ground-breaking the new capital city (IKN) in East Kalimantan, and current intensive development is initiated in the Sepaku District around Pemaluan and Bumi Harapan Villages which are allocated for the Central Government Core Area (KIPP). These villages have been claimed by the government to be an 'empty land' without any inhabitants, on the basis that the official classification of 'state forest' covers the land, which has also been allocated for timber and palm oil concessions. However, the current condition has been shaped by multiple waves of exclusion that created widespread land-based inequality. Bringing the case study methodology with an emphasis on the historical analysis dimension, this research examines how the engagement of exclusion from previous land deals relates to the exclusion through the IKN's land deal and how its exclusion dynamic in KIPP area currently played out and unfolding in the future. The exclusion mechanisms and power (such as actors, political organizations, regulations, forces, market, and legitimation) which are exercised in perpetuating the process of exclusions both in previous events and in the present IKN land deal are demonstrated in this paper. The result suggests not necessarily understanding the exclusion as a displacement but more into an act of limiting people to access the land or 'control grabbing'. Hence, it becomes clearer to see who suffers and who has been benefited from the provided land deals. In this case, the future urbanization process in the IKN land deal might deliver local villagers to a new wave of exclusion. This research paper involves primary empirical data through fieldwork supported by research assistant and processed learning with secondary data and literature.

## Relevance to Development Studies

In the post-colonial era, land acquisitions achieved by the government and company, or both in a coalition, have been problematic due to their tendency to exclusion (Peluso 1992; Hall, Hirsch, & Li 2011; Safitri 2014; Ito et al., 2014). The rooting cause is that the state always acts as the landowner rather than the Nation's representative to control the ownership itself (Bachriadi 2019). Especially forest land that mostly be perceived as 'empty' land. Thus its conversion or acquisition sometimes remains apolitical and technocratic (Li 2014; Soja 1989;McCarthy, Vel&Afiff 2012). It is similar to the state's legitimacy in opting for East Kalimantan as the new capital city of Indonesia. While many discussions and literatures focus on examining the rationale behind its rational, technical and political argument, it is also necessary to track how the current rural space is shaped. By exploring the multiple waves of land exclusion, this research contributes to provide mechanism and powers that work to perpetually re/shaping the agrarian relations (people, land, resources) in the IKN project area. Other than that, this research aims to enriched the scholarship of land exclusion with the connection of critical urban studies in Indonesia. Especially in the case study of KIPP area, projected to be a well-modernized city in the wake of a forested area before. In the field of Agrarian, Food, and Environmental Studies (AFES), this study of land exclusions, deals, and politics is useful to support the 'extended agrarian question' (Batubara&Rachman 2022). It reflects how the on-site transformation from rural into urban space will be entailed rural and concession land dispossession which might differ in the implication.

### Keywords

land exclusion, land deal, land politics, the IKN, the new capital city, Bumi Harapan village, Pemaluan village, East Kalimantan, Indonesia

# **Chapter 1 Introduction**

#### 1.1 Overview of IKN

Indonesia's Java-centric development has been privileged since Jakarta is the capital city located in the heart of Java Island. Jakarta has embodied the double roles of becoming a space where government affairs operate and the epicenter for national economic growth. As Tilly (1990) and Schatz (2004) epitomized, the mother-city has extended values as an entity to serve the multi-purposes of national identity, economic agenda, and the means of political contestation. As an implication, Jakarta invited challenges for rural life in Java through migration which favored the 'floating mass' or the "underclass rural-to-urban migrants" (Kusno 2010:5). Until now, Jakarta has become the most populated city in Indonesia and broadly expanded its geographical extent in the neighboring areas such as Bogor, Tangerang, Bekasi, which this linkage called 'Jakarta Metropolitan Area' or JMA (Salim, Hudalah, and Firman 2018:58). However, this urban expansion failed to handle Jakarta from its technical challenges (Salim and Kombaitan 2009) and only increasing the magnetic of Java to be the focus of Indonesia's development (Hudalah et al. 2013). Therefore, to tackle this unequal dilemma, the idea of capital relocation has been on the government's plate from Suharto (1965-1999) to Joko Widodo (2014-now).



Map 1 Indonesia Orientation Map (Red point: The IKN)

Source: Kusumaningrum 2019

To recall, the first city in attempt to transport the new capital city was Jonggol, Bogor, West Java. In 1997, the development was handed to produce a modern new-built town to overcome the overpopulation issue in Jakarta expecting that it could be flatten into the new location of capital city. The project was odd because it had been delivered to the private sector (developer) that owned relations with President Suharto's son. The rest of the actors involved were political elites, conglomerates, and military groups (Chua 2008;Cowherd 2002). In the end, it failed and only created an oligopoly market on land, which benefit those three actors (Winarso and Kartiwa 2019: 152).

Similarly, the relocation of Brasilia also failed as it only focused on political motives and disengaged from its first goal of redistributing growth (Scott 1998;Anugrah 2019). Indonesia put Brasilia as one of the benchmark in capital city relocation, which makes the idea of IKN controversial. Some critical discussions have perceived that this project will act as a 'spatial fix', or a condition in which crises inherent in the accumulation process in Jakarta could legitimate the provision of a new (fixed) space elsewhere (Harvey 2001;Jessop 2008).

After the first attempt on relocation, some initiatives to transport the capital city were limited to the feasibility discussion within inter-ministerial works and none of them were realized. In 2019, for the first time after the second prevailed presidential election, President Joko Widodo declared that he would actualize the plan of capital city relocation. As he puts it in his state speech at the Indonesian People's Consultative Assembly (MPR) Annual Session 2019,

"On this historic occasion. By asking for Allah's blessing, permission, and support from the Honourable Members of the Council, the elders, and national leaders, especially from all the Indonesian people, I hereby request permission to move the capital city of our country to the island of Borneo. The capital is not only a symbol of national identity but also a representation of the nation's progress. This is for the realization of equity and economic justice. This is for the vision of Developed Indonesia. Indonesia that lives forever"

The feasibility study was prepared and completed in 2017, or during his first reign, so that this momentum marked further works on preparing regulations, institutions, land clearings, and spatial arrangements. While this research is conducted (in 2022), the ground-breaking of the new capital city keeps progressively evolving and presently reaching the infrastructure construction stage.

Before that, in 2019, the Ministry of National Development Planning (Bappenas) presented the rationale behind East Kalimantan as the selected province. Other than the technical reason of a safe zone from natural disasters, East Kalimantan is also chosen as it provides a broad land with production forest and plantation zones. Connecting to land access, this tenure condition would make the land acquisition easier because the land has long been claimed as state property and managed through a concession system. Despite this, the land is absolutely not an 'empty land' which will be explored in the next sub-chapter.

Regarding the regulations, this realization is backed up by a law published by the IKN Special Committee (Pansus IKN) chaired by Ahmad Doli, a vice chairman of Golongan Karya (Golkar) party. Moreover, the chairman (of the party) was the main actor behind Omnibus Law on Job Creation bill which was quiet controversial in 2020. President Widodo is obsessed in creating Indonesia as an 'investment friendly' country; therefore, this bill was created to deregulate some environmental and labor complex rules limiting investment bureaucracy (Saifullah 2020). Similar intention, the urgency of making a Law No.3/2022 about IKN is expressed by Doli (DPR 2022) as,

"They (the private sector and investors) ask for legal certainty. Because our country is respect the rule of law after the next 1945 Constitution is a law or *undang-undang* (UU), what is most needed to carry out the next stage in the implementation of this capital relocation is if there is a law"

In terms of technical and administration, the implementation has formed the IKN Authority Agency (BO-IKN), a ministerial-level agency pointed out in Presidential Decree No. 62/2022. This agency will carry out from preparation to development of IKN, which was previously planned and coordinated by the inter-ministerial works. Along with BO-IKN and

ministries/agencies, the government also established a more specialized work team called the Transitional Team to Support the Preparation, Development, and Relocation of the National Capital (P3 IKN Transition Team) to accelerate the progress of implementation.

The plan for development concept itself occupies a high modernized city planning with an advanced urban concept of forest city, smart city, and sustainable city. Based on the IKN master plan, the development would be focused on converging environmental stability and economic space. In serving and rebuilding national identity, IKN will not operate by itself. Similar to JMA, IKN will also be supported by the cities in close proximity, such as Samarinda and Balikpapan, and this connection will be called as 'IKN Economic Hub'. Regarding the national identity, the IKN construction embodied the vision of Indonesia 2045, a century of Indonesia's independence. The construction will be divided into three phases. The first phase will focus on building the KIPP's leading infrastructure and transporting civil servants in 2024. The next decade will target to create the IKN as the center of innovation and economy and complete the construction of two other expanded rings. Finally, by the end of 2045, IKN aims to be the first Foreign Direct Investment (FDI) destination to reflect 2045's economic vision of being a part of the world's largest economy.

# 1.2 The East Kalimantan: Bumi Harapan and Pemaluan Villages

Many reasons were made for legitimizing the capital city transfer to East Kalimantan (see map 1), but one of them is the easiness of logistics in providing land. This is because the land has been acquired by the state a long time ago for so-called better 'land management' (Scott 1998). According to the plan, the land provision will cover 256,142 hectares in two administrative regions of Kutai Negara (KN) and Penajam Paser Utara (PPU) regencies. IKN will be the new provincial area in Indonesia which Bambang Susantono leads as the head of BO-IKN. Regarding the law No.3/2022, IKN will be divided into three planning areas which are, (1) IKN Development Area (KP-IKN) by 199,962 hectares, (2) IKN Area (K-IKN) by 56,180 hectares, and (3) KIPP area (included in K-IKN) by 6,671 hectares. The construction starts by building the main road and completing the land clearance in the KIPP area in two villages of Bumi Harapan and Pemaluan in Sepaku district, which also become the case study of this research.

Kalimantan Island itself is the second largest island of Indonesia but the third least populated or only inhabited by 6.15% of the total Indonesian population (BPS 2020a). In terms of economic growth, East Kalimantan province has been the most significant economic contributor to Kalimantan Island, with the mining sector dominating the share of 45,05% (BPS 2021b). Other dominating contributors are coal and petroleum manufacturing, agriculture (plantation crops), and forestry (logging) sectors. In the broader national economy, East Kalimantan is the second most prosperous province in Indonesia following Jakarta based on the size of regional domestic product (GRDP) per capita. Relating to these numbers, it is sensible to point out that East Kalimantan's concession-based economy has been dominating for a long time. It has contributed to economic development and provided benefits to the comprehensive infrastructure ranging from airports, ports, toll roads, and livelihood infrastructure that are already available (Peluso 1992:768).

As for KIPP areas, the plantation is a significant concession instead of the mining sector. The concessions activities could be seen through the depiction of land coverage in both villages (see map 2). In Bumi Harapan village, 94% of the total land area is a forest, and 99%

3

<sup>&</sup>lt;sup>1</sup> This paragraph is sourced from the official website of IKN, accessed May 2022 <a href="https://ikn.go.id/tentang-ikn">https://ikn.go.id/tentang-ikn</a>>

of it (26,000 hectares) is titled as production forest with timber concession held by PT. ITCI Hutani Manunggal (IHM) since 1960s. The land coverage in Pemaluan village is also dominated by (palm oil) plantations overlapped with state forest status by IHM, and private concessions own 73% of it. Referring to the research fieldwork, it is held under PT. Agro Indomas-East Kalimantan (AIEK) which started operating in 2004. These land 'acquisition' conditions visualized the "concessionary capitalism" in Indonesia or a socio-political result of the interaction between the 'extractive regime' and how they extract and use the natural resource as commodities with deep marketization (Batubara&Rachman 2020; Gellert 2019).

Prior to the era of concession, Indonesian government firstly preconditioned the large-scale land claims and allocates for extractive activity through its power to govern the use-value and inject definition of the users (Scott 1998;Li 2005; Wolford *et al.* 2013). Especially during the New Order era under President Suharto, many land claims through deregulation tools were on his hands for extractive sectors (Batubara&Rachman 2020) and finally situated local villagers into three waves of exclusion carried by the shifting capital from the state into timber and palm oil concessions. It has positioned the rural people to depend on access to state forests (Peluso 2011) and differentiated the social classes in each wave.

Before the state-powered exclusion existed, local communities expressed that they worked as shifting cultivators. It was undertaken at a slow pace<sup>2</sup>, and they had got rights to decide any crops they wanted to plant. "Since the 60s, the company cut the access for us to work on our limited land. It was a land that the government took from us. Now, our land is very small, and it is not sufficient if we were only becoming a peasant (*jadi petani*). We need to work in another place" (Interview,18&22 August 2022). This marks the process of exclusion where the change in land use is reserved for some actors but, at the same time, prevents people from having access to the land (Hall, Hirsch, and Li 2011).

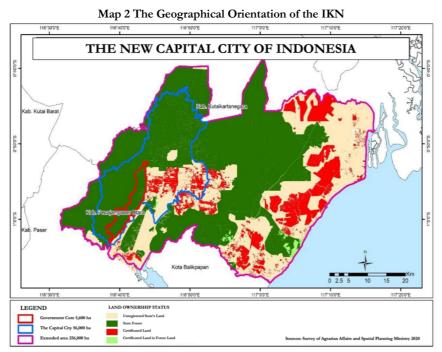
Additionally, transmigration was one of the programs that also interplayed within the exclusion process. It complemented the peasant class differentiation in the KIPP area through the increased competition to have access to land. There were two types of migrants, those who owned state-supported land and who just came and lived in self-built huts inside the forest. Both are equally involved in the exclusion process in the KIPP area.

Subsequently, both villagers in Bumi Harapan and Pemaluan are not merely natives, but they have lived together with migrants who work in timber or palm oil companies. These villagers mostly remains working on the land or just becoming farmers, yet their class had been differentiated (Bernstein 2010;Tuma 1965:13). Therefore, there are three peasant classes in this preliminary research. These are the waged-farm workers, petty commodity producers, and capitalist farmers. In a more high-level social class, there are state and concessionaires as well that significantly considered as the 'ruling elites'. These actors are distinguishable based on their relations to land, what they own, do, get, and how they do the re/production from the surplus that they gained (Bernstein 2010).

There is unequal power relation between the land legitimation gained by the concession-aires and the villager's notice letter or called as 'segel'. In the case of recognition, segel and concession permits lied under the state forest status, but in 'problematic-overlapping' condition. The concession permit holds the ability to control segel which means that the villagers are not legally recognized as the landowner. Yet, they only considered as users. It becomes further uncontrolled since the concession owners are government elites or possess strong relations with them, just like in the KIPP areas (Walhi, Jatam&FWI 2019). Hence, the state can do anything to the land whenever they want as they hold the ultimate power.

<sup>&</sup>lt;sup>2</sup> From the interview, the villagers refer to a 'slow pace' condition before agriculture is quickened because of the massive forest resource commercialization. It also marked the history of Kalimantan, where its forest was for subsistence and 'traditional' trade (Peluso 1992).

The current IKN's land deal reflects a question on how villagers will be recognized as legal landowners and be involved in the development. Just now, villagers are not knowing earlier that the relocation will be arriving at their doors, even without 'knocking' before. At the same time, Villager F, an ordinary villager who regularly works on their land family just knew from the television that her family land is located over a state forest allocated for timber concessions. Regarding the *segel*, Presidential Regulation No. 65/2022 on Land Acquisition and Land Management in the Capital City has been silent by remains unclear towards any precept related to *segel*. There is no any transparent explanation on how such title will be accommodated and processed further into the land acquisition. On the other side, the concession will be managed through the 'Forest Estate Release Mechanism'. An interview has been conducted during this research. However, there is no any information related to compensation for releasing the land.



Source: Presentation by the Ministry of Agrarian Affairs and Spatial Planning in "Land Provision in IKN" on 25 January 2022

The villagers's perception on IKN is far from disagreement. They found it as an opportunity to lift-up their living conditions. The hope relies on recognition and inclusion. Thus, there was a reorganization consisting indigenous community that had just recently been institutionalized as *Suku Paser/Balik*. But still, they are collectively aware on some possible conditions that might expel them. The tendency on expelling these villagers is emerged through the government's daily activities such as in unilateral land demarcation, invisible socialization and negotiation regarding people's rights, and the assignment of military and police force in the land clearance. The villagers conceive that the worst that could befall them is the possibility of the livelihood and land dispossession.

This area is projected to be the new governmental district with a mixed-use topology between the government, business, and residential zones. The future land coverage will be converted from a mainly forested area into a modernized architectural building. As for these villagers, who mostly ended up as elementary school graduates, further exclusion has become their biggest fear. Some people projected that they would get some beneficiaries as their *segel* can be a potent tool to protect their land and get an opportunity to involve in the development. There are also positions where they just want to sell their land and move to other

places. Those who do not own any land remains unsure. But those who reflected on the previous exclusion surrendered, "Previously was the state, and then the company, and now is the State again. What can we do now? To Fight? We are powerless" (Interview 18 August 2022).

### 1.3 Justification and Relevance

Numerous preliminary pieces of literature are more focused on examining the reason behind rational-technical (i.e., the incapacity of Jakarta to tackle national disparity) or authoritarian preference argument (i.e., President Widodo's implicit political motive). These discussions are important to track the origin of the idea and to analyze the privilege of the current timing for political motive realization. Still, these existing literatures carries gaps to discover the empirical materials on why should East Kalimantan be the highest preference and how it will be beneficial for the local community who already lived in the area. The legitimacy of the state in appointing East Kalimantan was based on the state-tenurial claim which tends to be technocratic and 'apolitical'. Therefore, it created a sense that land as state property or 'public land' can always be perceived as an 'empty' object that its uses and users can always be converted anytime and sometimes classified it to be available for appropriation (Li 2014;Soja 1989;McCarthy, Vel, and Afiff 2012)

The *spatial turn* (Harvey 2003) provides an explanation that land is a politicized product filled with relations and monopolistic power of "no one can place their land where *my* place is already located" (Li 2014). This implies two things, first, no land is 'empty', and second, in a way to access that, it required some people who win and the others are lost. Therefore, it is relevant to put some agrarian political-economy questions about those who will benefit or suffers (Bernstein 2010) in terms of IKN's land deal. The 'land deal' here refers to Borras et al. (2022: 1-2) as "…political processes about the actual or potential change in social relations around access to land and natural resources, and thus are inherently relational and historical…" also to its "…relational between *operational* and *non-operational* land deals". As the IKN project is ongoing, the stage of the 'deal' is something that is still in the process, so there is nothing sufficient empirical material about it. However, there was an intimate relationship between the KIPP area's previous land deals and the current social configuration which could be a useful engagement to connect with the contemporary and future deals.

It is also relevant to connect land deals with exclusion as these two are relational through time and space: a process that can explain the production of current rural space. Land exclusion is not something only about scale, capital sources, or commodity boom drivers, but also the appropriation process of other resources and the ways rural people are excluded (Edelman&Leon 2013). Therefore, it must be an exclusion applied to a new land deal where numbers of people not having access to land or prevented to not benefitting from things (Hall, Hirsch, & Li 2011). For example, in the case of urbanization, the land deal might exist in "an antagonistic relationship to non-or precapitalist sectors that may exist within" (Harvey 1985) which required the alienation of peasant classes that is ill-suited for the urban configurations. It is also reflected in the case of plantations where land exclusions defined the changing relationship between peasant and their land (Peluso 1992,2011 and Li 2011). Thus, there is always a 'pattern of dispossession' in every wave of exclusion that can demonstrate the group of those who are being expropriated, from who and for whom, in what reason, and at what level of success (Levien 2013:383). This research contributes to emphasize that land exclusion is not something happened in isolation within a period of time, rather it remains historically unfinished and keeps on going, applying new mechanisms to capture new resources, people and new social relations to be incorporated into the capitalist mode of development (Hall 2013; Levien 2013; Edelman & Leon 2013; Edelman, Oya & Borras 2013).

Other than that, this research also aims to flourish the scholarship of land exclusion with the connection to critical urban studies in Indonesia. Especially in KIPP area which is projected to be a well-modernized city from a forested area which required a transformation of how this future urban will interact with current rural space. In the concessionary capitalism in Indonesia, there is an 'extended agrarian question' that reflect the relation between rural dispossession and urban eviction which moors some implication for the question of urban informality and (for example) housing crisis (Batubara&Rachman 2022). In the case of IKN, it reflects how the on-site transformation of rural to urban space will be entailed rural and concession dispossession that might differ in the implication. Reflecting on what villagers expressed as "the fear of being watchers on our own land", it connects to the implication that might send them into precarious urban life where they will struggle to fit in the capital intensification process. The result is still unseen, yet the end of the peasantry is just on the edge.

### 1.4 Research Question

#### **Main Questions**

How does the engagement of exclusion from previous land deals relate to the exclusion through the IKN's land deal? How has the land exclusions dynamic in the KIPP area played out at present, and how are these likely to unfold in the future?

#### **Sub-questions**

- 1. How do historical patterns of dispossession lead to exclusion in the KIPP areas?
- 2. How do pre-existing patterns of power relations work and intersect with the dynamics of land access?
- 3. How does the IKN land deal shape the character and trajectory of land exclusion?

# 1.5 Scope and Limitations

This research focuses on the KIPP area that covers Bumi Harapan and Pemaluan villages as these loci have started their construction and own the un/official deal. It has already become a transformation that can be analyzed empirically. Social differentiation is explored through the relation of people to the land; therefore, the peasant class is the representation that this research deeply explored. However, it would not neglect that there is a class outside the peasant group, such as migrant who works in the company at the managerial level or other non-land-related work (i.e., fishermen). Temporally speaking, the analyses will provide a broad historical trajectory of land exclusion from the New Order government under President Suharto to the current Joko Widodo presidency. This timeline entailed some relevant regulations, forces, markets, and legitimation that are useful to connect. But, at the current stage, this study does not yet focus to provide the neoliberalism trajectory of the New Order, which might also intertwine with the contemporary political regime dynamic and indirectly explain the coalition of those exclusionary regimes. Therefore, it will be more focused on a wide range of national political-economy dynamics. The agrarian change and class dynamic in the KIPP area are two of the pillars of historical exploration, but these would not go deeper into the micro-economic calculation of everyday resistance. It will be more focused to illustrate the historical changing activities and high-level in explaining its characteristics.

## 1.6 Organization of the Paper

This paper has been organized into six chapters. Chapter one serves as an introduction to the topic and research question presented above. Chapter two discusses the analytical framework and methodology that is employed for the study. Chapter three provides an exploration of the waves of exclusions that perpetually occurred in the location. It argues that there were three waves of exclusions that were marked by the existence of the New Order regime, timber concession, and palm oil concession. Chapter four examines the power that worked within the previous exclusion that still manifests within the powers behind the IKN land deal. Chapter five analyses the emerging process of a land deal that likely unfolds future land exclusions. It argues that the gesture of provided regulations, military forces intervention, the changing land uses, and certain processes that are in isolation from the villager's participation are powers that played out at present. Finally, chapter 6 presents the conclusion and future directions for future research.

# Chapter 2 Analytical Framework and Methodology

This chapter provides some literature on the topic related to the study. It starts by building an understanding of the relation of a land deal to exclusion in cyclical processes. From there, it will discuss scholars' perspectives on the power and mechanism of exclusions that allow it happened perpetually. Then, it draws an overview of land exclusion in Indonesia. This chapter also explains the research methodology, author's positionality, and ethics.

## 2.1 Theorizing Land Deal and The Cycle of Land Exclusion

In general, this research paper positioned the analysis within the descriptive concept of the land deal in the agrarian political economy. This scholarship grasps land deals as something that is beyond a 'static framework', yet it is a 'political processes' lining the actual or potential change around access to land or resources within social relations (White et al., 2012;Wolford et al., 2013;Borras et al., 2022). Theorizing land deals can be reflected in the phenomenon of 'land grab' as they are both connected to each other, especially in the tempo when this scholarship is emerging because of the land rush (Edelman 2013;Oya 2013;Borras et al. 2022). The land rush is a phenomenon when transnational and domestic investment put pressure on vast land acquisitions for agribusiness, bio-fuel production, extractive industry, or conservation purposes in the global South (Wolford et al. 2013:190). With the political economy, land deal unveils its embedded process of dispossession, appropriation, and extraction (Borras et al., 2011;White et al., 2012;Levien 2013;Fairhead et al., 2012) through the class analysis including questions of capital and labor within it (Borras and Franco 2012;Bernstein 2010;Oya 2013). Therefore, to understand the current land deal, some literature has modified the spatial and temporal features and key players included in its contemporary theorization.

Firstly, the spatial feature is reflected in terms of the scope. The narrow definition of land grab based on the scale had challenged what was called 'false precision' from the 'fet-ishization of the hectare' (Edelman 2013) and thus wrongly addressed its implication (Oya 2013). Therefore, considering the land rush, it has emphasized the scope to be extended comprehensively in qualitative and quantitative terms. Borras et al. (2022) recently defined the scope as a dialectical connection between 'operational' and 'non-operational' land deals, which implies the size of the actual deal that is bigger than previously realized, even though each cause and consequences by degrees are distinct. On the other hand, the spatial organization within land grab should be understood as a capital's response to (1) the crises of food, energy, and financial crises, (2) climate change mitigation, (3) demands resources from the newer hub of global capital (Borras et al., 2012;Schoenberger,Hall&Vandergeest 2017).

In land grab pieces of literature, urban development projects or urbanization have contributed to land expropriation. Especially in the hinterland areas, for the industrial and commercial zone, responding to the urban sprawl, or new territorialization for the national strategic project. (Scott 1998;White et al., 2012;Levien 2013;Ito et al., 2014;Winarso&Kartiwa 2019). Notably in the Indonesian context with its 'concessionary capitalism' (Batubara&Rachman 2022) that allows oligarchs together with the ruling elites to invest in development projects, including infrastructure construction or the thematic development zones such as the development of 'Economic Area'. In 2021, the Indonesian Agrarian Reform Consortium or KPA (2021) report noted that an increase of 73 percent in land grabs occurred within the infrastructure development sector.

Secondly, the temporal sequence encompasses the historical question between the wave of past and current land deals, called the 'cyclical phenomenon', especially concerning the dynamic patterns of land use and ownership (Edelman 2013;Edelman&Leon 2013). The

collection demands "longer temporal frames and more sophisticated and historically specific approaches to periodization" (Edelman,Oya,Borras 2013). It is helpful to answer how land deals are justified and legitimized to occur perpetually. Considering the extent to the pre-existing social relations forged the rural space in which the current or further land deals are targeted (Edelman&Leon 2013). Similarly, this perspective also provides a means to relate from "that various dispossession across space and time to understand the specific constellations of state roles, economic logics tied to class interest and ideological articulations of the 'public good'" (Levien 2013).

The latter stands out to examine the power at work of the land deal, which connects the last two features. As it has never been a single great land grab, but it is a series of changing cases by particular processes, forces, and contestations, therefore, analyzing the coalitions that 'cooked' each grab became imperative (Peluso&Lund 2011;Schoenberger,Hall&Vandergeest 2017). This scholarship can also expel the unity dilemmas between 'land deal' and 'land grab', which the former has been perceived as a process that has no necessary character, including dispossession, as the latter has it (Wolford et al., 2013: 194). The collection of actors in the land deal has been explored through the lenses of corporates (White et al., 2012), the role of the state (Wolford et al. 2013), and the interaction between the new frontiers of land control as follow,

"[...] What is new is not only land grabbing or ownership but also new crops with new labor processes and objectives for the growers, new actors and subjects, and new legal and practical instruments for possessing, expropriating or challenging previous land controls. [...] However, today's boom crops (reflecting to Southeast Asia) are likely to be highly industrialized (rubber, pulp) or energy crops (oil palm,jatropha/castor oil). Today's landlords are more likely to be corporate of state actors rather than local elites [...]" (Peluso&Lund 2011:669)

Theorizing the land deal to land exclusion is an attempt to lock the stance in understanding land deal as something that 'has no character; no win-win or always entail land dispossession' (Wolford et al., 2013) and moving beyond the 'land-centered perspective' to what Borras et al. (2012) echoed as 'control grabbing' or the power to control someone's access to land. It happens through a shift of land uses and its attached resources, and that uses are determined by those who have access to gain control which made other groups lose. This term provides a relevant context to describe many ways of land grabs that "does not always require expulsion of peasants from their lands; it does not always result in dispossession" (Borras et al., 2012:850).

The analysis then focuses on examining the character of a land deal that spurs the change in land access and entails exclusion. Especially in Southeast Asia, where "the legitimization supplied by the vision of development and modernity [...] has a pervasive effect on land use and exclusion" (Hall,Hirsch,Li 2011). As land has been politicized and it owns a monopolistic power as private ownership, thus the way to acquire it inherently has an exclusion process. Similar manner to land grab or dispossession, the land exclusion is not a single story, instead, it has dynamic tension with one another and other past events. Therefore, treating it within historical conjuncture is indispensable to creating a thorough analysis.

## 2.2 Analysing the Process of Exclusion: Drivers and Actors

In agrarian studies, exclusion has been embedded in land deals. Especially in the moment within the 1980s when there were dramatic land conversions from rural land use for commercial, residential, infrastructural, and industrial zones and even massive urbanization in Southeast Asia. Consequently, this process could be understood as a core component of

'deagrarianization' which implies "agriculture becomes progressively less central to national economies and the livelihoods of people even in rural areas" (Hall,Hirsch&Li 2011) and alters the social relations at the place. Exclusion came within the process, like a 'selective tool' to decide who benefits and is segregated from it. Previously, there are two ways to understand it. Firstly, by definition associated with a "lack of access to land." Secondly, it is a process when eviction happens to poor people on behalf of powerful actors (Hall,Hirsch&Li 2011:4). However, this view was problematic as it only perceived exclusion as something that counter-posed the 'inclusion' and stood for the duality between the good and the bad.

The current exclusion is different. A new form of exclusion promotes 'alternative inclusion' by privileging more rigid access to land through recognition, policy, or kinship. Nevertheless, in practice, "...it involved a transformation in how the use of land is reserved for some actors and denied to others" and thus, "it created exclusion accepted as 'normality' rather than an exceptional state of affairs" (Hall,Hirsch&Li 2011:6-7). For example, in the case where the government started to govern the use of land through certain permits or concessions for the company yet left the unrecognized status for the native's land over it and to avoid conflict, there are some incentives offered for native people to involve in the concession activity (i.e., as waged-labor). Even though the process seems 'mutually' benefits the two actors, it entailed changes for those who could fully access the land and those who could not. Hence, exclusion creates both insecurity and security. Contemporary exclusion is not necessarily something about the physical treatment of displacement or eviction anymore, but it is focused on analyzing the access or 'the ability to benefit from things (specifically: land)' (Hall,Hirsch&Li 2011;Ribot&Peluso 2003).

Another illustration is the 'intimate exclusion', which provokes co-villagers to mobilize exclusion itself (Hall,Hirsch&Li 2011:145). This happened in a landscape wherein agrarian differentiation was long-established in Southeast Asia and shaped distinct classes between landlords, tenants, and landless workers. The exclusion process occurred assuming that its drivers were not operating in a social vacuum. Instead, it involves the human agency in creating necessary condition on whether or not they merge into the exclusion. Human agency refers to the rural or peasant society (by whatever their embeddedness to land) having rationality or calculation to accumulate land and capital at the expense of their neighbors and kin (Hall,Hirsch&Li 2011:145-147). This reflects the 'moral economy' concept, which depicted peasants as a rational society with a sense of raising their subsistence level through investment (Popkin 1979:4). Thus, they are not necessarily anti-market or anti-accumulation.

As explained previously, the exclusion is not new, rather it has a continuous dynamic between tensions from assorted stories. The process consists of three strides which are, "...(1) Already existing access to land is maintained by the exclusion of other potential users, (2) People who has access lose it, and (3) people lack of access are prevented to from getting it..." (Hall, Hirsch&Li 2011:8). It occurs on a degree based on the structure of power relations that can be examined trough four drivers, (1) regulation or a set of rules governing access to land (i.e., boundaries settings, land use, permits that defined who can use/hold land), (2) force or an act to exclude by violence, (3) market or power that manifested in price mechanization, and lastly is (4) legitimation or a foundational ethic for exclusive claims (Hall, Hirsch&Li 2011:5). These powers are available to be teased out by the exclusionary regimes or a group that can control the distribution of access. In the study of Hall, Hirsch, and Li (2011:12) in Southeast Asia, the state's role is highly significant in orchestrating these powers with whomever actors they would like to cooperate.

The fact that the state's role is powerful can be comprehended by its role within the land deal. They cast an active actor participating in land acquisition, negotiating the cost-benefit without clearly articulating the unbalance power among actors (Wolford et al., 2013:192). Based on data explorations, it finds that the private companies had done so many land

acquisition by taking an advantage through the government policy with favorable interpretation on regulations such as access to special or extensions permits. Therefore, these two kinds of land deals between the state-backed and private could not be divided in isolation as they might support each other's role (Cotula 2012:660). It led to the fluidity of the investment between private and public investment in two aspects: (1) state ownership investment and (2) state influence investment (Cotula 2012:660). These two relations up-scaled the velocity of land acquisition and reaffirmed the old subjected agrarian question between political organization and capital (Kautsky 1899).

What are the consequences of these powers at work? The answer is the exclusion itself. The processes of exclusion can be reflected in Marx's (1992) discussion of primitive accumulation and the history of the 'bloody process'. It describes the four different yet interrelated processes that describe a situation where (1) producers were detached from the means of production, because of their land as (2) common property were privatized, which created conditions such as (3) the non-capitalist production were destroyed and excluded, also (4) the transformation of the dispossessed population into wage-laborer.

Up to now, with the massive industrialization and technological improvements, rationales behind land deals have become aggressive to push the rural poor (i.e., smallholders, landless peasants, sharecroppers, pastoralists, squatters, and pastoralists) out of their land and concurrently that environmental crises depress them into bounded rural spaces or precarious or informal urban areas (Wolford et al., 2013: 197). Also, a constant land commodification as Polanyi (1944) expressed as 'commodification of uncommodifiable resource' can lead to comprehension of how society encountered crises. Unfortunately, the state's role is at the front to back up this commodification. Therefore, understanding the interaction between actors and their mechanism within contemporary land deals has enriched a nuanced perspective on the relationship between the state and the corporations that currently cannot be divided into two different institutions. Within the lens of political-economic, they are dialectically connected and supporting each other requirements to acquire some large-scale parcels.

# 2.3 The Trajectory of Land Exclusion in Indonesia

This section provides a baseline understanding of the historical trajectory of land exclusion in Indonesia. After theoretically speaking about exclusion, it is necessary to also position the discussion on empirical materials and continue to unbuckle the state-powered land deal.

The prolonged Dutch colonization strongly connects the land dynamics in Indonesia. Between 1800-1940, the agrarian law by Dutch colonial policy stood for *domeinverklaring* or an amendment on the land ownership status wherein the uncultivated and unverified land became the state domain (owned by the state) and further exploited for plantations. During this period, smallholders in particular areas eventually turned into landlessness as their land was claimed and thus stopped their practice of shifting cultivation (*Huma*) (Hall, Hirsch&Li 2011; Sirait 2015:42).

In early post-colonial era of Indonesia, President Sukarno handed this period with Indonesian Basic Agrarian Law (BAL) of 1960 as a potent policy to end the *domeinverklaring* and reclaim those colonial-company lands. BAL granted the state "the rights to control" (*Hak Menguasai Negara*) or access to administer and control the land with its agrarian resources for the welfare of Indonesian people. It emphasized that the state is not the 'owner' but the Nation's representative that can 'control' these reclaimed lands (Bachriadi 2019). Therefore, it has been the state's responsibility to ensure that Indonesian society has got a full access to own the land and secure their ownership. BAL also covered some limitations for the size of

the private holdings, recognition for customary rights, and sounding about land redistribution in Java (Hall, Hirsch&Li 2011).

However, it did not last long until, in 1965, New Order began with the massacre of villagers affiliated with the communist party. Thus, the following policy related to 'land for the people' was rejected (Hall, Hirsch&Li 2011:221). The agrarian politics started ideologically and structurally changed (Peluso 1992:58) and revived the *domeinverklaring* without the BAL withdrawal. The state started to act as the 'owner' and provoke large-scale lands and forest acquisitions from the local community through the enclosure process. Since this era, many lands have been controlled by large landowners on a giant scale by using their rights (i.e., HGU) or other supportive mechanisms (i.e., direct foreign investment policy) that could legitimate the uses, users and inscribed value of land (Li 2014;Bachriadi 2019). Massive industrialization and neo-liberalization have pushed Indonesia to favor extractivists (Peluso 1992:50) or we called it 'oligarchs' through powerful regulations, and villagers lost their cultivated territories (Peluso 1992:50).

Later, between 1970-1990, the green revolution complexity resulted in 70 percent of the rural Java population being landless (Hall,Hirsch&Li 2011:221). Hence, the transmigration program was initiated to transport these landless to less densely populated islands such as Kalimantan and Sulawesi. However, it failed and only reproduced another exclusion as some of them were evicted by 'unwilling' hosts (Li 2011:287). These local people felt excluded since the government took their land for the migrants and created unhealthy competition while gaining equal access to the agrarian resource. Other than exclusion, for migrants, it was also a challenge as they were treated as a cheap labor pool without liberation to do mixed cultivation (Li 2011:287). To sum up, the end of the New Order situated groups of conglomerates affiliated with Suharto can control land concentration for the development agenda in the field of plantations, mining, forestry, urban land development, luxury real estate, and golf course (Bachriadi&Wiradi 2011).

The New Order fell in 1999, and it marked the turnover of the authoritarian regime to a more 'democratic' style of governance through the enactment of decentralization or a regional autonomy law in 1999. However, it did not end the state's authoritarianism in facilitating land deals in an extractive way. A sense that the state is the 'landowner' stays and penetrates broadened intervention to supply more agrarian resources for capital re/investment. It is described as the extensive enclosure processes in Indonesia's outer islands (Kalimantan, Sulawesi, Nusa Tenggara Timur, Papua, etc.) by the assumption that these lands were typical of 'abundant uncultivated or empty land' at the cost of unrecognizable people's land rights (McCarthy, Vel&Afiff 2012; Borras&Franco 2012).

President Susilo Bambang Yudhoyono (SBY) was the first directly elected president after the fall of Suharto. With his partner, SBY passed the National Framework of Economic Corridor Policy (MP3EI) in 2011 to ease capital flow from the area that was designed as the economic canter to the sourcing areas (Safitri 2014). This project entailed the second round of Indonesia's land concentration process as each island represented one development theme (i.e., Kalimantan as the center for mining and energy reserves area). Exclusion occurred when these existing villagers converted into wage labor, and their land became limited to access, especially in Java, which was the backbone of the national economy, boosting the growth (Safitri 2014). In the end, the listed projects were mainly reported stalled, while the land remains concentrated under the corporations' and capital owners' control.

Similar to Yudhoyono, President Widodo defended several tenders for construction project in the extractive and infrastructure sectors. His program in National Strategic Project also has several development themes and its sourced land came from conflict<sup>3</sup>. The agrarian

-

<sup>&</sup>lt;sup>3</sup> National Strategic Projects are Indonesian infrastructure development considered strategic for increasing economic growth (CNN 2022)

conflict that occurred in his first reign reached 2,291 cases, exceeding the conflict in the 10-year former President SBY<sup>4</sup>. The most significant contributor to this conflict was the plantation, property, forestry, agricultural, and mining sectors. These factors subsequently triggered President Widodo to enact the Omnibus Law on Job Creation in late 2020. The business sector praised it as this law will allow them to access labor and land through three mantras "infrastructure, deregulation, and de-bureaucratization" (Warburton 2016 in Saifullah 2020:7).

The dynamic on land exclusion in Indonesia is strongly connected to the idea of the state owning the land. Thus, it liberates the state's role in powering land deals as an 'access transaction' between them and corporations. The state favored concessionary capitalists in Indonesia. Therefore, it created the phenomenon of the 'urban poor' (Batubara&Rachman 2022), a Relative Surplus Population (Habibi&Juliawan 2018), and differentiated peasant classes and rural elites (Li 2011;Peluso&Lund 2011).

Finally, the state-powered land deal is more aggressive as they have territory, sovereignty, authority, and power to exercise (Wolford et al., 2013). This set of powers consequently authorized the state as the 'land broker' and argued that its governance style weakened the people's tenurial security. Meanwhile, land can serve bundle of primary sources for the rural poor rather than direct-cash aid. Therefore, the land exclusion is strongly related to poverty and inequality, which subjected these people away from the safety nets to improve their livelihood (Borras et al., 2007;McCarthy,Vel&Afiff 2012;Rusastra et al., 2008). Land reform in Indonesia remains contested as its implementation is far from its initial goals in the BAL. New land exclusions are coming, and what was in the past has become forgotten.

## 2.4 Methodology, Positionality, and Ethics

This research is constructed with a case study methodology (Lund 2014; Yin 2014), and KIPP area is the geographical focus that currently shared to identify the phenomena of exclusion in the IKN project. It is because KIPP area is the first site of the IKN project that has started its implementation up to now. The initial idea of this research is inspired by the report "For who is the IKN project?" (Walhi, Jatam&FWI 2019), and this methodology allows an attempt to "investigate the potential of one's work once research has begun" (Lund 2014:230). The case is not limited to the geographical context but "the efforts at generalizing, abstracting and theorizing that makes a case of the phenomena" (Lund 2014:230). The case study approach is a useful tool to construct a consciousness to define of work as a case, especially in qualitative social science research (Lund 2014). In short, this methodology helps the author to enter some new dialogues where one's research can resonate with other works on a phenomenon.

In this respect, the research process started by pulling back some content from previous studies and reassessing some information and its validity. This is because, "the works of others may serve as a basis for a form of triangulation, not in order to establish actual validity but to suggest probability" (Lund 2014: 227). In doing so, this research employs both secondary and primary data collection that combined desk research (including literature, NGOs reports, and media article) and fieldwork (including semi-structured interviews and observations). Due to resource limitations, the primary data collection was conducted by a research assistant namely, Rizki Maulana Hakim (Rizki) from Agrarian Resource Center (ARC), an independent research institute from Bandung, Indonesia. He did fieldwork for 2 weeks and lived with local villagers during the process (Appendix 1).

-

<sup>&</sup>lt;sup>4</sup> "...there are tens of thousands of villages with overlapping community productive agricultural lands in HGU plantation concessions owned by private or state..." (Betahita 2021)

In order to gain a new dialogue, this methodology offers the researcher to be open to unexpected problems in the field that might relate to the research progress (Lund 2014). Therefore, during the fieldwork, the author redirected the research to focus on the historical dimension of the case study. The purpose is to gain the missing puzzle in understanding the conditions that make the land exclusion possible occurring in the area. In so doing, the fieldwork focuses to archive the agrarian relations memory from the participants about their relationship with their land.

To answer the first research question, the fieldwork was guided by the operationalization of Tuma (1965:13) and applying the methodological question of Bernstein (2010) in his agrarian political-economy question (see Appendix 1). The former is helpful to unveil the agrarian structure and provides a way to profile the condition of each rural individual based on their condition of the changing land tenure status, pattern or cultivation, and scale of operation (see Appendix 2). The latter is more political and connects to the class and capital dynamics, understanding the agrarian transition and grasping the drivers behind it. This process marked the decontextualization step or an effort to abstract out what was defined as a case. As a result of abstraction, this research finally pointed out the 'multiple waves of land exclusion' was finally pointed out in this research as a complementary case study that resonates with the previous studies in questioning the land politics behind the IKN project. The use of a historical dimension here is not meant to offer a detailed chronological history, yet it provides some dictionary of mechanisms, actors, and patterns that can be engaged in current and future exclusion caused by IKN development. Thus, this dictionary can guide answering the second and third research questions.

The multi-waves of exclusion around IKN is something that is aside from media or discussions, therefore it has also never been researched before. Hence, sources related to this are minimal and the process in acquiring some data was tricky. This discourse has been perceived as 'sensitive'; even for spatial data, it is still unpublished. To complement the historical learning, this study relies on 'Indonesianist' researchers that have already done some works related to forest politics (Peluso 1999&2011;Sirait 2015) and the labor debates after exclusion in Indonesia (Li 2011&2014). Subsequently, the research process continues to the theorization part or a "moving from observation of empirical events through concept" (Lund 2014). The theory of exclusions (Hall,Hirsch&Li 2011:221) and the cycle of land exclusion (Edelman&Leon 2013) provide some interrelated substantives to support the new case.

At the end, this study attempted to understand the actual condition of the case study comprehensively. Therefore, to represent each voices, the fieldwork succeeded in interviewing 12 villagers (representing each rural class), one interviewees comes from the operated timber company, three interviewees are the grassroots worked in NGO from different fields, such as environmental justice (Walhi East Kalimantan), forest monitoring, and anti-mining struggle, and lastly, the rest two are a local government officer and one works at ministerial level (19 informants in total).

### **Positionality**

This research paper entailed a selective process by the author while deciding the research's angle and interpreting supporting literature and sources. The author aware of the force in the selection process that it is not under unconscious behavior but rather the opposite. It suggests the idea of 'situatedness of knowledge' (Haraway 1988), which declare that every knowledge production is a setting-up scenario situated and constructed within the geo- and body-politics (Mignolo 2009). Therefore, it is important also to provide the author's position to understand the departure of this research.

The topic related to land exclusion has been explored by the author while studying in ISS. Various essays on land exclusion were done with the term 'land grabbing' while the

spatial planning was questioned (by the author) as the supportive-disciplining-device for the exclusion available (Li 2005;Scott 1998;Kusno 2010). This way of thinking evolved since spatial planning was studied under the technocrat institutions. The provided pragmatic logic of the urban and regional planning field lacked of political questions on why land should be governed and allocated to certain uses, also absence in the dialogue of who can own the land. Therefore, the author went to Agrarian Resource Center (ARC) and encountered the field of Critical Agrarian Studies. The temporary answers to what had been questioned and trained to be critical agrarian researcher was encountered.

The author previously explored the case study in her essay on the political economy course titled "Between Indonesia's State Capital Relocation (IKN) and land Grabs Potential". She examined who wins and losses with desk study research (Kusumawardhani 2022). Therefore, this research paper is an advanced study of the initial essay to provide more empirical and broader analyses. During the fieldwork, the researchers became aware that they overlooked the historical trajectory of the case study which is relevant to profile the current rural space shaped by past exclusions and potentially connecting the current and future exclusion. Hence, it suggests the title to positioned exclusion as 'in the making' process within the IKN project. After several discussions with the supervisor and research assistant, considering the interactions between local NGOs and all informants, this final research paper is a collective product of knowledge.

#### **Ethics**

The ethical procedure is applied within this research process. All informants in the interview were asked for a consent during their participations. It is included their permission to use their information for the analysis or as a quote. Before the interview started, research assistant always shared the overall direction of the research and showed the 'consent form'. The unbalance power plays and puts pressure on some actors. Thus, we decided to rephrase the villagers' names to protect them. The profile of our informants will be shown in Appendix 2, as it will help the reader to contextualize the class they are representing.

# Chapter 3 Three Waves of Exclusion: Capital Shifts and Class Reformations

The three waves of land exclusion happened in KIPP area was unveiled in this chapter. The exclusions will be divided into three waves based on the exclusionary regimes of the State, Timber, and Palm Oil corporations. These will show each similarity and continuity of the exclusion events.

# 3.1 The First Wave: Enclosure of The Commons and Transmigration Project

Siti Nurbaya Bakar, an Environment and Forestry Minister of Indonesia (KLHK), publicly explained that the KIPP area is currently a state forest under the title of production forest that can be converted<sup>5</sup>. It is not surprising that this statement is also listed as one of the reasons why the relocation happens in Sepaku District (Pemaluan and Bumi Harapan villages). These two areas are included in a demarcation project of Indonesian forest land regulated by the basic Forestry act in No.5/1967, which settled the state-controlled territory upon forest estate. Based on that fact, this law allows the Indonesian government to hold full access to control and administer the use and usufruct of the forest land (including managing the use for agricultural commercial leases). The first wave of exclusion started in this trajectory of the New Order regime in deregulating The Indonesian Basic Agrarian Law (BAL) of 1960.

In contrast, the agricultural enterprises over land prevailed as it formed a new capital investment in resource production and extraction (Peluso 2011: 818). The agricultural commercial lease (*Hak Guna Usaha* or HGU) became powerful and implicated in removing local producers from the countryside and affecting changes in property relations (Interview,18 August 2022). The law concerning Foreign Capital Investment No.1/1967 and Domestic Investment No. 6/1968 was altogether enacted after the Forestry act. These regulations were a package worked as an impulse for forest exploitation outside Java, as it had been greatly expanded and took place under extensive concessions areas rights (*Hak Pengusahaan Hutan* or HPH) (Kartasubrata 1985:173).

The forestry agency continued to act as if all forests were the state domain which continues until today. This implied a unilateral claim by the government over forest land that was previously owned by the local communities. Accordingly, to Sirait (2015:1), two-thirds of Indonesia's total land area was set up as state forest areas and therefore ranging from 40 to 60 million people were the members of forest communities in the area, they were mostly peasants who worked on land and did mixed cultivation system with agroforestry (Lynch and Talbot 1995). The political forest (Peluso and Vandergeest 2001) or state forest area is an essential part of the territoriality and institutionalization of forest management which attempted to create spatial limits for those who is subjected to own the cultivation rights to land<sup>6</sup>. State emerged as the first exclusionary regime backed up with set of regulations to control access of local communities to land and natural resources embedded within it.

<sup>6</sup> The demarcation of state forests (as state property) is classified based on ownership and functionality/usage values. Regarding Forestry Act No.5/1967, state forest carried functions as a protected (watershed) area, wildlife reserves, tourism, and production forest. None of these functions represents tenurial security for the previous landholders, especially for the native inhabitants who have occupied the land for a long time.

<sup>&</sup>lt;sup>5</sup> When the public questioned the future land deals in IKN, the government responded consistently that in the core area of IKN will be no ownership saving (National Kontan 2020)



Map 3 Forest Tenurial Information of Bumi Harapan and Pemaluan Villages

Sources: SIGAP by KLHK, accessed 28 August 2022 through https://sigap.menlhk.go.id/sigap/peta-interaktif

In the forest tenure system above, Bumi Harapan and Pemaluan villages, two areas appointed to be the KIPP area, are located upon production forest and hold conversion capability. As a consequence of that, almost all land coverage were totally claimed as state forest and community land was unrecognized at all. The centralization of power in the hands of the government produced termination of shifting cultivation by the communities, and by that, they were alienated from subsistence activity.

Moreover, forest state was also allocated for transmigration projects which land has been set aside for migrants from all over Indonesia (Peluso 1992: 54). They came with various motivations, but those who included within government's transmigration program had given benefit such as land for cultivation<sup>7</sup>. The loss in competition with the migrants was also another layer of exclusions in this story. As the forestry act was enacted with investment incentives, the transmigration was a completion program to provide labor reserve on invested lands, supplying cheap labor and repositioning themselves as partners for the monocrop's investors (Li 2011: 287).

Those who were granted with land have situated the local community with exclusionary and discriminatory feelings. Meanwhile, those migrants who were granted with land were also pressured as they were directed to join agribusiness (i.e., as oil palm smallholders) with low soil quality and poor tools (Li 2011: 288). Hence, the migrants were also a part of exclusion as their land was unproductive and they were not well-equipped to deal with this transformation. This milieu eventually trapped them in a cycle of exclusion, it can be seen as their descendants gradually made up selling their labor for timber production or oil palm plantation (Interview, 18&22 August 2022).

cated. (Project Multatuli 2022)

<sup>&</sup>lt;sup>7</sup> The origin of Sepaku people felt behind as the government only facilitated the transmigrants a land for housing and farming (with legal recognition). Educational facilities for migrants were also prepared. The local people, did not receive the same treatment, even for legality over land. While transmigrants can use land that is legally theirs for farming, these local communities applied a shifting system, not for their expansion of subsistence but for reopening farms once their land was confis-

### 3.2 The Second Wave: Timber Concession

Initially, A state-owned forestry company (*Perhutam*) granted seven logging concessions (for timber extraction) in East Kalimantan between 1963 to 1967 after business agreement between Japanese timber trading companies and plywood producers The Kalimantan Forest Development Cooperation Co., Ltd (FDC) (Barr et al. 2006). In Bumi Harapan, Villager B, a headman of the indigenous community of *Suku Paser*, witnessed the massive land acquisition for HGU areas started since the ITCI group was involved in the forestry business for plywood production (previously held by American multinational *Weyerhaeuser* corporation). The operation initially obtained HPH rights, and later the ownership was shared between conglomerates, including Bob Hasan (a close conglomerate associate of President Soeharto owning a Paper company), Bambang Trihatmodjo (ex-President Soeharto's eldest son) and *Yayasan Kartika Paksi* (an Indonesian army cooperative) (Pirard&Cossalter 2006: 5).

In the later 1980s, Indonesian wood industry was leading the global industry for the World's tropical plywood trade, thus the government has pushed some incentives to expand forest use to support this industry. Therefore in 1993, the ITCI group obtained a new license for an Industrial Timber Plantation right (*Hutan Tanaman* Industri—HTI) along with the shifting ownership to Tanoto under the new company of ITCI *Hutani Manunggal* (IHM), an Indonesian businessman, a national player in energy resources, palm oil, viscose fibre, and since then the pulp and paper industry. It was a joint venture between ITCI<sup>8</sup> and the state-owned forestry company *Inhutani* I, the operation mainly supplying raw materials for the pulp and paper industry owned by Tanoto, namely The April group in Riau.

The promotion of HTI connected the nation's aims to support the rapidly growing pulp industry. The government also allocated large-scale forest conversions into HTI to attract investors. By HTI license, the holders have been permitted to cut the trees-clearing from the concession site (natural forest). By then also, the government established IPK permits which made conversion available for forested areas into oil palm or other crops as a 'bridging supply' before the plantation could be fully operational (Barr et al. 2006: 28). This was a turning point of forest product can be controlled in the KIPP areas. In Bumi Harapan village, 94% of the total land area is a forest, and 99% of it (26,000 hectares) is titled production forest (*butan produksi*—HP) under IHM holding. The whole village is settled upon IHM concession sites, and villagers were tumbled into precarity as their land has been privatized. Since then, the production relations of villagers have been changing, and the agrarian transition process is occurring.

Table 1 Land Ownership Informations in Bumi Harapan and Pemaluan Village

TT4:1:4	<b>6:</b>	Bumi Harapan	Pemaluan
Utility	Size	Family	Family
Land owned for food crops	under 10 hectares	556	151
Land owned for fruit plantations	under 10 hectares	200	115
Land owned for palm oil	under 5 hectares	374	113
Total of families work on land	1130	379	
Total families registered on village profile 671			

Sources: Bumi Harapan and Pemaluan's Village Profile, 2021

Regarding the profile report, villagers are recognized as a land owner based on what crops they are planting. All families have access to cultivation under 10 hectares; they said

<sup>&</sup>lt;sup>8</sup> Referring to (Barr et.al 2006) IHM received funds from government grants with interest-free loans on Reforestation Fund prior to 1998. Therefore, it has relations to Inhutani I as a state-owned company whose shareholding value with IHM.

this size was an implication of the acquisition process after timber concessions started operating in their area. However, again, the ownership cannot be claimed legally. By this situation, the legitimate landholder remains owned by IHM through its concessionaires of HTI license. The perception about 'ownership' is vague among villagers, some of them conceptualized it with a legal paper and the other is based on trust. Villager C confessed during the interview that they just know their (limited) land is not owned by them but still under IHM concessions.

Figure 1 Logistic in Carrying Timber

Sources: Personal Documentation, 2022

Workers hired by IHM are 40 percent come from Bumi Harapan village (and surrounding Pemaluan village), and the rest come from outside Kalimantan, such as Java, Nias, and Sumatra (Interview 22 August 2022). Hence, most residents in Bumi Harapan are migrants who come to work in the company and transmigration program. Those who come from outside Kalimantan live in a self-built huts in the middle of the forest, and some native youngsters live in their parent's houses. Villager G is a native of *Paser balik* people who has worked since 2006 and work for IHM in managerial level, he informed that all workers are working by outsourcing system.

Instead of getting paid regularly, they are paid per 'event' or based on harvesting results. Sometimes, they even do not get any payment when the result does not fulfill the company's standard (Interview August 2022). The scheme is applied to those who work on the land, and it would be different in the managerial level as they will receive a regional minimum wage (UMK). However, in order to reach the managerial level, a specific skill and a high educational background are required, which would not be fulfilled by the local Pemaluan villagers as 64 percent of the total population are merely primary school graduates, and only 15 percent of them received high-school education. Alike to Bumi Harapan, the reported numbers show all natives are merely elementary school graduates. This situation marks how local villagers (landless migrants, small-scale producers, and 'uneducated' labor) are situated in an exclusionary process from the determined activities over the land deals by IHM company.

### 3.3 The Third Waves: Palm Concession

"We need (at least) five hectares to plant palm oil to achieve sufficiency. Below that, we need to find additional work, either raising livestock or becoming wage-laborer." (Interview 23 August 2022), Villager D and E opened up the prescription to survive in Bumi Harapan village as palm oil small producers. Most of farmers in both villages are working as small-scale producers in a mixed-crops operation or single palm oil cultivation.

AIEK is in Sepaku District (dispersed in Pemaluan, Bumi Harapan, Sukaraja, and Tengin Baru villages) which started operating since 2004 for 17,500 hectares and extended by 11,918 hectares in 2011 with the decree of PPU No. 522/193-INLOK/Ekonomi/VII/2011. The operating area is located under HP and Other Land Use (APL) but in 2018, it was revealed that AIEK did not yet have HGU or official commercial lease<sup>9</sup>. This marked that the overlapping palm oil plantation over forest tenure did occur in the KIPP areas. 21 percent of the total Indonesian palm oil plantation areas indicated to be in the forest are and it controlled by private or state-owned companies which overlaps in production, protected, and conservation forest areas (Van Dijk&Savenije 2011).

Without official HGU, palm oil plantation is keeps operating in Pemaluan Village and holding 60 percent of total village areas. Data from Pemaluan Village Profile (2021) expressed within the holding area, 73 percent of it is owned by private concessions, which refer to AIEK ownership. The rest of it (27 percent) are owned by the family farmers which 84% of them used under 5 hectares each family (small-scale) producers.

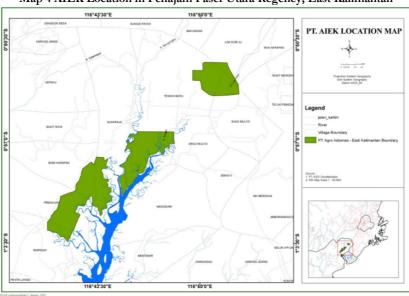
The conflict blew up since the land acquisition was perceived illegally by the local community (Sukaraja Villages, see map 4) in their 227 hectares of ex-transmigrant allocated land—As a neighbouring village, Bumi Harapan and Pemaluan became a new host of people who have been displaced. Likewise, in Morowali, a neighbouring island of Sulawesi, Li (2011: 289) studied the flaws of the transmigration program and palm oil plantation in Indonesia. She explained it as "...it trampled the land rights of the local population" (Li 2011: 289) or a craving for plantations previously located on forest land the locals did not dispute but extended to the villager's land. A similar story came from both these villages as their natives eventually gave up on land to the plantation on the understanding that they would be involved as smallholders ('plasma' program¹¹). However, the reality is different since they do not receive back the land they gave up or attached as smallholders. Newly arrived transmigrants were granted with land and obliged to work for plantations. Meanwhile, the locals were still struggling over the land.

Villager A and other older villagers in Pemaluan succeeded in retaining their small pieces of land (2-6 hectares). They admitted that their ownership over the land is without any legal certificate. However, they can emphasize to the company and the government that their age

<sup>&</sup>lt;sup>9</sup> It was a disharmonious regulation between the Provincial Land Use Spatial Plan and The Decree of KLHK. The former declared that AIEK operating areas are covered under Non-Forest Development Area (KNBK) status. Meanwhile, the latter showed that areas are under Forest Production Status. Therefore, AIEK has been in the ongoing process of earning a forest release permit since 2015 (RSPO 2015). Even though the report marked "comply for HGU", information gathered found that there was conflict still occurring in 2018 related to the absence of the company's HGU on the field. Detakkaltim (2018)

<sup>&</sup>lt;sup>10</sup> Plasma program is an inclusion program targeted the local farmers to involve in the palm oil industry in certain plantation. The state facilitated policy to require the company to share 20 percent of total plantation to smallholders. Not only that, but the state also financing these smallholder initial living expanses and the cost for production (Larson 1996). This land provision for smallholder plots known as 'plasma'. It usually consistes of two hectares of oil palm plantation that can be hold by smallholder family and additionally a small plot for food crops (McCarthy 2010).

in controlling land was earlier than the appearance of Indonesia as a nation-state (Interview,18 August 2022). However, after AIEK operating in their area, they were losing autonomy to decide commodity they would like to plant and forced to be involved in the palm plantation through contract smallholder scheme.



Map 4 AIEK Location in Penajam Paser Utara Regency, East Kalimantan

Sources: RSPO in Notification of Proposed New Planting for AIEK. Accessed 7 September 2022 <a href="https://www.rspo.org/ex-plore?q=PT.+Agro+Indomas+%28East+Kalimantan%29+-+PT.+Agro+Indomas">https://www.rspo.org/ex-plore?q=PT.+Agro+Indomas+%28East+Kalimantan%29+-+PT.+Agro+Indomas</a>

Villager F, a mother and native who lives there since long time ago, is cultivating palm oil with her family, she expressed,

"Before the existence of PT. Agro, I usually grow rice and vegetables. Nevertheless, since they are here, they took our land, and I have no choice but to continue with other crops except oil palm (and rubber). These commodities are more profitable now" (Interview,18 August 2022).

They were uprooted from subsistence and continued to plant a commodity based on the market. The working scheme is various for this social group. They employ other people to cultivate the whole operation (profit-sharing system), employ farm workers, and some still depend on family farming.

In Bumi Harapan, AIEK had already develop plasma area in its existing planted areas with 185 hectares surrounding Bumi Harapan and Pemaluan villages. This plasma program is realized for surrounding communities.

"We are granted for 3 Million Rupiah in every month, however, it is not sufficient to cover the cost of palm oil production and for daily livelihood." (Interview 22 August 2022).

Subsequently, those who were granted with the state-supported land decided to be a small-scale farmer of palm oils (with a contract to supply AIEK), some of them become waged labour for the landholders, and the rest is just getting out from land and working some informal jobs (i.e., truck drivers, construction, or open a small merchant).

Rural elites own the privilege of holding the land up to six hectares and able to hire the farm workers from their neighbors. Other migrants who came to Pemaluan and Bumi Harapan with 'such a reason' originally came from Balikpapan and Samarinda (neighbouring megacities) and obtained land through the transaction with the local people who had given up

on their land. Those who lived as transmigrants eventually gave up as their land could not fulfil them. It was not only a matter of the soil quality but also the market mechanism that did not allow them to cultivate 2 hectares of land.

Figure 2 Palm Oil Plantations



Sources: Personal Documentation, 2022

AIEK operation also influenced the commodification of common good such as water. On the other hand, as the villager could not plant food crops for their subsistence, they also experienced how their life have been dependent into a market which the price gradually increased,

"The implication continued since the palm oil plantation is operating in our village. We need to buy water for everyday needs because our river has been contaminated with chemical ingredients from the plantation. In the old days, we could use the water from the river. However, we must buy and cost 100 thousand rupiahs per taking. Also, it seems the price of goods increased every year and so did the land." (Interview 18 to 22 August 2022).

The exclusionary process happened since the common property has been converted to private property (Hall, Hirsch, & Li 2011:13). Especially in Bumi Harapan and Pemaluan, these villagers have experienced a changing relationship between them and their land, featured by the transformation of a rural community from shifting cultivators (independent farmers) into small-scale palm oil producers. It did occur when the company seized power to occupy people's land. However, the operation of these concessions still allows rural people to have some allocated cultivation areas (see table 1). They were differentiated as small-scale producers, but they do not own any land from which they produced. In the case of plantations, they have now differentiated also into several labour classes and mostly found as *petty commodity producers* who previously belonged to the small-scale producers. The high demands for survival amid the pressure of expensive goods prices make those who do not own more than 5 hectares of land have to look for side jobs. Villagers are choosing to go fishing partially, working for IHM, becoming farm-workers, opening small stalls, or just waiting for any precarity job call them for work.

The limited land they owned eventually determined their new way of reproduction. It is relevant to connect Bernstein (1986) of *petty commodity producers* (PCP) or a peasant who does live from the yield on his property but also the yield of labouring (becoming a wage labourer). This mode of survival needs to pursue as many small-scale producers encounter a

'reproduction squeeze' or a self-exploitation as a reaction to economic pressure (Bernstein 1986:18). These all include the intensification of selling labour to survive while the means of production (in agriculture) has touched the inability point to heal the economic pressure. The transmigration program is an additional pressure as it has invested complexion to the social group. It has added the number of PCP in the villages because of the failed scheme of "transporting smallholders to develop mixed farms and repositioned itself as the 'partner' of investors seeking free land and abundant cheap labour in order to grow industrial mono-crops." (Li 2011:288). Social tension also contributes to the pressure between natives as they need to compete with migrants to access land.

# Chapter 4 Land Deals to Exclusions: The Power at Work

This chapter examines the existing powers that proceeded past land exclusions in the KIPP area. The powers included the actors, mechanisms, and the process of exclusion. This collection will be a helpful reference to guide the analysis of the present power that works in the context of the IKN project in the KIPP area. Thus, by the end of this chapter, it provides an understanding of initial power that can influence the future exclusion.

#### 4.1 Past Powers between Three Waves of Exclusion

The exclusion wave in the KIPP areas started with the legitimation of forests as a state property in the 1965 by the enactment of Forestry Act No.5/1967 in the earlier transition of New Order governance under President Suharto. This period also marked the intensification of Indonesia's neoliberalization, including some robust economic policies that intersected with the act of territorialization by the ruling elites and revived *domeinverkalaring* (Peluso 2011:816). These forces subsequently gave the State the authority to act such a 'land broker' (Wolford et al., 2013:204), in which the Forest Department holds as a manager who can distribute the use of forest through concession rights and specific permits.

The evolving permits such as HGU and HPH provide broad extractive opportunities to grow food crops, open mine pits, or urbanize development (Peluso 2011:815). These permits became a legal legitimation for the forest users to get a full access to the land. But, at the same time, it provided limitations for those who were excluded, such as natives who have already lived there even before the nation-state of Indonesia was established (Interview,18 August 2022).

"HGU subjected the displacement of our people over land that we had cleared before Indonesia became a state. This area is our family land, we acquired and cleared this. Our family and other groups carried out the land clearing with (previously) nomadic style. We used it for (subsistence) agriculture. We never knew that the state owned our land until those companies came and claimed they had a legal right to take over our land without compensation. Some of us just asked to leave, but we stayed and lived on limited land." (Interview,18 August 2022)

It became more aggressive as military forces were involved in the process. They admitted that they were captivated and forced to accept that the land belonged to the company (Interview,16 September 2022). As an implication, the villagers gave up on their ownership status over the land and considered as users only. They hold a segel or a notice letter that declares that these villagers only the land users instead of the owner (Interview,16 September 2022). It had been more complicated as they were only the 'user' of the HGU land, which can continually be transformed into other uses or concessionaires once the state wants it. Supplemented by the military forces, these powers conditioned a less conducive space for the villagers to create their resistance. These villagers positioned themselves in a tenurial insecurity status and 'blindly' accepted that they would have no power in the future transformation (Interview,18 August 2022) and perceived the exclusion within it as 'normality' (Hall, Hirsch&Li 2011). Therefore, in this research paper, it is argued that the state-led land deal would hold significant legitimacy to provide exclusion available through access limitation or omission toward those uncounted actors besides the state and the capital owner. The changes on the forest use are finally just a reflection of the 'shifted' exclusionary regime (Hall, Hirsch&Li 2011) at work (See table 1 & table 2).

Each exclusion that produced a new rural setting is depicted in Table 1 and 2, by which it differentiated the previous social relations (See Table 4<sup>11</sup> and also Appendix 2). This differentiation represented the exclusion process as a transformation of land access that is reserved for some actors and denied to others (Hall,Hirsch&Li 2011). For the villagers, these are not necessarily entailed displacement but also some alternative 'inclusion' or access to participate in the market operation as independent growers and laborers (Peluso 1999;Sirait2015;Li2011). Still, the result remained uneven as the company has always been the winner in acquiring large-scale land and owns the authority to control the whole production and operation. This process marked what Marx (1990) noted as the "bloody process" in the "primitive accumulation" (see chapter 2.2).

Table 2 Land and Class Relations in the KIPP area

Agrarian Relations	Actors on Land			
Agranan Relations	Farm Workers	PCP	Capitalist Farmer	
Who owns what	Labour and work instruments	Land (2-3 hectares), labour, and work instruments	Land (5 hectares and more)	
Who does what	Working on farm	Working on their (family) land     Partial work on other's farm/company/fishing	Working on land. Organizing and regulates production process	
Who gets what	Wages based on: working day, harvesting result, or from the outsource company	Harvesting crops (palm oil, vegetables, rubber, and fruits)     Wages for complementary income		
What they do with it	Simple reproduction and consumption     Saving some money for buying land and seeds	Selling them to the company or collector     Using them for subsistence	Higher reproduction and consumption     Expand the accumulation (i.e., save some for buying more land)	

Source: Author's Own Table, 2022

The state-backed land deal could be examined through the power provided within the regulations and market that interacted with each other (see Table 1 and 2). For example, in the case of timber concession, it could be seen how the regulation accommodated the market's eagerness in accelerating the forest provision for the expansion of forestry and plywood businesses. The state facilitated the forest use of HP to establish the HPH, HGU, and HTI permits based on the market's demands. Similar to the palm oil concession, as the market demand increased, modification of 'overlapping use' between forest tenure and palm oil was then available. Thus, the palm is able to keep operating and recently reach the stage of 'forest estate release' and be shifted for their operation land use.

These powers at work illustrated that exclusions were not something new. Instead, it had a continuous process of (1) those who have access, then lose it, and (2) those whose existing access to land is maintained by the exclusion of other potential users (Hall,Hirsch&Li 2011:8). In addition, regulations and legitimation were a mechanism that also amplifies the process of exclusion to prevent the rural villagers from getting access to their land. Contrarily, concessionaires were considered as favorable beneficiaries to hold the land acquisition through government policy. Thus, in Indonesia, it is sensible to say that the land deal often occurs under state influence investment (Cotula 2012) between the exclusionary regimes that revolve around the state and the concessionaires.

\_

<sup>&</sup>lt;sup>11</sup> Sourced from informant's profile and interviews. This is a high-level finding that are generalized from the villager's relationship with land. Limitation is declared, see chapter 1.5

Table 3 Three Waves of Exclusions in the KIPP area (1)

The Exclusion Drivers  Periodization		Type of Exclusion			
		First Wave: Land is Own by The State	Second Wave: Timber Concession	Third Wave: Oil Palm Concession	
		1965s	1963-1993	2004s	
Actor/Political	Exclusionary group	The State: New Order Regime	Timber Concessionaries	Oil Palm Concessionaries	
Organization	Excluded group	Rural People: Land-owned farmers and Shfting cultivators	Rural People: Land-owned farmers, shifting cultivators, landless peasant/migrants		
	Exclusionary group	The state has the official power to hold all forest areas     The company can apply for access and operation permit (as concession owners and users)	94% of the total land area in Bumi Harapan is a forest. 99% of it (26,000 hectares) is titled production forest (hutan produksi—HP) timber concession of IHM	60% of the total land in Pemaluan is palm oil plantation. 73% of it is owned by private concessions (AIEK as holder).	
Transfromation on Land Access	Excluded group		1. Many villagers unaware that their land are located on the timber concession 2. Villagers only can "use" the land but not "owning" the land 3. Villagers need to comply with the rules by the company over their cultivation 4. High pressure in tenurial insecurity 5. Villagers are mostly use less than 10 hectares 6. Working on land is insufficient thus, they need to do 'reproduction squeeze' or working in another places	1. 87% of total family farmers used under 5 hectares (small-scale producers) 2. Commodification of water and land happening (i.e., people need to buy water as their river is polluted). In addition, many land were used by the newcomers instead of the local people 3. They were directed to plant palm other than subsistence crops (i.e., vegetables) 4. They need at least 5 hectares land to be sufficient. Below that, they need to have additional work	
Mechanism and Capital Sources (Hall,Hirsch&Li 2011:221)	Regulations	2. Foreign Capital Investment No.1/1967 (An impulse for forest exploitation)  3. Transmigration Project (Forest state was also allocated	1. HPH: The Extensive Concessions areas Rights (an impulse for forest exploitation outside Java) 2. HGU: The Agricultural Commercial Lease (removing local producers from the countryside and affecting changes in property relations) 3. HTI: The Industrial Timber Plantation right (permitted to cut trees-clearing from the concession site (natural forest)) 4. HP: The Production Forest (a land use dedicated by the state to be used by the forest concessionaries)	1. The decree of Penajam Paser Utara No. 522/193-INLOK/Ekonomi/VII/2011 (given permit to operate (and extend) the operating area. The operating area is located under Forest Production Areas)  2. In 2018, it revealed that PT. AIEK did not yet have HGU and environmental permit, but the overlapping palm oil plantation over forest tenure was available and current process of 'forest release' is occuring  4. Plasma Program (inclusion program for the company to provide 20% of smallholder (owning) area within their concession)	

Source: Author's Own Table, 2022

Table 4 Three Waves of Exclusions in the KIPP area (2)

The Exclusion Drivers		Type of Exclusion			
		First Wave: Land is Own by The State	Second Wave: Timber Concession	Third Wave: Oil Palm Concession	
Periodization		1965s	1963-1993	2004s	
Actor/Political	Exclusionary group	The State: New Order Regime	Timber Concessionaries	Oil Palm Concessionaries	
Organization	Excluded group	Rural People: Land-owned farmers and Shfting cultivators	Rural People: Land-owned farmers, shifting cultivators, landless peasant/migrants		
Mechanism and Capital Sources	Market	Massive industrialization and neo-liberalization	1. 1963-1967: Japanese timber trading companies and plywood producers The Kalimantan Forest Development Cooperation Co., Ltd (FDC) 2. 1970s: ITCI group was involved in the forestry business for plywood production 3. >1970s: ITCI group with HPH transferred to Bob Hasan (President's business partner), Bambang Trihatmodjo (Soeharto's son), and military cooperative 4. 1993: Transferred to Sukanto Tanoto (oligarchs conglomerate) and Inhuntani 1 (with incentives to expand the forest use to support the industry)	Indonesia as the largest producer of palm oil in the world.  The expansion on the forest cover is increased rapidly since 1967 until late 2010s.	
(Hall,Hirsch&Li 2011:221)	, , , , , , , , , , , , , , , , , , , ,	Military forces were involved in the land acquisition process	People are directed to plant palm as it was more profitable		
	1. State 'owned' the land 2. State can Regulate who can own and use the forest 3. Evolving permits/license (HGU and HPH) to allow private as legitimate forest-users 4. Large-scale land acquisition by the State without prior recognition for the village communities 5. Transmigration project (increased competitiveness)	1. Villagers only has <i>segel</i> a notice letter that they can cultivate land on the state-forest or under concession 2. Company 'controlled' and 'managed' the land (i.e., company can controlled which land can be cultivated by the villagers)  3. Company has power to controll the working system for those villagers who works for them (i.e., outsourcing system)	1. Company controll the market scheme for the villagers that planting palm 2. The villagers cultivate palm on the land that is owned by the State (some upon the timber concession, and some are theirs under segel) 3. Those villagers who holds more than five hectares can hire (landless) workers to help them on cultivate the land		
Process of Exclusion	on	People who has access, lose it	1. Existing access to land is maintained by the exclusion of	other potential users	

Source: Author's Own Table, 2022

### 4.2 Examining the Powers at IKN

In December 2016, President Widodo arrived in Palangkaraya in Central Kalimantan to attend the National Social Solidarity Day, and at that time, he also accepted his coronation as the King of the Dayak (a big tribe group originated in Kalimantan)<sup>12</sup>. The Setneg admitted that this relocation discourse resurfaced after his attendance in Palangkaraya. Thus, the preparation of its study commenced in 2017. Within two years, Bappenas presented its initial study on the relocation plan during a cabinet meeting led by President Widodo. This became the first attempt that the top executive discussed alternatives to establish a new political and government hub outside Java Island. During the year when President Widodo ended up his first reign, the preparation, including the study of regulations, institutions, and master plan, was accomplished and ready to be executed.

Since President Widodo won the election for the second term, he took all preparation and studies into a declaration at the MPR Annual Meeting in 2019. In his speech, he asked permission from Indonesian society to relocate Jakarta to East Kalimantan. However, this permission was merely done in ceremonial as the native people living in the area had never been involved in any socialization about this project (Interview,18 August 2022;Kusumawardhani 2022). The development continued, in 2020, the Regional Planning Agency of East Kalimantan issued the Academic Paper on the IKN Bill (159 pages) and followed by the issued of the academic draft of the Law on IKN by the DPR in 2021. The draft has passed but was contested by academics and activists for its unworthy quality and the slapdash process of its ratification that only took less than a month (Kusumawardhani 2022). But the government continues as it was planned, continues the land provision plan, and puts its first ground-breaking in 2022.

President Widodo is similar to President Suharto regarding ambitions for economic growth, infrastructure development, and accumulating foreign investment. No wonder, within his era, many business elites participated and were directly involved in politics and had strategic positions in the government, such as ministry, state-owned commissioner, or DPR. Therefore, it is sensible to say that the current Indonesian politics has transformed and is ruled by oligarchs (Wulan 2019;Batubara&Rachman 2022:246). This strongly connects to the old extractivist in New Order who have become patron aligned with current politicians. Therefore, under his reign, President Widodo enacted the Omnibus law on Job Creation which those groups of oligarchs drafted to relax the beauracracy complex and smoothen their business development (Saifullah 2020).

Identical gesture with the IKN law-making process has been perceived to 'repeat the unconstitutionality of the Omnibus Law' (Walhi, Jatam&FWI 2019). Law No.3/2022 was created to provide legal assurance to the private sector and investors. The special committee for drafting this law was Ahmad Doli from Golkar Party (vice-chairman). Interestingly, the previous contested investment law of Omnibus Job Creation Law was also led by the party chairman of Golkar, Airlangga Hartanto (now minister of the economic coordinator ministry). These highlights of oligarchs raised a logical question on how East Kalimantan, the province covered mostly by concessions (see map 5), was appointed as the location of IKN. How does the land deal would achieve, and who gets the benefits?

29

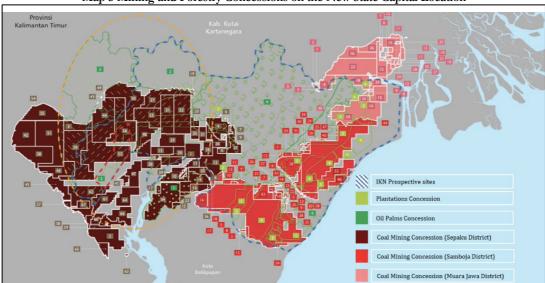
sources will be available on the reference section.

\_

<sup>&</sup>lt;sup>12</sup> This part of analysis is based on the media collection from various sources that author arranged and cohered with the official timeline from the Instagram post from the Ministry of State Secretariat of the Republic of Indonesia (Setneg). Thanks to NewsDetik (2016), Kompas (2019), The Jakarta Post (2019), Bappeda Kaltim (2020), DPR (2021), and Tirto (2022) which the reference of these

A similar question was also raised by the grassroots organization (NGOs) that witnessed the whole IKN development process. They questioned why should be East Kalimantan. The government response officially on the IKN website that one of the reasons is because concessions have covered this area, and the land is claimed as state-owned. Therefore, it would be easy for the land clearance process as the state can 'easily' demand the concessionaires to release their permit to give it back to the state. These NGOs also assume that the main consideration was the 'easiness' because the concession owners are detected to have such a connection with some powerful politicians in Indonesia.

"Most of the political elite have concessions in the second and third rings of IKN areas. So far, we can see these influential political actors such as Luhut Binsar (Minister of Kemenkomarves) and Hasyim Prabowo (Brother of Prabowo, an Indonesian defense minister). We see many listed concessionaires in our report Walhi, Jatam, and FWI (2019). At one point, political elites such as Luhut Binsar play an active role in determining where IKN should be located. In this case, the agreement on the determination of the current location resulted from the agreement of the political elite in which some people had concessions in the area. Also, he mandated to find foreign investors in order to fund the development. The private companies would be involved in the financing scheme of IKN. Until now, we never know what and how the occurring negotiation process." (Interview,15 August 2022)



Map 5 Mining and Forestry Concessions on the New State Capital Location

Source: Walhi, Jatam&FWI (2019) and modified by Author 2022

In addition, for financial streams, this project would not be borne only by the state's budget (APBN) but also involve private investment in a multiyear pattern (Azmy 2021: 33). In the G20 event in Bali<sup>13</sup>, in front of many country leaders, President Widodo gave a speech to invite the foreign and domestic investor to choose their contribution to fund the IKN,

"IKN is not only the government that works. Because indeed, the government only prepares 20% of the budget, 80% of which we will provide opportunities for investors to invest. Especially for you (the audience) whom we present tonight. Investment is wide open. You can choose anywhere, in KIPP area? the price would be different (the audience laughing). In the

\_\_\_

<sup>&</sup>lt;sup>13</sup> President Jokowi's Remarks on IKN: A New History of a New Civilization, 18 October 2022. (Minutes 10:55-11:11). Accessed 1 November 2022. https://www.voutube.com/watch?v=8WiPsEliVn8&t=656s

financial center area? In the housing area? In tourism area? This is a 'golden' opportunity that will not be repeated"

The forces to invite more investors are becoming more ambitious day by days. Recently, the Minister of Agrarian Affairs has been reshuffled to Hadi Tjahjanto (ex-Indonesian military officer). The reason declared by President Widodo is to accelerate the solution for the land disputes and mafia in Indonesia. Recently, Tjahjanto exposed an incentive to attract more investors to the IKN. He assured that these investors would be able to gain 80 years of Building Use Rights (HGB)<sup>14</sup> that can be extended for up to 160 years (Kompas 2022). This offer violated the BAL 1960 that mandates HGB could only be granted for up to 50 years. This reflect how Cotula (2012) said about the fluidity of investment policy which is necessary to provide state-backed land acquisition for these investor businesses.

-

<sup>&</sup>lt;sup>14</sup> According to BAL No.5/1960, HGB is the right to build and own a building on land that does not belong to anyone (but the state) for a certain period. This means that the owner of the HGB certificate will not own the land, but only the buildings built on the land. Therefore, those who belong to HGB are most likely in the real estate sector.

# Chapter 5 – Investigating the Current IKN Land Deal

In this chapter, it will be argued that the interplay of the existing powers and the (early) land deal execution provided by the state indicates that a new exclusion wave might occur in the future. Discussions started by examining the land deal mechanism provided by the state, its execution on the field, and the seeds of class struggle.

### 5.1 Land Deal Setting and Mechanism

Based on the picture, we know that the land is not an 'empty' or 'underutilized' land (Borras&Franco 2012). The land use shows that there are already hundreds of concessions rights owned by coal, forestry, and oil palm companies (Walhi&Jatam&FWI 2019). The land deal setting owns some guides coming from derivative regulations by Law No.3/2022 that have been specified to handle some affairs on land management (see Table 5). These regulations will produce such legitimations on the State to control the land use and users. According to this, it could be understood that the state has comprehensively organized the overall mechanism allocation for land acquisition in IKN, which is also applicable in KIPP area.

Table 5 Supportive Regulations and Legitimations of the IKN

	Table 5 Supportive Regulations and Legitimations of the IKN						
No.	Regulations	About	Legitimation				
1	The Law No.3/2022	The New Capital City	Provide overall instructions of the whole IKN development plan				
2	President Regulation No. 65/2022	Land Acquisition and Land Management in the Capital City of the Nusantara	Determining the mechanism of land acquisition (who can access the mechanism and who are not)				
3	Government Regulations No. 18/2021	Management Rights	Determining who can access the right to control property (including land) from the state. The implementation authority is partly delegated to the holder of management rights				
4	Presidential Regulation No. 64/2022	Spatial Planning for the National Strategic Area of of IKN 2022-2042	Regulate the use of the land. Determining				
5	Attachment to Presidential Regulation No.63/2022	Details of the Master Plan for the IKN	activities of each uses				
6	President Regulation No. 62/2022	The Authortity Agency	A ministerial-level agency that carry out the whole process of IKN Development. Own powers to decided the mechanism to accelerate the progress of implementation				

Source: Author's Table, 2022

These regulations are a tool for the state to govern access and exclusion (Hall,&Hirsch,&Li 2011). It regulates (1) boundaries, (2) prescribes land use, and (3) determines ownership and whom individuals/groups have claims to any piece of land (Hall,&Hirsch,&Li 2011:14).

Table 6 Mechanism in the IKN land deal

The Exclusion Drivers		Type of Exclusion		
		Potential Exclusion Wave: Land is Own by The State		
Actor/Political	Exclusionary group	The State		
Organization	Excluded group	Potentially rural people (those with or without land) and concessionaries		
		(they lose their land for IKN)		
		1. The Law No.3/2022		
		2. President Regulation No. 65/2022		
		3. Government Regulations No. 18/2021		
	Regulations	4. Attachment to Presidential Regulation No.63/2022		
		5. President Regulation No. 62/2022		
		6. HGB permits up to 160 years for the investors		
		7. Silence to determine the rural people's land rights on IKN project		
Mechanism and Capital Sources (Hall, Hirsch&Li	ces	Promoting the investment in the market of tourism, education, housing, health facilities, and infrastructure		
2011:221)		2. Foreign investors are most welcomed with incentives		
	Forces	Military and police forces to oversee the land acquisition process		
	Legitimation	State 'owned' the land     State can regulate who are the land users and what benefits from it     HGB up to 160 years to provide land for the investor in the long-term		
Process of Exclusion (Hall,Hirsch&Li 201		1. People who have access lose it (i.e., losing access to agricultural activity because of the change of land use to urban activity)  2. The exclusion of other potential users maintains existing access to land for other groups (i.e., through regulations and incentives; those who lost keep losing)  3. People who lack access are prevented from getting it (i.e., non-transparent land acquisition)		

Source: Author's Table, 2022

The boundaries that are ruled by these regulations stipulated the size of land which is then designated as the new capital city of Indonesia. Especially law No.3/2022 regulates the whole area of IKN as 256,142 hectares that will be divided into three operational areas. These areas will face transformations from the land ownership, uses, and landscapes. As it is contained in such regulation, the state then has got power to decide which (class of) society that would live in IKN. For example, civil servants, military, and police staff<sup>15</sup> will be the priority group who will be the new inhabitants in IKN. The question is, will all the living inhabitants have equal access to benefit from the transformation? Especially when the landscape is changing from a rural space to a modernized city. So far, the law suggests several strategies to integrate the old inhabitants with the migrants. One of them is to ensure the existing community to get a better life quality to hinder the phenomenon of slum area in the future city<sup>16</sup>.

<sup>&</sup>lt;sup>15</sup> According to the law No.3/2022 in Appendix II, government elites, civil servants, military, and police staff obliged to move to the IKN. They will be provided with a house and social facilities in the KIPP area close to the Presidential's palace.

<sup>&</sup>lt;sup>16</sup> Law No.3/2022 in Appendix II has acknowledged that there might be a social cohesion between the existing community and the newcomers. Therefore, this law provides strategies in manifesting an integration and a better livelihood 'for everyone'

Other than that, there is also a consideration that the boundaries contain the size of the land deal, which could be more extensive in the reality (Borras et al., 2022). Even though this set of regulations does not regulate this outer space, some consequences might occur in the future. As discussed before, IKN would not operate alone, rather it will be super-hub the zones supported by Samarinda and Balikpapan.

"The IKN development might participate in changing the agrarian structure outside the regulated IKN area. Apart from 256 thousand hectares, there has been a MOU between East Kalimantan and Central Sulawesi, resulting in cooperation in the production of stone (building material) taken from Palu, nickel from Morowali, and Cement coming from East Kutai. Also, hydropower plants in North Kalimantan are prepared to support the development of IKN. The concession holders upon these areas are private parties." (Interview,15 August 2022)

After the physical boundaries, the master plan supplements the IKN area with a governing tool for legitimate land use, users, and inscribed value (Li 2014:289). As already mentioned, the landscape of IKN will be transformed into a modernized urban area with the theme of 'forest city'<sup>17</sup> (See Figure 3). However, the KIPP area will be allocated for government and business districts which requires adjustment and challenge for the agricultural society. Considering Harvey (1985), this urbanization effort might be comprised of antagonistic relationships for the agriculture sectors, pushing them into alienation.

An indication can be seen that this area will be transformed into a civil servants' housing district. Similar to the transmigration, these inhabitants experienced anxiety about how they could compete to stay in their current land if these 'educated' and 'skilled' people came to Java and the government provided them with houses (Interview,19 August 2022). They are afraid of being the IKN development's audience (only) and scared that they will be alike Jakartanese urban poor in the future as they will face depeasantization<sup>18</sup>.

The Urban Poor or *Kaum Miskin Kota* perceived as a group of people in the "extended agrarian question" to address the extended rural problem in the city (Batubara&Rachman 2022:235). This group is associated with Marx's RSP or people who transport from rural to urban for a better life (Habibi&Juliawan 2018). But it is also applied to those who lives in an informal settlement and works in the informal economy. Even though it relates to the rural-urban linkage in labor activity, the phenomenon of becoming 'urban poor' is relevant to the case of old villagers in the IKN.

The changing uses in the IKN area are related to what critical urban studies that Kusno (2010) and Putri (2019) explained about 'kampung' or a spatial fragmentation where these urban poor usually live. The kampung is an unruly and informal settlement with narrow roads and a high-densely population. When the city transformation occurs in the city, kampung has been a place of resistance for those origin communities to survive against modernization pressures by the city. This wave tendentious to put the people marginalized and connect them to poverty and inequality Borras et al.,2007;McCarthy,Vel&Afiff 2012).

<sup>&</sup>lt;sup>17</sup> Regarding the Law No.3/2022, forest city is a concept that means 'a city inside the forest'. The IKN aims to create a city environment that committed to sustainability and allocated 75% of its area for green coverage mix with built environment

<sup>&</sup>lt;sup>18</sup> This investigation article added an interesting ethnographic note about the villagers that are afraid of 'becoming poor' if they were only treated as 'audience' for the IKN development. (Project Multatuli 2022)

Figure 3 Prospective Transformation in The KIPP area



Source: (left) Author's documentation, 2022, and (right) is the official website of IKN.

Regarding the President Regulation No. 65/2022 on Land Acquisition and Land Management in IKN. The acquisition will be carried out through three mechanisms based on the type of land (see figure 4). Focusing on the KIPP area, the land provided is mostly 'state forest land'. Even though villagers own a *segel*, this regulation did not cover how the "use rights" that is possessed by the people will be included in these three mechanisms. Therefore in *de facto*, as they possessed a 'use rights' over the state-forest land, eventually they need to commit the mechanism through a 'forest estate release'. By that, as many necessaries did, the villagers might have to release their land to the government.

In practice, this mechanism is absolute, which means whatever the condition, the forest will be released as long as it is for the IKN benefit, with or without approval by the ministry of environment and forestry<sup>19</sup>. Even with or without concessions, the forest is obliged to release. This authoritative action remarks how it was also involved in the previous wave of exclusion. By that, this regulation potentially re-wakes the powerful state roles to facilitate dispossession led to exclusion just like previous events. This power is one of the useful legitimations that can support land exclusion occur perpetually (Hall,Hirsch,Li 2011;Edelman&Leon 2013).

State Forest Land

State Forest Land

State Forest Land

Forest Area Release

The Right of Management (HPL)

Land Rights (Land Controlled/Owned) by Individual or Group

Land Procurement: Direct (sale and purchase, grant, exchange, etc.)

Land Consolidation

Source: Presentation By The Land Acquisition Directorate In The Ministry Of Agrarian Affairs 2022

<sup>19</sup> Regarding to the President Regulation No. 65/2022, Article 6 "... In the event of Forest Release has not been determined by the minister who administers the forestry sector, within period as referred (3 months), this Presidential regulation declared that the requested forest area immediately becomes released"

35

Subsequently, all mechanisms will be exchanged to HPL. Regarding Government Regulations No. 18/2022, HPL can only be held by recognized institutions (i.e., the government/state-owned company or 'recognized community'). Therefore, for these community who hold *segel*, it is better for their ownership status to be recognized legally, thus at least they have a power to negotiate the related compensation or solution to the expense of their land. There is already a discussion among activists, and they assumed that,

"In order to achieve a compensated land acquisition for the villagers, what the government can do is to recognize their ownership status with a valid statement or letter. Otherwise, if their *segel* cannot be recognized equally as ownership rights, the only thing that government can do is just kindly give HPL to this community" (Interview,18 September 2022).

### 5.2 The IKN: Early New Wave of Land Exclusion?

If we see that the government has issued several incentive packages to investors, the treatment of local communities does not seem as sweet as that given to investors. So far, the land deal is still in the field survey stage by the responsible governments, matching the government's data and the field's condition (Interview,18 August 2022). Even though there is no final deal, a unilateral demarcation for the IKN development has been installed. A sign that reads "The IKN perimeter, no damage" (see figure 5) has been standing upright, facing the community's land in neighborhood number 10, 6, and 2 in Bumi Harapan village and number 5 and 6 in Pemaluan village (Interview, 19&21 August 2022). Initially, the villagers who live in these areas do not know earlier that IKN will be down to their doors. It is contrasted where the state promotes incentives to the investor to ensure that they can live on the land for up to 160 years.

"From the government side, there has been no socialization related to relocation or compensation. I only heard from neighbors that our village is included in the IKN area and also from TV. So far, there has been no negotiation, but, the stakes or 'unilateral demarcation' have been installed" (Interview,18 August 2022).



Figure 5 Pematokan at the IKN borders

Source: Author's documentation, 2022

This demarcation action or *patok* inserts some initial changes of access. The villagers are now not allowed to make any changes to their property on land without the local police's permission (Interview,21 August 2022). When we did our interview with one of the villagers in Bumi Harapan, a police officer came to us and said, "Sir, please encourage the people here not to make any changes to buildings and landscapes" the villager replied, "I could not do anything, sir. It is up to them to do whatever they would like to do. The land belongs to them" (recorded in the Interview 21 August 2022). The villager said that this action appears since there is match-making data between the ATR/BPN and the KLHK. However, they were not informed of this process's goal but expect that it is for the compensation calculation.

On the concession site, the existing timber plantation of IHM supported the IKN project and has released 3,4% of the total concession areas they have for the capital city (Interview,21 August). There is no explanation about their compensation, but they expressed that the concession area is a forest owned by the state. Thus, they must give back to the state whenever needed (Interview,21 August 2021). The released area is in the south, close to the villager's living area. Subsequently, this decision situated a question to the villager,

"This concession is huge, but why did they choose to release the area for IKN close to our home? Why does not the company or government choose the northern side, where it is still pure forest?" (Interview, 21 August 2022).

The company stated that the workers operationalized in the KIPP area would be transported to Kutai Kartanegara, the neighboring district of PPU regency (Interview,21 August 2021). However, it left a question for workers included in the PCP class. It means that they need to leave their agricultural land and move to a new place without certainty about how they can substitute their cultivating works.

We went to the outer KIPP area and met some villagers that already impacted by the current land deal. The house where she lives with her son and in-laws is affected by the river expansion plan for the dam construction as a part of the IKN development. However, she did not receive any certainty about the compensation she would gain. With the family, she is now waiting for the eviction to come (Interview,21 August 2022).

Especially, these villagers acknowledged their incompatibility to compete with the migrants. In Pemaluan village almost 50% of the total population are elementary school graduates, and other higher level is less than 10% (marked middle to high education graduates). Only 76% of the total population does not own land but, 98% of them work on land for farming and agroforestry. In Bumi Harapan village, only 779 people were detected by the report as graduate students from elementary school.

Therefore, the transformation from a land deal in KIPP area will challenge their condition. First, it reflects what Marx's reflects on the separation of direct producers from utilizing the land for production, even worst, they cannot produce anymore. This is because the use of land has been reserved for some actors (i.e., investors) and denied to others (i.e., villagers) (Hall,Hirsch&Li 2016). The activity inscribed to the new land use will also exclude those villagers who have no skill but farming itself. If previously the villagers still able to operate their land with *segel* and be involved in the concessionaires market, or this marked what Hall,Hirsch&Li (2011:6-7) as 'alternative land inclusion'. If so, what will happen to the villagers then?

Of course, as the Law No.3/2022 mandated to involve the local community to the development. Alternative (non-land) inclusion program is established by a training program. Based on the report "Community Training, So That Citizens Don't Just Be IKN Development Watchers" by the IKN Authority Agency, some training and vocational education is being prepared. The list of training available only focuses on these: Painting, barista training,

bread and cake-making, hydroponic training, sewing training for adult women's clothes, screen printing/digital printing training, batik-making training, excavator operator training, and dump truck operator training program. There is no specific thing from this report that provides a training program for the farmers except hydroponic as the practice of urban farming. Also, there is no detailed information on the target, such as who can access the training and who are not.

# 5.3 Is There Any Seeds of Class Struggle?

The findings on the field showed that most of these villagers do not refuse the IKN project at all. They are seeking an opportunity to be involved and able to lift up their living condition. It is reflected to what Li (2014), "There has been little interest in the struggles of indigenous people who do not entirely reject capitalist production but strive to be a part of it in order to share in its benefits, and to escape the stigma of being labeled poor and backward". But they are aware of conditions that might expel them. Therefore, these villagers mostly asked for 'recognition' for their relations to the land they own. Currently, there is a reorganization of the indigenous community just recently institutionalized as *Suku Balik*. The head of this community was teamed up with the government and military group once it had ceremonial events related to the IKN consolidation. Also, each village has its representation on which one in Bumi Harapan belongs to IHM.

Socialization about IKN is limited to the level of rural elites which consisted of those who claim to be the leader of the village and indigenous group (Observation,2022). This view was achieved after ten days stayed in both villages and the researchers found that there was an information divided between rural elites and the villagers in general. These rural elites have been involved in certain socialization by the central government. However, the content of the socialization was more or less about the IKN construction planning instead of dialogue about local people's opinion toward the new capital city in their land (Interview 18, August 2022).

In this research, it is argued that the refusal was absent as the villagers knew that they were powerless. The multi-waves of exclusion give them a rational calculation that they have nothing to fight against the state (Interview,18 August 2022). NGOs are actively sending awareness and notes regarding the potential land dispute over this project, and some of them also refuse (Walhi,Jatam&FWI, 2019). However, until now, no organization has been set up on the field to help organize villagers to build up resistance. But there is an alliance that will accommodate villagers' rights related to the IKN development plan<sup>20</sup>. In addition, the coalition also completely rejected IKN because it does not address the current environmental crises in East Kalimantan as a result of the massive extraction.

<sup>&</sup>lt;sup>20</sup> The alliance is a collective action from local NGOs that are Walhi Kaltim, Pokja 30 Kaltim, LBH Samarinda, FNKSDA and Jatam Kaltim. They are pressing the government to stop the IKN project because it potentially will grab indigenous people's land (Tempo 2022)

# Chapter 6 - Conclusion

In this research, the author attempted to investigate the engagement of historical land exclusions related to the current and the future exclusion over the land deal of the KIPP area, the future government center district in the new capital city of Indonesia. The author has done this by deploying a central question on how does the engagement of exclusion from previous land deals relates to the exclusion through the IKN's land deal? How has the land exclusions dynamic in the KIPP area played out at present, and how are these likely to unfold in the future?. This research found that the state-backed land appropriation since the New Order regime continues to re/making exclusion through various mechanisms and powers (regulations, forces, market, and legitimations) with strategic oligarch partners. The classic tenure problem that claims the state as the landowner has positioned the changing land uses and users were possible and produced a cyclical process of land exclusions (Edelman&Leon 2013) between the villagers (as the losers) and the concessionaries (as the winners) with the state act as 'land broker' that facilitates negotiation and acquisition of land. The reason for the new capital city in East Kalimantan emphasized the state's power to freely transform the uses and allocate new users in the future. Again, some similarities of power and mechanism from previous waves of exclusion have started playing at the IKN development, which marks that shaped rural space of earlier waves of exclusion is the prelude to the coming exclusion.

To answer the central question, this paper proposed to understand the multi-waves of exclusion that intersected to certain dispossession behaviour led to exclusion. At least three waves of exclusion appeared and constructed social relations at present. It all started when the New Order (in 1965s) revived the *domeinverklaring*, a transformative status wherein the state could act as the landowner. In fact, the state was not the real landowner. The state became the first exclusionary regime that provided other exclusions approved and continued. This happens with supporting regulations that legitimate forest as the state property. Thus, it can be leased through agricultural operation permits or HGU merely for the concession-aires, but not for the local villagers. The exclusion was not necessarily involved villagers displacement, but also provided an 'alternative inclusion' (Hall,Hirsch&Li 2011:6-7) by established a *segel* or a notice letter that legitimate them as land users over the forest that already owned concession leases. Therefore, it has a 'problematic-overlapping' condition as the concession permit holds the ability to control *segel*. Therefore, the land status of the villages remains insecure and vulnerable to any act of exclusion or dispossession.

Since the era of New Order, massive foreign investments in Indonesia welcomed timber concessions that arrived in KIPP area and mainly covered 94 percent of the land area in Bumi Harapan village (answered the first research question). The process to achieve these deals supported by the state permits facilitation and military aid to force people to give their land to the company. Same mechanism but different concession, Palm Oil company came in 2004s and directed the villagers of Pemaluan village to become their growers. 74 percent of the palm plantation in this village is owned by private company and the rest are occupied by the family farmers, in most cases, they only hold no more than five hectares per each. This deal allowed 'alternative inclusion' through a program of transmigration. The state was powerful to provide various schemes of transmigration that eventually only created a cost for two points, (1) created a cheap labor pool for the plantations (Li 2011) and (2) unhealthy land access competition by the hosts. Finally, these exclusions implicated the differentiation through class formation in which some gain and some are not.

To understand the upcoming exclusion in the IKN development, this paper questions further about how the pre-existing power relations intersect in land access and how its land deal shapes the character and trajectory of land exclusion. The second question emphasizes

current Indonesian politics consist of business elites who hold strategic positions in the government, or it is called oligarchs. Previously, the Omnibus law on Job Creation provided some set of relaxation bureaucracies to supply businessmen by smoothing their accumulation. Similar to this, IKN also provides the new IKN law No.3/2022 with an identical law-making process that has been perceived as unconstitutional and far from transparency. Hitherto, there has been no answer on whom this law will work. Yet, investors are already encouraged by President Widodo to invest with some incentives, such as 160 years of building use rights (HGB). It might benefit the real estate investors.

Meanwhile, the third questions demonstrates the villagers position that are prone to experience another wave of exclusion. The setting of IKN boundaries, land use conversion planning, and land transfer mechanism have indicated similar gestures as the previous waves of exclusion in KIPP area. These settings work as if that there is already (1) a unilateral land demarcation or *pematokan* without any socialization towards the local communities, (2) access limitation on the activities that the villagers used to do on their land, (4) the land transfer mechanism that was silent towards *Segel issue*, and (5) military forces in disciplining people to comply all the acquisition process. Herein, exclusion is such a precondition for the IKN development. Here, the state become the actor and at the same time as a facilitating partner of the investor to exclude local people to stay in peace on their land.

The lack of legal ownership over the people's land and lack of socialization within the land deal process might indicate the future land exclusion situation. It is not about the scale that matters in land exclusion; but also, about capital and powers applied in a special deal that creates the appropriation of other resources (i.e., land and water) and impacts rural populations (not necessarily displacement). Especially in this case, the landscape will be totally changed into an urban area. Those who work on land, will be marginalized since their farm will transform into mega-buildings. Maybe there will be no land that can be accessed anymore. Finally, this research left a future contribution to question if there is any or perhaps the explosion of 'urban poor' as the result of the coming exclusion through urbanization provided by IKN development.

#### **Future Research Directions**

Even though many indications might link to land exclusion, villagers are totally not refusing the project, instead asking for more inclusion through recognition. It reflects from the interview that they are surrendering, reflecting on the previous wave of exclusions. They are aware that they have no power to ask for rejection. Otherwise, they are in demand for recognition. They wish for equal access to be involved in the development and gain equal benefits as the investor might gain. In the future, as this project is still occurring, there might be other stories related to resistance to achieving the will. If it is ended up by excluding these people from the urban area, it might indirectly connect to the concept of 'urban poor'. The 'Extended Agrarian Question' (Batubara&Rachman 2022) of the specificity of Indonesia's concessionary capitalism reflected how urban poor phenomenon is a result between the relation of rural dispossession and urban eviction (through housing crisis, informal workers, etc.). In the case of IKN, it might also contribute a new form of the 'urban poor' formation through the process of 'on-site (multiple) exclusions', which also owns an antagonistic gesture to those who work on the state land. Unfortunately, this research was conducted in the early stage of IKN development. Thus, it is difficult to include much on the struggle and the potential exclusion of becoming 'urban poor'. However, the seeds are there, and this paper suggests future research to undertake these two propositions.

# **Appendices**

### Appendix 1 – Fieldwork and Interview Guides

As the location is something new for the author, she initiated the pre-fieldwork discussion with Walhi (also with Rizki) in an online session. Walhi is a local NGO that helped her to contextualize the proposed research concept and supported some actual conditions in East Kalimantan which also inspired the author to opt for the two case studies in Bumi Harapan and Pemaluan Villages. Before Rizki got off to the location, together with the author, they held regular online discussions, including transferring and sharing knowledge regarding the research topics and interview guidelines. We created form of informant's consent, anonymity, and agreement on payment. When the fieldwork started Rizki provided the author with a recorded-interview (audio, photo, and video) and archived them on the online drive. He wrote interview notes and daily update of observation of events embodied with his thought and reflection. He also share the emotion of the participant while talking about certain things related to their status after IKN is built. They also held a regular call every day during the fieldwork within 13-27 August 2022. They shared thoughts and evaluated the day of fieldwork process including the plan, way of interview, and react to certain events and actors, Overall, they make sure that there is no a huge gap between the research assistant and the main researcher through a regular communication during the fieldwork.

### Secondary Data

Spatial Information (if available)

- 1. Delineation of the new capital, the latest map after the IKN bill
- 2. Records of information on tenure and transfers (to find out the pattern of land tenure)
  - o Land use map
  - o Land tenure information (holding a plot of land parcel maps)
  - o Information on the type of tenure (right of ownership, right of use, right of cultivation, right of the building, customary right, commercial lease)
  - O Land ownership transfer information (historically, if spatial data is not available, it can also be narrative. Focus: actors in transactions)

#### Relevant Documents (if available)

- 1) Regional Spatial Plan (RTRW Province) and Detailed Spatial Planning (RDTR)
- 2) Land clearing instructions letter (if available)
- 3) Village demographic information (population profile, occupation (formal and informal), indigenous and non-indigenous people?)
- 4) Documents related to environment: KLHS, AMDAL
- 5) Reports related to ecological disasters in East Kalimantan
- 6) Reports related to disasters from mines in the East Kalimantan region
- 7) Reports on land conflicts in East Kalimantan
- 8) Reports on conflicts with local and customary communities related to tenure conflicts
- 9) Understand the pattern of land cultivation (population profile, farmers, cultivators, etc.)
- 10) Documentation related to community resistance to the IKN project

#### Interview Guide

### Tenure Information, related to exclusion

- o How is the agrarian structure in the IKN?
- o With the new delineation of the IKN project, what are the possible changes in the agrarian structure that will occur? Who will own the land? Who can operationalize it? And through what mechanism? (profit sharing/compensation system?)
- o Historically, what tenure conflicts have occurred in East Kalimantan? How is the relationship with the new capital city?
- o How is the agrarian structure around the IKN (read: outside the IKN) Are there any changes? (Just identify the activity, for example: moving building materials)
- o Local/Indigenous People's Perspectives and Concerns
- o Profiling of informants (age, educational background/ethnicity/etc, occupation, relation to land, land use pattern, scale of their operation? etc)
- What do they consider about the concept of "work"
- o Perspectives in "The Capital" and "Kalimantan as the Capital"
- O How did you feel when you found out about this project? (are they related to a situation of exclusion they've been through?)
- O How involved are they with this project?
- o Do they have a collective agency in expressing their opinion about the capital?
- O How to mitigate these feelings? Is there a solution or negotiation provided by the organizers?

#### Coalition of discourse and actors, related to power and mechanism

- o Who is the most powerful figure from the elite who is intensely involved in this project? (Can be elaborated from the Special Committee, Task Force, Panja, DPR leadership, Oligarchy (in what field? Property or mining?) etc.) and how is it related to tenure conditions there?
- Who will have the authority to implement the land consolidation mechanism? How is the work divided?
- actors in execution
- actors in planning
- mechanisms for holding consolidation or land clearing?
- o Who will be planned (it can also be predicted) to be the owner/user of the lands available for the Nusantara project? In what tenure arrangements? Use/control/own?
- o Then what is the role or position of Person A in this land consolidation process? (who's missing?)
- What is the financing mechanism for the Nusantara project? If it is outside the state budget, what is the mechanism like?
- o Lens of analysis: oligarchy to oligarchy, or oligarchy to business

# Appendix 2 – Informant's Profile

Table 7 Informant's Profile (1)

Villagers Code	A	В	С	D	E	F
Village Name	Pemaluan	Bumi Harapan	Bumi Harapan	Bumi Harapan	Pemaluan	Pemaluan
Ethnicity	Paser Balik	Paser Balik	Jawa (migrants)	Jawa (migrants)	Jawa (migrants)	Paser Balik
Occupation	Palm oil growers	Palm oil growers	Small stall owner	Palm oil workers	Palm oil workers and sometime be- coming informal la- bour (driver)	Palm oil growers
Time started working	from generations be-	from generations be-	-	-	Bought it from local villagers 24 years ago	from generations before
Land size (own/use/control)	> 5 ha (without house land)	> 5 ha (without house land)	sold their trans- migration land	<1 ha (only house land)	<1 ha (only house land); Leasing land to neighbor for farming	<5 ha (without house land)
Ownership status	Own	Own	-	-	-	Own
Cultivation pattern	profit sharing, family scale and sometimes becoming waged-la- bor	profit sharing, family scale and sometimes becoming waged-la- bor	-	Working for the family land in a family scale	becoming waged la- bor	profit sharing, family scale and sometimes becoming waged-la- bor

Source: Author's Table, 2022

Table 8 Informant's Profile (2)

Villagers Code	G	Н	I	J	K	L
Village Name	Bumi Harapan	Pemaluan	Pemaluan	Bumi Harapan	Bumi Harapan	Bumi Harapan
Ethnicity	Paser Balik	From Balikpapan	From Balikpapan	Timor (mi- grants)	Kalimantenese (migrants)	Jawa (migrants)
Occupation	Work for IHM and landowner	Palm oil growers	Palm oil growers	Palm oil growers and workers	small stall owner	working for IKN construction
Time started working	-	Bought it from local villagers 22 years ago	Bought it from local villagers 22 years ago	-	-	-
Land size (own/use/control)	5 ha (without house land)	> 5 ha (without house land)	> 5 ha (without house land)	2 ha (without house land)	<1 ha (only house land)	-
Ownership status	Own	Own	Own	Own	-	-
Cultivation pattern	Profit sharing and hired waged-labor	profit sharing, family scale and sometimes becoming waged-labor	profit sharing, family scale and sometimes be- coming waged-la- bor	family scale and sometimes be- coming waged- labor	-	-

Source: Author's Table, 2022

### References

- Anugrah, I. (2019) Out of Sight. Out of Mind Political Accountability and Indonesia New Capital Plan.

  Accessed 8 June 2022 < <a href="https://www.newmandala.org/out-of-sight-out-of-mind-political-accountability-and-indonesias-new-capital-plan/">https://www.newmandala.org/out-of-sight-out-of-mind-political-accountability-and-indonesias-new-capital-plan/</a>
- Azmy, A. S. (2021). Examining the Relocation of the Capital City of Indonesia Through the State Perspective in Political Economy. *Polit Journal: Scientific Journal of Politics*, 1(1), 26-35. https://doi.org/10.33258/polit.v1i1.365
- Bachriadi, D., & Wiradi, G. (2011). Six Decades of Inequality: Land Tenure Problem in Indonesia. Bandung: ARC, KPA, Yayasan Bina Desa.
- Bachriadi, D. (2019) Tuan Tanah dan Politik Penguasaan Tanah Skala Raksasa [Landlords and the Politics of Large-scale Land Control]. Accessed 11 November 2020 <a href="https://arc.or.id/tuan-tanah-dan-politik-penguasaan-tanah-skala-raksasa/">https://arc.or.id/tuan-tanah-dan-politik-penguasaan-tanah-skala-raksasa/</a>
- Barr, Christopher; Mccarthy, John; Resosudarmo, Ida Aju Pradnja; Dermawan, Ahmad; Moeliono, Moira; Setiono, B. (2006) Decentralization of Forest Administration in Indonesia Decentralization of Forest Administration in Indonesia, Center for International Forestry Research (Cifor).

  Available at: <a href="http://www.cifor.org/publications/pdf\_files/Books/BBarr0601.pdf">http://www.cifor.org/publications/pdf\_files/Books/BBarr0601.pdf</a>.
- Bappeda Kaltim (2020) Naskah Akademik RUU IKN. Accessed 16 June 2022. https://bappeda.kaltimprov.go.id/storage/data-centers/September2021/zNPFAwFfhrKe6NOUadXI.pdf
- Batubara, B., Rachman, F,N. (2022) "Extended Agrarian Question in Concessionary Capitalism: The Jakarta's Kaum Miskin Kota," *Agrarian South: Journal of Political Economy*, 11(2).
- Bernstein, H. (1986) Capitalism and Petty Commodity Production. *Journal of Anthropology*, pp. 11-28
- Bernstein, H. (2010) *Class dynamics of agrarian change*. Halifax, N.S.: Fernwood Pub (Agrarian change and peasant studies series).
- Betahita (2021) KPA assesses that in Joko Widodo era, agrarian conflicts are getting worse. Accessed 12 October 2022 <a href="https://betahita.id/news/detail/6547/kpa-menilai-di-era-jokowi-konflik-agraria-makin-menjadi.html.html">https://betahita.id/news/detail/6547/kpa-menilai-di-era-jokowi-konflik-agraria-makin-menjadi.html.html</a>>
- Borras S.M., C. Kay and A. Akram Lodhi. (2007). Agrarian reform and rural development: historical overview and current issues. ISS/UNDP Land, Poverty and Public Action Policy Paper No. 1. New York, NY: United Nations Development Programme.
- Borras, S. et al. (2011) "Towards a Better Understanding of Global Land Grabbing: An Editorial Introduction," *Journal of Peasant Studies*, 38(2), pp. 209–216.
- Borras, S.M. and Franco, J.C. (2012) 'Global land grabbing and trajectories of Agrarian change: A preliminary analysis', *Journal of Agrarian Change*, 12(1), pp. 34–59. Available at: <a href="https://doi.org/10.1111/j.1471-0366.2011.00339.x">https://doi.org/10.1111/j.1471-0366.2011.00339.x</a>.
- Borras, S.M. Jr., J.C. Franco, S. Gómez, C. Kay, and M. Spoor. (2012). Land grabbing in Latin America and the Caribbean. The Journal of Peasant Studies 39, no. 3–4: 845–72.
- Borras, J. et al. (2022) "The Value of So-Called 'failed' Large-Scale Land Acquisitions," Land Use Policy, 119.
- BPS (2020a) 'Results of the 2020 Population Census'. Jakarta, BPS: Statistics Indonesia. Accessed 25 September 2022 <a href="https://www.bps.go.id/pressre-lease/2021/01/21/1854/hasil-sensus-penduduk-2020.html">https://www.bps.go.id/pressre-lease/2021/01/21/1854/hasil-sensus-penduduk-2020.html</a>
- BPS (2020b) 'The Amount Of Gross Regional Domestic Product (GRDP) In East Kalimantan'. Jakarta, BPS: Statistics Indonesia. Accessed 25 September 2022

- https://kaltim.bps.go.id/publication/2021/04/05/58ddbf-bae0c94efeebfc32cb/produk-domestik-regional-bruto-provinsi-kalimantan-timur-menurut-lapangan-usaha-2016-2020.html
- Bumi Harapan (2021). The Village Profile. East Kalimantan: Village office.
- Chua, C. (2008) "Chinese Big Business in Indonesia: The State of Capital". New York: Routledge.
- CNN (2022) 50 Percent of Land for the 2021 Stranas Project Comes from Agrarian Conflict. Accessed 12 October 2022<a href="https://www.cnnindonesia.com/nasional/20220106140619-20-743377/kpa-50-persen-lahan-proyek-stranas-2021-berasal-dari-konflik-agraria">https://www.cnnindonesia.com/nasional/20220106140619-20-743377/kpa-50-persen-lahan-proyek-stranas-2021-berasal-dari-konflik-agraria</a>
- Cotula L (2012) "The International Political Economy of the Global Land Rush: A Critical Appraisal of Trends, Scale, Geography and Drivers," *Journal of Peasant Studies*, 39(3-4), pp. 649–680. doi: 10.1080/03066150.2012.674940.
- Cowherd, R. (2002) "Cultural Construction of Jakarta: Design, Planning, and Development in Jabotabek, 1980-1997". A dissertation in Massachusetts Institute of Technology (MIT): The United States.
- Detakkaltim (2018) Terungkap PT. Agro Indomas Belum Punya HGU. Accessed 7 September 2022 <a href="https://detakkaltim.com/index.php/2018/05/31/terungkap-pt-agro-indomas-be-lum-punya-hgu-camat-sepaku-sesalkan/">https://detakkaltim.com/index.php/2018/05/31/terungkap-pt-agro-indomas-be-lum-punya-hgu-camat-sepaku-sesalkan/</a>)
- Detik (2016) Jokowi Terima Gelar Raja Dayak. Accessed 19 July 2022. <a href="https://news.detik.com/berita/d-3376232/jokowi-terima-gelar-raja-dayak-di-kal-teng">https://news.detik.com/berita/d-3376232/jokowi-terima-gelar-raja-dayak-di-kal-teng</a>.
- DPR (2021) Naskah Akademik RUU IKN. Accessed 16 June 2022. <a href="https://www.dpr.go.id/dokakd/dokumen/PANSUS-RJ-20211214-125732-5084.pdf">https://www.dpr.go.id/dokakd/dokumen/PANSUS-RJ-20211214-125732-5084.pdf</a>
- DPR (2022) "The Law Of IKN As Foundational Regulations" accessed 24 September 2022 <a href="https://www.dpr.go.id/berita/de-tail/id/37053/t/UU+IKN+Sebagai+Landasan+Hukum+Ibu+Kota+Baru">https://www.dpr.go.id/berita/de-tail/id/37053/t/UU+IKN+Sebagai+Landasan+Hukum+Ibu+Kota+Baru</a>
- Edelman, M. (2013) "Messy Hectares: Questions About the Epistemology of Land Grabbing Data," *Journal of Peasant Studies*, 40(3), pp. 485–501. doi: 10.1080/03066150.2013.801340.
- Edelman, M. and León, A. (2013) "Cycles of Land Grabbing in Central America: An Argument for History and a Case Study in the Bajo Aguán, Honduras," *Third world quarterly*, 34(9), pp. 1697–1722.
- Edelman M, Oya C and Borras Jr. S.M (2013) "Global Land Grabs: Historical Processes, Theoretical and Methodological Implications and Current Trajectories," *Third World Quarterly*, 34(9), pp. 1517–1531. doi: 10.1080/01436597.2013.850190.
- Fairhead J, Leach M and Scoones I (2012) "Green Grabbing: A New Appropriation of Nature?," *Journal of Peasant Studies*, 39(2), pp. 237–261. doi: 10.1080/03066150.2012.671770.
- Gellert, P. K. (2019). Neoliberalism and altered state developmentalism in the twenty-first century extractive regime of Indonesia. Globalizations, 16(6), 894–918.
- Habibi, M. & Juliawan, B. H., 2018. Creating Surplus Labour: Neo-Liberal Transformations and the Development of Relative Surplus Population in Indonesia. Journal of Contemporary Asia, pp. 1-22.
- Hall, D., Hirsch, P. and Li, T. (2011) *Powers of exclusion : land dilemmas in southeast asia.* Singapore: NUS Press (Challenges of the agrarian transition in Southeast Asia).
- Hall D (2013) "Primitive Accumulation, Accumulation by Dispossession and the Global Land Grab," *Third World Quarterly*, 34(9), pp. 1582–1604. doi: 10.1080/01436597.2013.843854.
- Haraway, D. (1988) "Situated Knowledges: The Science Question in Feminism and the Privilege of Partial Perspective," *Feminist Studies*, 14(3), pp. 575–599.

- Harvey, D. (1985) *The urbanization of capital.* Oxford (Studies in the history and theory of capitalist urbanization, 2).
- Harvey, D. (2001) Spaces of capital: towards a critical geography. New York: Routledge.
- Harvey, D. (2003) The new imperialism. Oxford: Oxford University Press.
- Harvey, D. (2005) Spaces of Global Capitalism: a Theory of Uneven Geographical Development. London: Verso.
- Hudalah, D., Viantari, D., Firman, T., Woltjer, J. (2013) "Industrial Land Development and Manufacturing Deconcentration in Greater Jakarta," *Urban geography*, 34(7), pp. 950–971.
- Ito, T., Rachman, N.F., Savitri, L.A. (2014) Power to make land dispossession acceptable: a policy discourse analysis of the Merauke Integrated Food and Energy Estate (MIFEE), Papua, Indonesia, The Journal of Peasant Studies, 41:1, 29-50, DOI: http://dx.doi.org/10.1080/03066150.2013.873029
- Jessop, B. (2008) "Spatial Fixes, Temporal Fixes and Spatio Temporal Fixes" in Castree, N. and Gregory, D. (2006) *David harvey: a critical reader.* Malden, MA: Blackwell Pub (Antipode book series). doi: 10.1002/9780470773581 (pp.) 142-166
- Kartasubrata, J. (1985) 'Forest policy, legislation and administration in Indonesia', *Nederlands Bosbouwtijdschrift*, 57(5–6), pp. 167–175. Available at: <a href="http://edepot.wur.nl/266726">http://edepot.wur.nl/266726</a>.
- Kautsky, K. (1899) 1988. The Agrarian Question (in two volumes). Translated by Pete Burgess. London: Zwan Publications.
- Kompas (2019) Kepala Bappenas: Pemindahan Ibukota masuk RPJMN 2020-2024. Accessed 19 July 2022 <a href="https://money.kompas.com/read/2019/05/09/184859926/kepala-bappenas-pemindahan-ibu-kota-masuk-rpjmn-2020-2024">https://money.kompas.com/read/2019/05/09/184859926/kepala-bappenas-pemindahan-ibu-kota-masuk-rpjmn-2020-2024</a>
- Kompas (2022) Izin HGB di IKN Bisa Sampai 160 Tahun, Hadi Tjahjanto: Untuk Menarik Investor. Accessed 1 November 2022. <a href="https://www.kompas.tv/article/336840/izin-hgb-di-ikn-bisa-sampai-160-tahun-hadi-tjahjanto-untuk-menarik-investor">https://www.kompas.tv/article/336840/izin-hgb-di-ikn-bisa-sampai-160-tahun-hadi-tjahjanto-untuk-menarik-investor</a>
- KPA (2021) Laporan Catatan Akhir Tahun 2021 [Annual Notes Report 2021]. Jakarta:
- Kusno, A. (2010) The end of the peasantry and the politics of peri-urbanization in an indonesian metropolis. Singapore: Asia Research Institute, National University of Singapore (Working paper series / National University of Singapore. Asia Research Institute, 139)
- Kusumaningrum. (2019) Jokowi Ingin Pindahkan Ibukota ke Kalimantan karena posisinya ditengah, Apakah ini tepat?. Jakarta: The Conversation. Accessed 24 October 2022 <a href="https://theconversation.com/jokowi-ingin-pindahkan-ibu-kota-ke-kalimantan-karena-posisinya-yang-di-tengah-apakah-ini-tepat-117489">https://theconversation.com/jokowi-ingin-pindahkan-ibu-kota-ke-kalimantan-karena-posisinya-yang-di-tengah-apakah-ini-tepat-117489</a>>
- Kusumawardhani, N.G. (2022) "Between Indonesia's State Capital Relocation (IKN) and Land Grabs Potential" Assignment for 4150 Political Economy of Agriculture and the Environment, MA Development Studies, International Institute of Social Studies Erasmus University Rotterdam: Unpublished.
- Levien, M. (2013) "Regimes of Dispossession: From Steel Towns to Special Economic Zones," *Development and Change*, 44(2), pp. 381–407. doi: 10.1111/dech.12012.
- Larson, D. 1996. Indonesia's palm oil subsector. Washington, DC: World Bank.
- Li, T,M. (2005) "Beyond 'the State' and Failed Schemes," American Anthropologist, 107(3), pp. 383–394.
- Li, T.M. (2011) 'Centering labor in the land grab debate', *Journal of Peasant Studies*, 38(2), pp. 281–298. Available at: https://doi.org/10.1080/03066150.2011.559009.
- Li, T,M. (2014) Land's end: capitalist relations on an indigenous frontier. Durham: Duke University Press.

- Lund, C. (2014) "Of What Is This a Case?: Analytical Movements in Qualitative Social Science Research.(report)(author Abstract)," *Human Organization*, 73(3), pp. 224–234.
- Marx, K. (1992) Capital. London: Penguin Classics.
- McCarthy, J.F. (2010) 'Processes of inclusion and adverse incorporation: Oil palm and agrarian change in Sumatra, Indonesia', *Journal of Peasant Studies*, 37(4), pp. 821–850. Available at: <a href="https://doi.org/10.1080/03066150.2010.512460">https://doi.org/10.1080/03066150.2010.512460</a>.
- McCarthy J.F, Vel J.A.C and Afiff S (2012) "Trajectories of Land Acquisition and Enclosure: Development Schemes, Virtual Land Grabs, and Green Acquisitions in Indonesia's Outer Islands," *Journal of Peasant Studies*, 39(2), pp. 521–549. doi: 10.1080/03066150.2012.671768.
- Mignolo, W.D. (2009). "Epistemic Disobidience, Independent Thought and Decolonial Freedom", *Theory, Culture & Society,* 26(7-8), 159-181. https://doi.org/10.1177/0263276409349275
- National Kontan (2020) KLHK Minister Affirms Land for IKN Core Area Is State-Owned Forest. Accessed 12 August 2022 <a href="https://nasional.kontan.co.id/news/menteri-lhk-tegaskan-lahan-untuk-kawasan-inti-ikn-adalah-hutan-milik-negara">https://nasional.kontan.co.id/news/menteri-lhk-tegaskan-lahan-untuk-kawasan-inti-ikn-adalah-hutan-milik-negara</a>)
- Oya, C. (2013) "Methodological Reflections on 'land Grab' Databases and the 'land Grab' Literature 'rush," *Journal of Peasant Studies*, 40(3), pp. 503–520. doi: 10.1080/03066150.2013.799465.
- Peluso, N. L. (1992) "The Political Ecology of Extraction and Extractive Reserves in East Kalimantan, Indonesia," *Development and Change*, 23(4), pp. 49–74. doi: 10.1111/j.1467-7660.1992.tb00469.x.
- Peluso, N.L. (2011) 'Emergent forest and private land regimes in Java', *Journal of Peasant Studies*, 38(4), pp. 811–836. Available at: https://doi.org/10.1080/03066150.2011.608285
- Peluso, N. L. and Lund, C. (2011) "New Frontiers of Land Control: Introduction," *Journal of Peasant Studies*, 38(4), pp. 667–681. doi: 10.1080/03066150.2011.607692
- Pirard, R., Cossalter, C. and Center for International Forestry Research (2006) The revival of industrial forest plantations in indonesia's kalimantan provinces will they help eliminate fiber short-falls at sumatran pulp mills or feed the china market? Bogor Barat, Indonesia: Center for International Forestry Research (Working paper, no. 37)
- Pemaluan (2021). The Village Profile. East Kalimantan: Village office.
- Polanyi, K. (1944). The Great Transformation (2<sup>nd</sup> ed). London: Beacon Press.
- Popkin, S. L. (1979) *The rational peasant : the political economy of rural society in vietnam*. Berkeley: University of California Press (Campus [paperbacks], 236).
- Project Multatuli (2022) Investigation Research: Nanti Kita Kayak Ondel-Ondel Ngamen di Lampu Merah: Penggusuran dan Krisis Iklim di Balik Jargon 'Green City' IKN. Accessed 28 August 2022 <a href="https://projectmultatuli.org/nanti-kita-kayak-ondel-ondel-ngamen-di-lampu-merah-penggusuran-krisis-iklim-di-balik-jargon-green-city-ikn/">https://projectmultatuli.org/nanti-kita-kayak-ondel-ondel-ngamen-di-lampu-merah-penggusuran-krisis-iklim-di-balik-jargon-green-city-ikn/</a>)
- Putri, P. W. (2019) "Sanitizing Jakarta: Decolonizing Planning and Kampung Imaginary," Planning Perspectives, 34(5), pp. 805–825. doi: 10.1080/02665433.2018.1453861.
- Republic of Indonesia (1960) 'Law No.5. Basic Agrarian Principles. Jakarta
- Republic of Indonesia (1967) 'Law No.5. Forestry Act. Jakarta
- Republic of Indonesia (1967) 'Law No.1. Foreign Capital Investment. Jakarta
- Republic of Indonesia (2020) 'Law No.11. Omnibus Law on Job Creation'. Jakarta
- Republic of Indonesia (2022) 'Law No.3. The New Capital City of Indonesia'. Jakarta.
- Republic of Indonesia (2022) 'Presidential decree No.62. The Formation of IKN Authority Agency'. Jakarta.
- Republic of Indonesia (2022) 'President Regulation No. 65/2022 about Land Acquisition and Land Management in the Capital City of the Nusantara'. Jakarta.

- Ribot, J. C. and Peluso, N. L. (2003) "A Theory of Access," Rural Sociology, 68(2), pp. 153–181.
- RSPO (2015) RSPO Notification of Proposed New Planting for PT. AIEK. Accessed 7 September 2022 <a href="https://www.rspo.org/explore?q=PT.+Agro+Indomas+%28East+Kalimantan%29+-+PT.+Agro+Indomas">https://www.rspo.org/explore?q=PT.+Agro+Indomas+%28East+Kalimantan%29+-+PT.+Agro+Indomas</a>)
- Rusastra, I.W., T.A. Napitupulu, and R. Bourgeois. 2008. The impact of support for imports on food security in Indonesia. CAPSA Working Paper No. 101. Economic and Social Commission for Asia and the Pacific. New York: United Nations.
- Saifullah, Aip. (2020). "Labor movement responses to the Indonesian Omnibus Law". Research Paper of Agrarian, Food and Environmental Studies (AFES), Institute of Social Studies (ISS).
- Safitri, H. (2014) Debottlenecking dalam kebijakan masterplan percepatan dan perluasan pembangunan ekonomi indonesia (MP3EI). Bandung: ARC Books.
- Salim, W. and Kombaitan, B. (2009) Jakarta, City: *analysis of urban trends, culture, theory, policy, action,* 13:1, 120-128, doi: http://dx.doi.org/10.1080/13604810902726335
- Salim, W., Hudalah, D., Firman, T., 2018. Spatial planning and urban development in Jakarta's Metropolitan Area, in: Jakarta. Routledge, pp. 58–74. doi:10.4324/9781315111919-4
- Schatz, E. (2004) "What Capital Cities Say About State and Nation Building," *Nationalism and Ethnic Politics*, 9(4), pp. 111–140.
- Schoenberger, L., Hall, D. and Vandergeest, P. (2017) "What Happened When the Land Grab Came to Southeast Asia?," *The Journal of Peasant Studies*, 44(4), pp. 697–725. doi: 10.1080/03066150.2017.1331433.
- Sirait, M. T. et al. (2015) Inclusion, exclusion and agrarian change: experiences of forest land redistribution in indonesia. dissertation. Erasmus University.
- Scott, J. (1998) Seeing like a state: how certain schemes to improve the human condition have failed. New Haven: Yale University Press
- Soja, E. W. (1989) Postmodern geographies: the reassertion of space in critical social theory. London: Verso.
- Tempo (2022) Koalisi Kaltim Tolak UU IKN Berpotensi Menggusur Lahan Adat. Accessed 2 November, < <a href="https://nasional.tempo.co/read/1551588/koalisi-kaltim-tolak-uu-ibu-kota-negara-berpotensi-gusur-lahan-adat">https://nasional.tempo.co/read/1551588/koalisi-kaltim-tolak-uu-ibu-kota-negara-berpotensi-gusur-lahan-adat</a>
- The Jakarta Post (2019) Jokowi wants to move capital out of Java. Accessed 19 July 2022. <a href="https://www.thejakartapost.com/news/2019/04/29/jokowi-wants-to-move-capital-out-of-java.html">https://www.thejakartapost.com/news/2019/04/29/jokowi-wants-to-move-capital-out-of-java.html</a>
- Tilly, C. (1990) "Coercion, Capital, and European States". Cambridge: Blackwell.
- Tirto (2022) Kritik Akademik dan Analisis Sentimen Pemindahan Ibukota. Accessed 16 June 2022. <a href="https://tirto.id/kritik-akademik-dan-analisis-sentimen-pemindahan-ibukota-goTW">https://tirto.id/kritik-akademik-dan-analisis-sentimen-pemindahan-ibukota-goTW</a>
- Tuma, E,H. (1965) Twenty-six centuries of agrarian reform: a comparative analysis. Berkeley etc.: University of California Press.
- Van Dijk, L. and Savenije, H. (2011) 'Kelapa sawit atau hutan? Policy Brief'. Available at: <a href="https://www.tropenbos.org">www.tropenbos.org</a>.
- Walhi, Jatam, and FWI (2019) Ibu Kota Baru Buat Siapa? [For Whom the New State Capital?]. Accessed 10 December 2021< <a href="https://www.jatam.org/ibu-kota-baru-buat-siapa/">https://www.jatam.org/ibu-kota-baru-buat-siapa/</a>>
- Warburton, E. (2016) Jokowi and the New Developmentalism, Bulletin of Indonesian Economic studies, 52:3, 297-320, DOI: 10.1080/00074918.2016.1249262
- White, B. et al. (2012) The new enclosures: critical perspectives on corporate land deals. London: Routledge (Critical agrarian studies).

- Winarso, H., Kartiwa, A. (2019) "Kesenjangan Kepemilikan Lahan Untuk Pengembangan Perumahan Di Jakarta Metropolitan Area" [Land Tenure Gap For Housing Development In Jakarta Metropolitan Area]. In *Perjuangan Keadilan Agraria* [Agrarian Justice Struggle] pp. 141-158.
- Wolford, W. et al. (eds) (2013) Governing global land deals: the role of the state in the rush for land. Chichester, West Sussex, United Kingdom: Wiley (Development and change).
- Yin, R. (2014). Case study research: Design and methods (5th ed.). Thousand Oaks, CA: Sage.