

SUSTAINING CROSS SECTOR ALLIANCE

Case Study of Cross Sector Alliance in Percut, Sei Tuan, Deli Serdang, North Sumatera Province

Indonesia Plantation Workers Union (SBPI)



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Introduction

KPS has already started establishing cross sector alliance since 2008. Departed from this process, cross sector alliance managed to encourage the formation of Indonesian Plantation Workers Union (SBPI). The alliance also strengthens the community groups around the estate. This research tries to portray the establishment of cross-sectoral alliance involving Deli Serdang plantation workers, crops farmers, landless peasants and fishermen group.

In the course of 2009-11, KPS and AMRC had organized several workshops, cross sectoral workshop in which the groups representing communities, landless peasants and plantation workers analyzed the impacts of plantation industry. The analysis included mapping of political power and negotiation between the industry and local government. Attended by the groups from three districts in the province, the discussion was to elaborate how the cross -sector alliance could constitute its political bargaining power.

As a follow up of the workshop, cross sector alliances were formed in the districts. The formation of the alliance involved community discussions and training. The plantation workers, mostly casual workers, formed their union called Indonesia Plantation Union (SBPI). The union organizers then were assigned to build intensive communication with peasants and community groups. The formation of cross sector alliance has been expanded to Percut Sei Tuan District involving manufacture workers and fishing community.

Since 2010, SBPI has played a prominent role in sustaining the cross sector alliance. The establishment of the cross sectoral alliance in Deli Serdang district takes place at Sei Tuan Percut sub district. Percut Sei Tuan sub district has 4,600 hectares of productive rice field. It is one of the rice suppliers for Deli Serdang regency, North Sumatra. Similar with other sub districts in North Sumatra Province, there is a prolonged land dispute between farmers and state-owned plantation (PTPN). In this region, discussions with the plantation workers, manufacturing workers, food peasant, landless peasants and traditional fishermen has been developed. The Sei Tuan Percut sub district is part of Indonesia government plan to establish an integrated regional economic zone development project in North Sumatra Province. The integrated of this project involves development of 10 districts in cities of Medan-Binjai Deliserdang-Karo (Mebidangro). In line with this development project, Percut Sei Tuan is allocated for the establishment of industrial and warehousing area

by taking advantage of its potential within the context of expanding Medan Industrial Area (KIM). The expansion of the industrial area and infrastructure project propelled land acquisition ..

Second, the plan also includes establishment of supporting infrastructure project that is the expansion of Belawan port and the operational of Kuala Namu International Airport. The expansion of the port threatens the livelihood of traditional fishing community as their livelihood territory is restricted. The community fears that the port expansion eventually leads to forcibly eviction . The government also issued a blueprint of infrastructure project linking up Belawan port and Kuala Namu International airport. Third, the conversion of 500-acre mangrove forests at the coastal area in Percut Sei Tuan been into palm oil plantations. The conversion of mangrove forests has brought negative impacts on the communities. Around 53 groups of fishermen and farmers claimed that the forest conversion halts the flow of rain water to the sea causing the flood inundates the villages.

Fourth, daily casual workers working at the state owned palm oil plantation (PTPN II) and Indonesia armed forces owned plantation (Puskopad) are deprived from their rights. The workers in those two plantations have not joined SBPI. Center of rice production in Percut Sei Tuan spreads across 6 villages. In the past, the ricefields in these six villages relied on irrigation water from the Bandar Sidoras dam. In March 2011, the dam collapsed and since then it has lost its function to irrigate the rice fields. Besides a long draught and collapsed dam, around .

4,000 hectares of rice fields in Sub Percut Sei Tuan has been inundated by flood twice. The main concerns of the crops farmer are the declining production and narrowing agriculture land.

Meanwhile, land conversion into palm oil plantation has occurred since 2008. Initially the land was designated as a green belt and mangrove forests. The research is aimed at portraying the formation of cross sector alliance in Percut Sei Tuan, Deli Serdang, North Sumatra. It is also aimed at assessing the weaknesses and strengths of the cross sectoral alliance.

Organizing Strategy

A. Initial step of Organizing

Indonesia is the world largest palm oil producer with 7 million hectares of land in major islands is allocated for the plantation. Every year around 315000 hectares of land is converted into palm oil plantation. In total, around 18 million hectares of forest have been converted for the expansion of oil palm plantations. The industry is considered as a major contributor to the economic growth as it also absorbs 10 million workers, mostly casual workers. North Sumatra Province is a center of palm oil plantation in Indonesia. It produces 1.7 million tons of Crude Palm Oil (CPO) per year. This constitutes 8.23% of total national production of CPO per year.

The rapid expansion of plantation in North Sumatra province takes place in five districts of Langkat, Serdang Bedagai and Labuhanbatu district.

Total area Oil Palm Plantation in North Sumatra, 2004-2009

No	Year	Area (hectare)
1	2004	844.882
2	2005	894.911
3	2006	1.044.230
4	2007	1,09 million
5	2008	1,106 million
6	2009	1.138.908

In 2012, size of palm oil plantations in North Sumatra is estimated to have reached 1.4 million hectares. This is already predicted by experts that the expansion will keep increasing due to the blueprint of Indonesia economic development master plan. The economic development master plan is a set of plans and actions to build economic clusters and business centers on all of Indonesia's major islands to support

their unique local economies¹. The purpose the master plan is to accelerate and expand economic development through development of eight industries namely manufacture, mining, agriculture, marine, tourism, telecommunications, energy and other national strategic industries. More specific, the master plan also target 22 sub industries such as iron-steel industry, food and beverages, textiles, transport equipment, shipbuilding, nickel, copper, bauxite, oil palm, rubber, cocoa, fisheries , tourism, telecommunications, coal, oil and gas.

The master plan consists of three major programs, those are, establishment of six economic corridors connecting 6 major islands in Indonesia. These corridors are expected to support the establishment of industrial cluster and special economic zones. Economic corridor in Sumatra Island is centered in North Sumatra Province which will be developed into center of agriculture production and processing. Establishment of Sumatra economic corridor is expected to boost Indonesia that is in dire need to expand its infrastructure capacity to promote Sumatra as the main player in ASEAN economic community. One of the area targeted for special economic zone is Medan-Binjai-Deli-Serdang-Karo (Mebidangro). The research focuses on organizing in Deli Serdang district.

Besides expansion of the plantation, the master plan also prepares the construction of 2000-hectare Sei Mangkei Special Economic Zone (SEZ) in Simalungun district. The SEZ is to increase the added value of palm oil by establishing downstream industry. There are two types of palm oil production outputs i.e, oleo chemical and CPO. Giant company like Unilever Indonesia has expressed its interest to invest in SEZ for oleo chemical production. The government also will launch another infrastructure project to support the operation of SEZ that is Kuala Tanjung and Belawan port.

Social tension quickly emerges from the implementation master plan. Land dispute is the major one. In 2012, the number of land dispute due to the expansion of plantation reached 5000 cases. While in North Sumatra province, agrarian disputes involving estates by farmers reached 600 cases.

In North Sumatra province, there are 236,000 workers working for large-scale palm oil plantations. By calculation, 22 workers work on 100 acres of plantations. Daily casual and short term contract workers constitute more than 60 percent of the total workers. The number does not include unpaid family workers like wives of casual workers who are deployed to help their husbands during harvesting season.

¹ The masterplan is intended for Expansion and Acceleration of Indonesia Economic Growth (MP3EI)

The above analysis shows that instead of encouraging the economic growth, as often promoted by the government, the plantation impoverishes people in a systemic manner. The whole community is forced to contribute their cheap labour to the industry. Indeed, there is a need to build up a strong alliance at the community level in taking up the resistance against the industry.

Initial mapping in Percut Sei Tuan showed that there were 53 groups of fishermen and 25 groups of farmers. Most of the groups were founded by local government to facilitate the distribution of government subsidized fertilizers and fishing nets. SBPI also organized plantation workers at Lonsum Sei Merah Estate, PTPN II and Puskopad Estate.

Most of SBPI members are casual workers. SBPI has been registered in Labor Department in North Sumatra Province. SBPI has formed its district level branches in Langkat and Asahan. At the plantation level, it has 8 branches with 700 members.

Stage of Organizing

SBPI initiated organizing work in Percut Sei Tuan district by approaching several peasants groups. The initial discussions were focused on food security issues. Later then, the union and peasant groups decided to conduct a simple investigation on issues that threatened food security in the district. Mapping issues also served as a tool for the groups to identify potential ally. In this context, the role of SBPI is crucial in disseminating progressive organizational discourse.

C. Organizing Techniques

SBPI facilitates meetings involving crops farmers, landless peasants, fishermen and workers. The major issue discussed in the meeting was food security. Later, series of meetings organized to discuss issues that come up from the mapping and trouble shooting strategies.

a. Workers Sector



Discussion with workers from PTPN II and Puskopad Estate. The workers argue that casualization of work in the plantation industry has disadvantaged workers. Long working hours, low pay and unpaid family workers.

In Percut Sei Tuan, just like other districts in North Sumatra province, land seizure involves violence by military and police. Community resisting the land seizure is stigmatized as communist, justifying the army to ransack the whole village. In the end, due to survival demands, the landless sells their labour to the plantation. So, peasant-labour transformation applies here.

Nevertheless, the union also takes into account types of plantation workers, the permanent ones usually descendants of the first generation of workers migrated from Java Island in early 19th century. The permanent workers have stayed inside the plantation from generation to generation. Another type is casual workers. There are two types of casual workers. The first one is the migrant from other islands and the other type is the landless who live around plantation area. The conflict is often generated when the landless peasants take up a resistance to reclaim their land. Thus, one of the main objectives of forming cross sector alliance to anticipate the horizontal conflict. If the land is reclaimed, the plantation workers should also join newly built community in the occupied land.

Thus, in the long term, the mutual support from both sector in the context of cross sector alliance is necessary to design resistance strategy against plantation and area clustering for industrial zone. Responding to the formation of cross sector alliance, in anticipating the resistance from the community, the plantation sponsored their own community group which actually serves as a paramilitary group.

b. Crops farmer

The union also approaches crops farmers' organization to introduce them with democracy values of an organization such as participatory decision making. The organization was founded in 1980s by the initiative of agriculture department. The local government founded this group back then to help them distribute fertilizers. SBPI facilitated discussion mainly on dam issues, water supply for the rice field. During the discussion, SBPI and the group elaborated the structure of local government to identify who was responsible to repair the dam. The discussion also concluded that the community action was necessitated to demand the government to repair the dam. Some farmers converted their land into a small- scale palm oil plantation supplying the harvested fruit to the company. Thus, it is sort of contract farming.

Based on this situation, SBPI organized several discussions involving village chiefs who are in line with the interests of the cross sector alliance. The cross forum discussion also focused on short term solution like discussion on how to get the dam repaired, The cross sector alliance also encourage the small-scale farmers to sustain their land for crops farming and not to convert it into small palm oil plantation. The involvement of village chiefs in the discussion contribute moral support to the alliance. Regarding the dam repair project, SBPI and the alliance to negotiate with local government. Village chiefs also involved in the meeting with crops farmers.

c. Landless Peasants



The landless peasants meeting in Cinta Damai village which has 1116 acres of paddy field. However, the majority of landowners are not locals. Almost 60 percent of villagers are the tenants. When the lease expires, the tenants turn into agricultural laborers at plantation.

This village is the main rice producer in Percut District. The major challenge posed by the farmers nowadays was insufficient water channelled by the irrigation system. Another issue is a plantation estate, Carli Estate, blocked the drainage causing the rain water overflowing and flooding the village. In this village, there is 500 hectares plantation area which is under reclaiming process. The land reclaimed belongs to State owned plantation (PTPN II). The landless reclaiming and occupying the land, grow bananas and other crops. The plantation, then, in October 2012 sent a military troop with heavy equipment to destroy all the trees cultivated by the peasants. People from fishing communities also involved in this occupation.

First the alliance investigated the history of land ownership in the district. The investigation reveals that the plantation concession will expire in 2014. The investigation concluded that around 150 hectares must be returned to villagers. The alliance then started planning strategy of occupying and distributing the land.

d. Fishing community

There are 53 fishermen groups in Percut Sei Tuan district. Just like farmers group, most of the fishermen groups are government sponsored. The entry point used to organize the groups to ally with the cross sector alliance was to encourage them to take charge of fuel distribution. The fuel station, which is managed as a cooperative, is under control of local mobs and marine. Thus, many groups could not access the fuel. As a result of negotiation, the cooperative agreed to provide sufficient and affordable fuel supply for the fishermen. This gain attracted other groups to join the alliance.

D. Challenges

Cross-sector organizing in Percut Sei Tuan encounters several challenges such as: lacking of negotiation skills and limited logistics and resources halting the alliance to reach out further. Besides strengthening sector based organization and the alliance as well, another challenge is to develop a long term strategy such as developing local economy system. In the context of constituting political bargaining power, the alliance still needs to improve their capacity in negotiation before public authorities. Another long term strategy to be developed is to collectively manage and distribute the ownership of the reclaimed land. The collective ownership of all sectors over the land is the substance of the cross sector alliance.

F. Lesson Learnt

For SBPI, the presence of North Sumatera Food Sustainability Alliance (APPSU) serving as an initial form of cross-sector alliance has accelerated organizing work. Local organizers from each sector are able to elaborate the complexity of social problems and conflicts triggered by the presence of industries and infrastructure project.

Involving village chiefs in alliance meeting help sustain the organization and process. There have been various local initiatives developed such as local initiative to take up spatial mapping based on people interest. The alliance also raises their concern on the rapid conversion of mangrove forest into palm oil plantation. the alliance also managed to demand the local government to repair the dam.

However, sustaining the alliance always constitutes challenges for the organizers. Small demands met and achievements gained serve as a foundation to strengthen the alliance further. The alliance also accelerates the process of democratizing of the government sponsored groups in the districts.