

Chapter Six

Community Cooperatives, 'Illegal' Logging and Regional Autonomy in the Borderlands of West Kalimantan

Reed L. Wadley

Introduction

After the onset of the Indonesian economic crisis in 1997, 'illegal'¹ logging increased quite dramatically across the country. In West Kalimantan, these activities invariably involved the export of timber across the porous international border into Sarawak, Malaysia. (The same has held true for East Kalimantan, with timber going into Sabah.) The power vacuum left after the end of Suharto's New Order regime resulted in a *de facto* regional autonomy, well prior to the implementation of formal *otonomi daerah* in 2001 which has continued to facilitate these logging and export activities.

In the borderland of the upper Kapuas River, local élites and Malaysian timber bosses have taken advantage of this situation and of the 1999 forestry law permitting community cooperatives to cut timber for sale, creating an economic mini-boom. Many communities have become part of registered cooperatives whose ostensible aim has been community development. In practice, the goal has been logging, with the wood being transported across the international border into Malaysia. (Sawmills have been built on the Indonesian side of the border, but the lumber cut there has ended up in Malaysia.) The communities have received commissions for the timber extracted from their lands, but this has generally amounted to less than one per cent of the export value of the wood.

Occasional news reports of 'illegal' logging and smuggling of cut timber have appeared in the national and regional press, but efforts to stop it have tended to be very meagre. Locals have been of the strong opinion that nothing would be done about it because of local-level corruption, with government officials, military and police being paid off by the timber bosses or their representatives. In addition, there has been a challenge to local communities' territorial boundaries. Since this logging boom began there have been a number of instances of community disputes over forest. In at least one case, the dispute was over forest land that had never been part of any traditional community territory.

¹ I have deliberately placed 'illegal' in quotation marks to highlight the problematic nature of this complex phenomenon.

Locals have seen this as a rush to make claims on timber resources so that the local profits from logging might go to them.

In this chapter, I consider the question of how local communities control or influence the practice of 'illegal' logging within and across community and state boundaries. Drawing on field research from the upper Kapuas borderland in the vicinity of Danau Sentarum National Park, I examine an overlooked but important factor in this logging — the establishment of the borderland and the concomitant development of a 'borderlander' identity among the Iban inhabitants. I then look at local community cooperatives, the practice of 'illegal' logging, and the influence of regional autonomy on these activities. I also examine local perceptions of the situation, their worries about future impoverishment, and the role that local empowerment can and does play in dealing with regional and foreign interest in their forests. In addition, I explore the potential of local, low-mechanised logging for sustainable forest management.

Borderlands and Borderlanders

Boundaries separating nation-states perform various functions: for example, restricting and excluding labourers and diseases, preventing smuggling, collecting taxes and duties and defining citizenship and legal jurisdiction. The modern concept of nation-state boundaries spread virtually worldwide through European colonialism (Boggs 1940: 23–4; Asiwaju 1983: 2–3). Under this notion, borders should be precisely defined, clearly demarcated, jealously guarded, and exclusive. As a result, states see borders as lines separating distinct social systems.

Yet borders worldwide resemble one another as arbitrarily imposed lines of demarcation, often dividing similar areas and people, sometimes into mutually hostile states (Asiwaju 1983: 9–10). The regions along such boundaries are often unique social systems in themselves, defined by the movement of people, goods and ideas across the border and by the forces behind that movement (Martinez 1994; Alvarez 1995). The unity of a people within a boundary zone is thus often greater than that of the borderlanders with the heartland (Boggs 1940: 6). Indeed, 'cross-border informal linkages ... generally operate often to the embarrassment of all modern states everywhere in their inherent concern to keep their borders as clear and visible as possible' (Asiwaju 1983: 18).

Colonial and state boundaries have imposed different symbols of formal status upon the same ethnic groups, mainly in the form of citizenship. Boundaries were drawn across well-established lines of communication, including: a sense of community based on common traditions; usually very strong kinship ties; shared socio-political institutions; shared resources; and sometimes common political control. Colonisation brought different education systems and different official languages that have often persisted after independence. In many cases, ethnic groups divided by borders were given different names on either side. Yet despite

the imposed boundaries and accompanying divisions, partitioned peoples in many Third World situations largely ignore the border in their daily lives (Asiwaju 1985).

Border areas are characterised by a high degree of peripherality, wherein often minority ethnic groups face disadvantage *vis-à-vis* the élites who control the state and see the borderland from a standpoint of strategic territorial advantage against potentially rival states. Borderlanders are more culturally and economically independent and less willing to adopt the national culture (Rumley and Minghi 1991), leading in some cases to attempts at secession from the state (Martinez 1994). In other cases, cross-border migrations occur, spurred by the desire for sanctuary against taxes, to escape political and economic oppression, or to take advantage of economic opportunities (Asiwaju 1976, 1983, 1985).

Borders 'invariably separate inequalities' (Asiwaju 1983: 19), so borderlanders have a casual and enterprising attitude given their need to be resourceful in exploiting changing border conditions. As mentioned above, borderlanders are often politically ambivalent (Asiwaju 1985). They try to manipulate their national identities, with many people acquiring and claiming citizenship in different countries and taking advantage of the rights and privileges of citizenship, but rarely exercising the corresponding duties (Martinez 1994: 20, 313).

Borderlanders also develop interests that may conflict with the state or national interest, fostering a high degree of alienation from the core. Borderlanders may thus find it acceptable to breach laws that they perceive as being at odds with cross-border interaction and thus their own interests, such as in smuggling. Smuggling is often fuelled by cross-border ethnic ties. The borders in many Third World countries are often not patrolled, may be impossible to patrol, are occasionally unmarked, and thus are not a barrier to trade but rather a conduit of people and goods. Indeed, what states regard as smuggling is often everyday economic activity within a group of closely related people (Asiwaju 1976).

The Upper Kapuas Borderlands

This general outline of borderlands describes quite well the historical and contemporary situation along the border separating West Kalimantan and Sarawak. Here, I focus on that part of the border inhabited by the Iban and in the vicinity of the national park (Figure 6.1).

The border between Dutch-held West Borneo and British-controlled Sarawak developed from the 1840s following the establishment of James Brooke's kingdom in Sarawak. Brooke sought to extend British influence in the western archipelago, and his presence in Sarawak led the Dutch into numerous attempts to establish

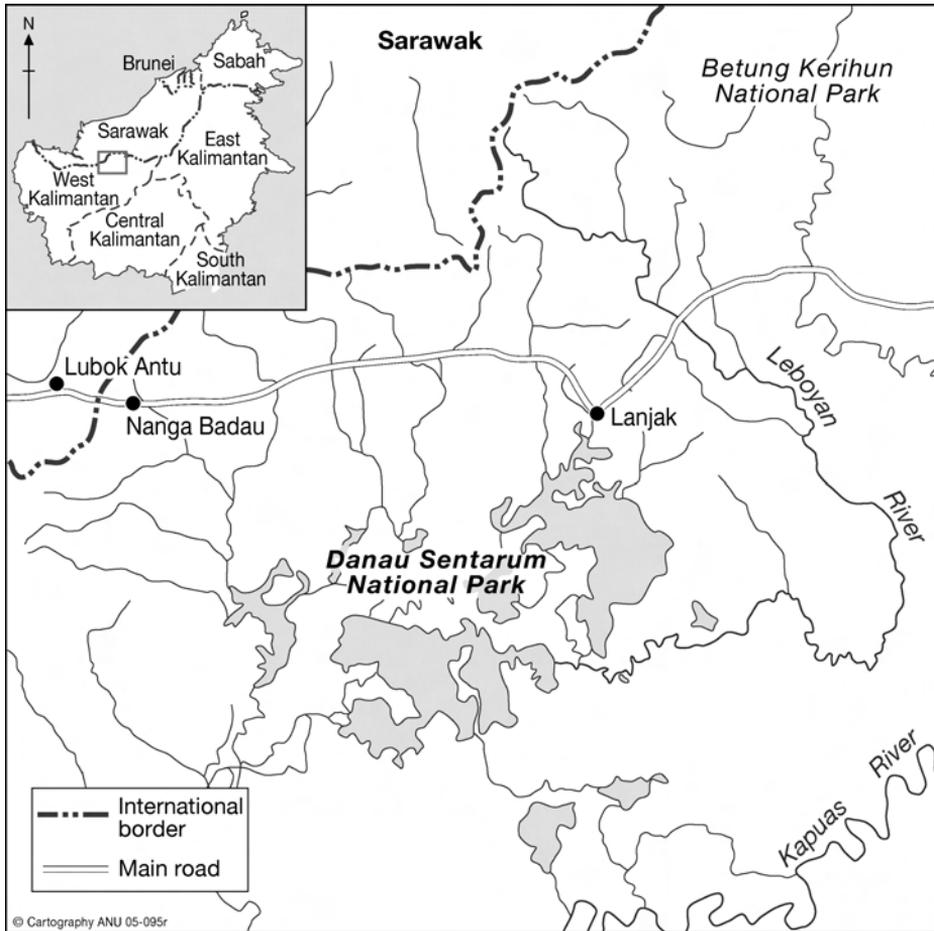


Figure 6.1. Location of the Danau Sentarum National Park

and clarify an inter-colonial border (Wadley 2001). An understanding developed between the Dutch and Sarawak governments, that the generally low-lying watershed between the north-flowing and west-flowing rivers formed the inter-colonial boundary. This demarcation, which held for several decades, effectively partitioned a number of ethnic groups inhabiting the area but was not formally set down in a treaty until 1891.

Early on, the Dutch were very concerned about the contacts James Brooke had made with the various rulers along the Kapuas. They knew Brooke was interested in stimulating trade across the frontier but also worried that he might destabilise Dutch control of the area through much lower rates of exchange for essential goods such as salt, and a lucrative trade in firearms and ammunition.²

² Algemeen Rijksarchief Netherlands, Geheim Verbaal 30 January 1847 No. 49, 17 July 1847 No. 255/D1, 28 September 1847 No. 335.

The Dutch observed that the Sarawak ruler was in communication with the various Kapuas rulers regarding matters of trade and disputes with Dayaks, and they worried that the border Dayaks would fall under his influence through the salt trade.³

The frontier between the Batang Lupar River in Sarawak and the extensive Kapuas Lakes area provided fairly easy access from the upper Kapuas to the north coast. In fact, the point where the old trail crosses the watershed (and border) is only 72 m above sea level and, in the early 1850s, the 'path lay constantly through narrow valleys, in which the ascent was very trifling' (Pfeiffer 1856: 73). In peacetime, Malay traders settled along this route by which 'some trade is carried on from Sintang and other places in the interior with Singapore... [In 1839 and prior to Brooke's arrival] a quantity of fire arms was brought that way from Singapore [to Sintang]' (Anonymous 1856: 121).

This was one area through which the Dutch suspected Brooke of seeking trade links into the Kapuas.⁴ They regarded the native trade between the Kapuas and the north coast, which had probably existed for centuries, as smuggling. Dutch concern grew when Brooke established an outpost at Nanga Skrang (later Simanggang) on the Batang Lupar River where Dutch 'subjects' could buy salt and other goods at far lower prices than through sanctioned Dutch channels (Kielstra 1890: 1483–5).⁵

These trade concerns were complicated by the existence of the very large, assertive Iban population along the watershed. In 1855, Iban leaders (on the Kapuas side of the frontier) formally pledged their allegiance to the Netherlands Indies Government. They agreed to cease headhunting, to bring all disputes to the government, and stop trading in smuggled goods. The Dutch specifically forbade trade with Sarawak in salt, opium and tobacco. This 'treaty' with the Iban began a very troublesome relationship between the Dutch and the Iban, and between the Dutch and Sarawak, over frontier Iban affairs (see Kater 1883; Niclou 1887; Pringle 1970; Wadley 2000, 2001, 2003).

The decades of the 1860s–80s were the most troublesome for both the Sarawak and Dutch governments as they sought to control Iban raiding, migration and farming across the border. Foremost among these problems for the Dutch was what they saw as Sarawak's failure to respect their territorial sovereignty and control its subjects' cross-border activities. The Dutch were particularly concerned with defining Iban citizenship, and the Iban themselves continually confounded their efforts, behaving as classic borderlanders and using either

³ Arsip Nasional Republik Indonesia, West Borneo Residency, No. 128, Reisverslag 1847, and No. 224, Aanteekeningen 1847; Algemeen Rijksarchief Netherlands, Openbaar Verbaal 16 March 1859 No. 30.

⁴ Arsip Nasional Republik Indonesia, West Borneo Residency, No. 17, Algemeen Verbaal 1856; Algemeen Rijksarchief Netherlands, Geheim Verbaal 11 January 1856 No. 15.

⁵ Arsip Nasional Republik Indonesia, West Borneo Residency, No. 58, Politiek Overzicht 1854.

side of the border to flee punishment for raiding and to escape increases in taxes (Kater 1883; Wadley 2001).

Even after Iban pacification and a lessening of Dutch–Sarawak rivalry in the early 20th century, the Iban maintained their position and identity as borderlanders. Post-independence conditions have only enhanced this (*Kompas Cyber Media Online*, 7 August 2000), especially with the consistently much stronger Malaysian economy offering opportunities to people who can easily pass as Malaysian citizens (Wadley 1997).

Indonesian involvement in this area came in 1963 when President Sukarno devised *Konfrontasi* (Confrontation) with the newly formed Federation of Malaysia, sending troops to the Sarawak–West Kalimantan border in an ostensible attempt to protect the borders from British neo-colonialism and to aid insurgents in Malaysia (Mackie 1974). When Suharto came to power in 1966 and orchestrated the massive purge against communists and suspected communists, *Konfrontasi* along the border phased into an even heavier military presence aimed at wiping out the communist insurgents who fled to the area to continue their struggle. This campaign lasted into the early 1970s and resulted in a great deal of disruption to the lives of the Iban borderlanders. Not only was there a cramp on cross-border activities such as trade and visiting kin (McKeown 1983), but for Indonesian Iban, political and economic loyalty was often in question (Soemadi 1974; Wadley 1998). This set the stage for subsequent outside resource exploitation under the New Order regime.

From the 1970s, under Suharto's national development program, the government granted huge timber concessions throughout the archipelago. Following the *Basic Forestry Law* of 1967, these concessions were laid over and largely ignored local claims to land and forest, as they operated 'in the national interest' and therefore superseded local rights. In the West Kalimantan borderlands, these concessions invariably involved Indonesian military connections derived from the earlier anti-insurgency efforts. One concession, that of PT Yamaker, combined economic exploitation with national security concerns, stretching along the border from Tanjung Datu in the west to the upper Leboyan in the east. The company leadership was largely ex-military. In addition to Yamaker in the Iban borderland, there were three other companies, one of which was controlled by local border Iban élites who made powerful allies by helping the military during the insurgency.

During the heyday of concession logging in the 1980s and early 1990s, timber companies operated with broad and state-supported authority over the forests granted to them. In dealing with local communities there was often talk about gaining permission from the locals to log, and of promises of jobs and development, but even locals were generally aware that the companies did not

need permission from them if they held permits from the government.⁶ Company representatives and their contractors paid honoraria to local officials for their cooperation,⁷ and they made occasional, but half-hearted, gestures to aid affected communities.⁸ In consultation with district *adat* leaders they also provided compensation to locals for damage to fruit and rubber trees or to forest cemeteries during road building and logging work. But the fines levied were generally 60 per cent less than those levied on locals.⁹ In addition, locals tended to shun the jobs available because of the low wages offered. In the mid-1990s, the border area was facing the looming prospect of oil palm plantations and further loss of local access to old resources (Wadley et al. 2000).¹⁰

This situation continued until the fall of Suharto in 1998, the ensuing economic crisis (*krismon*), and the eventual election of a 'reform' government. The new government ended some concessions in the border area, including that of PT Yamaker (which was taken over by the government corporation PT Perum Perhutani III). An oil palm concern (laid over part of Yamaker's concession) escaped the axe, as did the 'Iban' concession, which was even granted a 10-year extension because its leaders argued that it was a local concern dedicated to local development (Harwell 2000). Although the government was making moves toward more regional autonomy, even under Suharto, there was *de facto* autonomy already in the provinces given the shaky hold the new national leaders had on power.

Regional Autonomy and 'Illegal' Logging¹¹

'Illegal' logging has been a continual but generally low-capacity activity throughout Indonesia even prior to the current 'reform' era (McCarthy 2000). In the Danau Sentarum National Park area, as elsewhere, the cutters were locals who received capital for logging from legitimate logging companies. These

⁶ The companies were more constrained in dealing with each other. For example, in the early 1990s, one concessionaire was heavily fined and its local operations shut down for a time after it had been caught cutting trees within another concession.

⁷ The highest one-time payment I know of was Rp300 000 (or US\$150 at the time) in the early 1990s to a *kepala dusun*.

⁸ These included building roads to longhouses (some of which were inconvenient for and little used by locals), helping to repair bridges, providing electric generators, and supplying limited amounts of lumber for school buildings.

⁹ The *adat* leaders had divided loyalties on multiple fronts — being approved in office by the government, receiving honoraria from timber companies, and, in the Lanjak area, being concession holders.

¹⁰ The Danau Sentarum conservation project during the mid-1990s was another aspect of this general trend toward increased outside claims on local resources. This has been covered in detail elsewhere (for example, Colfer et al. 1997; Harwell 2000).

¹¹ I am indebted to Heri Valentius for some of the information presented in this section. My own fieldwork in April–May 2000 was conducted in collaboration with the Centre for International Forestry Research project, 'Local People, Devolution and Adaptive Collaborative Management of Forests', and the following description reflects events at that time. Much has happened since, but cannot be covered here (see Wadley and Eilenberg 2005).

companies would then buy the wood — primarily *meranti* (*Shorea* spp.) — without official documents. Since *krismon*, however, the level of ‘illegal’ logging has increased in the area and the flow of ‘illegally’ cut timber has shifted dramatically, some still going to licensed saw and pulp mills, and some going directly into foreign markets.¹²

Over the last several years in the upper Kapuas borderland, local communities and Malaysian financiers have been the chief players, rather than the Indonesian concessionaires. In February 2000, there were no fewer than 12 small financiers (known in Indonesia as *cukong*, and locally as *tauke* or *tukei*) from Sarawak operating in locations along the border from Nanga Badau to Lanjak.¹³ Their numbers continued to grow. Six of these *tukei* built substantial sawmills near the main government road that runs to the north of the national park, and the area being logged expanded to accommodate these sawmills.

It appears that the economic crisis has provided an excuse to allow these activities to continue. Numerous local people have said that communities and the *bupati* (district heads) agreed to let Malaysian logging companies into the area because people were not able to make a living because of *krismon*. However, even outside of logging, the economic crisis has probably had a mixed impact on their livelihoods (Sunderlin et al. 2000).

For one thing, since early 1997, locals benefited from a rise in pepper prices (Figure 6.2). This was particularly the case for those who already had well-established pepper gardens prior to the boom.¹⁴ Although farmers close to the border have relied on selling pepper into Sarawak, even prior to the boom, recently improved connections across the border (Wadley 1998) have allowed smallholders further afield to take their produce into Malaysia for sale. In fact, I was told that if they were to sell pepper to (more distant) regional markets such as Sintang, the traders would eventually sell it into Malaysia anyway. However, the 2000 boom had reached its end as production increased throughout Indonesia and elsewhere, driving prices down.¹⁵

¹² Currey and Ruwindrijarto 1999, 2000; Gellert 2000; Cohen and Lembang 2000; *Riau Pos*, 23 June 2000.

¹³ McCarthy (2000: 5–6) defines *cukong* as the entrepreneur with capital and *tauke* as the *cukong*’s agent who carries out the logging operation. In the Iban areas, *tukei* are, by and large, the entrepreneurs (Richards 1988: 398).

¹⁴ In fact, one man from the Badau area (where pepper smallholdings are long-established) jokingly asked me to use my ‘considerable influence’ on the world economy to reduce the value of the Rupiah even more as he had profited handsomely at the height of *krismon* by selling his pepper across the border.

¹⁵ *Pepper Market Review*, July–September 2000; *International Pepper Community*, 28 April 2000.

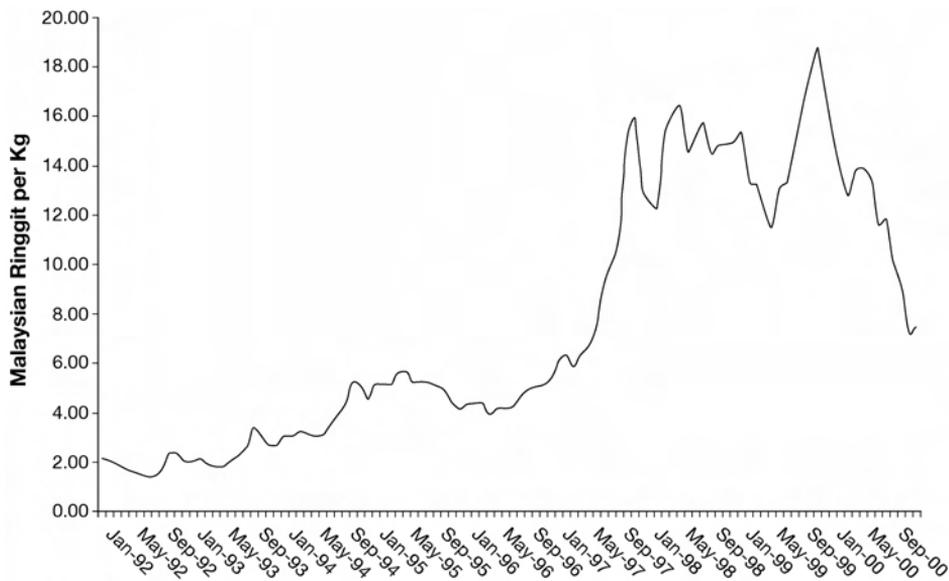


Figure 6.2. Black pepper prices in Kuching, Sarawak (1992–2000)

Source: <http://www4.jaring.my/sarawakpepper/stat7.htm>

In addition, there has been continued labour migration to jobs in Sarawak, and if pepper prices continue to decline, many local men may return to this option (Wadley 1997, 2002). There have also developed local vegetable markets where women from nearby communities sell produce on any day of the week to feed the expanding, non-farming populations of Lanjak and Badau. Prostitutes from outside the area catered to the truckers and loggers, and new shops, cafes, bars and *losmen* have proliferated in the market towns.

Community Cooperatives

Much of the logging carried out in 2000 was through community cooperatives.¹⁶ Many communities along the northern periphery of the national park belong to a cooperative with several others, often outside *desa* (administrative village) boundaries, while a few communities are independent, such as those dealing with the oil palm company in the Badau district. The alleged aim of these cooperatives has been to facilitate joint development projects among the member communities, but so far the only activity that cooperatives have engaged in has been logging. However, in the future, when all the marketable timber is gone, they may shift to plantation crops.

Cooperatives appear to vary in organisation between two general types: 'directly liaised' and 'indirectly liaised' with timber companies and/or their

¹⁶ They operated under Article 10 of the now-superseded Regulation No. 6/99 on *Forest Utilisation and Forest Product Harvesting in Production Forests* (see Casson, this volume).

contractors.¹⁷ The ‘directly liaised’ cooperatives have included several communities organised by educated residents, often the *kepala desa* (administrative village head) and *kepala dusun* (administrative sub-village head) or other resident leaders. These people negotiate and work with timber company representatives and their contractors when the logging begins. They receive modest commissions and honoraria (the latter being something carried over from the earlier concession system). They work with close relatives in the government to ease the process of obtaining certain permits, and these civil servants also receive modest commissions.¹⁸ These cooperative leaders have said that, under the new system, they can shop around and look for the best deal for their communities.

The ‘indirectly liaised’ cooperatives have been organised by local educated élites. These liaisons are not resident in the cooperative communities, even though they have kin ties. Some of them have prior ties to the timber industry and all have good connections in local, regional and provincial government; some even have close, pre-existing kin and business ties to timber company bosses in Malaysia. These liaisons have served as gatekeepers, even more so than their counterparts in the ‘directly liaised’ cooperatives. They control cooperative members’ access to information and to the timber company representatives and contractors. The process has thus been less open, and their fees and commissions much higher.¹⁹ Some have also received salaries from the timber companies — in one case to the value of Rp1.5 million (US\$180).

Bicycle Logging

The forests being logged have been mainly along the northern periphery of the national park, and in some cases into the northern buffer zone. Timber cutting has also occurred within the park. Most of the logging crews come from Sambas on two-month contracts; the workers are Malay and their overseers are Sambas Chinese who have their own business and family connections with the Malaysian *tukei*. For the most part, locals have not been hired, although in one case local Iban women were being trained as scalers, while some men have worked as truck drivers or tractor operators. One of the main reasons for the lack of locals in the work force is not because the *tukei* have refused to hire them, but rather that the locals were used (even before *krismon*) to getting much higher pay in Malaysia, often working at the same jobs. Sambas crews have been cheaper for the *tukei*.

¹⁷ These are my own terms; locals do not appear to make any terminological distinction between the two.

¹⁸ In one case, two men received Rp70 000 (US\$8.30) each for helping their home community obtain its cooperative permit.

¹⁹ One such liaison received Rp500 000 (US\$60) for processing cooperative permits.

The main method of logging in 2000 may be an excellent example of low-impact timber harvesting, with the heaviest machinery being chainsaws and bicycles. Sawyers fell selected trees and cut them into *balok*.²⁰ These beams are then loaded onto bicycles that are heavily reinforced, each having two front forks made and welded by the bike owners themselves. The bicycles, carrying one or two beams on either side, are pushed along a track from the cutting site to the main road (in the north of the park) or waterway (in the eastern part). The track is made of a small-diameter roundwood frame about a metre and a half wide, on which are laid two tracks of end-to-end planks (each 10–13 cm wide). The worker walks along one track while pushing the laden bicycle along the other. After the beams have been unloaded, the worker pedals the bicycle back to the cutting site, skilfully balancing along a single track without putting his feet down.²¹ The *balok* are transported by truck along the government road and across the border into Sarawak along the very same route used for centuries. (This was before sawmills along the road were fully operational — now rough-milled lumber is being carried instead of *balok*.)

Commissions and Fees

Cooperatives receive commissions for the wood cut in their forests. The commission promised to one cooperative was Rp25 000 per ton (US\$2.52 per cubic metre), while another was given 20 Malaysian ringgit per ton (US\$4.46 per cubic metre).²² The difference here was due to the distance to the border, and thus higher transport costs from the first cooperative. In the first case they were paid Rp1.5 million (US\$180) for about 70 cubic metres. Four men who worked as community representatives with the outside liaison received Rp850 000 (US\$100) to divide among themselves. The principal community representative was given an under-the-table fee for his continued good service — a practice reminiscent of the honoraria given to community leaders under the old concession system.

These fees and commissions were certainly much more than communities had ever received from logging companies in the past — locals are still bitter about their lack of profit from past logging. Once taken across the border, however, the *balok* are milled and exported to Japan, Taiwan and Hong Kong, and the

²⁰ The beams were of various sizes ranging between 10 x 6 x 420 cm and 24 x 24 x 420 cm. The tree species were *meranti* (*Shorea spp.*), *ramin* (*Gonystylus spp.*), *kelansau* (*Dryobalanops oblongifolia*), *bedaru* (*Cantleya corniculata*), and *mabang* (*Shorea sp.*). Not infrequently *tengkawang* (*Shorea macrophylla*) was cut as well, even though it is a protected species, both by national law and local *adat*.

²¹ The bicycles have no brakes other than a thick strip of rubber from an automobile tyre mounted between the frame and the back tyre; this is pushed with the sole of the feet against the back tyre to slow the bicycle down.

²² One British ton = 1.189 cubic metres. The local reliance on measurements in British tons reflects the dominance of Malaysian *tukei* as well as the fact that border Iban are more comfortable with it, many of them having worked for decades in the timber industries of Sarawak and Sabah.

cooperative's commissions amount to about one per cent of the prices realised by Malaysian lumber exporters (US\$340 per cubic metre on average).²³

Questions About the Cooperatives

There are some curious features about these community cooperatives: all appeared to have proper permits issued through the regional office for development cooperatives, but there was no indication that logging profits were divided among the member communities — rather, each community appeared to be acting independently and receiving independent commissions. Additionally, in at least one case of heated disputes between communities over forest land, the disputing communities belonged to the same cooperative! This evidence suggests that timber companies and their local liaisons have been using the cooperative permitting system and 'politically correct' rhetoric about community cooperatives to gain access to forest now in the hands of communities.

In the past, communities located within the concessions had little power over their forests. Since 1998 even Indonesian timber companies with concessions elsewhere in the province have hired community negotiators and public relations officers to deal with local community demands for more compensation. In the national park area, one community negotiated 11 times with the oil palm company (involved in timber cutting) to improve the conditions of their agreement (personal communication, R. Dennis, October 1999). With all but one concession having been terminated, both foreign and domestic timber companies have had to cooperate more publicly with local communities, and cooperatives have been the way in which to do this. Locals see cooperatives as a means to derive some benefit from the forests that have in the past, and might again, become alienated from their control (McCarthy 2000: 9).

Each cooperative has had a permit for establishing itself, and those engaged in logging claimed to have permits from the Ministry of Forestry and Estate Crops, but few permits conformed to existing regulations for legal timber cutting. Those building sawmills (some very small operations, others very large) have claimed to have permits from the Department of Industry. I have only seen cooperative permits, although some cooperatives may indeed have had forestry and industry licences as well. Local businessmen said it was the lack of permits from the Ministry of Trade to export the wood across the border into Malaysia that made the logging 'illegal'. They said it was not illegal logging *per se*, but illegal export, and the reasons for this lay with the *de facto* regional autonomy.

²³ At <http://www.timber-market.com/tradarea/sample.html> prices are listed for various types of Malaysian hardwoods (i.e. \$480, 500, 520, 450, 270, 210, 200, and 110 per cubic metre). These provide the average price cited here.

Local Autonomy

The power vacuum created since the fall of Suharto has led to a *de facto* regional autonomy, with regional and local officials being reluctant or unwilling to implement and enforce existing regulations.²⁴ This has resulted in what local people (and especially local businessmen) have seen as greatly increased corruption (*Indonesian Observer*, 26 November 2000). One businessman claimed that his cooperative lacked a trade permit because he and his *tukei* refused to pay a bribe of Rp15 million (US\$1 775) to the Pontianak trade office issuing the permit.

The *tukei* and their liaisons were said to regularly pay off local police, military, *camat* (sub-district heads) and even officials in the *bupati*'s office. In exchange these civil servants turned a blind eye to the logging and daily export of wood across the border and would act surprised whenever a reporter arrived to ask them about the logging. Some local residents unconnected to logging have been increasingly bitter about this corruption. Again they see the wealth of their forests (and in some cases the land itself) going to outsiders, despite increased community involvement in the process. Some have also been angry over what they saw as duplicity on the part of the oil palm company, which promised plantations but was only contracting out for logging.

A local businessman described the situation this way: in the past, under the old concession system, it was your connections to power — to Jakarta — that determined the granting of a concession. Since *krismon*, with government in disarray, it has been the bold and the *berani* who have been favoured, those willing to ignore the rules and pay off local officials. In the past, logging that was unauthorised by the central state would have been shut down quickly. However, there now is evidence to the contrary, with local and foreign businessmen taking advantage of government disorganisation and increased corruption, and in at least some cases, the currently popular cooperatives.

In 2000, local residents and businessmen were looking forward to formal regional autonomy, but they said the cost of doing business would increase with even greater corruption. The potential for severe environmental degradation also appeared to be a consistent worry associated with formal autonomy, as was the potential conflict over its implementation and meaning.²⁵ Logging has continued at its current accelerated pace, with operations expanding into areas further from the border, and particularly along the main government road. In 2000, some 'indirectly liaised' cooperatives were looking to expand to communities beyond the Embaloh River and into the Kapuas. Once most of the

²⁴ This was certainly a problem in the past (McCarthy 2000), and possibly even more so now.

²⁵ Buising 2000; Down to Earth 2000; Soedibjo 2000; *Jakarta Post*, 23 December 2000; *Kompas Cyber Media Online*, 8 November 2000; *Akcaya Pontianak Post Online*, 29 November 2000.

marketable timber has been cut (and most agree there is currently enough for five years), conversion to oil palm plantations would likely follow.

Local Disputes

Under the new system, local communities have been more emboldened and empowered to deal independently with economic change. However, the way this has been done has divided some communities (for example, between those who do and do not want to participate in an oil palm scheme), and it has in some cases led to the realignment of local communities' territorial boundaries.²⁶ There have been a number of community disputes over forests since this logging boom began. In at least one case, the dispute was over forest land that had never been part of any traditional community territory. In some instances, the disputes were settled by a cockfight, with the winning community gaining possession of the disputed land and forest. Locals recognised all this as a rush to make claims on timbered land so that they would receive a portion of the logging profits.²⁷

A dispute between the Iban communities of Lanting and Kelayang²⁸ on the lower Leboyan River began when men from Kelayang confiscated three chainsaws belonging to workers cutting timber on what the loggers took to be Lanting land. Kelayang residents claimed that the timber cutting went beyond Lanting boundaries and into their own land. Residents of Lanting denied these claims, saying the area being cut was well within their community territory. Subsequently, Kelayang residents used red paint to mark trees along what they claimed was their boundary, but Lanting did not agree with this. Further, Kelayang was making use of maps drawn under a conservation project's community-mapping program, although in this instance, Lanting was not consulted about the original map-making program.

An attempt was made to settle the case in a meeting at Kelayang, where the *kepala desa* resides. The confiscated chainsaws were returned after being redeemed with money by the loggers, but no agreement on the boundary could be reached as Lanting felt the boundary set by Kelayang took away too much of Lanting's land. Because this case could not be settled by the communities themselves, it was taken to the next highest level of *adat* adjudication; the Iban *temenggong* of Kecamatan Batang Lupar. If no agreement could be reached, both parties agreed to a traditional cockfight to finally settle the issue.

There has also been a heated dispute to the north of Danau Sentarum National Park between two other Iban communities. In late 1998, Sarawak *tukei* began working with people from one longhouse (without a written agreement) to cut

²⁶ The Danau Sentarum conservation project also gave impetus to some shifting territorial claims through its ambitious community-mapping program (Dennis 1997).

²⁷ Elsewhere *otonomi daerah* threatens to lead regional governments into conflict over their own boundaries (*Kompas Cyber Media Online*, 19 January 2001).

²⁸ These are pseudonyms.

forests that the community claimed as its own. The people of the other longhouse claimed otherwise, and this eventually led the two communities to settle the matter by a cockfight in April 2000. The first community lost the match and its claims on the forest. The dispute over this land (which had never really been part of the traditional territory of either community) has created a good deal of bitterness on both sides.

In another case, one community refused to cooperate with logging operations, and the *tukei* deliberately created trouble between this community and another more cooperative community. The *tukei* gave shotgun shells to people from the cooperating longhouse in order to intimidate their neighbour. People from the first longhouse became aware of this situation and fired shotguns at the sawmill camp owned by the *tukei* and located near the cooperating longhouse. Several people from the first community wrote a letter rejecting such foreign intrusions and submitted it to government officials with the stipulation that they would act alone if the government did not deal with the problem.²⁹

These disputes have been damaging to relations between often closely related communities. During post-harvest rituals, for example, one community normally invites related longhouses to attend, and this has important social and economic integrative functions (Dove 1988). After all this, however, people from disputing communities will be reluctant to attend each other's rituals, and in the case of Lanting and Kelayang, people from the former community have been delayed in building a new longhouse because the present boundary problem has not yet been settled. Unsettled disputes are said to produce supernaturally hot (*angat*) conditions, and ritually sensitive activities such as house building must be avoided during such times. Close kin relations have been (temporarily?) attenuated over access to valuable timber, with at best mediocre compensation.

International Disputes

This logging activity has further challenged the exclusivity of the Indonesian–Malaysian border,³⁰ yet locals were of the strong opinion that nothing would be done because local government officials, military and police are paid off by the timber bosses or their representatives. Occasional news reports of 'illegal' logging and smuggling of cut timber have appeared in the national and regional press, but efforts to prevent it have tended to be very meagre.³¹ Along

²⁹ The Iban have proven themselves quite capable of taking matters into their own hands. For example, they effectively resisted military efforts in the 1960s–70s to confiscate their shotguns used for hunting. And in December 2000, a group of some 400 Iban men from the Badau area stormed a courthouse in Putussibau and killed a man who was on trial for murdering an Iban money changer earlier that year (*Kompas Cyber Media Online*, 14 December 2000).

³⁰ This is also an issue along the Sabah–East Kalimantan border (*Suara Pembaruan*, 3 October 2000).

³¹ *Bisnis Indonesia*, 12 September 2000; *Jakarta Post*, 28 May 2000; *Akcaya Pontianak Post Online*, 28 November 2000.

with other cross-border activity, this 'illegal' logging has threatened to lead to international disputes between Indonesia and Malaysia.³²

There have been cooperative Indonesian–Malaysian efforts to survey the border to show whether or not cutting by Malaysians was illegal.³³ In addition, plans to open an official border post at Nanga Badau might help to prevent illegal exports and may encourage taxing of goods going across the border; on the other hand, it might also lead to increased corruption.³⁴

Discussion and Conclusion

Recent reform policies in Indonesia have led to the termination of numerous timber concessions and to legislation providing local communities with the opportunity to establish cooperatives for their own development. This has allowed communities to take more control of their forests. In addition, the power vacuum created by the fall of Suharto's New Order regime has left local and regional governments in some confusion, resulting in a simultaneous increase in local empowerment (as the police and military have lost a good deal of legitimacy) and official corruption. At the time, the implementation of formal *otonomi daerah* was still very much in question; however, even before its deadline for implementation in 2001, a *de facto* regional autonomy existed.

In the borderlands of West Kalimantan, these changes have been visible in the heavy involvement of Sarawak timber companies with local community cooperatives in logging forests under the ostensible control of communities.³⁵ This was nowhere more apparent than in the upper Kapuas borderland inhabited by the Iban, where historical routes of trade are being used to transport wood across the international border. Although officially considered smuggling, the practice of paying local officials, police and military has made this activity clearly visible. It was uncertain how the eventual implementation of *otonomi daerah* and the opening of an official border crossing in the area would affect this activity.

Local communities have seen this time as quite positive, as they have the power to manage their resources for and by themselves. Their involvement with Malaysian *tukei* has caused them little alarm, given their own position as borderlanders. However, they have been worried about future resource competition from timber and oil palm companies that might gain legally binding

³² *Kompas Cyber Media Online*, 4 July 2000; *Suara Pembaruan*, 11 September 2000.

³³ *Kompas Cyber Media Online*, 10 June 2000; *Akcaya Pontianak Post Online*, 16 November 2000. This disputed area, formerly part of Kabupaten Sambas and now in the new Kabupaten Bengkayang, was subject to a special Dutch–English border survey and agreement in the late 1920s (Netherlands Indies 1930).

³⁴ *Kompas Cyber Media Online*, 3 September 1999; *Kompas Cyber Media Online*, 5 January 2001.

³⁵ In fact, local communities appear to have been the only real managers of forests in the area (Colfer et al. 1997).

licences to their forests. This threat appeared to be one factor driving local cooperatives to allow logging in their forests. Another factor was the continuing economic crisis, and although there have been local economic alternatives available (such as pepper gardening and labour migration), logging appeared to be a quick way to earn ready cash, particularly as local Iban tended not to be doing the actual work. The power of communities to benefit more from the logging has been checked in part by the position of local élites who served as liaisons between *tukei* and communities. Even those local communities that deal directly with *tukei* may have been hindered in negotiations by their general lack of information about the value of their timber.

Logging practices appeared to be relatively low-impact, involving nothing more than chainsaws and bicycles, and given adequate control, local communities might be able to prevent widespread damage to their forests. This low-impact method might offer a chance for forest management at the local level, while still allowing occasional (and very long-cycle) logging. Under the circumstances of the time, however, this prospect was probably not very good. The demands on local timber may simply have resulted in more bicycle-logging crews in the forest, which is particularly worrisome for the long-term health of the forests. Extraction of high-quality timber has immediate and ancillary effects on surrounding biodiversity, and impoverishment of the forests may well lead to an impoverishment of local people.

Iban have relied heavily on their forests for swidden rice farming and numerous non-timber forest products. One study determined that Iban who are unaffected by timber cutting and related forest destruction purchased only about nine per cent of their foods; the remainder came from fields and forest (Colfer et al. 2000).³⁶ As with most poor people in Indonesia, the Iban have tended to rely on a mixed strategy for household livelihood. In addition to the all-important rice farming, they have collected forest products and garden vegetables for sale and home consumption; they have cultivated rubber and pepper as cash crops, and they have engaged in circular labour migration. Their position on this borderland adjacent to a more prosperous and politically stable neighbour and their identity as a partitioned ethnic group has meant that part of that mixed strategy lies across the border, where they have not only found temporary employment but also occasionally places to permanently migrate. Logging is part of this general circumstance and part of the mixed strategy.

The borderland character and the current logging activity in this area was reflected clearly in something I encountered along the government road between Nanga Badau and Lanjak. There, where a bicycle-logging track ended and *balok* were piled for pick-up, a local had painted a sign reading 'CV Munggu Keringit

³⁶ In contrast, neighbouring Malay communities dependent on fishing, and without the same access to forest resources, purchased 59 per cent of their foods.

Sdn Bhd'. This very effectively summed up the ambiguous position of borderland residents engaged in cooperative logging: 'CV' stands for 'limited partnership' in Indonesia (from *Commanditaire Vennootschap* in Dutch), while 'Sdn Bhd' stands for virtually the same thing in Malaysia (from *Sendirian Berhad* in Malaysian). As such a designation had no legal standing, it was obviously intended as a joke. But the sign conveyed very well the message that these borderlanders would continue to look to both sides in their efforts to secure a livelihood. Their position and identity as borderlanders must be given consideration in any search for income-generation alternatives that are economically and environmentally viable (Wadley and Eilenberg 2005).

The strengthening of local *adat* is often touted as an important means of empowering local peoples to deal with outside pressures on their resources and much official lip service is paid to it (see Eghenter, this volume). However, its effectiveness may often be overestimated. While providing some legitimacy to *adat* may heighten local self-esteem, *adat* by itself may be incapable of dealing with the issues it faces, particularly where third-party support is non-existent. A general consensus is needed among communities for devising and implementing effectively binding rules and sanctions, but *adat* leaders as well as the people they represent tend to have many divided loyalties themselves. *Adat* should not be expected to function adequately under these conditions (McCarthy 2000).

Local NGOs can give advice on, and provide critical services in, several areas: Indonesian natural resource law; regulations on international investment and relations; ways to register community land; and negotiation tactics and strategies. However, given the extremely weak judiciary and law enforcement, knowledge of laws and statutes may not provide real power in the courts, but rather may become useful in negotiations with companies. This is probably more viable than supporting local *adat*, especially if the NGOs involved are formed by people from the communities involved, with their own families' interests at stake (Clarke et al. 1993). Some caution is warranted in a blanket embrace of NGOs as some may actually 'take advantage' of international support for local organisations.

The payment of compensation for not logging would be a costly exercise and would require substantial outside funding, but paying local communities to protect their forests may be an important option (personal communication, E. Harwell, March 2000). Such a program, however, would have to be long-term, with adequate monitoring to determine continued compliance by the community. It might be done in conjunction with management of conservation areas such as national parks (Hamilton et al. 2000).

Regulations such as No. 6/99 on *Forest Utilisation and Forest Product Harvesting in Production Forests*, which allows for the issue of Forest Product Harvesting Rights over a maximum of 100 hectares a year, certainly did very little to promote long-term preservation of forest resources and actually

encouraged local communities to cut their forests quickly for immediate profit. Although this regulation has been suspended (see Casson, this volume), there is no indication that logging has subsequently slowed. Indonesian national and local NGOs have played an important role in lobbying for a change to these laws.

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