



Epilogue: Alternative Policy Models: Lessons from Southern Aceh

If state law itself operates as a constitutive system that creates conceptions of order that frame, structure, and organize state action, the sources of these conceptions of order are multiple. As the heirs of colonial legal narratives, post-independent states have used them for their own purposes, retaining and even extending the conceptual models and territorial modes of resource control they inherited from the colonial past. More recently, transnational processes of environmental regime formation have become interwoven with state rule-making processes. Particularly since the 1980s, the United Nations system and the nongovernmental and academic communities have inscribed environmental management ideologies as well as sustainable development and environmental planning discourses into various transnational policy documents and instruments.¹ As nation-states have come to concur with these various international environmental treaties and agreements, these transnational legal orders have come to impinge on the way developing states have conceptualized and framed environmental and development policies. These interpenetrating processes have helped secure the legal narrative underlying the state forest regime pertaining to nature conservation, particularly the preservationist model of nature conservation applied in the Leuser area.

The deployment of a complex of apparatuses and institutions legitimized by state and transnational legal narratives in the Leuser area forms one chapter in this large tale. It occurred after international donors and

Indonesian state planners alike recognized the failure of state attempts to apply regulatory policy approaches to protecting tropical forest areas in Indonesia and elsewhere (Bappenas 1993; Barber 1995; KLH and UNDP 1997; Wells et al. 1992). As the discourse underpinning conservation shifted, donor agencies chose to intervene directly by supporting integrated development and conservation project (ICDP) and community-based natural resource management (CBNRM) project interventions. These interventions involved transnationally supported agencies such as the European Union's ICDP or nongovernmental agencies such as WWF. Each of these interventions involved specific ideas, practices, and normative visions, in an attempt to apply "a specific politics of the environment" that supported particular regimes of rules (Zerner 2000). In the following section, I reflect on the lessons to be learned from these attempts to support state institutional structures vested with the power to implement rules, to "revitalize" customary resource management arrangements, to find legal support for these arrangements, and to make these emergent management regimes seem reasonable or even natural and otherwise develop new institutional structures that regulate access to and use of natural resources in this area.

First, in assessing the complex issues associated with this ICDP, this chapter considers some of the principal problems working against the success of an ICDP approach that attempted to combine the use of incentive tools together with regulatory instruments to induce local communities to change their resource management practices.² Second, at a time when the need to find a place for customary (*adat*) orders within the unitary Indonesian state has emerged as a burning issue, I will consider questions raised by the CBNRM project in Menggamat. What are the key issues raised by efforts to devolve resource management responsibilities to "revitalized" customary (*adat*) orders? Is there congruence between local livelihoods, the management of surrounding forest areas by community institutions, and conservation outcomes? What problems are entailed in efforts to "revitalize" *adat* values and norms to serve as the basis for community-based natural resource management? What political problems are associated with such efforts? What are the implications of trying to nest *adat* rights within the state legal regime? Finally, I will consider the implications for the understanding of institutional patterns that have emerged from this study for an alternative policy formulation that is now being implemented in Indonesia—democratic decentralization.

Before proceeding further, we need to first examine the specific historical and political context in which these CBNRM and ICDP project models were formed, promoted, and institutionalized.³ To provide this background, the next section briefly examines the development of con-

servation policy in Indonesia and the history of attempts by conservationists and their state partners to impose conservation regimes in South and Southeast Aceh.

Conservation Regimes

Colonial Origins

During the late nineteenth century an essentially moral movement in the West linked the appreciation of wild nature with the preservation of natural pristine areas (Callicott 1991). With the creation of the first national park in the United States, in 1873, conservationist actors successfully argued for the necessity of preserving areas of natural beauty and wildlife, combining this objective with the provision of pleasure grounds for “the benefit and enjoyment of the people” (Forster 1973: 15). In the following years, other countries established nature reserves and park systems largely following this model. In colonial contexts, typically doing so involved developing game reserves, wildlife parks, and nature reserves in which the land rights of the inhabitants were often erased (Neumann 1992, 2000; McLean and Straede 2003).

Even earlier, the observation that European colonization had wrought ecological destruction in some remote territories had created environmental anxieties. These experiences served as allegories of wider environmental disaster and influenced scientific and wider intellectual thought. As Europeans encountered cultures that had other environmental knowledges and philosophies, at times colonial policies had to reach compromises with these differing attitudes. Colonial states were also susceptible to the influence of scientific lobbies in the metropolis and in the colony itself, and colonial states also became pioneer conservationists (Groves 1996).

In the Netherlands Indies, during the nineteenth century Dutch foresters had already set up forms of state control over the teak and non-teak forests of Java that involved mapping areas classified as state forests and establishing police forces “to restrict people’s access to trees and other forest products” (Peluso 1992c). Colonial foresters combined the establishment of profitable tree plantations with the conservation of forest areas for hydrological reasons, creating forest reserves as areas that could be exploited for timber but had to be left under forest cover to prevent soil erosion and other ecological damage. Then in 1889 the Dutch established the first nature reserve in Indonesia, at Cibodas in West Java;

this site was initially dedicated to scientific research rather than nature conservation (Dammerman 1929).

Even in the colonial period, however, non-state actors, including scientists, scientific organizations, and environmental pressure groups, provided the major impetus for environmental regime formation (cf. Litfin 1993). Already in the early decades of the twentieth century, some Dutch residents of the colony worried that “the primeval forest” was disappearing at an “alarmingly rapid rate” under the pressure of “unrelenting cultivation” (Dammerman 1929: 22). In July 1912, Dutch preservationists founded the Netherlands Indian Society for the Protection of Nature, an association devoted to preserving wildlife and to promoting “the institution of nature reserves” (Paulus and Stibbe 1921; Dammerman 1929: 22).⁴ Influenced by American conservationist models, the society applied to the colonial authorities for grants of large pristine natural areas whose uses would have to now accord with conservation. In 1916 the colonial government enacted an ordinance that allowed for the establishing of nature reserves in areas “which for the sake of their special scientific and aesthetic value, would as a matter of public interest, be kept as intact as possible. In such nature reserves it is forbidden to collect plants or animals, to hunt, to keep cattle and in general to perform any action by which the existing natural conditions are altered” (Dammerman 1929: 23).⁵ This was the beginning of state policies that construed particular areas as pristine wilderness areas to be set aside for conservation and applied regulatory policy approaches (or authority tools) of exclusion for nature protection. This conservationist model involved closing off access to areas set aside by state planners, criminalizing encroachers, and largely neglecting the adjacent area’s socioeconomic dynamics or demands (Barber et al. 1995). Following further submissions from the Society for the Protection of Nature, by 1929 the Netherlands Indies could boast of seventy-six nature reserves, fifty-five of them situated in Java (Dammerman 1929: 24). In addition, this society and other pressure groups advocated the gazetting of forest reserves in Sumatra to prevent the extinction of the unique wildlife found there. This effort culminated in the creation of nature reserves in the Leuser region, a mountainous and remote forested area, one of the last areas of the archipelago subjected to colonial rule.⁶

Conserving Leuser

The Leuser area of Aceh fell under Dutch control at the end of the Aceh war, and during the first decades of the twentieth century, colonial planters converted many surrounding areas to plantations and other uses.⁷

To the southeast, the Dairi area of Northeast Sumatra became famous for its tobacco and rubber plantations. Around Takengon, in the Gayo highlands to the north, the Dutch established estates, transforming forest areas into plantations (Bowen 1988). In comparison, the mountainous area of Southern and Southeast Aceh was somewhat peripheral to colonial commercial ambitions. Although planters opened some rubber estates in the Alas valley, these plantations were not particularly successful (Berge 1934).

In the late 1920s, the colonial government issued a permit to the geologist F. C. van Heurn to explore for mineral and oil resources in southern Aceh. During van Heurn's expedition, local leaders sought out van Heurn to discuss his findings. In subsequent meetings, the local leaders expressed their fear of "a permanent colonial invasion to exploit mineral resources" (Rijksen and Griffiths 1995: 37). Van Heurn found that the Gayo people living to the north of the Alas valley in Gayo Lues considered the mountain area around Gunung Leuser a sacred site: ancient Gayo myth held that the mountain itself was "interpreted as the link between heaven and earth" and the "primeval forest-abode of their ancestral spirits" (Rijksen and Griffiths 1995: 37).

Van Heurn failed to find deposits of any significance in the area, and he decided to support the efforts of local leaders to protect the area. As a naturalist, he thought of obtaining nature reserve status for the area. For their part, the *adat* leadership could make use of the colonial conservationist discourse: via a selective allegiance with Dutch conservationists, they might be able to protect local resources from outside exploitation. In the Netherlands, on 29 August 1928, van Heurn submitted a detailed proposal for creating a reserve to a meeting of the Netherlands Committee for the International Protection of Nature Conservation. The proposed "Gayo and Alas Wildlife Reserve" would include 928,000 hectares covering all types of terrain, "from the coast to the highest mountains" (Strien 1978: 19). The area "would be ideal for all of Sumatra's wildlife and provide a cross-section of the fauna and flora of northern Sumatra" (Strien 1978: 19).

In 1929, the committee submitted a proposal to the colonial government. Initially the colonial government saw no reason to protect an area of virgin jungle that was under no particular threat. Eventually conservationist interests prevailed: finally in July 1935, the governor of Aceh signed the document establishing a reserve that enclosed both sides of the Alas valley but excluded "virtually all known lowland rainforest areas."⁸ This land was considered "inappropriate for protection in the light of possible future claims for development" (Rijksen and Griffiths 1995: 39).⁹

At this time a small population lived among the extensive forested mountains, residing for the most part in villages located near the coast or along small stretches of rivers. Forest resources were still abundant, and the original boundaries left sufficient land outside the reserve for opening new agricultural lands (Koesnoe and Soendari 1977; Strien 1978). In any case, the Dutch forestry service had few resources to invest in monitoring resource use in areas with little commercial value to them (Poffenberger 1990: 15). Traditional uses—such as the collection of forest products—continued within the reserve (see Chapter 4). Consequently, it is unlikely that the designation of the area as *Wildreservaat Goenoeng Leuser* at this time significantly affected local patterns of resource use. Nevertheless, the creation of state forests set aside for conservation—albeit with the formal assent of the local heads—set the scene for later conflicts.

*The Re-emergence of Conservationist Ambitions
and the Advent of ICDPs*

The Second World War and the Indonesian Revolution disallowed any opportunity for conservation activities. However, during the post-war period, expanded scientific interest in ecological issues worldwide corresponded with the growth of international NGOs and conservation agencies. As the 1972 United Nations Conference on the Human Environment attested, international development agencies began to see sound environmental management as a key component of development. This agenda was expressed in interstate treaties and later by intergovernmental organizations working on environmental issues. Over time, developing nations participating in international meetings and fora—such as those involving the United Nations system—became parties to these treaties and at least formally acceded to this agenda. The international agencies supporting it generally had a technocratic orientation towards development that saw environmental management as a responsibility of state bureaucracies. In countries like Indonesia, these agencies provided financial and other support for initiatives in universities and state agencies for improving environmental management (Mayer 1996). Over time, states came to employ the language of sustainable development, environmental protection, and biodiversity conservation in their policies and laws.

Within developmental and conservationist discourse, the creation and management of a national park and protected area system became an essential element in a nation's development planning. With the growing perception of a global environmental crisis, the designation of a reserve system became a condition for international support for conservation programs. Consequently, the nations of the developing world tried to

lock up rich areas of biological diversity in protected areas. The idea was that, in the midst of a sea of underdevelopment and rapid economic growth, biological diversity could be preserved by setting aside large islands of wild land for nature conservation. And so the number of national parks in developing countries mushroomed. By 1978, there were fifteen hundred national parks or equivalent protected areas in more than one hundred countries (Quigg 1978).

Over the next decade, the issue of tropical rainforest conservation shifted to the front of the international stage. Scientists projected that the rapid loss of biodiversity would lead to the disappearance of up to half of the world's species (Soule and Sanjayan 1998). As the tropical forests contained the majority of the world's terrestrial and freshwater biodiversity, conservationists began to focus especially on the loss of biodiversity associated with tropical deforestation. The World Bank commissioned a major task force on this issue, and leading conservation organizations published volumes of new research. At the same time, a range of international programs were also established to address this issue. Governments, environmentalists, and development agencies began to explore more intensely a variety of approaches to curb the loss of tropical forests (Bowles et al. 1998). In response to this crisis, international commissions and nature conservation organizations called for the "near-term protection of at least 10 or 12% of the total area of each nation or in each ecosystem" (Soule and Sanjayan 1998: 2060). If these efforts were successful, this campaign would double or triple the area designated as national parks or strict reserves.

Efforts to conserve the Leuser area re-emerged in parallel with these developments. In the 1960s, under the aegis of international agencies (including IUCN, WWF, and the Netherlands Commission for International Nature Protection), international scientists had begun a series of ecological surveys in Leuser to "investigate the status of orang-utan and Sumatran rhinoceros" (Strien 1978). These activities led to the building of an orang-utan rehabilitation station in the Alas valley (see Chapter 4) and the preparation of a management plan for the reserve complex.

While at this time Indonesia had yet to create a national park system, moves were afoot to renew the forest conservation project of the colonial period. Finally, on 6 March 1980, the efforts culminated when, by joining together several of the Leuser nature reserves gazetted in the 1930s, the Indonesian government created Indonesia's first national park, the Gunung Leuser National Park (Wind 1996). Subsequently, Leuser became the World Wildlife Fund's single largest project in Indonesia (Rijksen and Griffiths 1995: 43). Working with the predominantly technocratic, ecological approach to conservation prevalent at the time,

WWF funded surveys, helped develop management plans and ecotourism and education centers; helped to equip and deploy forest guards, and supported orang-utan rehabilitation and ecological research.¹⁰

By the 1980s, it was clear that the conservation programs in Leuser had failed to forestall deforestation. Despite their “protected status,” the Leuser rainforests were deteriorating. In 1989, IUCN declared GLNP one of the ten worst managed parks in Asia (Wind 1996: 4).¹¹ The problems faced in the Leuser area exemplified the predicament resulting from overreliance on authority tools—the so-called “fines and fences” approach to conservation.

The concept of integrated conservation and development projects (ICDP) emerged as a key policy model during the 1980s at a time when participatory approaches to development planning prevailed (Chambers 1983; Whyte 1984; Little 1994).¹² Despite variation in terminology and subsequent changes in conservationist thinking, the ICDPs generally reflected a transnational policy formulation that depended upon a number of key assumptions. It represented an attempt to draw together the goals of human development and poverty alleviation on the one hand and biodiversity conservation on the other hand. By these means conservationists were able to draw on the public and private financial support for both development and conservation (Mogelgaard 2003). It followed the recognition that previous regulatory approaches had raised social justice issues: by criminalizing established resource uses but failing to deal with social disadvantage, such regulatory approaches took away time-honored resource rights and left communities living near protected areas to bear disproportionate social costs. By alienating and impoverishing neighboring villages, these policies lacked legitimacy and provoked resentment and resistance (Wells et al. 1992).

The ICDP approach also accorded with the neo-liberal view that tended to see the failure of biodiversity conservation policy in terms of institutional, market, and policy failures (K. Brown 2002). To address these various failures, ICDPs have called on a suite of measures. Working on the premise that some appropriate set of incentives exists to induce local communities to change their practices, ICDPs deploy “incentive tools” and “socio-economic investment tools” to encourage compliance to pre-established conservation goals. Seeing a linkage between the loss of local livelihood and the conservation of biodiversity within adjacent areas, ICDP approaches typically attempt to link conservation and development goals by compensating local people for lost access to resources with limited access to certain resources and/or by investing in alternative income-generating activities in “buffer zones” (K. Brown 2002).

ICDPs have also assumed that policy failure in the area of conserva-

tion is at least partly due to incapacity of state agencies in developing countries to pursue protected areas policies. Accordingly, project interventions have tried to improve park management (Brandon and Wells: 1992). As in the case of the Leuser ICDP, they have attempted to help state agencies to more effectively use regulatory tools, advancing territorial conservation strategies and even extending these into adjoining areas, now reclassified as buffer zones.

In Indonesia, following this shift in international conservationist discourse, state planners allowed that state agencies lacked the human and financial capacity to manage the vast state "forest." Policy documents from this period re-examined the role government could play in conserving biodiversity, advocating a raft of policies involving varying levels of state and private provision with differing levels of involvement from other actors.¹³ For instance, one key policy document, *The Biodiversity Action Plan*, invited international donor agencies to assist with priority conservation activities and encouraged donor and NGO activities to support policy goals, envisaging that state agencies would primarily encourage, stimulate, and coordinate donor activity (Bappenas 1993; NRMP and Bappenas 1994).

By the late 1990s, ICDPs had proliferated across the world. By 1996 there were already more than fifty ICDPs in twenty African countries (Newmark and Hough 2000). By 1999, foreign donors had pumped US\$ 130 million into ICDPs covering some 8.5 million hectares of Indonesia's "conservation estate" (Wells et al. 1999: 2).¹⁴

Lessons from the ICDP Intervention

During the late 1980s the interest of international donors—including the World Bank, Asian Development Bank, European Community, and USAID—began to converge on Leuser. It was one of the most extensive tracts of forest left in Southeast Asia and an area of outstanding biodiversity, and donor agencies identified it as a possible site for an ICDP.¹⁵ Government to government discussions between the European Union (EU) and the Indonesian government during and after the UNCED summit at Rio de Janeiro, in June 1992, developed the Leuser ICDP plan further.¹⁶ At the end of a planning exercise that produced the *Leuser Development Programme Masterplan*, in May 1995 the European Union agreed to provide US\$ 40,625,000 over a seven-year period to fund this project; the Indonesian government also committed US\$ 22,500,000 in local currency equivalent from the Ministry of Forestry's Reforestation Fund (The Republic of Indonesia and Leuser Development Programme 1995: 6). The Leuser project became one of the largest ICDPs in Indonesia.

The Leuser project's design document presented a seemingly far-ranging critique of state forestry activity in the Leuser area. This critique saw the failure of state policy as stemming from the way the protectionist paradigm had been implemented; it thereby absolved the protected area concept itself and the assumptions guiding state resource policy from reproach. The thinking of the ecologists who designed the ICDP was firmly rooted in a Western ecological tradition that tended to exclude humans from the study of ecology. Thus, in the project's design, the "core area" of the park was viewed as a pristine natural area free of defiling human touch, endorsing a preservationist approach to conservation that regarded local uses of the national park as "encroachment."¹⁷ This project design concurred with the assumptions of the New Order's conservation policy, and the logic of the Leuser ICDP replicated key aspects of the state policy regime.¹⁸ The ICDP design envisaged developing an actor—the Leuser Management Unit (LMU)—capable of stepping in where the state forestry agency responsible for the area had so far been unsuccessful. In this way, the project hoped to remake the forestry regime that protected the biodiversity and other ecological values set aside by state policy. With LMU either taking over the role of the state or otherwise working in partnership with state agencies, the Leuser ICDP involved trying to intensify state resource control strategies. This approach subsequently led to LMU's attempts to articulate state territorialization more clearly and apply it more effectively. For example, LMU created a new zoning system for the Leuser Ecosystem, supported by intensified para-military law enforcement. While the Leuser National Park encompassed around 905,000 hectares of mountainous forests, the Leuser Ecosystem territory extends over 1.8 million hectares of the surrounding area. In this way, the ICDP involved extending state resource control strategies.¹⁹

Although in its specifics the ICDP differed from earlier interventions, the continuities which the project shared with projects of the colonial period were striking. The colonial conservation project involved an examination of indigenous practices and property claims, establishing boundaries between newly created *adat* areas and state forest lands. Now, based on a study of extant colonial documents regarding this territorialization, the ICDP process extended the colonial territorialization into a more extensive Leuser Ecosystem. Thus, in a more intensive fashion, a conservationist intervention again began to impose a territorial strategy on an extensive area of Leuser.

While the issue of legitimacy was one of the factors leading to the shift from earlier regulatory approaches to more comprehensive ICDP approaches, ironically a legitimacy problem haunted the Leuser ICDP

as well. The project derived from an agreement between a multilateral donor and the Indonesian government at the highest level. It reflected international conservation norms inscribed in international agreements and national conservation laws. On this basis, LMU assumed a strong authority for its activities. Even so, for the project to avoid provoking conflicts with local villagers, it also needed to derive its legitimacy locally during project execution. To do so, the project needed to work with local socio-legal understandings, including the village regimes that presided over the long-established property rights underlying village livelihoods. While in many areas local *adat* regimes prevailed to various degrees, these regimes were practically “invisible” to the state legal order. The large gap between the state natural resource regime—in which the Leuser ICDP was embedded—and the reality of many forest practices meant that all too often state laws would remain “so many black ink markings on paper” (J. Griffiths 1995: 213).

The Leuser ICDP was not based on local consideration of local problems: village understandings did not support locking up forest resources in the Leuser Ecosystem or national park. The ICDP management compounded this initial shortcoming by not thoroughly engaging with *adat* arrangements, which are invisible in state forest plans. Rather than negotiating nature protection and human development goals in context, the Leuser ICDP involved imposing *a priori* conservation and development aims through eliciting “participation” in the field.²⁰ Here, the Leuser ICDP tended to repeat the inadequacies of other conservation projects that engaged in “participation,” but only as a part of a top-down management process that tended to involve people in passive forms of consultation rather than as active agents (cf. K. Brown 2002). This so-called participation only softened what remained a top-down approach that involved the continued subjugation of local values and concerns. Villagers remained removed from decision-making and policy-making processes, and the totality of their concerns, values, and systems of knowing remained peripheral to the management process. Meanwhile, professionally trained ecologists and resource managers (Indonesian and foreign) tried to set the parameters for management of local areas, without addressing power imbalances or conflicts. As a result, the project failed to establish local legitimacy.²¹

Law enforcement against local “encroachment” into the forest focused on poor farmers and loggers, for the most part ignoring the powerful sponsors behind logging networks resident outside villages. Soon the Leuser ICDP faced resistance from a wide range of village and district actors. Working against village understandings, LMU found itself associated with repressive state territorial strategies. LMU’s structural depen-

dence on law enforcement agencies—whose enforcement activities all too often were refracted by the collusive relations between law enforcement officials and local clientelist networks, where the real district power lay—compounded the legitimacy problem. This problem was most apparent in the Alas valley, where a wide group of local actors consistently challenged the legitimacy of the state forestry policy that enclosed the national park, arguing that it did not sufficiently accommodate local interests. In the face of resistance from such a wide range of actors, for the most part the LMU's implementation of state policies and laws protecting the forest became fruitless. Soon LMU found itself involved in the same kind of failure of regulatory tools that the original project design document had so much lamented.

The use of incentive tools by an ICDP depends on the assumption that if the project provides some form of benefit to the "community," reciprocity between a community partner and the project will lead to desired policy outcomes. In this vein, the Leuser ICDP entered into "quid-pro-quo agreements" with villages. The process of creating these agreements with local partners occurred in authoritarian circumstances distinguished by a large power imbalance between an international project and its state partners on the one hand and local leaders and villagers on the other. LMU worked with state agencies that chose local leaders to implement micro-projects in the clientelist context of a political system that failed to provide representative and accountable local leadership. All these factors affected the effectiveness of these agreements.

In addition, given the size of the population in the Leuser Ecosystem and the scale of the development problems involved, the benefits LMU micro-projects offered could scarcely be compared to the opportunity costs forgone by villagers who might be shut out of the Leuser forests. With socio-economic fluctuations driving forest pioneering and logging, the market incentives for unsustainable resource extraction intensified. As other researchers have noted, the assumption that improving living standards of adjacent communities will enhance conservation remains contentious (Wells et al. 1999). The provision of public goods does not necessarily lead to changes in private behavior, especially if the aspirations of villagers point in the other direction (Newmark and Hough 2000). Clearly, villagers aspired to better livelihood and saw that they could achieve this through involvement in the market, particularly through the expansion of commercial tree crops.²² Consequently, because communities failed to benefit significantly from ICDP micro-projects, LMU could not provide sufficient incentives to support sustainable livelihoods or to alter attitudes and behavior on a significant scale.

Often, ICDPs have overlooked external threats associated with vested

interests and government policies (Wells et al. 1999). In contrast, LMU attended to state policy, regional planning, and state institutional development. Making use of its political ties at the apex of the state, LMU tackled the direct threats arising from the granting of concession licenses, development planning, and investment decisions taken elsewhere. On a number of occasions LMU persuaded the central government to rescind development decisions that would have hastened the extraction of unsustainable resources while not necessarily benefiting villagers. LMU could affect spatial planning, public investment decisions, and development coordination by mustering support among powerful state actors against projects supported by other actors. What success LMU achieved in this area supported the observation that, despite numerous disappointments, a particular component of an ICDP may achieve a degree of success (Hughes and Flintan 2001).

Nevertheless, despite its dedicated staff and its large resources, over the period covered by this research the Leuser ICDP was incapable of fundamentally changing the situation. LMU could neither apply incentive tools to induce local communities to change their practices nor determine access to and use of forest resources by applying regulatory instruments. The lack of change in the culture of corrupt public institutions involved in resource extraction compounded these problems. Finally, since LMU could not find compatibility between ICDP objectives and the aspirations of village actors, it was unable to alter the village-level institutional arrangements that worked against conservation aims.

The problems faced by the Leuser ICDP were not unique. A review of ICDPs in Indonesia concluded that “under current conditions . . . very few ICDPs in Indonesia can realistically claim biodiversity conservation has been or is likely to be significantly enhanced as a result of current or planned project activities” (Wells et al. 1999). This report laid the blame on the managerial and technical problems facing implementation, including “flaws in basic assumptions and planning, and a failure to address the real threats and capacity constraints that conservation projects face in the field,” as well as “broader constraints” such as lack of support within Indonesian political circles and the wider society.²³

The report concluded that “the major problems do not seem to lie with the ICDP concept itself” (Wells et al. 1999). Yet, this conclusion begs a critical question underlying this first generation of ICDP interventions of the Leuser variety.²⁴ These earlier conservation projects involved strategies of resource control that were built by ecologists on colonial modes of resource management. They were driven and funded by outsider actors who justified the need for biodiversity conservation interventions according to an international conservation discourse. Over a long

period of time, these actors had etched conservationist norms into international conventions and national law, eventually overseeing conservationist strategies of territorial control. They were also constrained by the confined political and legal space allowed by the authoritarian New Order. Irrespective of the worthy intent of those advocating them, project interventions based on this foundation typically fail to obtain legitimacy at various social and political levels—apart from eliciting local “participation” in externally derived program goals. Consequently, this particular project ended up pitting the conservationists and their allies (such as they were) within the state against the needs and interests of villagers and local elites. Given the constraints state agencies have long faced in achieving policy outcomes in such contexts, the question remains: How can conservationist strategies of this type ever hope to succeed?²⁵

Returning to *Adat*: The Community-Based Solution

The ICDP label has been attached to a wide variety of project approaches. With many projects varying from the Leuser ICDP, some even concurring with the community-based natural resource management (CBNRM) policy model (Mogelgaard 2003). The CBNRM policy model holds that local populations have a greater interest in the sustainable use of resources than does the state or distant corporations because, among other things, local communities better understand the intricacies of local ecological process and practices and are better equipped to manage these resources through local or traditional forms of management (Brosius et al. 1998).²⁶ The assumption is that the more a community depends upon the surrounding resource base, the more incentive they will have to protect it (Lynch and Talbott 1995). In a similar vein, it is sometimes presumed that, although a connection between sustainable use of resources and local livelihoods once existed, it has broken down under the impact of market and state.²⁷ CBNRM approaches try to be participatory, aiming to re-establish a link between local sustainable livelihoods and biodiversity conservation.

Although specific interventions vary, typically CBNRM projects work to strengthen local organizational capacity, recognize the value of indigenous resource management systems, provide tenure security, encourage the development of environmentally sustainable livelihoods, and devolve power and responsibility for natural resource management decisions to the local level (Utting 2000). As these approaches try to deal with the

distributive effects of natural resource policy, they entail an explicit environmental justice agenda.

At the same time as the Leuser ICDP planning process, the World Wide Fund for Nature also decided to continue its earlier work in the Leuser area.²⁸ In keeping with the CBNRM philosophy, the World Wide Fund for Nature Leuser Project (WWF-LP) took a more “participatory, multi-stakeholder, NGO-focused approach” (Barber 1997: 30). As I discussed earlier (see Chapter 3), this approach involved utilizing new policy initiatives that provided limited opportunities for basing resource management on local property rights and using customary *adat* regimes as a basis for creating new co-management models. In this section I consider a series of lessons drawn from the Leuser CBNRM experience.

First, I wish to consider problems arising from efforts to “re-establish” the link between the development of local livelihoods, the management of surrounding forest areas by community institutions, and conservation outcomes. In choosing a strategy in Menggamat, the renowned *damar* garden system of Krui, South Sumatra, helped inspire WWF-LP to develop a community conservation forest (CCF). As described by Michon et al. (2000), in Krui a highly specific and parallel set of agro-ecological and institutional transformations led to the emergence of a successful Krui agroforestry model. The agro-ecological transformation occurred over a long period of time as Krui farmers developed agricultural techniques and cultivation patterns, learning to cultivate *damar* trees in an extensive plantation that resembled a natural forest. The parallel institutional transformation involved changing a common property system—a community-owned forest—via “controlled privatization” to a forest plantation. Under the Krui system, *adat* institutions both guaranteed individual rights and restricted these rights in a fashion that secured the continuity of the agroforestry domain. Similarly, in Sama Dua during the successive shifts from pepper to clove to nutmeg cultivation, the establishment of income-generating tree crops and the eventual emergence of forest-like agro-ecological systems involved corresponding changes in agricultural strategies and institutional arrangements.²⁹ In other words, the development of these systems occurred in particular historical, socio-economic, and agro-ecological contexts that required changes contingent on a diverse range of highly site specific factors.

In Menggamat, WWF-LP and YPPAMAM could point to the stark contrast between relatively intact secondary forest areas under *adat* management in the core Menggamat area (*butan adat*) and the highly degraded state forest area (*butan negara*).³⁰ The WWF-LP and YPPAMAM used this contrast to argue that *adat* management should be extended to the state forest. Yet, as in Krui, the reasons for the relatively intact *adat*

area were rather more complex than a simple contrast between *adat* and state management regimes might suggest. In Menggamat a range of factors contributed to the survival of the *adat* forest in steep areas close to the villagers. For instance, villagers with gardens in this area would not allow logging teams to cut in steep forests in a fashion that would damage their crops, and loggers preferred to work in the state forest, where large specimens of valuable timber species could still be found.

While the role of *adat* institutional arrangements in Menggamat and elsewhere is pertinent to positive outcomes in such areas, these outcomes cannot simply be attributed to the ecologically sustainable nature of indigenous *adat* regimes. Putting CBNRM assumptions aside, the particular circumstances in which positive outcomes may emerge need to be carefully explored (Eghenter 2000). Given the highly contingent historical, economic, and social factors leading to particular outcomes, it may be difficult for project interventions to engineer the particular agro-ecological-institutional elements underlying successful regimes.

Second, CBNRM raises a series of problems regarding the “revitalization” of *adat* institutional arrangements. These are particularly significant at a time when, following the end of the authoritarian New Order regime (1966–98), local groups have invoked *adat* customary rights in a large number of struggles over natural resources. Following the implementation of decentralization laws, in many areas there have been efforts to reinstate *adat* as an alternative source of meaning and legitimacy for local institutions. Simultaneously, a national movement of NGOs and other reformist elements has been calling for new laws that more closely reflect the customary (*adat*) order of local communities (Benda-Beckmann and Benda-Beckmann 2002; Warren and McCarthy 2002; Acciaioli 2000; Li 2001). In 2001, a formal decree of the Indonesian supreme parliament (MPR) called for the reform of natural resource and land tenure laws and policies in accordance with principles that “recognize, respect and protect the rights of *adat* law communities.” While the decree may have failed to satisfy many reformist groups, the highest legislature had finally responded to the re-emergence of the *adat* as an alternative institutional order.³¹

While “*adat*” can take on a coherent identity in these discussions, the term itself has been applied to a wide range of varied institutional arrangements found among the diverse indigenous populations of the archipelago. Moreover, the precise nature and status of *adat* are associated with long-standing problems within the Indonesian polity that resonate back to the unsettled arguments of Dutch colonial policy (Kahn 1993; Burns 1999). These unresolved problems concern how we can best understand *adat*, the precise role *adat* plays in land tenure and natural re-

source management, the imputed role of the *adat* order as a foundation or impediment for national development, its status as “*adat* law” (*adatrecht*), and the relation of *adat* institutional orders to the state order. WWF-LP’s efforts to build conservation according to “revitalized” *adat* principles raises many of these same issues.

WWF-LP’s community-based conservation intervention had to find a site for intervention that would sustain an interpretation of *adat* and could justify a conservation agenda. In finding this site, the project needed to develop a cultural and legal reading of local institutional practices that rationalized CBNRM practices: this rationalization needed to be based on *adat* elements found in the site. These *adat* elements could then be reworked in a fashion that suited their strategic deployment in the service of conservation (cf. Zerner 1994).

In colonial central Africa, the creation of a codified “customary law” involved interpreting custom. This required crafting rules out of a fluid system in which the kind of rules and the way they applied depended on circumstances. Rather than merely discovering rules, doing so required the actual creation of rules. The rules created under this process reflected the anxieties of local witnesses and the moral predilections and administrative purposes of the colonial officials involved (Chanock 1982).

The legalization of custom entailed taking some local claims of what might be considered “local law” and transforming these into legal rules, or “customary law.” This transmutation of indigenous mechanisms of social control into the distinct legal mode of control created by the colonial state involved a “crucial shift” (Chanock 1982). This shift required legitimating some representations of a local “legal order” and effacing others.³² In a similar fashion, in Menggamat “revitalizing *adat*” involving simplifying and selectively presenting *adat* within a process shaped by the predilections of a conservation project. While appearing to take recourse to the past, this process actually involved the selective redefinition and instrumental use of *adat* norms—reinterpreting the *adat* of the past to assert a claim regarding what should occur in the present (cf. Chanock 1978).

In the colonial period in Indonesia, colonial *adatrecht* scholars had collected, organized, and textualized *adat* into a well articulated body of rules that accorded with Western legal thinking (Zerner 1994). In the sites and circumstances where this took place, it led to an *adat* law that was different from that “produced and reproduced in the villages” (Benda-Beckmann and Benda-Beckmann 1985).³³ In some sites, such as the colonial Malukas, this reinterpretation of *adat* served to control the production of valuable commodities (Zerner 1994). Just as the *adatrecht* scholars of colonial times described and appropriated *adat* for

specific economic and political needs, the conservationists simultaneously sought to appropriate *adat* for their strategic purposes—to sustain a political movement supporting community-based management of natural resources. Beyond this cultural and legal reading by colonial or conservationist codifiers, however, *adat* arrangements regarding local resource use develop in association with specific conditions and are subject to change, dispute, and renegotiation.

If the “crucial shift” were to take place successfully, it would transform custom in a specific sense. Oral traditions allow for variability in terms of the process of transmission: there may be no unique version or exact codification of an oral tradition, but rather “a structured ensemble which tolerates, and even favours, a form of creativity” (Rouland 2001: 15). In contrast, writing freezes a customary process. While change remains possible, it takes place “only through a chronological accumulation of textual interpretations” that occurs as texts are reorganized and choices are made among them. Subsequently, customs can continue to develop, but “under the influence of lawyers and the powers that they serve, they move away from those that are supposed to observe them.” Ironically, however, such processes of institutionalizing custom risk “rendering it obsolete” (Rouland 2001: 15).

If WWF-LP’s efforts to restructure *adat* in accordance with state law and conservation norms had succeeded, it would have involved a similar transformation, this time under conservationist hegemony. Because avowedly the intention was to create a more sustainable basis for resource management, from a conservationist perspective this selective reading might be defended against its alternative: the on-going degradation of the local resource base and the watershed forests that provide ecological services to surrounding villages. Nonetheless, it did raise particular problems.

The problem for *adat* interpreters and codifiers was that *adat* is flexible and somewhat ambiguous. Elements of *adat* could be interpreted to allow actors to work in contrary directions: *adat* norms can be used to support and resist exploitative behavior at the same time. In seeking an indigenous logic upon which to found a community conservation initiative, the Leuser CBNRM project conceived *adat* “through a green lens.” This version of *adat* necessarily left aside village *adat* practices that failed to fit the need for an *adat* that legitimated the CBNRM agenda (cf. Eghenter 2000). In looking for ecologically sustainable *adat* management practices, the CBNRM analysis and the consequent intervention tended to overlook the history of *adat* allowances for commercial exploitation, the foundations in *adat* for opening agricultural

plots in the “protected” forest and allowing highly exploitative practices such as logging.

In developing a conservationist *adat* that legitimated the CBNRM agenda and that could be strategically deployed in the service of conservation, project workers and their local collaborators produced and then promoted a particular form of *adat*. This version of *adat* didn't reveal the contingent nature of the links—such as there were—between sustainable village livelihoods and local economic and agro-ecological change. As in the situation described by Eghenter (2000), this interpretation could have all sorts of implications for project design and implementation. For instance, a more historically accurate and broader interpretation of local institutional arrangements might have revealed the historical precedents for unsustainable resource use practices and the continuing relevance of earlier *adat* assumptions for exploitative resource use patterns in the present. Perhaps if they had read *adat* in this way the CBNRM workers would have been more cautious about founding a conservation strategy on such a narrow understanding of *adat*; perhaps it could have also helped project workers develop a more inclusive strategy.

The CBNRM approach made strategic use of the concept of “community” to invert earlier policy models, overturning many of the problems associated with the state management paradigm (Li 2002). Yet, ironically, a third set of issues emerge as projects attempt to base project interventions on what are perceived to be community values and norms. In contrast to the idea of a “community” as a group sharing values and norms, the idea of community as a group living in a particular locale—a “community of place”—allows for a plurality of diverse interests. These differences and the conflicts that arise from them can be attributed to a range of social, political, and economic variables found within a “community of place.” Since actors come together around different values, perceptions, and objectives, they can also form factions, or communities of interest that vie to influence decision-making processes (Agrawal and Gibson 1999; Natcher and Hickey 2002). Conservation projects inevitably have particular interests; because these interests are compatible with those of a particular party within a “community of place,” CBNRM projects find themselves working with some interests and against others. In such an atmosphere of conflict, “one person's helper is another person's enemy” (Roush 2001). In this fashion, CBNRM projects can be drawn unwittingly into intra-village disputes.

WWF's initiative in Menggamat gained the support of some village leaders interested in reinvigorating rules derived from elements of *adat* and extending them to a newly constituted community forest. When WWF-LP and their local partners sought to apply the conservationist

interpretation of the local socio-legal order, however, doing so involved imposing a codified version of *adat* in the community conservation forest to regulate resource access in this area. Other actors involved in logging constituted a “community of interest” that contested the CBNRM agenda and its interpretation of *adat* because that agenda worked against their interests. In essence, the implementation of the CCF involved a struggle over the power to control access to local resources.³⁴ Inevitably, this was also an implicit struggle over the nature and place of “customary law” in the political order, a struggle over “the power of definition”—that is, the power to define the particular version of the essentially negotiable and fluid concepts of *adat* that had gained legal recognition (cf. Oomen 2002). When WWF-LP and its project partners tried to get reality on the ground to work in accordance with this “revitalized” *adat*, they found that while *adat* precepts may be amenable to reformulation on paper, actual understandings within Menggamat were not so easily changed.³⁵ YPPAMAM and WWF-LP had attempted to found the CCF initiative on community values and norms, but now elements in the villages that supported logging failed to cooperate. Ironically, at one point when the attempt to impose this “revitalized *adat*” met with resistance, advocates of the CCF found themselves trying to invoke state law against those recalcitrant village elements who refused to accept the CCF initiative.

Community pluralism can be difficult to manage, and this problem can affect project interventions. CBNRM projects like to oversee a multi-stakeholder consultation process leading to a consensus supporting conservation aims, but if they are drawn into intra-community conflicts, they become just another party in conflict. Narrow interpretations of customary systems and essentialist assumptions regarding community do not provide the conceptual basis to manage “community” differences. Moreover, when a community of interest intent on winning chooses not to participate in a consensus-orientated community-based effort, it is difficult for participatory approaches to proceed (Roush 2001). Furthermore, if project interventions elicit only local participation to support pre-set CBNRM agendas, they may include factions whose interests are supported by CBNRM agendas but exclude other actors.

Fourth, CBNRM approaches assume a certain congruence between participatory project methods that help to build village livelihoods and recognize *adat* property with biodiversity conservation. Yet, it is impossible to avoid the paradox at the heart of community-based natural resource management: CBNRM initiatives aim to be “primarily controlled and initiated from within a community” (Lynch and Talbott 1995). In seeking to obtain community support for conservation objectives, they gain much of their legitimacy vis-à-vis other approaches from the claim

that they are based on local aspirations. However, CBNRM strategies are usually initiated by outside agencies, who seek to obtain community support for conservation objectives that are exogenously derived (Murphree 1994). In some circumstances villages may come together around CBNRM goals. Alternatively, CBNRMs either end up being exercises in “guided participation” or, alternatively, if community-based approaches are truly democratic, participatory, and equitable, they may lead to decisions that work against conservation (Utting 2000; Roush 2001).

The definition of community problems by conservationist actors according to exogenously derived agendas may conflict with local community perceptions regarding the challenges to local livelihoods. Local problems may be open to local solutions that are not congruent with CBNRM objectives (Li 2002). For example, the aspirations of village actors in the Alas valley to convert natural forests to gardens for cash crop production could not readily be reconciled with CBNRM agendas that sought to retain natural forest.

In supporting the revitalization of customary institutions, CBNRM approaches involve devolving management and decision-making to customary and village authorities. In presenting a positive representation of community and community rights, these interventions aim to further the political and cultural autonomy of local communities and support local struggles to gain local control over resources. Thus, CBNRM approaches face a fifth related issue, that of working with local leaders and customary heads who indeed represent their “communities” in an accountable fashion. In Aceh, *adat* heads gained their legitimacy from their ancestry and reputation, from their knowledge of *adat*, and/or from their ability to offer services, to provide leadership, and to resolve disputes within their villages in a fashion that would win the respect of their peers. There also were social and moral constraints on their behavior: to a certain degree, if they wished to retain respect within the village, they needed to avoid being seen to act against the wider interests of the village. Yet, as this study has also demonstrated, because *adat* heads were not elected, there were few direct means of holding them directly accountable. *Adat* leaders could abuse their positions while engaging in strategies that protected their standing in the village. Operating as compliant clients of wider district networks of power and interest, in some cases local leaders and customary heads became involved in mining local forests for their own benefit, securing their positions by accommodating some groups within the village in logging operations but also undermining the long-term “social-ecological resilience” of the area.

With the increased prominence of *adat* authorities under revitalized *adat* management systems, customary heads can once again become im-

portant representatives of communities, but this change alone will not lead to genuine community management and decision-making. Under revitalized *adat* arrangements village governments assert control over community territories and the profit streams to be derived from their exploitation. If these communities lack effective forms of accountability, village elites can divert controls over village resources centralized in their hands to serve their own accumulative strategies (Zerner 1994). The use of customary heads in “participation” can also repeat colonial forms of rural administration. Under the colonial system of indirect rule, colonial authorities administered through compliant local “customary authorities”; similarly, customary leaders can become compliant clients in the hands of state or entrepreneurial patrons. For instance, in Mali and Burkina Faso, as Ribot (1998) has described, participatory forestry initiatives have used customary heads as administrators, intermediaries, or “symbols of the indigenous” to legitimize their projects. These customary heads and chiefs remain unelected and accountable upwards to the state rather than downwards to local populations. Accordingly, timber merchants are still able to obtain lucrative commercial timber licenses while villagers merely obtain labor opportunities and forest privileges rather than secure property rights. If participatory approaches are to have any meaning in these circumstances, Ribot concludes, they need to be supported by new projects and policies that push “for real, generalized and enduring participation.” Such initiatives need to encompass empowered, accountable representation, not merely involve customary authorities who it is assumed somehow represent their communities.

Sixth, Indonesian policymakers face the problem of reforming a discredited policy framework for resource tenure inherited from the New Order period. Social and environmental justice in Indonesia requires the recognition of the sovereignty of *adat* orders. In pursuit of village-based notion of justice, in the absence of such policy changes since the end of Suharto’s regime in many areas of the archipelago, villagers have taken justice into their own hands, reasserting *adat* claims over local lands and forests (Acciaoli 2002; Li 2001; McCarthy 2004). But the state has failed to develop appropriate official legal rules dealing with *adat* rights over forest and land areas.³⁶ This failure has significant implications. For instance, in Central Kalimantan, the assertion of *adat* rights can depend on an actor’s capacity to negotiate or defend claims in the field rather than on the agrarian law, or on an agreement with mining or timber companies, or on a policy decision from local government agencies. Because they have to defend their rights without effective forms of legal redress under the state law, villages often depend on “people’s justice” (*keadilan rakyat*), defending their interests by resorting to intimidation

and force (McCarthy 2001a, 2001b).³⁷ The lack of functioning institutional arrangements and dispute resolution mechanisms governing access to resources by actors from outside the villages means that outsiders may also attempt to impose their will in the field, for instance by deploying thugs (*preman*). This uncertain context means that conflicts can end in violence. Because disputes occur in the shadow of open struggle, in many cases the most powerful local forces prevail (see McCarthy 2004). Consequently, there is a serious need to create not only official legal modes that allow for or recognize *adat* rights, but also effective forms of adjudication and dispute resolution.

In this context a number of questions have emerged concerning the possible role that *adat* could play in sustainable management of natural resources, and how the state should recognize *adat* rights. A detailed examination of the complex legal problems raised by this issue is beyond the scope of this study, but given the pressing need for reform in this area, I will make a few pertinent points.

Those advocating reviving *adat* as a competing legal system have at times fallen into the trap “of romanticising *adat* processes and encouraging a static interpretation of *adat* as a fixed set of customary prescriptions (Campbell 1990: 4).”³⁸ As Campbell (1999) has observed, “depicting a romanticised version of *adat* as a glorious living tradition of harmony with nature that is fully operative in forest dependent communities, makes it easier for government critics to push their equally simplistic view that *adat* systems (as static self-perpetuating operating systems) have already broken down.” The alternative I have taken in this study is to try to understand the complex and shifting ecological, political, and economic challenges facing village actors and how these affect *adat* decision-making processes.

CBNRM strategies that attempt to nest *adat* rights within the state legal regime—such as in Menggamat—have ambiguous implications. Obtaining state recognition for *adat* rights implies a process of mutual adjustment between customary systems and state legal regimes. As we have seen this is not a new phenomenon: in the act of recognizing customary authorities and embedding them within the colonial version of customary government, the colonial state reorganized and (re)constituted them. Subsequently, at times *adat* institutional arrangements and state arrangements have stood in opposition to each other and at the same time existed as mutually adjusting orders. If the state project of recognizing *adat* orders is renewed, once again village actors will be able to use the symbolic capital associated with new official legal formulations to support *adat* property rights. However, if the law is to support *adat* property concepts and village-based notions of justice, positive law needs to pro-

vide the requisite legal forms that allow for existing *adat* management systems while developing the mechanisms for accountability, adjudication, and dispute resolution required to provide environmental justice.³⁹

As demonstrated in Sama Dua, during the colonial period colonial administrators attempted to understand and then co-opt *adat* concepts. As the colonizing power engaged in a process of learning about and ordering the socio-legal orders of the colonized, it attempted to reinterpret and domesticate these orders to serve its interests (cf. Merry 1992). To an extent, the recognition and emasculation of *adat* occurred simultaneously under the colonial state project.⁴⁰

The creation of a state-accepted customary order involves nesting customary order within the legal mode of control. As we noted earlier, doing this can involve a “crucial shift” in “the mechanisms of social control and the legitimation of authority,” turning fluid and negotiable customary forms into rules recognized under official laws (Chanock 1982: 55). Recognizing customary rights and nesting them within the state order can form a part of the process of extending state control into community spaces (Agrawal 2001).⁴¹ If the official legal forms allow for the recognition of customary property rights only under restricted conditions defined by the state, such restrictions may emasculate *adat* orders. If customary rights can become legitimate only if recognized under positive law, after they have been subjected to bureaucratic legality, then they can only be changed through the state. Consequently, protecting customary rights can end up empowering the state (Doolittle 2001). When villagers and NGO projects obtain state recognition of *adat* rights within the confines of official law, villagers can then find themselves relinquishing more pervasive customary rights for the limited rights allowed by the state in accordance with narrow legal and environmental prerequisites (Li 2002; Haverfield 1999; Doolittle 2001).⁴²

Furthermore, when an actor gains a privileged position within the state apparatus, she usually also gains discretionary control over the definition and enforcement of property rights. The actor can exert this control through the granting of licenses and certificates and through commanding the application (or nonapplication) of law enforcement measures. Conflicts over resources—that involve struggles over defining the customary order—can turn out to be a part of on-going struggles for power.⁴³ In some African cases, reforms that have attempted “to rationalize property rights through statutory interventions” have often “served to intensify rather than resolve debate and conflict over land rights, by multiplying the conceptual frameworks and procedures brought to bear on the definitions of rights and the adjudication of disputes” (Berry 1994). Therefore, legal initiatives that change the discretionary powers of state agents in

the local domain in these areas need to proceed carefully to avoid inadvertently proliferating the number of competing claims and intensifying conflicts.

Conventional politics favors those with money, contacts, and organizing ability. In South Aceh some decision makers and officials in the district and at the provincial level supported the CBNRM initiative. However, it threatened the material base of district and village interests involved in logging. Local officials, together with wider district networks profiting from timber extraction, held the balance of power: collectively they had a tacit but effective veto over the working of the community forest initiative. Without their support, the community leaders that backed the WWF-LP plan could not effectively implement a new CCF regime. Such actors can readily overpower attempts to apply a participatory community model, and can subvert efforts to look after the ecological systems upon which the welfare of villages depends in the long term.

Legal powers over land and forest tenure can be devolved to *adat* authorities under decentralization initiatives that place the recognition of *adat* rights under the supervision of district governments. If this devolution occurs in the absence of effective forms of representation and accountability under a district government dominated by entrenched regional interests, it would enable those with the money, the contacts, and the organizing ability to exploit newly recognized *adat* rights in ways that work against the interests of marginal villagers. Consequently, unless they are carefully conceived and implemented, legal reforms that attempt to deal with the unresolved problem of *adat* may also unintentionally provide tools for powerful actors to pursue their interests at the expense of marginal villagers.

This problem requires a holistic solution that also aims to provide effective forms of representation, accountability, and dispute resolution.⁴⁴ If these problems are faced, more sustainable resource management regimes are more likely to emerge with legitimacy established both by their compatibility with *adat* principles and with their inclusiveness, fairness, and equity established in the eyes of local actors.⁴⁵

Different Approaches, Shared Problems

Although the experiences of the Leuser ICDP contrast with those of the CBNRM project, the dissimilarity is less pronounced than at first seems evident. Both the Leuser ICDP and WWF-LP interventions were driven by donors' concern about biodiversity loss and deforestation. They faced

similar problems, shared the same fundamental goals, and could be assessed by equivalent criteria of success. In both cases, the actors driving these interventions wished to change patterns of resource use by creating particular institutional arrangements. Doing so would involve establishing who would be entitled to make decisions and who would benefit, how, when, and under what conditions. Accordingly, each project represented a “project in governance” and advanced a particular “politics of the environment” (Zerner 2000).

The Leuser ICDP intervention aimed to address the managerial and logistical difficulties facing a state forestry agency managing an extensive forest area with few resources and an inability to enforce the law. The project would improve resource management by building or replacing an ineffective state forest regime, making available EU resources, and facilitating a thoroughgoing implementation of state law. In seeking to shape village resource use, the ICDP also set out to provide incentives to encourage local actors to comply with preordained protected area goals. The Leuser ICDP used its access within the New Order regime to effect natural resource decisions and planning. Yet, it neglected the structure of property relations and the power relations that supported them and it was constrained by unworkable state assumptions regarding how resources should be managed. Heavily dependent upon its state patrons, the Leuser ICDP intervention remained reliant on state agencies that were still unable to apply regulatory instruments meant to protect rainforest ecosystems.

In contrast, in accordance with participatory ideas, WWF-LP saw the “community” rather than the state as *the* primary actor in conservation. WWF-LP showed greater acuity at the village level, correctly seeing the need to directly engage village natural resource management practices while it attempted to recognize—as far as the law allowed—the property rights of local populations within the “state forest.” WWF-LP faced additional complications, however. Not least of all, this approach ran up against problems derived from narrow assumptions regarding *adat*, and the likelihood that, if there is a link between village livelihoods, community management of resources, and conservation objectives, that link is contingent on a varying array of mediating factors that were difficult to engineer.

Notwithstanding the advantages that the respective projects enjoyed at different political levels and the different philosophies they employed, each project ultimately faced the same problem. District-level networks of power and interest coalesced around logging; various village actors found viable strategies of survival in logging; meanwhile, some also developed income-generating tree crops from pioneer agriculture on the

same forest frontier. The concurrence of these parallel but distinct sets of interests among these diverse actors working at different social levels drove the inexorable process of resource depletion. Both the ICDP and the CBNRM project intervention faced the lucrative (if unsustainable) nature of logging for these various actors, and the difficulty of imposing sanctions against these encompassing interests or finding comparatively attractive alternative livelihood options. Neither the WWF-LP nor the Leuser ICDP was able to undermine or defeat entrenched clientelist district networks, nor could they link viable livelihood alternatives to biodiversity conservation, even in the short term. Nor could either of them provide the livelihood alternatives or the exchange options or the disincentives required to rival unsustainable exploitation. Therefore, even if village actors and district government recognized the harmful environmental impact of logging, the accord between parallel sets of interests among different actors would support resource extraction rather than the outcomes advocated by outside interventions.

Consequently, the patterns of unsustainable resource extraction have complex, multidimensional causes that allow for no easy remedy. A wide range of conditions need to change in order to alter the way corresponding sets of interests between actors working at different social levels came together around logging and forest pioneering. These changes would encompass (1) a slackening in the demand for timber; (2) the development of a socio-economic system that enabled farmers to gain sufficient benefits from the crops they produce to provide them with stable livelihoods regardless of fluctuating world markets; (3) the maintenance of resilient agro-ecological systems that offered viable farmers agricultural alternatives to pioneer agriculture; (4) the development of steady revenue streams for local district government budgets and for clientelist politics other than those generated from the timber industry; (5) an increase in local concern for the long-term impact of unsustainable logging; (6) an accountable political system with an active civil society able to control the behavior of local officials and politicians; (7) the renegotiation of customary rules governing resource access and use taking ecological values into account; (8) the reconciliation of those customary rules with legitimate and enforceable official laws allowing for the existence of a parallel *adat* order; and (9) a functioning legal system providing for effective enforcement of state laws. As the Menggamat case suggests, a temporary change in one factor without simultaneous changes in several others would fail to alter the way corresponding interests of different actors come together around logging and forest pioneering in an enduring fashion. Consequently, in the absence of the separatist war that emerged

during 1999, it remained likely that the Leuser forests would have been extensively logged before the logging frontier moved on.

The accommodations and exchanges between actors with compatible interests at these various levels—including entrepreneurs and officials, and extending to encompass customary heads and ordinary villagers—constitute the most significant obstruction to biodiversity protection and community forestry interventions alike; this has implications for project interventions. Natural resource management initiatives of whatever hue need to address the clientelist networks of exchange that articulate with *adat* authority systems and formal state structures. This conclusion suggests that, rather than privileging the “community” as *the* primary actor, or the “state” as a key point of intervention, analysis need to take a more encompassing view of the how “state” and “community” actors both interact with emergent clientelist socio-legal orders to create the institutional arrangements shaping resource access.

In retrospect it is easy to draw conclusions regarding these projects. At the time, however, the dedicated and motivated people involved in these projects were trying to make the most of the prospects available under the state policies and the conservationist concepts of the time. Here it is important to note that, to evaluate a project, “it is not enough to say that it engages in simplifications; all social categories simplify even as they bring us to appreciate new complexities” (Tsing 1999). The value of reflecting on these projects lies just here—in the compound lessons they reveal.

The Fourth Circle

In the fourth circle of hell, Dante’s Pilgrim sees two groups of angry, shouting souls crashing huge rolling weights against each other with their chests. For hoarding material goods or for wasting them on earth, the souls of the excessively frugal and the profligate face the eternal punishment of this never-ending struggle. In Leuser in the 1996–99 period, like the souls in the fourth circle of Dante’s *Inferno*, both these projects seem fated to engage in an eternal and ultimately futile contest with opponents favoring unsustainable extraction.

Transcending this apparently eternal struggle entails avoiding these two extremes—on the one hand attempting to set aside huge areas of pristine, untenanted forests for nature conservation without effective local consent, on the other, allowing precious, highly diverse, steep watershed forests to be degraded. This more sustainable pathway would see sustainable, locally attuned agro-ecological systems cultivated alongside

vigorous watershed forests thriving on surrounding steep mountainous areas. But how might this be achieved?

Village aspirations revolve around developing sustainable livelihoods, both immediately and in the long term. The evidence from the three cases discussed in this study show how farmers have worked assiduously to develop gardens planted with trees yielding cash crops for export. Other studies indicate that an agrarian transformation is occurring in forested areas of Sumatra and elsewhere in Indonesia. This transformation involves the conversion of agricultural fallows and forest areas to sedentary agricultural systems involving the cultivation of tree crops (Sunderlin et al. 2000; Angelsen 1995b; Li 2000, 2002). The shift appears to be driven by the appeal of producing export crops for the international market, farmers' need to diversify their agricultural strategies to avoid the risks associated with overdependence on a single crop, and the need for farmers to respond to land pressures by planting trees to secure tenurial rights (Sunderlin et al. 2000; Li 2002).

Dominant policy discourses and the interventions undertaken in their name depend upon standardized, simplified understandings of the causes of environmental degradation and propose solutions on this basis. The populist CBNRM policy narrative describes farmers dependent on natural forests, and seeks to link sustainable management to continuing community management of natural forests. In a parallel fashion, the ICDP approach reflects a global environmental management discourse that aspires to provide technical assistance to improve resource management and the implementation of state policy while providing legal and economic incentives—including the intensification of agriculture in national park buffer zones—to stop villagers from “encroaching” into the forest. Unfortunately, these policy discourses fail to provide adequate frameworks for understanding the complex historical, socio-economic, and agro-ecological contexts in which ecological change is taking place. The logical consequence of these simplified designs for social and environmental management can be seen in their lack of success (cf. Adger et al. 2001).

The evidence suggests that in frontier areas village livelihoods are linked to the continuing transformation of forest ecosystems into productive, cash crop yielding trees (Li 2002). If we accept this linkage, resource policies will have to allow for farmers' aspirations to develop cash crops, if possible in an ecologically and economically sustainable fashion. Project interventions could be important here for two reasons. First, there is a linkage between the economic situation of farmers and the health of these agro-ecological systems. Household well-being is tied to the price of the key products produced by farmers engaging in tree-cropping for

export. Where farmers primarily depend upon a single tree crop, price volatility in this commodity is linked to economic insecurity. Where land and capital are available, to avoid falling victim to precarious prices on their main crop (such as during a time of economic instability like that of 1997–99), farmers react to price fluctuations by clearing new land for new crops. In that economic crisis, farmers in the South and Southeast Aceh areas reacted by planting export cash crops both to take advantage of high prices and to increase their short-term and—where they planted tree crops—their long-term security. In this context, project interventions and policies that aim to stabilize farm income and farming systems may assist in decreasing the forest clearing that results from economic insecurity created by price volatility (Sunderlin et al. 2000).

Second, as the Sama Dua and Menggamat cases suggest, tree crop systems are vulnerable to environmental shocks such as pest infestations and the ecological impact of logging nearby areas. Significant disturbances in surrounding watershed forests can lead to fundamental changes to the agro-ecological systems on which villagers depend. If tree crop systems collapse, farmers will be displaced into surrounding forest areas including remnant watershed forests, further adding to the cycle of ecological decline. Such considerations suggest that policy and project interventions need to address these social and ecological problems at the same time.

In other words, ecological and social systems are coupled: shocks to one can upset the other and the resilience of one depends upon the buoyancy of the other. “Social-ecological resilience” is linked to livelihood security, questions of socioeconomic resilience bring up questions of entitlement and access to resources—environmental justice (Berkes et al. 2003). Avoiding the catastrophic economic and ecological shocks that occurred in the 1998–99 period would involve simultaneously attending to the economic, ecological, and social issues that are factors in poverty as well as dealing with associated ecological problems. In the areas studied here, doing so would first entail enhancing the resilience of existing agro-ecological systems upon which villagers depend. Such experiments might aim to help farmers improve existing agro-ecological practices and to increase their capacity to deal with change, for instance by diversifying tree-cropping systems. Policy and project activities in such a context would also need to address questions of environmental justice—tenure, entitlement, access to resources, food security, and maximizing the benefits that farmers obtain from production (Zerner 2000).⁴⁶

Community-based natural resource management (CBNRM) assumes that the market and the state create incentives for communities to use resources unsustainably. Therefore, CBNRM advocates assert that when communities are in control of resource management, the benefits they

receive will create incentives for them to become good stewards of resources (Agrawal and Clark 1999: 633).⁴⁷ Not only the complexity of “community” itself but the interpenetration of community, the market, and the state undermines this sort of simple analysis. Therefore, rather than valorizing community-based conservation as an alternative to either state management on the one hand or private management by market actors on the other, analysis (together with interventions) needs to see clearly how particular constellations of critical interests within “the state” and “the community” articulate with wider political and economic forces to produce particular outcomes.⁴⁸ This examination entails reconfiguring the place of marginal village actors with respect to markets and the state in ways that maintain local livelihoods in an ecologically sustainable manner.

In circumstances where more sustainable systems are either developing or in place, interventions may assist local farmers in pursuing their livelihood concerns while quietly promoting environmental agendas. Yet, difficult as it may be to accept, external interventions may not be able to change evolving agro-ecological systems in desired directions. The ICDP concept assumes that improving the productivity of agriculture in buffer zones should lessen forest clearing by pioneer farmers in national parks; however, research has revealed that the intensification of cash cropping in frontier forest areas in many cases drives deforestation (Angelsen and Kaimowitz 1999). As farmers open new areas for cash crop production, the agricultural systems that emerge do not inevitably aim to provide food security, sustainability, or crop diversity; rather, farmers may aim to generate cash quickly, and the cash crop systems that they develop may be neither ecologically benign nor resilient (Li 2001). Sometimes there may be no obvious link between protecting biodiversity and improving local livelihoods. In such instances, it may be difficult to integrate income-generating tree crops into resilient forest-like agro-ecological systems, in parallel with the protection of surrounding frontier forests.⁴⁹

Finally, as I noted earlier, Indonesians refer to the web of political, economic, and social exchanges surrounding logging at the district level as a “vicious circle” or a “circle of devils” (*lingkaran setan*). Indeed, like a chain joined together by many links, each ring in the circle of collusive accommodations is fixed to its neighbor. In the cases studied in this volume, this circle of devils proved unyielding to outside interventions.

A growing body of literature addresses environmental problems from an institutionalist perspective, discussing the “design principles” that favor positive environmental outcomes. These principles encompass “clearly demarcating boundaries, devising equitable rules for sharing benefits and costs, establishing effective monitoring arrangements for

imposing graduated sanctions, and creating larger organizations by nesting smaller units within the larger organizations" (Gibson et al. 2000). Such frameworks offer valuable theoretical insights, but they may fail to sufficiently address the way "historically-specific structures of power"—such as the entrenched networks of power and interest found in these districts—account for persisting patterns of unsustainable resource use (Mosse 1997). Breaking out of the circle of devils would entail more than designing institutions; it would involve addressing issues of power and dissolving the close linkages between local patterns of accommodation and the management of local natural resources. It would also entail a more fundamental transformation in the relationship between local government and rural constituencies to improve political representation and participation and, consequently, developing a more transparent and accountable system of governance. In Indonesia, these issues are critical to the country's experiment with "democratic decentralization." In the following section, I briefly discuss this alternative policy formulation, which has emerged since the 1998 *reformasi*, and the implications of this study for its success.

A Decentralized Solution?

Turning to Decentralization

Under the integrated conservation and development approach discussed in the last section, the state transferred areas of responsibilities and authority to a newly created quasi-state agency, the Leuser Management Unit. In contrast, the community based natural resource management project advocated devolution to a community body constituted within state legal norms and according to conservationist principles. A third approach, "democratic decentralization," is now the vogue. This entails devolving administrative powers and resources to local government bodies who are to varying degrees independent of higher levels of government and accountable downwards to local populations (Agrawal and Ribot 1999; Manor 1999).⁵⁰ ICDP and CBNRM models can complement democratic decentralization, but they involve distinctive policy approaches. Successful democratic decentralization—were it to occur—would, its theorists suggest, alleviate administrative bottlenecks associated with centralized decision-making processes. Government would be more responsive to local needs, public institutions would be more accountable, service delivery would improve, and diverse groups would find better representation and

would more fully participate in decision-making (Frerks and Otto 1996; EPIQ Technical Advisory Group 2001; World Bank 2001).

A body of literature has also argued that decentralization could improve the management of natural resources. State agencies that work with nationwide organizational rules are often unable to accommodate the interests of diverse groups and the variety of variables involved in local settings. Because state agencies impose rules that fail to suit local circumstances, state-imposed governance regimes tend to be poorly designed and to lack legitimacy (Ostrom 1990). In contrast, if locally constituted representative bodies gain the power to make rules, it is argued, decision-making processes will more readily take into account local specificities. Nesting local rule-making processes in larger scales of organization may facilitate the development of appropriate institutional arrangements (Ostrom 1997).

Like the CBNRM approach, this policy model resonates with a political discourse that establishes a seemingly self-evident set of political aims and objectives (Walters 2002). Doing so involves achieving policy aims by mobilizing and enhancing the trust, norms, and horizontal networks of civic engagement—the “social capital”—that are thought to facilitate coordinated social action (Putman 1993). It also entails imagining a social space—with its own processes and dynamics—that can be tapped and harnessed for governmental projects (Walters 2002). In focusing on collective action and self-government as means to address policy issues, democratic decentralization seeks to increasingly deliver development through civil society, relegating the central state more to the role of setting standards, monitoring, and evaluation (Contreras 2000).

Theorists also envisage that democratic decentralization could have distributive effects, and could be associated with environmental justice agendas. If local actors—including disadvantaged ones—can influence decision-making processes undertaken by newly empowered, downwardly accountable local government bodies, they are more likely to benefit from resource policies. Further, just like the proverbial bird wishing to avoid soiling its own nests, local actors may be concerned with the long-term prospects of their region. Accordingly, if local people participate more fully in decision-making, decisions may give increased weight to the environmental future of an area.⁵¹

However, problems have dogged decentralization programs. Local elites have captured devolved powers and gained advantage from decentralization, proving that empowerment and participation will not necessarily follow from decentralization. Central governments distrustful of lower levels of government have also proved reluctant to grant significant authority and funding to local government bodies. In addition, local

government agencies have remained unaccountable, or have lacked the resources and expertise needed for effective planning and implementation. Alternatively, poor planning and coordination across levels of government have hampered decentralization programs (Frerks and Otto 1996; Larson 2003).

Decentralization has also raised specific issues of natural resource management. Studies from Latin America have suggested that the economic importance of forests to revenue and capital accumulation affects policy outcomes. Those who hold power under previous regimes have resisted change, and significant conflicts have emerged during decentralization programs (Larson 2003). Local government actors strengthened by decentralization have allowed forest exploitation to support district budgets and have pursued clientelist agendas (Kaimowitz et al. 1999). Legal frameworks for managing natural resources are particularly complex, involving the nesting of local rules within larger scales. Polycentric organizations involving horizontal and vertical linkages within the state are particularly difficult to manage at the best of times. This complexity and the power struggles that can emerge during decentralization heighten the likelihood of contradictory legal arrangements (Larson 2003).

Decentralizing Indonesia

During 1998 and 1999, Indonesia's political and economic crisis generated a crisis of legitimacy for the centralized form of the state that had existed under the New Order. In areas remote from Jakarta and rich in natural resources, the fervor for *reformasi* also focused on reversing the inequitable distribution of the benefits derived from resource exploitation. In an effort to overturn the corrupt clientelist arrangements of the New Order period, the advocates of change argued that "centralism" had allowed interests close to the regime in Jakarta to siphon off most of the rent generated by exploitation of resources in these regions. This centralism, they argued, also impaired the ability of regional interests to negotiate their own priorities, muzzling the expression of regional aspirations and marginalizing local populations. During 1998, district and provincial actors began to demand a greater role in running their own affairs and a greater proportion of the profits generated from local natural resources. It was widely held that leaders, preferably local-born people (*putra daerah*) representing local interests, should take key positions in local government and in companies active in the regions. Villagers also demanded the return of land and forest resources exploited by outsiders. Seeking to rectify the systematic disregard for *adat* property rights, villag-

ers began taking direct action to redress these grievances, reclaiming land and demanding compensation from companies that had logged or mined their traditional lands (FEER 2/7/98; Warren and McCarthy 2002). As the clamor for reform gathered momentum, some provincial figures called for immediate autonomy. In the disenchanting provinces of Papua, Aceh, Riau, and East Kalimantan, some even discussed ceding from the unitary republic of Indonesia. Press articles began to discuss the fearful prospect of national disintegration (*Suara Pembaruan*, 19/9/98).⁵²

Under the pressure of unfolding events, Habibie's transitional government drafted new laws to address the most salient issues, including a new decentralization law. State decrees and policy documents from this period are suggestive of this context and point to the avowed intent of these laws. The State Planning Guidelines (GBHN 1994–2004) and decrees of the supreme national parliament (e.g., TAP MPR IV/2000) repeatedly emphasize the need for a system of regional government that would provide for authority and the allocation of resources to be built upon the main concerns of regional communities.⁵³

This shift fitted with a transnational discourse on governance and decentralization that provided ready-made recipes for particular national problems. If policy makers could draft decentralization laws that addressed pressing domestic political issues in accordance with the good governance discourse, they could attract foreign aid for state reform. Being able to articulate the decentralization discourse with a domestic logic of state transformation would provide policy makers a means to address the frustrations generated by decades of overly centralized control in ethnically and geographically distinctive areas of the country, and help the state find a new legitimating narrative.

In crafting this particular decentralization policy model, state planners made strategic political choices. They decided to delegate authority over key areas of government to the districts and municipalities rather than to the provinces. Doing so was seen as a more acceptable alternative than the undesirable options of either instituting federalism or retaining the existing centralized system with slight modifications (Rasyid 2003). Policy makers believed that the districts were too small for separatist or federalist aspirations to take root (Niessen 1999). Moreover, they thought the central government would have more "influence over relatively weak districts compared with strong provinces" (Ahmad 2000: 4). In addition, in their view implementing decentralization at this level would foster competition between districts and provinces and allow the central government to act as an arbitrator. In effect this reform model adopted was that considered to best support the authority of the central government.

Accountability

Theorists argue that accountability is central to the success of democratic decentralization. The argument runs that local authorities with discretionary powers are more likely to want to discern and to respond to local needs and aspirations when local populations can use democratic mechanisms to hold them accountable.⁵⁴ Indonesia's framework decentralization law (Law No. 22/1999) sets out a model to make district governments more accountable to their local constituencies. This model relies on a chain of accountability: the executive is held accountable to elected representatives, who are in turn held accountable to the public through elections.⁵⁵ Downward accountability is to occur via newly empowered district and municipal legislatures (DPRD). These elected DPRDs have the power to help formulate district laws and budgets, supervise the implementation of district policies and laws, and elect and dismiss the head of the region.

While the new system may appear accountable in form, significant challenges to accountability emerge in practice. The first is the issue of holding the DPRD accountable downwards. Under the existing electoral model, voters chose a party and the party committee then selects representatives from its list of candidates. This model enhances the power of the party at the expense of the electorate. The influence of what Indonesians call "money politics"—where cash is exchanged for favors within the party and the DPRD—further weakens the link between voters and DPRD members.⁵⁶

The second issue is the question of how the DPRD uses the accountability mechanisms provided by the framework decentralization law (Law No. 22/1999). As I mentioned earlier, the legislature is entrusted with powers to elect, supervise, and dismiss the executive. The process of selecting the head is complex and provides ample opportunities for back-door politics and corrupt pressures and practices (Bell 2001). Further, once elected, district heads concentrate their political energies on maintaining the support of the legislature. At key moments district heads dispense favors, projects, and money to members of the regional parliament (DPRD)—for instance, when the *bupati* wants to have his budget and accountability reports accepted. Consequently, political support at these moments can become a commodity, and the accountability mechanisms provided for by the decentralization law end up being put to use within well-established district-level patterns of exchange and accommodation.⁵⁷

A third issue concerns rural constituencies in remote areas. Here a diverse range of geographical, economic, and socio-political factors make

the costs of participating in political action beyond the village excessive. Villagers living in places where the media and political and legal information are scarce are isolated and economically disadvantaged, and they also face the entrenched power of public- and private-sector actors who render local organization vulnerable to coercion and co-optation (Fox 1990). Such factors undermine the capacity of village actors to use accountability mechanisms as “countervailing powers” in opposition to entrenched networks of exchange and accommodation.⁵⁸ Consequently, village actors face significant internal and external obstacles when they attempt to hold the state accountable (Fox 1990). In such situations, villagers may affect outcomes by direct action—by taking the “law into their own hands” (*main hakim sendiri*) (McCarthy forthcoming).

Uncertainty

Policy and legal changes affecting the development of natural resource regimes following decentralization have created uncertainty in Indonesia. The legal framework governing decentralization was contested from the outset. The advocates of decentralization within the transitional Habibie administration needed to pass the decentralization laws quickly before the immanent 1999 election. As a result, the framework laws bear the traces of a political compromise; through complex formulations, legislators managed to accommodate the views of a range of actors. But they did so at the price of precision: the law left many issues outstanding for determination by lower regulations. Implementing regulations that were drafted later might have cleared up these uncertainties, but the disputed politics of this period of regime transition elaborated the many ambiguities. During this period the central government faced difficulties delivering policy guidance and effectively monitoring and supervising the decentralization process, thus compounding the lack of clarity in the legal framework governing regional autonomy.⁵⁹

From the beginning, the Ministry of Forestry worked to maintain its control of the nation’s vast forestry estate. The new Basic Forestry Law (Law No. 41/1999) passed during the Habibie period retained the notion of central control of the forestry estate and the assumption of a hierarchical relationship between levels of government. Subsequently, implementation of regulations in the forestry sector—when they eventually appeared—accentuated this trend, with the forestry ministry wanting to leave only operational matters in the hands of the districts and municipalities (Menteri Kehutanan 2002).

In contrast, the decentralization law (Act No. 22/1999) worked on the assumption that districts and municipal governments would attain ex-

tensive discretionary powers, with the central government only retaining powers over setting policy, guidelines, and standards. When the government proclaimed the key implementing regulation (PP 25/2000) for the decentralization act, it specified only the areas of responsibility of provincial and central governments. By implication, all remaining responsibilities were left in the hands of district and municipal governments.

During the period of uncertainty, district administrations used the ambiguities presented to advance their own interpretations. Even before the decentralization law formally came into effect, individual regions had moved ahead to quickly establish district regulations (*perda*) according to a decree of the supreme parliament (MPR) that allowed districts to establish their own regulations for matters for which the central government had not yet generated implementing regulations.⁶⁰ As a result, individual regions established regulations that ran counter to decisions made by other levels of administration, including those relating to the forestry sector.⁶¹ As a Ministry of Forestry document noted, “many regulations concerning implementing authority regulating forest were overlapping and contradictory, with the result that responsibilities for regulating the forest became unclear” (Menteri Kehutanan 2002).

Laws both reflect and have the power to structure the discourse within which an issue is framed (Merry 1995). The new decentralization laws granted discretionary powers to district governments, including powers to pass regulations governing revenue generation as well as the setting and spending of budgets. Although district powers over natural resources and the environment remained circumscribed, district government actors used their enhanced discretionary authority to directly affect the use of resources in the local domain. District administrations operating at the intersection of an ambiguous set of laws and administrative arrangements could choose which laws on which to base their policies (cf. Agrawal and Ribot 1999). In effect, they chose particular laws that provided the discursive and legal resources to support revenue generation for the district, exchanges and accommodations between key actors, and capital accumulation for district actors. In this way the uncertainty and fragmentation of state arrangements worked to the advantage of entrenched regional elites.⁶²

Possibilities

To assess the likely outcomes of Indonesia's decentralization reforms, it is only fair to retain a point of comparison. This comparison can be gained from comparing the emergent situation in Indonesia with the picture offered by the literature surveying the previous timber concession system

and the state of affairs in districts prior to decentralization—such as in the two districts discussed in this volume.

Under the New Order, powerful politico-bureaucratic actors at the center had affected policy outcomes in key areas of national life. In the forestry sector decision-makers at the apex of the state had allocated logging concessions to key clients and the families of the politico-bureaucratic actors close to the regime. Under this system, concessionaries accumulated capital from forest rents, the regime amassed the largesse necessary to run its clientelist system, and the state obtained significant surplus for its development programs. In the process, powerful timber tycoons close to Suharto and other key actors in the regime were able to mediate the way the forestry department enforced concession contracts (Barr 2001). Meanwhile, forestry officials both in Jakarta and in the field developed collusive relationships sustained by unofficial fees and kickbacks. In this context, forestry laws and environmental rules were systematically overlooked (Barber et al. 1994). With structural inequalities inherent in legal definitions of tenure and resource use, the *adat* rights of villagers living in areas subject to concession licenses were thoroughly ignored. The system worked against local people, and under the repressive regime villagers could hardly protest (McCarthy 2001a, 2001b). The system also led to the unbridled plunder of the resource base and extensive environmental degradation, leaving Indonesia with a legacy of drought, floods, fires, and resource depletion.

As the case studies in this book have demonstrated, in parallel with this centralized system, during the New Order a highly localized system of resource extraction operated. As long as those who benefited from the system stayed faithful to the regime and made contributions to colleagues and managers within party and state, this system allowed rent seeking by district elites, who operated with a significant degree of independence.⁶³ As this system worked contrary to state regulations, it also led to outcomes that were antithetical to declared state policy aims and effective environmental governance.

The axis of centralization-decentralization presents a dilemma. The problems created by a regime that concentrated power in the hands of an unrepresentative state bureaucracy provide the reason for moving towards a more locally accountable system of governance. Devolving power to local government bodies presents a particular predicament, however; in the absence of a strong independent civil society that can be counterpoised to the local state, there is a danger that decentralization reforms will be captured by powerful local elites.⁶⁴

Legal sociologists have long criticized the idea that a new law will instrumentally lead to a simple change in behavior. When governments

create new rules, all too often the binding power of social arrangements are stronger than the new law. Such arrangements affect how the laws are invoked and the consequences of that invocation (J. Griffiths 1995). Consequently, we would be naïve to expect that a set of decentralization reforms, in some technically rational, instrumental fashion, will lead to a desired set of results.

In Thailand, with decentralization, local elites—particularly town-based entrepreneurs—seeking to gain access to power still found within the state have emerged to monopolize representative positions in decentralized authorities (Arghiros 2001). In the Philippines, decentralization has seen the demise of a centralized state system that amounted to an apparatus that facilitated the extraction of surplus by military and civil elites. Subsequently, the same elites “realized that surplus extraction will be facilitated more by privately initiated and decentralized structures” (Contreras 2000). Thus, according to Contreras (2000: 148), a discourse of “people empowerment” has ironically contributed to the “continuous erosion of state power vis-à-vis the strengthening of local elites in command of decentralized development activities.” In a similar fashion, in some areas of Bolivia, local elites—taking advantage of decentralization reforms—have used forest exploitation for district revenue generation and personal enrichment (Kaimowitz et al. 1998).

With regional autonomy in Indonesia, the established arrangements that dominated the district scene have altered along similar lines. After decentralization, clientelist politics—which this study has suggested already shaped environmental outcomes to a significant extent—took a more visible form. Since decentralization offers local elites enhanced opportunities to use district regulations to extract resources, regional elites are able to go about their business with greater “legality.” In this sense, rather than establishing a new system, the implementation of regional autonomy may denote a shift towards legitimizing and in some cases extending the well-established *de facto* system discussed in this book. Previously this system was embedded within the wider New Order regime; however, given the transition at the national level, the links between national coalitions and regional networks of exchange and accommodation became contested. Although networks of exchange and accommodation may have crystallized in some districts, in many other areas diffuse and mutually competing networks of patronage continue to vie for dominance.⁶⁵ In either case, they work against effective environmental governance.

A key question here is whether the decentralized system—with all its faults—is worse than the highly centralized bureaucratic system that existed in the past. Bearing in mind the problems associated with Indone-

sia's decentralization reforms, a case can be made that for a number of reasons regional autonomy may yet provide opportunities for advance.

If democratic decentralization is to have substantive meaning for local resource users, it would affect their ability to participate in decision-making. The nature of a decentralization process can then be assessed in terms of how it changes the ability of local groups to advance their interests, to secure local property rights, to control resource access and otherwise benefit from patterns of resource use (Lutz and Caldecott 1996).

In Bolivia, decentralization reforms weakened the influence of national elites controlling concession licenses in some municipalities, opening up opportunities for previously marginalized groups to strengthen their territorial claims and affect negotiations over forest management (Kaimowitz et al. 1998). In Indonesia decentralization has undermined the power of timber concessions that obtained their licenses in Jakarta under Suharto. Previously they could obtain permits from the center and disregard villagers and even local government; now, however, they have to negotiate access to resources at every level. In the process of negotiating in villages, concessionaires and timber brokers have had to allow for the *de facto* existence of *adat* property rights. In the absence of formal recognition of *adat* rights and effective forms of accountability, local people are significantly disadvantaged, with villagers and *adat* authorities vulnerable to coercion and cooption. Nonetheless, compared to the previous situation, villagers may be able to assert *adat* claims and gain at least some benefit from resource extraction (see McCarthy 2004).

Given the ambiguities associated with administrative arrangements and political processes at the national, provincial, and district levels, after the implementation of decentralization laws the emergent socio-legal configurations governing access to resources at the village level remain tentative and subject to dispute.⁶⁶ These evolving circumstances provide space for village actors to assert rights over areas subject to *adat* property claims. If local actors can maintain these claims, and if they can gain some official recognition for them, decentralization may yet present the possibility of overcoming some of the structural inequalities inherent in legal definitions of tenure and resource use which have long worked against villagers.

With actors competing for access and control, conditions may be more open than they were under the repressive, bureaucratic New Order regime. Problems such as the corrupt dealings of local politicians are more visible; more frequent exposure of illegal deals may gradually affect patterns of governance. In those situations where political actors such as indigenous groups and NGOs can organize themselves, sometimes with outside support, decentralization and associated reforms offer a new

space to carry out advocacy, negotiation, lobbying, and coalition building for positive ends.⁶⁷

Decentralization inevitably broadens the penetration of the state into remote areas. There is always the possibility that local people can capture decision-making power and use the symbolic power of state law for local purposes, slowly turning around the state to serve village interests (Arghiros 2001; Li 2002). Although in many remote areas of Indonesia village actors remain unable to access the accountability mechanisms provided by law, the decentralization reforms could provide a more polycentric form of government. As Ribot has noted, “the balance of powers” is an important structural aspect of accountability, because “a balance of powers in which there are counter powers to the central government can increase accountability by increasing the number of actors with a voice in politics and the ability of non-central actors to scrutinize central institutions” (Ribot 2001: 78). If such a balance of powers is to be achieved, higher levels of government also need to remain locally engaged, for instance in providing technical skills, adjudication, and conflict resolution mechanisms, and in supporting local actors in addressing problems of corruption and gross inefficiency.⁶⁸ Paradoxically, to avoid shifting problems along a centralized-decentralized axis, decentralization needs to be balanced with centralization, and doing so necessarily involves the application of political skill locally by a strong central government (Tendler 1997).⁶⁹

In Thailand, decentralization lessened the importance of local bureaucrats, with local politicians increasingly emerging as the new patrons. While these local politicians are integrated into their circles of exchange and accommodation, nevertheless they do mediate the space between the central state and villagers better than the closed bureaucracy of the past. To a limited extent these local patrons are beginning to serve the needs of their rural clients. Decentralization opens the possibility for learning; as the system evolves, villagers may yet find better means of pursuing their interests than that available to them under a closed centralized bureaucratic system (Arghiros 2001).

In Indonesia, clientelist networks of exchange and accommodation described in this study have evolved to exploit the opportunities provided by regional autonomy. Nonetheless, the decentralization era offers villagers greater opportunities to pursue their interests. Finally, conditions remain equivocal: alongside the compound problems decentralization presents, the shift toward such a system also affords some improvements on the authoritarian, bureaucratic governance of the New Order period, when policies were so often pursued that worked against the interests of remote villagers.