

CHAPTER V

THE FIRST ALI SASTROAMIDJOJO CABINET AND THE STATE COMMISSION FOR THE DIVISION OF ESTATE LANDS IN EAST SUMATRA (1953-1954)

In presenting his program to Parliament on 25 August 1953, Prime Minister Ali Sastroamidjojo promised to have a new state commission investigate the critical East Sumatra agrarian problem which had brought down the Wilopo Cabinet and to report its recommendations to the cabinet within two months; questions raised by Masyumi member M. Yunan Nasution as to whether the government needed another investigation so soon or had in fact studied the Ministry of Interior's report of the Djanu Ismadi team's survey in Medan in March 1953 were brushed aside. On 27 August Sastroamidjojo issued a new standfast on squatting and banned the further use of tractors to raze squatter huts or plow squatter-occupied land.

Despite the air of urgency in Sastroamidjojo's promise of recommendations within two months, it was over a month before the cabinet, at its meeting on 6 October 1953, approved the appointment of the State Commission for the Division of Estate Lands in East Sumatra (*Panitya Negara Urusan Pembagian Tanah Perkebunan Sumatera Timur*). As authorized by presidential decree No. 195/1953, the commission was to have fifteen members and to be divided into two sections. Three government officials (a representative of the Department of Interior, to serve as chairman; a representative of the newly created Department of Agrarian Affairs, as vice-chairman; and a representative of the Department of Agriculture, as member-at-large) were to sit in both sections. The other twelve members were to be divided equally between the two sections, so that functionally each section had nine members. Section I's six non-government representatives were drawn three each from the peasant unions and estate management; Section II's exclusively from the peasant unions. Another five months passed before the actual appointments of these fifteen members and two secretaries were made by presidential decree (No. 63/1954, dated 9 March 1954, and No. 84/1954, dated 27 March 1954).¹ On 10 March 1954 the

Minister of Agrarian Affairs formally installed the state commission in Medan and furnished it with his directives dated 5 March 1954. Thus the first meeting of the commission that was to have completed its report on the agrarian crisis in East Sumatra within two months did not take place until six months after Prime Minister Ali Sastroamidjojo promised its formation.

The Ministerial Directive

Far from being allowed a free hand, the state commission was bound by the Minister of Agrarian Affairs' detailed instructions for the handling of the land problem and for the treatment of the squatters. In these instructions it was taken for granted that the tobacco industry was to remain in control of 125,000 hectares, as agreed upon in 1951 and sanctioned by ministerial decree No. Agr. 12/5/14 of 28 June 1951 as well as by Governor Hakim's decree No. 36/K/Agr. of 28 September 1951, but a reexamination of the land partition was ordered. This review was in response to demands by peasant leaders, who maintained that the bulk of the land the companies designated for return to the government was highly marginal and no longer of any interest for their operations, that the company surveyors alone had prepared the original map of partition of the concessions, and that the companies were reserving all the good land for themselves. In fact, the peasant leaders complained, most of the land being offered was on estates which had been closed in the 1920s and 1930s, so that the fields had reverted to jungle, estate roads were covered by second-growth forest, bridges had collapsed, and estate buildings had been demolished. Such land could be made cultivable again only by a long process of reclearing.

It is an irrefutable geographic fact that the choice tobacco lands are located in the intermediate zone between the coastal lowlands and the foothills of the hilly zones to the south. The urban centers of Medan and Binjai lie in the midst of the coveted belt containing all the "target areas" (*wensarealen*) of the tobacco planters. The major roads traverse the same belt. And it was precisely here, not in the forested lands of tobacco estates which had been abandoned twenty or thirty years ago, that the squatters wanted to be. The closer to Medan and the closer to a major highway — especially the highway running parallel to the coast through Langkat, Deli, and Serdang — the stronger the attraction.

As to perennial-crop estates, the ministerial directive indicated

that the government expected a return of one third of the land, but no further guidelines could be given because no map had been submitted. Although AVROS (*Algemeene Vereeniging van Rubberplanters ter Oostkust van Sumatra*, or General Association of Rubberplanters on Sumatra's East Coast) had confidential maps from all its members showing proposed partitions, the directors were withholding the information from the government in view of the sad experience of the tobacco plantation companies.

The Minister of Agrarian Affairs went ahead nevertheless to stress the principles the state commission should follow in making recommendations on any land partition. First, all land clearly being utilized by the estates should, in the absence of an overriding public interest, remain with the estates. Even the consideration of public interest was to be dropped wherever the estates had erected offices, factories, sheds (the fermentation, sorting, and packing sheds of the tobacco industry), company villages for estate laborers, and the like. But the estates should in principle be asked to relinquish land along major public highways not being permanently used by the estates as well as land on which the local people had constructed permanent dwellings. Land converted into *sawah* before 1950 was also to be excised from the estates. On the salient matter of future peasant needs, however, there was only a vague suggestion that in the process of the land partition the population growth of the next fifty years be taken into account and adequate reserves set aside. The Minister avoided giving any hint as to whether this meant reserves for a normal population growth or for a highly accelerated one caused by the heavy influx of land seekers being directed to East Sumatra by political parties and their affiliated peasant unions. The planters objected especially to the reference to a shortening of the eight-year rotation and to the Minister's suggestion that the tobacco industry be required to conduct research to this end.

Part II of the ministerial directives dealt with land distribution to the autochthonous (*rakyat penunggu*) as well as the immigrant population and was therefore of special concern for the peasant union representatives of Section II. Here, distribution of either swampy or deeply dissected steep terrain was ruled out, though the Minister also called for a study of the possibility of future land reclamation and development. Appeasement of the militant peasant leaders was even more pronounced in such instructions as that resettlement of squatters should be kept to a minimum and ordered only when necessary; that, if relocation was unavoidable,

squatters should be sent only to places not too far from their present place of abode; and that no relocation should be undertaken before the new sites were prepared so that crops could be planted and huts erected without great expenditure of time and effort. Responding to the demands of the hard core of squatters who refused even to participate in a land lottery, the Minister authorized the postponement of any relocation of these people until after the cabinet would have acted on the state commission's findings and recommendations. All this understandably distressed the planters, but the most alarming instruction proposed an inquiry into possible financial contributions by the planters to resettlement projects.²

The State Commission's Procedure

Basic elements of the working procedure adopted were formal meetings (both plenary and sectional), informal exploratory discussions among individual members, visits to plantations or other relevant places to familiarize members with actual conditions, consultations with the governor and the heads of technical services involved in the agrarian problem, and, finally, the collection of such data as statistics and maps from plantations as well as from government offices. There was of course some modification of procedure as work got underway. For example, emphasis shifted from the formal plenary and sectional meetings to the informal discussions variously arranged among planters' representatives, government officials, and peasant union spokesmen as it became apparent that all substantive negotiation was taking place in the latter. A technical difficulty arose over preparation of a map to show the entire tobacco region between the Wampu and Ular rivers. One made for the state commission proved too small in scale to permit the discriminating delimitation of relatively small parcels of *sawah* or of kampong grounds and by the time large-scale maps on the scale of 1:5000 or 1:10000 could be completed most of the information on the fluid squatter situation had become outdated. Another modification was made when to its surprise the state commission, authorized only to make recommendations for subsequent governmental actions, found itself flooded with requests for specific action from the public (about 250 letters in the first two months alone). For the sake of good public relations, a subcommittee consisting of S.M. Tarigan of Section I and Kongsi Sembiring Depari of Section II was appointed to handle this correspondence.

In terms of special interests, the nine members of Section I, which had been assigned the crucial problem of how to partition the concession lands between estates and local population, fell into three groups. The first consisted of the three government officials: chairman Subakti; vice-chairman Singgih; and Radjamin, head of the Bureau of Land Use Planning in Medan. The second included the three spokesmen for plantation interests: R. Nolen, Chairman of AVROS, on behalf of the perennial-crop estates; E.M. Vorstman for the tobacco estates; and Abdul Djafar for the Government Estates Administration, or PPN. The third was made up of representatives of peasant organizations: S.M. Tarigan of the *Sekretariat Bersama*; Sjamsul Bahri of the STII; and Abdul Kadir of the BPRP. Only the planters' spokesmen managed consistently to present a united front. Of the peasant organization representatives, Sjamsul Bahri of the anything but militant STII defended the agrarian program of the Wilopo Cabinet, the Masyumi Party, and former Governor Hakim, while S.M. Tarigan, leader of the Communist-aligned BTI and chief spokesman for the *Sekretariat Bersama*, strongly opposed the Masyumi policy, refused to accept any previous agreements, and would have welcomed nothing more than the total defeat of the planters. Knowing the latter was too much to hope for, Tarigan concentrated on wresting from the planters and government officials as many concessions as possible for the squatters. The autochthonous people's representative, Abdul Kadir, found himself between two fronts, the planters on one side and the immigrant groups organized by the militant BTI, Petani, and other peasant factions on the other.

Disunity among the peasant organizations' leaders, which should have benefited the planters, was offset, however, by the open partisanship of vice-chairman Singgih. To the consternation of chairman Subakti, the vice-chairman acted the dual role of an official of the Department of Agrarian Affairs and first vice-president of Petani in a way so biased and conspicuously on the side of Tarigan and the *Sekretariat Bersama* as to provoke Subakti to register a protest with Minister Hanafiah in Jakarta.³

The political affiliations of the members of the state commission also proved of considerable significance. Five members (chairman Subakti, the three planters' representatives, and Radjamin of the Ministry of Agriculture) professed no political party affiliation. Seven members belonged to parties backing the cabinet (the four representatives of the *Sekretariat Bersama*, the two representatives of the BPRP who belonged to the PRN, or

National People's Party, and Singgih, a member of Pctani/PNI). Of the three remaining members all belonging to opposition parties, two were from STII/Masyumi. Those backing the cabinet could afford neither the complete failure of the state commission nor a set of recommendations that would constitute a vindication of the previous cabinet's program, and the opposition saw that its interests lay in the confirmation of previous agreements rather than any drastic changes. The planters could, therefore, count on some opposition support in the defense of previously achieved agreements, making their position in Section I stronger than might otherwise have been expected, but theirs was a minority voice in plenary sessions on account of the composition of the membership of Section II.

Position Papers Submitted to the State Commission

In the course of the four months that the state commission conducted its meetings, important memoranda were submitted by the planters as well as by several peasant unions and by Radjamin, the head of the Bureau of Land Use Planning in Medan. Quite understandably, the position papers reveal a great gap between the views held by the chief protagonists in the agrarian struggle. Whereas the planters used economic and legal arguments and avoided political reasoning, the spokesmen for the peasant unions often engaged in political arguments, but they were by no means unanimous and thus did not present a solid front. Instead they were divided into three camps. The spokesmen for the autochthonous rural population were in a minority and found themselves strongly opposed by the other peasant leaders representing the immigrant element. The unions speaking for the non-autochthonous groups were again divided into a moderate group defending Masyumi's agrarian policy and Governor Hakim's program and the militant-radical group led by the spokesmen for the BTI and Petani.

Plantation Industry Statement

Two weeks after the formal installation of the state commission, the two representatives of the plantation industry presented a statement of the industry's position built around a meticulous summary of the drawn-out negotiations with Indonesian authorities, statistics on the plantation industry's economic contributions to the commonweal, and a shrewdly argued brief for the continuation of its operations in the interest not only of its

stockholders but also of the Indonesian nation.⁴

Addressing the heart of the agrarian issue, a viable allocation of cultivable land between peasants and plantations, the statement courageously challenged the anti-planter members of the state commission with the declaration that *no* estate lands were actually needed for peasant agriculture since other parts of North Sumatra possessed an adequate supply of idle soils. The planters nevertheless stood ready to partition their estates according to the 1951 industry-government agreement in exchange for the promised new legislation ensuring a legal status for the plantations. Coupled with the reaffirmation of the agreement was a dire warning of the irreparable economic damage any attempt at separate implementation of the two parts of the agreement would incur.

Points made in the statement were accompanied by careful statistical support. Thus it was noted that since the province of North Sumatra contained 12.5 million hectares and the industry controlled only 0.9 million hectares, counting both agricultural concessions and long leases, the industry held only 7 percent of the land. It was obviously a sly use of statistics to present estate holdings as a percentage of the total area of Tapanuli, Aceh, and East Sumatra. The figure for East Sumatra alone would have shown that the plantations accounted for 26 percent of the area — and made a much less persuasive argument for removal of the squatters.

There were also statistics, given in relation to the mesmeric 7 percent computation, to demonstrate the proportionately high contribution of the plantations to Indonesia's economy. Of the total North Sumatran population of 4.5 million, 12 percent or 550,000 (laborers and their families) owed their livelihood directly to the plantations, and even more did indirectly through such related business activity as trade, transportation to and from portside, and stevedoring. Estate agriculture, clearly, supported at least one-fourth of the North Sumatran population. To this must be added the benefit to the whole country of the plantation industry's foreign exchange earnings, which in 1952 amounted to approximately Rp. 1.94 billion or 18.6 percent of Indonesia's total Rp. 10.4 billion. Moreover, the industry paid in wages per year about Rp. 600 million excluding the costs of social services.

In view of all these facts, the statement concluded, it was to everyone's advantage that the estates of North Sumatra, occupying so small a proportion of the total land area, be left intact as far as practicable. A true settlement of the agrarian issue meant

finding an integral solution to the problem of security for both peasant and plantation agriculture. Though concerned for the trampling of some individuals' rights, which even the most carefully conducted separation of estate and peasant land would entail, the directors of the plantation companies felt the state commission should look for a balance between the needs of the two sectors with allowance for the fact that the companies had already agreed (in the case of tobacco estates) or were prepared to agree (in the case of perennial-crop estates) to give up a large portion of their lands. Rational operations required, however, that every effort be made to move squatters located deep inside the remaining areas of the estates, at least to the fringe if not outside.

The planters' statement contained a summary of the 1951 government-industry agreement based on the report of I.J. Kasimo and Jusuf Muda Dalam to Parliament in which it was asserted that the planters could relinquish about 300,000 hectares without jeopardizing their operations. Reference was then made to the draft "Act for the Reorganization of Land Use in East Sumatra" originally prepared by Iskaq Tjokrohadisurjo, Minister of Interior in the Sukiman Cabinet, but revised four times up to 1954 because of either cabinet changes or parliamentary objections. This draft act called for (1) a reduction of the tobacco area from 255,000 to 125,000 hectares; (2) a reduction of the other crop areas by one-third, or about 180,000 hectares; (3) the granting of new agrarian rights for estates; and (4) protection of the planter by the penal code against violations of his new agrarian rights. As the statement noted, opposition to the draft law plus chaotic conditions in East Sumatra had led Minister Iskaq to issue his well-known decree of 28 June 1951, which was followed by the North Sumatran governor's decree of 28 September 1951. Meanwhile Governor Hakim, dissatisfied with the original land division proposed by the planters had insisted on a revision based on the principle that the planters let go: land along the major highways to a depth of 250 meters on each side; land already converted into *sawah*; and land already used or needed for an expansion of villages and towns. Commissions consisting of representatives of the civil service (*pamong praja*), the planters, and the Office for the Execution of Land Distribution (KPPT) thereupon examined each plantation, taking cognizance not only of the governor's ruling but also of the existing squatter settlements and the future needs and interests of both local peoples and estates. The planters claimed that during these nego-

tiations, on request of the *pamong praja*, 13,000 hectares of land in excess of the amount shown on the approved land division map had been relinquished where such land was especially well suited for future conversion into *sawah*, so that the tobacco industry no longer had 125,000 hectares but only 112,000 hectares for its operations. In return for this additional release the planters asked only for speedy resettlement of those squatters occupying any of the remaining 112,000 hectares.

As to perennial-crop estates, the representatives recalled that in July 1952 AVROS had informed the government of its readiness to give up 180,000 hectares provided it would receive guarantees permitting a rational operation of the estates. The governor in a letter of 23 May 1953 had accepted this "land offer" of AVROS and since then preparations for the division had been going forward.

Turning to the question of soil quality, the statement pointed out that some areas especially suited to tobacco cultivation had already been sacrificed in the interest of speeding a final agreement and that further reduction of the tobacco area would seriously impair future operations. The planters took the stand that, except for minor adjustments for practical reasons, the tobacco land boundaries had been settled and the matter should be considered closed. The statement ended with a promise of loyal cooperation with the state commission in the search for a final solution of the long-standing agrarian issue.

On 17 June 1954 the representative of AVROS submitted a second memorandum to the state commission.⁵ It was pointed out that, besides such economic consequences of squatter-caused estate closings as a decline in production, a weakened market position, and the reduction of employment opportunities for the people, there were the less obvious but nevertheless damaging effects of illegal squatting on soils and drainage systems. Land occupied during the war and postwar periods had often been abandoned by the squatters because the soil had become completely exhausted. Only heavy applications of fertilizer and the repeated plowing under of green manure crops could restore these soils to use for the raising of tobacco. Estates forced to plant insufficiently regenerated soils found both yield and quality of their tobacco disappointing. Furthermore, the continual cultivation of maize had caused heavy erosion, with resultant damage to the drainage ditches, so essential for the cultivation of tobacco and constructed at great expense by the companies. In other instances the construction of improperly

designed irrigation had caused serious damage to standing crops and interfered with estate operations. Still another impediment to efficient estate management was the scattered location of squatter holdings, which broke up the large crop areas needed for optimum use of men and equipment. This was particularly true in the sisal industry, where production had declined from an annual prewar total of 60,000 tons to about 18,000 tons and left factory capacity only partially utilized.

The memorandum went on to analyze the differing types of squatters — estate laborers, native villagers, and recent immigrants. The estate laborers had originally acquired temporary rights to garden plots during the wartime food shortage and afterward refused to return, and even expanded, these holdings. To classify estate laborers as farmers was to confuse their primary occupation as laborers with their private cultivation of illegally held estate land. For practical reasons it was undesirable that laborers engage in private farming for this meant divided energy and therefore lowered efficiency on the estate.

Not until the evil of illegal occupation of estate land by laborers and immigrants had assumed great dimensions did the local villagers begin to fear a land shortage and to grab estate lands adjacent to their kampongs. The local villagers were also guilty of abandoning their own exhausted soil for estate lands, repeating there the process of soil exploitation.

As to the third group of squatters, the memorandum directed attention to the ever growing hordes of migrants streaming from the Karo highlands and Tapanuli to East Sumatra. Their “nomadic wasteful land exploitation” exhausted dry land in a short time and “seriously disturbed the agro-social structure of East Sumatra”. The implication stood out clearly that, whereas Javanese estate laborers and local villagers were integral parts of the social order of East Sumatra, the Batak immigrants were intruders.

Statement of the Joint Secretariat of Peasant Organizations

To supply their own perspective to their position, the peasant organizations opened their statement with a lengthy review of the agrarian issue from before the war through the immediate postwar period.⁶ The common people of East Sumatra, it observed, had had to struggle with agrarian difficulties ever since the opening of the estates. They had lost a great deal of their land and had been pushed to the banks of the rivers, to the coast and up into the foothills. This had led to a decline in the

productivity of smallholder agriculture. The difficulties which confronted East Sumatra were a heritage of the colonial period. Now that Indonesia had become a free country, the planters, as guests of that country, must bring their point of view into line with the changing times.

There followed some specific proposals. First, the tobacco industry should release additional land both because shortening of the rotation period from eight to five years, as scientific research had shown was possible, would decrease the area needed and because the 130,000 hectares of land released under the 1951 agreement were unsuitable: 45,000 hectares lay in swampy or deeply dissected areas, another 45,000 would require extensive and costly preparation for smallholder use, 20,000 belonged to decades-old kampongs, and the remaining 20,000 were by and large already occupied by farmers. Nor was the perennial-crop estates' offer of 180,000 hectares acceptable. The *Sekretariat Bersama* considered the area actually cultivated by these estates before World War II more than enough for their continued operation and all other holdings should be released.

Several proposals in the concluding section went considerably beyond previous arrangements, notably, that every farmer receive either 2 hectares of dry land or 1 hectare of irrigated plus half a hectare of dry land and that the classification "*Buruh Tani Ladang*" be dropped; that there be no relocations outside the *kecamatan*; that the estates transfer to the jurisdiction of the Public Works Department the land on both sides of public roads to a total depth of 1,000 meters, including the road itself and, outside the tobacco region, old, no longer productive stands of perennial crops; and that the people be granted permission to construct irrigation canals across planted estate lands.

These and the remaining proposals on the type and magnitude of the government's financial and other support to farmers who had to accept resettlement were possibly negotiable, but the planters immediately challenged the contention that the tobacco rotation could be safely reduced and demanded scientific proof. Their own research station, staffed with highly qualified scientists, had spent large sums of money on the problem and so far had found no evidence that the rotation could be reduced without significant losses in yield and quality.

The planters conceded that the rotation could be shortened from eight to seven years if the *jaluran* system were abolished, but Tarigan, the peasant organizations' spokesman, rejected such a step. Though neither Tarigan nor any other member of Section

I could disprove the defense argument of the tobacco planters, a political solution was reached in a compromise formula, a proviso calling for automatic additional reduction of the area reserved for the tobacco industry should future research prove the safety of a shortening of the tobacco rotation despite the continuation of the *jaluran* system. Section I debated with similar tenacity the pending reduction of the area held by perennial-crop estates. Unsatisfied with their offer to release 180,000 hectares, Tarigan demanded that an upper limit of 345,000 hectares of planted area plus the necessary "*tara*" lands needed for roads, settlements, and the like be set for the perennial-crop estates. This the planters rejected, maintaining firmly that the decision as to what was needed for rational economic operations belonged to the estates. It was not a matter for bargaining and was unaffected by Tarigan's argument that one-third of the estate area amounted to 220,000 hectares rather than 180,000. Once more an impasse, followed by informal discussions leading to the following compromise formulation:

"The state commission starts with the assumption that one-third of the estate area is to be returned, but it accepts the planters' voluntary offer of 180,000 hectares. However, should this offer of 180,000 hectares not provide a solution, then . . . the area to be returned shall be increased to one-third of the present estate area with the proviso that the entrepreneurs receive public domain land of the same size as compensation."⁷

Statement of the Autochthonous People

The Council for the Struggle of the Autochthonous People (BPRP), represented by Abdul Kadir and Kongs Sembiring Depari, spiritedly defended the special interests and claims of the autochthonous people, whose ancestors had been virtually the only population element in East Sumatra at the time of the arrival of the planters. The descendants argued, understandably, that their agrarian rights, based on *adat* law, should take precedence over the "purely politically inspired" claims of immigrants and their descendants (whether from other parts of Sumatra, from Java or Borneo, or from China or India) who had come to East Sumatra in search of employment offered by the planters. The Council then proceeded to issue a so-called Public Declaration (*Keterangan Umum*) which flatly stated their opposition to a policy of demanding the return of estate lands to the populace so long as Indonesia stood in need of foreign

capital, pointing out that a drastic reduction in estate-operated lands would cause heavy losses for plantation companies and, in turn, for the state treasury.⁸ There was, for example, the testimony of agricultural experts that the tobacco soils of East Sumatra were the best in the world, capable of producing far greater per-hectare returns of foreign exchange than land in any other part of Indonesia. The Council expressed the further fear that the compulsory return of plantation land would actually aggravate the land shortage for the local peasantry because of the resultant influx into the tobacco region of villagers coming from outside the region (i.e. from Tapanuli).

The current agrarian debate, the statement argued, was simply a continuation of the conversion debate, interrupted by World War II and the Japanese invasion, which sought a change of the agrarian base from that of an agricultural concession to a long lease for the land remaining in the possession of the plantation entrepreneurs. The latter justifiably felt conversion offered the only practical safeguard against an accelerating shrinkage of their holdings due to their obligations to the local population. These obligations, accepted by the planters under the old contracts, called for the release every five years of enough additional parcels of land, i.e. 4 *bouw* or 4 hectares, to meet the increase in the number of households with legitimate agrarian claims. Admittedly the prewar conversion negotiations had bogged down because the planters offered the former rulers only land in remote locations or of poor quality, but to settle now for an over-all handling of the agrarian issue might result in violation of the autochthonous population's customary rights. The Council therefore insisted on the fulfillment of the legal obligations of the planters to the local population *prior* to a partition of the land between planter and government and prior to the issuance of any new agrarian rights by the government to the planters.

As to the objection by the radical peasant and labor leaders that this amounted to preferential treatment, the statement noted that the various regions of Indonesia all had their customary agrarian laws and that East Sumatra did not differ in this respect from Tapanuli or the Minangkabau region. Furthermore, there was no better proof of the existence of a long-standing and time-honored *adat* concerning land than the provisions of the model contracts of the 1870s, 1880s, and 1890s. It would indeed have been unnecessary to include restrictions in these contracts for the protection of the rights of the autochthonous population had there not existed a set of customary laws pertaining to land.

With the deposition of the sultans, the government had become arbiter of the legitimate rights of the planters as well as of the local population and so had the obligation to see that, whatever action was taken in view of the changing times and the new social order, "the local people who have agrarian rights testified to by the model contracts were not harmed".

In addition to the Public Declaration, the Council for the Struggle of the Autochthonous People on 24 June submitted a set of specific demands divided into two groups, one applicable to the tobacco estates and the other to the perennial-crop estates, as summarized here:

I. Claims Applying to Tobacco Estates

1. kampong areas must be at least three times the size of the land actually occupied by the kampong proper;
2. each family must be given its four *bouw* of land;
3. *jaluran* rights must be in force in the future;
4. kampongs of the autochthonous people may not be transferred to new sites; wherever possible the land to be given to the villagers will be adjacent to the kampongs and will form belts connecting adjacent kampongs with each other;
5. the land to be assigned to the autochthonous population must be located on a road;
6. no differentiation must be made between autochthonous people living within or outside the plantation to whose land they have claims;
7. the autochthonous population is to receive material and financial aid in order to be able to practice modern agriculture; a special cooperative is to be established for the autochthonous population;
8. the autochthonous population refuses to accept cancellation of its customary agrarian rights unless the same principle applies to all parts of Indonesia;
9. should autochthonous elements of the population have to be relocated they must receive the same treatment as all other peoples subject to resettlement;
10. in districts which lack *jaluran* parcels and in which the four *bouw* have not yet been allocated, the autochthonous people must be given potential swidden land (*tanah rabian*) for the production of rice and other crops.

II. Claims Applying to Perennial-Crop Estates

Before returning land to the government, entrepreneurs must first satisfy the claims of the autochthonous population; in par-

particular, they must provide adequate amounts of land for kampongs together with 4 *bouw* per claimant family. The autochthonous people also demanded:

1. that their kampongs not be transferred to new sites;
2. that the location of the kampongs be taken into consideration in the choice of the land to be returned;
3. that the 4 *bouw* claimed per family must be adjacent and contiguous to the kampong so that the latter is not separated from the crop land;
4. that this land be well-suited for smallholder agriculture and be located on an all-weather road;
5. that the planters pay compensation for fruit trees belonging to the villages but located on estate land.

The views and demands of the autochthonous population were strongly opposed by the militant labor and squatter elements in the state commission, who accused the spokesmen of being “feudal” in their outlook and of betraying the spirit of the revolutionary struggle. After lengthy debate on their demands, the plenary session of 7 May passed the following resolution:

“The autochthonous population will receive the same treatment as the rest of the population in accordance with Article 6 of the Ministerial Guidelines, which reads as follows: ‘In the selection of land to be set aside for plantation agriculture one must always reckon with land reserves capable of:

- a. absorbing the population growth of about 50 years, i.e., the maximum duration of agrarian rights grantable to a plantation;
- b. satisfying the agrarian rights of the autochthonous and other Indonesian people with equal claims.’ The discussion regarding the agrarian problem of the autochthonous population will not be continued since this issue will be turned over to the central government.”⁹

Statement of the Bureau of Land Planning

The state commission benefited greatly from the memorandum prepared by Radjamin, the head of the Bureau of Land Planning and a member of the commission.¹⁰ In a rather detached academic manner Radjamin examined the historical background of the agrarian problem, which he called “a burning issue” on account of its implications for security, state finances, and public welfare. The present situation, he reminded his colleagues, could be understood only if one knew the past. Here is an abridgment of his remarks:

At the time of the arrival of the first planters East Sumatra was mostly virgin forest land with a very small population, so that concessions could be granted everywhere once it had been recognized that the soils were very fertile. Quickly East Sumatra developed into a plantation region of great repute both within and beyond the boundaries of Indonesia. Applications for agricultural concessions and hereditary leases came in so fast that within a few decades East Sumatra was turned into one great continuous plantation belt. Its plantations bordered on each other so that the agricultural land of the local peasantry was squeezed between estates or was located within estates.

By the beginning of the twentieth century the land not belonging to plantations consisted of coastal swamps – which could not be brought under cultivation by the peasant population although the soils were known to be fertile – and mountain slopes. The population increased due to the importation of hundreds of thousands of laborers; a network of good roads and railroads criss-crossed the plantation region; harbors were developed; offices and hospitals were constructed; and in a few places towns and cities arose. All of this brought East Sumatra in as sharp a contrast with other neighboring regions as that between night and day. It is, therefore, not at all surprising that the population of the neighboring regions began to migrate to East Sumatra in search of employment on the estates.

The local population was incapable of producing adequate quantities of rice, so that it became necessary to import rice from abroad, especially from Burma, Thailand, and Indochina, and in small quantities from Aceh and Tapanuli.

During World War II the estates did not operate; and many people lost their source of income. The links with foreign countries were interrupted; communications with Aceh and Tapanuli became difficult. All of this meant a critical food shortage which could be met only by an increase in local food production for which estate lands were used. Not a single authority attempted to stop this, and many who had never engaged in food production now raised their own foodstuff in order to survive.

After the transfer of sovereignty the migration to East Sumatra increased greatly and led to large-scale squatting on estate lands, since the bulk of the immigrants had no special skills and thus could only engage in farming.

The situation can be summed up:

1. the plantation region represents the best developed part of East Sumatra;
2. the majority of the population of East Sumatra lives within the plantation region;
3. employment opportunities and social services are better in the plantation region than in surrounding areas;
4. the plantation region therefore greatly attracts people from the outside, most of whom are only able to make their living as small peasants;
5. the prosperity within the plantation region is to be attributed to the estates; the plantation region represents an important source of income for the government;
6. the plantations have the best geographic location and are the largest agricultural enterprises, but not all of their land is actually under cultivation – they are holding large reserve areas;
7. the holdings of the peasants are very small and are located between the plantations and have no possibilities for expansion; the reserve lands of the smallholders are far distant from the villages and cannot be developed by these producers without aid;
8. although the plantation region is prosperous in many respects, it suffers from a food shortage and depends upon foreign sources as well as South Aceh and North Tapanuli;
9. since plantations cannot operate in peace and their laborers too become squatters in order to gain their livelihood, the squatter problem grows in magnitude and harms the state severely;
10. on the whole the people prefer to be smallholder peasants and part-time wage laborers rather than full-time laborers.

All these points must be taken into consideration in the search for a solution of the agrarian problem of East Sumatra. Obviously the interests of the peasantry cannot be ignored and pushed aside; instead the peasants must be given adequate amounts of agricultural land. This is possible if the plantations are reduced in size without endangering their economic future and the unutilized lands of the public domain are developed. In the neighborhood of the plantation belt are extensive cultivable areas of public land provided the land can be drained. Some 20,000 hectares of swamp land can be converted into irrigated rice fields. Provided that these lands are opened up by good roads they will be in great demand since the soils are as fertile as those of the plantations. Once the new lands are properly opened up and

easily accessible the land-hungry peasants will not object to resettlement. All of this requires large expenditures which, however, would seem well justified.

This procedure can be applied to the squatters already on plantation land, but this probably will not solve the problem, since the land thus freed of squatters will promptly be occupied illegally by new immigrants. This highly irregular migration must be brought to a halt – not by means of a law or a set of regulations but through the development of new agricultural lands in the districts from which the migrants come.

Only large-scale opening of potential agricultural land in and on the fringe of the plantation region could lead to a satisfactory solution of the agrarian problem regarding the future of the plantation lands.

There are then two aspects of a successful program:

1. Open up new agricultural projects (both irrigated and unirrigated land) on land either returned by planters or, coming from the public domain, provide them with roads, and reserve them for peasants who are squatting on plantation lands which are to remain under the control of the planters.
2. Simultaneously open up agricultural projects, involving both irrigated and unirrigated land, in the areas surrounding the plantation region so as to prevent a new influx of migrants.

Only the simultaneous execution of these two measures will solve the squatter problem, create economic peace and order in the highly disturbed plantation region, and at the same time balance the well-developed sections of East Sumatra with the presently less developed districts within and on the borders of the residency.

This memorandum and recommendations of Radjamin's, which of course delighted the planters, received full discussion in the plenary session of 26 July and his specific two-point program was adopted with the proviso, insisted on by the representatives of laborers and squatters, that the development projects start on lands to be returned by the planters.

Statement of the Sarikat Tani Islam Indonesia (STII)

The Masyumi peasant organization, STII, predictably followed the policy laid down by the Wilopo Cabinet and implemented by Governor Hakim. Its position paper accepted all previous agreements and arrangements and made no new demands, thus placing the STII in opposition not only to most other peasant organiza-

tions of East Sumatra but also of course to the agrarian policy of the Ali Sastroamidjojo Cabinet.¹¹

Van der Molen's Report on the Squatter Situation in the Tobacco Area

In response to a request in April from Abdul Djafar, K. van der Molen, head of the agrarian section in the United Deli Company, submitted a memorandum dated 3 May 1954 on the extent of squatting in the tobacco region, particularly changes in the situation between mid-1953 and 20 April 1954. Such a report, Van der Molen began, was made extremely difficult by the fluidity of the squatter situation, which changed so rapidly as to outdate statistical data even as these were being collected.¹² Furthermore, though plantation personnel could count dwellings, the number of squatters remained unascertainable since several families might share a dwelling and the uncooperative or even openly hostile attitude of most squatters toward being counted made actual entry to check nearly always inadvisable. Even where circumstances did allow a determination of the true number of squatters, the count was still likely to be unreliable because squatters quite often occupied several parcels of land under different names.

Van der Molen reasoned, moreover, that the actual number of squatters reflected neither the magnitude of the agrarian problem nor the *bona fide* land requirements of the squatters. Many squatters did not support themselves and their families exclusively as cultivators but were working either full time or part time in such capacities as estate laborers, dock workers in Belawan harbor, clerks for private companies, employees of government agencies, and small traders. Such squatters gravitated to estates near major urban centers, the good roads there permitting daily commutation to their place of employment. One might regard them as "part-time squatters". Registration of squatters without careful probing into their background and economic activities therefore could not possibly provide an accurate picture of their land needs. (While the *Sekretariat Bersama* wanted equal treatment for all squatters, the planters defended the early practice of classification of squatters into true farmers and those who depended upon farming only as a supplementary source of income.)

Van der Molen pointed out that large portions of the tobacco lands released in 1951, including areas suited for the development of *sawah* projects, remained unused or only partly used,

while estate lands continued to be held by squatters. Land that had been lying fallow for many years and was therefore covered by second-growth forest held far less appeal than land on estates still in operation, with their well-maintained roads and bridges. Above all, the estates themselves offered opportunities for occasional employment – such as the setting up of market stalls for the sale of snacks, coffee, soft drinks, and cigarettes. The estate labor force, furthermore, provided a market for farm products. In short, the squatters preferred to live on a plantation in full operation rather than on one which had been closed for years, and this explained why for the United Deli Company alone the squatter area had increased about 10 percent between 28 August 1953 and 1 May 1954.

Report of the State Commission

Several times as the weeks passed the fate of the state commission hung by a thread, but because no one wanted to bear responsibility for failure of the discussions, deadlock was assiduously avoided. The resultant prolongation of the sessions ruled out completion of the agenda by 10 May 1954, necessitating an extension of the state commission's authority for three months – one month being the fasting month (*puasa*) during which by common consent there would be no meetings. Thus the state commission did not complete its work until 10 August, almost a year after its establishment, but there had been an impressive total of twelve plenary sessions, twenty-six Section I sessions, and fourteen Section II sessions, plus the many informal meetings. Vice-Chairman Singgih left for Jakarta soon thereafter to draft the final report while the other members, with varying degrees of apprehension, sat back to await the result.¹³

Copies of the draft report reached members on Saturday 2 October together with a memorandum calling for a plenary session the following Monday to give Singgih formal approval of the draft before his return to Jakarta on Tuesday 5 October. This attempt to rush the report through brought vigorous protests from all quarters and forced Singgih to accept a compromise whereby members were given a week to draft and forward to Singgih in Jakarta their comments, a delay subsequently stretched to cover two additional plenary sessions on 20 October and 12 November.

Singgih's first chapter, a long historical essay, drew protests from the planters' representatives on grounds of both pertinence

and accuracy. Arguing that agrarian history had not been an important subject of the discussions and had not been called for by the cabinet, the planters' representatives suggested the chapter be made a part of the appended material and clearly attributed to its author, so that the commission did not have to share in the responsibility. Agreeing to a few revisions, Singgih was nevertheless unwilling to transfer the essay to the appendix, his only concession being the addition of a preface in which inclusion of this material in the body of the report was defended and the admission made that the decision had not been unanimously approved by the members.

The second, third, and fourth chapters drew few objections, being more or less routine reviews of, respectively, the agrarian situation as of 27 August 1953, the formal establishment of the commission, and its procedure and accomplishments (the latter with special reference to concurrent standfast changes, see below).

There was considerable debate, however, over the last two chapters, "Results of the Commission" and "Short Summary of the Recommendations and Suggestions of the State Commission for the Partition of the Estate Lands of East Sumatra". First of all, the planters were startled to find in the draft report some recommendations by Section II which, though clearly bearing on estate interests, had never been brought before Section I. Two of these stirred particularly strong protests, viz. one that squatter resettlement be limited to only 2,000 families the first year and the other that the estates assume half the resettlement costs. Abdul Djafar pointed out that, taking the common estimate of 86,000 squatter families, the proposed annual limit on resettlements would put off for decades any final solution of the supposedly urgent land problem and could therefore only be interpreted as an irresponsible delay tactic. As for the estates paying half of all costs, estimated at about 8 million rupiah per one thousand families, Abdul Djafar expressed shock that so momentous a recommendation for the planters had not been discussed or even mentioned in any Section I or plenary session. Nolen and Vorstman voiced similar objections to the two recommendations in their strongly worded formal protest, which was submitted to Singgih with the request that it be included in the final report. The planters' statement was buried in the appendix.

Little else in the draft report could be considered a surprise. Below is a summary of the recommendations made by each of the two sections:

Section I. Since the principal task of this section was the land division, for which there already existed a basis for agreement, its recommendations were fewer in number than those of Section II. Succeeding only in part in their tenacious defense of previously reached agreements, the planters finally acceded to a formulation that additional land would be released by the plantations if subsequent practical implementation of the partition and resettlement program proved that squatters qualifying for land could not be taken care of within the limits of the land area originally released by the planters. Such an eventuality was made acceptable to the planters by the promise of compensation in the form of new lands to be taken from the public domain.

The remaining recommendations related to such matters as a new registration of the squatter population with classification into genuine farmers and non-farmers; formation of strong farming communities; concentration of the squatter population wherever possible in compact villages; and proper coordination of population transfers with adequate land preparation and other support programs to be suggested by Section II.

Section II. Except for the very troublesome issue of the special demand of the autochthonous population (disposed of, as noted earlier, by formally referring responsibility to the Jakarta government), there was little disagreement among the representatives of the peasant organizations who made up this section. Their only concern was the coordination of their demands for more land and generous government support of squatters subject to resettlement. The most important of the Section II recommendations were: limitation of first-year resettlement to 2,000 families; a careful selection of land for resettlement projects; adequate compensation for the loss of immovables; payment of all costs resulting from the resettlement; granting of a moving subsidy of Rp. 1,500 per family; clearing and other preparation of the land prior to the arrival of displaced families; speedy issuance of agrarian rights to land assigned to former squatters; construction of roads and bridges to make the new settlement sites accessible; provision of agricultural implements, seed fertilizer, and credit; provision of such social services as schools; and construction of mosques and village community centers. Section II also recommended the development of irrigation projects on former estate lands as well as on public domain lands both within and outside East Sumatra in the neighboring parts of the province of North Sumatra so as to forestall further migration to East Sumatra.

In concluding the report, Singgih claimed that the state com-

mission in the five months of its work had calmed the growing unrest among the squatters of East Sumatra, provided a welcome opportunity for joint consultations between planters and peasants, and fostered mutual contacts and a better understanding among peasant organizations. Not everyone agreed as approval of the draft was forwarded reluctantly to Jakarta and the report finally presented to the cabinet in December 1954.¹⁴ The planters, for example, felt that the generous support program would only lead to additional invasions by new squatters acting in the hope that they too would be granted the same benefits. This pessimism was based above all on developments since 27 August 1953 and on the vacillating handling of standfast orders in East Sumatra.

Standfasts and Their Enforcement

Theoretically, all instances of unauthorized occupation of estate lands should have led to legal prosecution according to Ordinance No. 110 of 1948, an ordinance which had been reaffirmed in the Joint Statement of the *Wali Negara* of East Sumatra and the Military Commander on 22 May 1950 and which the government had not yet been able to replace with a parliamentary law to the same effect. By 1953, however, civil authorities, police officials, public prosecutors, and judges had become most reluctant to enforce a "colonial law".

The agrarian issue took a different political direction, however, with the creation of the state commission and on 27 August 1953 the central government declared a standfast, applicable to both planters and peasants, to stabilize the situation until its recommendations were in. It soon became apparent that the militant wing of the peasant organizations intended to ignore the new standfast. As the organized invasions of estate lands followed one after another in late 1953 and early 1954, AVROS sent repeated letters of protest with lists of standfast violations to the district and provincial authorities, including the governor, as well as to the Ministry of Agrarian Affairs.¹⁵ The squatters obviously no longer feared prosecution and in fact regularly committed illegal acts under the very eyes of the police and the civil service officials. The planters were not only losing their land but their confidence in the government's ability to solve the land problem fairly. As Nolen kept stressing in his letters to government officials, the unprohibited and unpunished violation of the rights of third parties was causing general demoralization, was

daily compounding the difficulty of finding a quick solution to the land problem, and, certainly not to be overlooked, was endangering an important sector of the economy.

On 1 March 1954 Nolen appealed to the Attorney General for help, explaining that the provincial authorities had claimed to be unable to act.¹⁶ Possibly in response to this and other letters of this nature, or because of instructions from Jakarta, the governor issued a proclamation on 19 March 1954¹⁷ which reconfirmed the standfast of 27 August 1953 and ordered squatters who had violated this standfast to vacate the estate lands by 26 March 1954 or face arrest and legal prosecution, while squatters whose illegal entry of estate grounds predated 27 August 1953 received permission to remain awaiting the outcome of the deliberations of the state commission just installed on 10 March 1954. As could have been predicted, the proclamation reconfirming the standfast of 27 August 1953 brought a storm of protests from BTI and from Petani as well as from the *Sekretariat Bersama*. Under the impact of these protests the governor weakened and issued another proclamation on 6 April 1954¹⁸ that gave the standfast violators until 20 April 1954 to vacate estate land. Apparently nothing happened during the following two weeks, but on 20 April a delegation of the *Sekretariat Bersama* presented the governor with new demands, to which the governor again acceded by extending the evacuation date by one month for all those squatters who had violated the standfast before 31 December 1953 to allow the harvest of their crops. The governor also agreed to order the release of all those who had been arrested because of violation of the standfast but not yet tried in court and to provide government aid in the form of land, use of tractors, and transport as well as financial support up to Rp. 150,000. To cap its triumph, the *Sekretariat Bersama* was then given the right to name half the members of a special committee set up under the chairmanship of *Bupati* Tengku Hanafiah to supervise the resettlements. Governor Amin's capitulation to the militant wing of the peasant movement provoked highly critical editorials in such Medan newspapers as *Lembaga*, *Mimbar Umum*, *Mestika*, and *Tangkas*.

Before Tengku Hanafiah's committee had had a chance to make much progress with its assignment, the cabinet issued Emergency Law No. 8/1954, effective 12 June 1954, in an effort to stabilize the situation and put the search for a "solution of the problem of use of estate lands by the people" on a national rather than local level. The new law, signed by the Ministers of

Agrarian Affairs, Agriculture, Economic Affairs, Internal Affairs, and Justice, authorized the Minister of Agrarian Affairs to appoint negotiators – governors, other officials, or commissions as dictated by circumstances – to arrange agreements between estate owners and squatters in all land conflicts existing as of 12 June 1954. The planters noted a welcome firmness in the stipulations that unauthorized use of estate land occurring after 12 June 1954 would not qualify for negotiation and any new squatter would be subject to a prison term of up to three months or a maximum fine of Rp. 500. It was also reassuring to read that agreements reached by negotiation would be legalized by a joint decree of the five ministers with the same penalties set for the violation of any provision of such a decree. Furthermore, both new squatters and violators of a decree were to have 14 days from the time of sentencing to vacate land before being evicted “by the strong arm”. But the law also provided that, in cases where a party refused to enter negotiations or where negotiations ended in deadlock, the official or the commission concerned was to propose an independent solution to the five ministers for legalization by decree, an imposed solution being treated the same as a negotiated agreement.

One question left unanswered by the new law was how violators of the East Sumatra standfast of 27 August 1953 should be handled. Should the committee of Tengku Hanafiah resettle them? On 5 July 1954 the representative of AVROS requested the Minister of Agrarian Affairs to uphold for East Sumatra the standfast of 27 August 1953, because the directors of AVROS feared that otherwise the prosecutors and judges of East Sumatra would refuse to handle squatter cases dating prior to 12 June 1954. Minister Hanafiah, according to Nolen, agreed that violators of the 27 August 1953 standfast must be ejected and rejected Singgih’s suggestion that the standfast for East Sumatra be changed to 12 June 1954. But Singgih is supposed to have persuaded Governor Amin to issue a proclamation on 12 July 1954¹⁹ that set as the new standfast date 12 June 1954. Point 4 of the proclamation stated that resettlement actually in process, or resettlement of squatters who had agreed to move but had not yet begun, could be completed, provided the squatters concerned did not object.

The proclamation of the governor came unexpectedly and meant a further setback for the planters and victory for the followers of BTI and Petani. Nolen protested in Medan as well as in Jakarta. The Minister of Agrarian Affairs was unwilling to

suggest a cancelling of the governor's proclamation, particularly in view of the above mentioned point 4. Nolen's letter of protest to the governor outlined the reasons why an enforcement of the standfast of 27 August 1953 was so important in the opinion of the planters:²⁰

"According to my firm conviction all areas illegally occupied between 27 August 1953 and 12 June 1954 should be vacated in the interest of a satisfactory solution of the agrarian problem for the following reasons:

1. The squatters involved are punishable, since they acted deliberately and knowingly against expressed prohibitive enactments of the government which constitutes a serious violation of government authority;
2. The authority of the central government and especially of the provincial government would be seriously harmed if those persons who did not obey the specific orders to vacate the squatted lands would be treated in the same way as law-obeying citizens;
3. The granting of protection to those who deliberately violate governmental orders will have a demoralizing influence on government officials as well as on the population, so that respect for Emergency Law No. 8 also cannot be expected;
4. The confidence of the planters in a fair solution of the agrarian problem of East Sumatra will be seriously harmed inasmuch as they can point to explicit promises of the government and to loss of all legal security because of a break of the promises;
5. The work of the 'State Commission for the Division of the Estate Lands of East Sumatra' is based entirely on the situation as it existed on 27 August 1953 and should lose all meaning should the date be altered."

Nolen referred also to his discussions of 5 July 1954 with Minister Hanafiah and repeated his argument that Emergency Law No. 8 did for all of Indonesia what the cabinet's standfast order of 27 August 1953 did for East Sumatra alone: call a halt to continued illegal occupation pending the outcome of the work of the state commission. Nolen further pointed out that, according to a high official of the Ministry of Agrarian Affairs, Ordinance No. 110 of 1948 had not been revoked.

This letter was answered in the name of the governor by *Bupati* Abdul Wahid Er, who outlined the reasons why the governor had to reject the arguments against the change of the standfast date.²¹

The *bupati* remarked that indeed Ordinance No. 110/1948 had not been revoked, but that it was now applicable only to land of the public domain, while estate lands were covered by Emergency Law No. 8 of 1954 – an interpretation which gave additional food for pessimistic thought to the planters.

By the end of 1954 the future looked rather dark for all sectors of the plantation industry of East Sumatra. The planters no longer had confidence in Governor Amin and were apprehensive about further activities of Singgih, who in their opinion was constantly playing into the hands of the Communist-linked BTI and their allies, the Petani. Above all the planters noticed with great concern that the provincial authorities failed to enforce even the standfast of 12 June 1954, while that of 27 August 1953 was completely forgotten. This fact was not altered by another governor's proclamation of 2 December 1954²², which specifically warned squatters against the construction of permanent or semipermanent buildings, the planting of trees, and the conversion of dry land into *sawah* and warned the planters against the cultivation of land which was still under dispute. The governor declared that such illegal acts would not be taken into consideration in the final settlement of the dispute and would thus fail to strengthen the claims of the parties concerned.