

## **CHAPTER I**

### **INTRODUCTION**

#### **A. BACKGROUND**

Conflict over the land and natural resources issues are often found among various factors. Land conflicts are involved diverse parties. It could include members of households, families, clans or ethnic groups, governments and the agencies or other actors such as investors or corporations (UNDP, 2012). The agrarian conflict that occurs in the current situation, no definite formulation to solve the agrarian conflict in Indonesia, although the government announced that has found and resolved the conflicts, many conflicts that occur as a result of state political policy (Zweynert, 2015). The conflict over land in Indonesia usually arises between indigenous communities, Industries and the state (Ruwiastuti, 1997). Land tenure arrangements have undoubtedly influenced the way in which natural resources are controlled by the state and indigenous communities in Indonesia (Deddy, 2006). The term of land tenure means a set of rights which include the right to access, right to use, right to manage, exclusion, and divert. Access refers to the right to enter certain areas. Usage or utilization means the right to obtain resources from the forest (Schlager & Otsrom, 1992). The explanation indicates that research on agrarian and conflict analysis is necessary to determine the cause of the agrarian conflicts that occurs.

The conflict caused the right by the state to control unilaterally and land community control. State land is claimed that caused the protracted conflicts. Massive plantation conflicts caused by the Government's ambition to make oil palm plantation as the leading commodities (HUMA, 2013). The increasing of agrarian conflicts required the agrarian reform, conflicts caused by inequality of ownership, control, and management of agrarian resources or inequality of the agrarian structure. The agrarian conflicts are a) Chronic, massive and widespread, legal, social, political and economic. b) Structural agrarian conflict, government policy on land use and natural resources management. c) Permit of land use and natural resource management. d) Human rights abuses (WALHI, 2014).

Land access regulated through a system of land ownership. Land tenure is a legal aspect or relations between indigenous people as individuals or groups associated with the land (Galudra, et al., 2013). The rules that determine the right to access, property rights and usage right have been set in the regulation that is Principal of Agrarian laws (UUPA) 1960. Regulate the land sector in Indonesia, and the legislation became a guide for governments to acknowledge and give land rights.

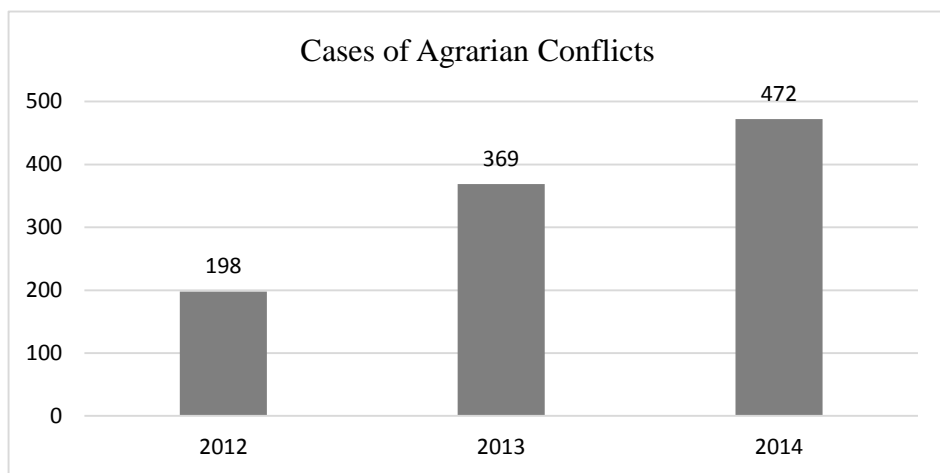
Environmental and Social Impact Assessment (ESIA) 2015, states that the local industry has an impact on community land, the impact of plantations may be positive in creating jobs and providing products, services, and state revenues, or negative impact which disturb to the landscape, biodiversity, and climate change. Evaluating and managing of

forest management are necessary to solve the conflict resolutions which emerge from society and company. The numbers of parties involved in the conflicts began from stakeholders that involved in the industry on land both individuals and groups, the impacts on the local, national and international scale (community, government agencies, media, NGOs, and Companies). The interests of certain parties in the protracted conflicts, both from the community who want recognize the customs and indigenous rights, local interest, towards the opening of new industrial land, forest, natural damage, and the danger of flooding, it's the public concern over the company that will damage farmland, plantation land, tenure and territory (Larson, 2012).

According to the Center for International Forestry Research (CIFOR) 2015, it is stated that Indonesia needs to have a conflict resolution, in resolving land conflicts between communities and companies. Therefore, the business development that utilizes the large land plantations has great potential overlap to the community land and forest area. The cases of agrarian conflict that occurs including inequality of ownership, control, and management of agrarian resources (inequality of the agrarian structure) become a major problem unresolved even last ten years. Oil palm plantation which is conducted by some companies in Central Borneo, such as PT SGM (Sawit Graha Manunggal) is part of big scale company of Bumi Borneo Prima (AEP Indonesia-Anglo Eastern Plantations) is the members of RSPO in Central Borneo. AEP Project gets the permits in land conversion from the Forestry Department of Indonesia in 2010. AEP has oil palm plantation with

5.000 hectares per years. The increasing numbers of land conversion and land needs by the company, it will cause the land tenure conflict between community and company.

**Figure 1. The Agrarian Conflict cases 2012 to 2014**



*Sources:* KPA (Konsorsium Pembaharuan Agraria) dan BPHN 2015

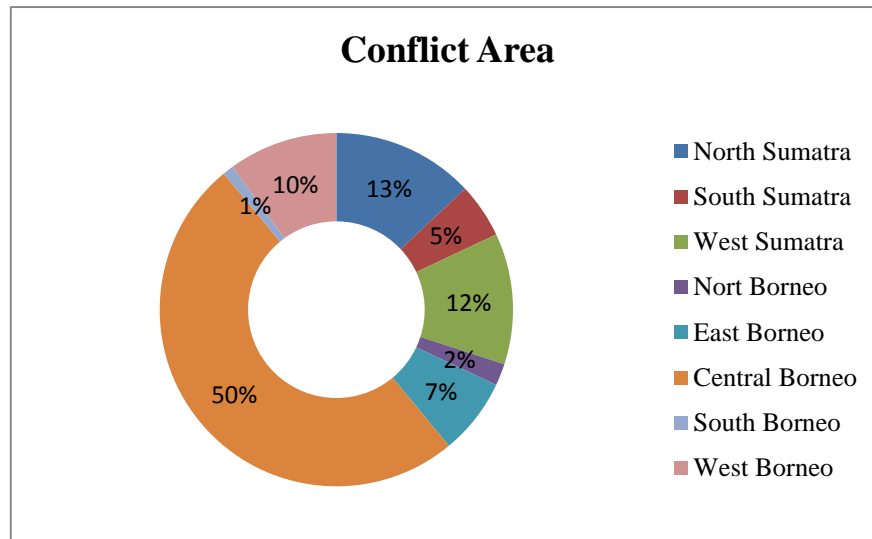
The conflict cases between communities and companies are increased annually, which resulted in many casualties, the economic, social and politic impact in Indonesia. Agrarian disputes cause the loss of social welfare, property, and live hoods. The dispute also interferes the performance of government and industrial efforts, especially in the local government (provincial and district levels), the impact is not directly to the indigenous peoples and the local community, but the local and national levels and industry (Zakaria & Iswari 2015). The agrarian conflicts that occur in indigenous communities are resistance toward companies. Indonesian Oil Palm Association (GAPKI) as government partners provided input in

formulating government policies related to the oil palm industry. The main issues include the impact of oil palm plantation expansion.

Community and company could not resolve many conflicts. The agrarian conflict that occurred in Central Borneo is one expansion result of palm oil industry, one of the main factors of indigenous land disputes between local people and the industry owners in the local customs area (HUMAWIN, 2013). The agrarian conflict of natural resources usually stems from imbalances land tenure and other natural resources. The imbalances occur due taking over control of land ownership and natural resources. The agrarian conflict that occurs is related to dominant party for control of land ownership, and other parties are affected by the power control. (Widayanto, Wibowo, & Malik, 2014).

The rapid expansion of oil palm in some area of Indonesia, especially in Central Borneo can contribute to deforestation, peat degradation, biodiversity loss and burning and slash of forest area, but oil palm became the major contribution to economic growth for regional government income. In 2012, roughly 11 million hectares were planted with oil palm plantation (CIFOR, 2015). Most of the oil palm were in Sumatra (64%) of oil palm plantation and followed by Borneo with (31%) of oil palm plantation. The unsustainable expansion of oil palm plantation damaged forest area, wildlife, and the environment. Most of the palm oil industry had a land dispute with land communities.

**Figure 2. The Agrarian Conflict Area 2014**



*Source: HUMAWIN REPORT, 2015*

The high numbers of conflict that occurs in Central Borneo is the reason of researchers to choose Central Borneo as a research area in 2015, In this case. It is noted that the government plays roles in resolving conflicts in Central Borneo both community and company. Conflict resolution between society and company becomes a challenge for any stakeholders, the interest of certain parties in the protected conflicts. The conflict which occurs in Central Borneo describes that the conflict could not be resolved especially in the case of conflict between society and company. There are many terms of land tenure and land tenancy, land tenure means the legal status such as ownership rights. A land tenancy that people who as owner, occupy and land use. It is undeniable that many conflicts between society and companies based on authority, and perceived divergence of interest. In order to describe the issue, this research will utilize the secondary data and

this study will analysis the conflict resolution between society and company in the context of ownership.

There are three reasons why the research on agrarian conflicts in this study becomes important, which are: *first*, the increasing of agrarian conflict cases in various years. *Second*, Central Borneo is the highest number of agrarian conflicts. *Third*, conflict between societies and companies are involved various parties. Therefore, this research will discuss how the settlement of conflicts in Central Borneo could be completed in case of conflict resolution between Communities and companies in the context of ownership.

## **B. RESEARCH QUESTION**

Based on the problem background above, the research question of this study will be:

1. How is the agrarian conflict between societies and companies in the context of ownership?
2. How does the government of Central Borneo resolve the agrarian conflict resolution between society and company?

## **C. OBJECTIVES AND BENEFITS OF THE RESEARCH**

### **1. Objectives of the Research**

The Objectives of this research are:

- 1.1. To know the conflict dynamics between societies and companies which occurs in Central Borneo?
- 1.2. To analyze the causes of conflict between societies and companies, particularly the conflict in Central Borneo.

## **2. Benefits of the Research**

This research is expected to bring benefits to the basic research to understand the nature fundamental of the resolution conflict phenomenon. The result and findings of this research are hoped to be generalized into recommendation and conflict resolution practices between community and company. Based on the purpose and objectives of the research, the benefits expected from this research are:

### **2.1 Theoretical Benefits**

In relation to development concept, this research is expected to complete reference study on the conflicts resolutions between societies and companies that occurred in Central Borneo.

### **2.2 Practical Benefits**

This research is expected to bring some benefits including for concentrating in the field of conflict resolution, to find the causes of agrarian conflict that occurs between societies and companies in Central Borneo.



#### **D. LITERATURE RIVIEW**

1. Ketut Deedy (2006). The research about Community Mapping, Tenurial Rights and Conflict Resolution in Kalimantan, focused on Conflicts over land, natural resources, and overlapping resource interests among groups, communities or states. The main focus of research is to indetified some of the key issues underlying community mapping.

The result indicate that Government interest in community mapping has recently increased. This may be driven by a desire to find solutions to conflicts between local communities and logging companies, but could also be driven by a search for ‘empty’ land (tanah kosong) by investors. Community mapping has been widely used in East Kalimantan to secure indigenous property rights and promote community-based management of natural resources. In most cases, conflicts over land and natural resources have been solved during the mapping process through delineation of boundaries. Next, the topic discussed about conflicts over the management of natural resources have resulted from various external and internal changes. Migration, resettlement and regrouping of villages, as well as various development activities, have made most communities heterogeneous, with changes in their interests, knowledge and livelihoods, as well as changes to their environment. Because of these changes, conflicts will always occur.

One limitation to study is that assumed conflicts remain and the mapping process tends to be driven by élites and facilitators. Consequently, the effectiveness of community mapping in promoting community-based management of resources remains questionable. The Centre for International Forestry Research (CIFOR) have used community mapping techniques to document and facilitate local conflict resolution mechanisms.

Finally, in this research is addressed using a Participatory rural-appraisal methods and spatial information technology or geomatics, such as geographic information systems (GIS), combined with other surveying technologies, are used to support community mapping initiatives and to integrate them with other information. These results give conclusions that Some conflict over natural resource management is generally unavoidable and is part of the dynamic nature of indigenous communities. However, this conflict should be managed in order to maintain stability within the community and sustain equity in resource use. conflicts over land and natural resources have been solved during the mapping process through delineation of boundaries. Such conflicts may occur between local communities and the government, between communities, and within communities.

2. Afrizal (2013), Oil Palm Plantations, Customary Rights, And Local Protests, West Sumatra Case study, focused of research is about how this oil palm “takeover” has occurred and the kinds of conflict that

have arisen between the traditional customary (adat) landholders and the plantation corporations since the 1990s. Until mid-2012, many conflicts were still unresolved, particularly involving the provision of smallholder plantations (kebun plasma) under the NES scheme, which had originally been promised by investors and the district government to local customary landholders who provided their customary land to the large-scale oil palm plantation developers.

The specific questions addressed in this study, first, the conflict over customary land, the *Nagari Kinali Community*, Nagari Kinali has been transformed into the West Sumatran center of plantations development, mainly of oil palm. Second, KAN's main roles included representing the nagari community to the state and managing its property, particularly its customary land (*tanah ulayat*), if this existed at a nagari rather than a lower kinship level, KAN means Nagari Adat Councils (*Kerapatan Adat Nagari, KAN*). The researcher indicates Traditionally, no individual ownership of land is recognized in the nagari. An individual is understood to have only use rights over land, and these are obtained by permission from kinship group leaders. Recently local people have sold the land for which they had use rights either to other local people within Nagari Kinali or to outsiders.

3. Anton Lucas and Carol Warren (2013), *Agrarian Resources and Conflict In The Twenty-First Century*, the result in this study the

booming oil palm sector indicates that returns to smallholders can be substantial. Where advantages for smallholders are protected by government policy, companies are forced to pay wages and rent sufficient to guarantee the needed labor force and production. The critical factor is whether smallholder farmers are able to maintain autonomy to organize their own production. In this regard, Indonesian central and regional governments, competing for investment in the sector. Under the new order and that business interests have been steadily acquiring expanded exploitation rights both within and outside that forest estate since. The limitation in this research is concerning the agrarian conflict resource and agrarian conflict paradigm during twenty-first century. All of these result combined to the growth of palm oil plantation and land grabbing phenomenon.

## **E. THEORETICAL FRAMEWORK**

### **1. Land Tenure and Ownership Theory**

Land tenure is a right to organize usage patterns or divert resources, in regard to common-pool resources, collective-choice property rights include management, exclusion, and alienation. (Schlager & Ostrom, 1992), they are defined as follows:

<i>Management</i>	The right to regulate internal use patterns and transform the resource by making improvements.
<i>Exclusion</i>	The right to determine who will have an access right, and how that right may be transferred.

<i>Alienation</i>	The right to sell or lease either or both of the above collective choice rights.
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Sources: Schlager and Ostrom (1992)

According to Wiradi (1998), the term of land tenure means a set of rights which include the right to access and use rights to manage, exclusion, and divert. Access refers to the right to enter certain areas. Usage or utilization means the right to obtain resources from the forest. In other definition, According to Shlager & Ostrom (1992), they divide rights as follow: *First, the* right of access is the right to enter a particular area. *Second, the* right of withdrawal is right to uses of natural resources such as for fishing, harvesting fruit, water, slash, etc. *Third, the* right of management is right to regulate the utilization of resources for the purpose of increasing production. *Fourth, rights of* exclusion is the right to refuse a person to gain access in utilize resources and make the rules of assignment to other people, institutions and other groups (Wunder, 2009). *Fifth, the* right of alienation is right to sell or lease.

According to Agarwal & Ostrom (2008), Management means the right to regulate their usage patterns or divert resources. Management is divided into three terms of authority to make decisions, namely, (1) Determine how resources should be protected and used (rule-making). (2) Define how to monitor and enforce compliance, and (3) Resolve the dispute. According to Tchikangwa

(2001), it is divided into (1) establish/protecting the boundary, (2) formulate/implementing rules and regulations, (3) monitoring compliance, (4) resolve the dispute, (5) leading, and (6) estreat/sanction.

Tenure refers to the guarantee of rights, that is on an overlapping (When two or more people claimed to deserve the same resources) and sometimes also occur a conflict. According to Larson (2013) rights is about de jure and de facto concept, de jure is the rules created and protected by the state (for example, proof of ownership which registered, concessions, contracts, and regulations on forestry). De facto is the interaction patterns that are defined outside the scope of the formal law. This includes customary rights, a set of rules and regulations of society, and enforced by society, and which may be recognized or not by the state.

**a. Private rights**

According to Larson private right is land that the proof of ownership held by individuals or companies (Larson, 2013). Private right is hereditary rights, land that is owned and authorized to uses for an indefinite period (Harsono, 2003). According to Benson in his research about public utilization, he states that government is a lack of commitment to enforcing the law and allocates resources (Benson, 1998). According to Deddy in his research about Communities and Forests in

Contemporary Borneo, the diversity of ethnic groups and sub-ethnic groups that live in Borneo reflects the diversity of resource control and tenure systems. Generally, within a community, resources concentrated in a particular area (Deddy, 2006).

Property rights according to Law article 20 paragraph (1) Agrarian Law (UUPA) about hereditary rights, wholly and the strongest of the land that can be owned by the people. Hereditary rights (*turun-menurun*) this means that property rights over land can be continued as long as its owner is still alive and when the owner dies then descent can continue his rights, all qualify as property rights. The strongest (*terkuat*) this means that property rights over land are more powerful when compared to other land rights, the right does not have a specified time limit, easily defended from the interference of others, and not easy to remove. Wholly (*terpenuh*) this means that the property rights of landowners authorize most extensive when compared to other land rights.

In using the property rights over the land, the property right must look at social functions, namely in the use of land must not cause any damage to others, land use must be adapted to the circumstances and the nature of the right. There is a balance between personal interests with the public interest.

**b. Society Rights and Customary Law**

The participation of local communities in resource governance institutions, for example, has the autonomy to make local rules, shows towards better outcomes for biodiversity and livelihoods (Ostrom & Nagendra, 2006). According to Harsono (in Santoso, 2012), a customary right is a series of authority and obligation of indigenous peoples, related to land located within the territory.

According to Fitzpatrick in his research about best practice model for the legal recognition of customary tenure, to identify of tenure security allows a typological framework for developing legal responses to customary tenure. State legal intervention in a customary land system should be determined by reference to the nature and causes of any tenure insecurity (Fitzpatrick, 2005).

According to Komarudin in his research, he states that the long-standing lack of congruity among the perceptions of local people, local governments, and the central government on land tenure and use rights has further fueled the uncertainty (Komarudin, et al., 2012). Moreover, Article 5 of the new Basic Forestry Law states that the Indonesian state will only recognize community rights to forest land, it can be proven that:



- a. The custom society in question is still in a group form and live in their owned custom area.
- b. The custom society still follows their customary law.
- c. The custom society forest area has clear boundaries, approved and acknowledged by their neighbors.
- d. There is a customary law framework related to the forest that is still practiced.
- e. The custom society still relies on the forest for subsistence, religion and social activities based on customary law.

Based on the Ministry Regulation of National Land Agency States that, customary rights is authority according to the custom of the Community belongs to certain customary law over a particular area which is the living environment of their citizens to benefit from natural resources.

**c. Common Right**

Common right is based on agreement and Laws, the common term property (medeigendom), there are some owners or a similar object (Angus, 2008). Ellsworth differentiates among institutionalism and theorist. Institutionalism focuses on politics and economics in term of land tenure, whereas scientist tends to focus on internal rules and governance structures of common right (Ellsworth, 2002). Scattered resources tend to become common property because it's hard to privatize these

resources or allocate them to individuals (Momberg, 1997). The common right system is contained in the official land including state land or private property (McKean, 2000).

According to article 28 of Law No. 5 of 1960 about agrarian issues (UUPA), Commercial use leases (HGU) are special rights to use land that is not his own, the land is ruled directly by the state for the agriculture, fisheries and livestock. The difference of common rights, common right for agriculture, fishery and animal livestock with land extent at least 5 hectares, common right could be provided for a maximum period of 25 years, except for companies which need a longer time for common right within 35 years. The common right can only be provided the land with the extent of the minimum with 6 hectares. If the requested land was reaching 25 hectares or more, it must use capital investments and engineering company that accordance with the times, the government provides common right.

Based on the understanding the definition of land tenure can be concluded that land Tenure is the nature of rights and security of rights which manage the natural resources that refer to the social relations and institutions which are regulating the access and land tenure, by using the perpestive of (Schlager & Otsrom, 1992).

## 2. Conflict Theory

### a. Conflict Definition

There are many definitions of the conflict resolution. However, in this study, there are several definitions of conflict. A conflict theory assumes that social behavior can best be understood in the terms of tension and conflict between groups and individuals.

**Table 1, Understanding of Conflict Definition**

<b>According to</b>	<b>Conflict Definition</b>
Karl Marx (1959)	<i>“the conflict is a normal condition of social life whose nature and variations are some of the most important things to be described and analyzed by social science”</i>
Ralf Dahrendorf (1959)	<i>“...The social conflict has a structural origin and is to be understood as a conflict about the legitimacy of relations of authority. In any organization, roles and positions”</i>
Wiradi (2003)	<i>“The conflict is a process of interaction between two or groups in getting the interest of the same object”.</i>
Limpong (2012)	<i>“conflict is social interaction between two or groups where one party trying to get rid of the other parties”</i>
Stephen P. Robbins (1990)	<i>“we define conflict as a process in which an effort is purposely made by A to offset the efforts of B by some of blocking that will result in frustrating B in attaining his</i>

	<i>goals or furthering his interest”</i>
Gareth R. Jones (1995)	<i>“Organizational conflict is the clash that occurs when the goal-directed behavior of one drop blocks or thwarts the goals of another”</i>

Sources: Compiled From Various Sources

Theoretically, the scientists defined agrarian conflicts with different meanings, depends on the perspective. According to Wiradi, the conflict is a process of interaction between two or groups in getting the interest of the same object (Wiradi, 2003). Limbong sociologically argues that conflict is a social interaction between two or groups where one party trying to get rid of the other parties (Limbong, 2012).

**b. The Cause of the Occurrence of Conflict**

Soetrisno (2003) says that there are several causes of conflict in various forms that are:

a) Conflict objectives

A conflict may occur due to the differences of the purpose of the system. In a social system, there is a faction, a group that has a purpose and a different mindset. Each group has purpose accordance with the purpose which they are formulated, and this can lead to conflict.

b) Resource of conflicts

The organizations require human resources, money, materials, and machines to execute the activity. Organizations must compete on the limited resources. Competition for these resources could lead to the conflict.

c) Conflict of powers

One of the influences of groups in a building up social power is leadership influence. Leadership is the process of influence while power is the potential to influence and authority to act. Without power, it's hard to influence others and policies often lead to the conflict.

d) Conflict of Culture

Conflicts can occur in the aspect of culture, ethnic background, education, experience, gender, etc. This diversity raises the differences of mindset, behavior, and communication. The diversity can lead to conflict, both within communities, organizations, and governments.

**c. Agrarian conflicts (Societies and companies)**

Agrarian conflict, as stated by Christodoulou, is “Agrarian reform is the offspring of agrarian conflict” (Christodoulou in Wirandi, 2000). Agrarian reform is the agrarian conflict. It means that it come up from the reformation of ownership/land control and known as the "land reform" which is developed into

"agrarian reform" is a response toward the conflict situation on land issues. Therefore, to understand about agrarian reform, the problem of agrarian conflict should be understood (Wiradi, 2000). According to Herrera & Passano (2006) divide three types of conflicts causes of land ownership. The main of the conflict causes are:

1. *Politics factors.* Almost every conflict occurs on land ownership. The potential to become a conflict when there is a big changes (which are really happening or presumed exits) land tenure.
2. *Legal aspects.* Many land tenure conflict occurs cause of several problems. The main problem is that some actors do not know the legal rights, unknowing about the legal framework that governs access to some areas and utilizes of natural resources in a manner opposite to each other. The organizations on the legal authority to set the same area can also cause the land tenure conflicts.
3. *Economic factors.* The land is a source of income and a natural resource for grabs are involved in the conflict, and they are ready to do anything to maintain their positions.

As a social phenomenon agrarian conflict is a when process of the interaction between two or more people or groups which pursuit of the interest with the same object, namely, land

or other objects related to land, water, plants, etc. but when they opposed each other there was a conflict situation (Hoult in Wiradi, 2000). The source of agrarian conflict is basically because of the imbalances and incompatibilities of land status (Christodoulou in Wiradi, 2000).

**d. Conflict Resolution**

According to Winardi (2000), there are several approaches in dealing with conflicts that are: first, to avoid the conflict, being uncooperative and unassertive, withdraw from the developing situation, and or neutral in all conditions. Second, authoritative, being uncooperative, but assertive, against the wishes of other parties, struggle to dominate in a situation of "win or lose", by using existing powers. Third, leveling, let the other party wishes to stand out, leveling the differences in order to maintain the harmony created artificially. Forth, Compromise, be cooperative and assertive, not at extreme levels. Working towards a partial interest of all parties concerned, implementing bargaining efforts to achieve solutions, nobody feels that he won or lost absolutely, and five, problem solving, be cooperative and assertive, trying to achieve the satisfaction of any interested party, through differences that exist, solve the problems that everyone achieves advantages as a result.

Based on the theory it can be concluded that the conflict may occur among individuals in organization, institutions and community. It is considered to be endemic to all social relations and could be understood as a conflict about legitimacy and authority in any organization, roles, and positions, by using the perspective of (Winardi, 2000).

### **3. Public Policy Theory**

According to Anderson (in Winarno, 2012), public policy is the action which has the purpose established by actors in addressing an issue or a problem. Public policy is a policy developed by government agencies and officials, Policies are influenced by actors and non-governmental factors, such as pressure groups and interest groups. Public policy has several implications namely:

1. Generally, public policy in the modern political system is not something that just happens but planned by the actors involved in the political system.
2. The policy is the direction or pattern of actions taken by government officials and based on their own decision. A policy is not only a decision to establish the law on a matter, but also decision and implementation.
3. The policy is what is actually done by the government in the form of laws and policies.



4. Public policy may have the positive and negative side. Positively, the policy includes a clear form of government action to bring influence in the specific problem. Negatively, the policy includes a decision by government officials, not to take action and do something about a problem that requires government involvement.

William Jenkins defines public policies as a set of the interrelated decision taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within specified situations where that decision should in principle within the power of those actors to achieve (Jenkins in Nugroho, 2003). According to Eyeston, public policy is defined as government units relations with the environment (Eyeston in Winarno, 2012). Ostrom argues that the problem could also be at a policy or collective-choice tier where decision-makers repeatedly have to make policy decisions within the constraints of a set of collective-choice rules (Ostrom, 2005). In this case, the policy decisions then affect the structure of arenas where individuals are making operational decisions and thus impacting directly on a physical world (Ostrom, 2005). Kraft & Furlong define public policies as a government action to response the social problems. Social problems are conditions the public widely perceives to be unacceptable and therefore requiring intervention (Kraft & Furlong in Nugroho, 2003).

**a. Public Policy in Ownership**

According to Galudra (2013), the rules determine the rights to access some certain natural resources. The rules are also a form of social reinforcement to the relations, such as how the land rights are given to parties that exist in society and how access is granted the right to use, control and convert land. Land and natural resources are land tenure arrangement. The arrangement of land tenure was determined by the actors as a social process.

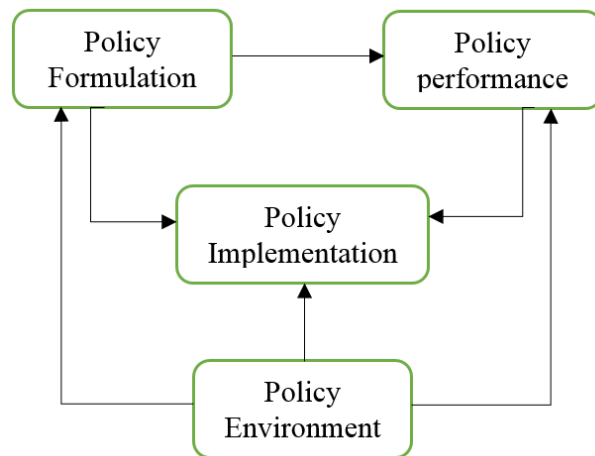
**b. Public Policy in the Conflict**

In the settlement of the conflict, providing theoretical structure among variables actor who negotiates with the patterns of the instrumentation, in the conflict resolution, the negotiations is to resolve the conflict between the community and the company. Governance negotiation becomes one way in the World Government in resolving the conflict (Nugroho, 2003). Governance negotiation will provide a high degree of objectivity in determining the alternative settlement-based public interest than the actor's interest. Meanwhile, objectification process of conflict resolution is based on the completion of elite interests than the public interest.

**c. Chart of Public Policy**

To explain the process of public policy, Nugroho (2012) describes by the following chart:

**Figure 3. The Public Policy Cycle**



*Sources: Public Policy Cycle, Nugroho, 2012*

From the figure, it can be described as follows:

- a. There is a public issue, the fundamental problem is called issue, involving many people even safety, and (usually) long-term, cannot be solved by the individual, and must be resolved.
- b. The issues then move the government to formulate public policies in order to resolve the issue. The formulation of this policy would become legal for citizens.
- c. After formulated, then public policies are implemented by the government with the public.

- d. In the process of formulation, implementation, and post-execution, necessary action evaluation to assess whether the policy had been formulated and implemented correctly.
- e. The implementation of the policy on the output which can be either a direct benefit that can be perceived by beneficiaries.
- f. In the long term, these policies produce outcomes in the form of policy impact which is expected to increase with the policy objectives achieved (Nugroho, 2003)

**d. State Policy on Conflict**

There are three approaches in Public policy in the context of conflict. *First*, a democratic approach is a policy for most of the people. Policy direction is formulated to decide the policy that benefits for the public majority rather than a small part of public. *Second*, bias technocrats, analysis of policy formulation usually is scientist's technocrats, the political elite typically associated politically and economically. In the context of conflict, determine the high level of achievement or the lowest risk of failure. Use the approach of cost-benefit, risk value and approach the game. These approaches that public policy must succeed. *Third*, a limitation of knowledge in the field of public policy is an understanding of public policy. In the political context, this approach is applied to the horizontal and physical

conflict. Deliberative approach related to the issues of conflict on economic and political resources (Nugroho, 2003).

**e. State Policy on Conflict Resolution**

The role of government as to resolve conflicts in several regions in Indonesia, conflicts within communities and conflict resolution efforts. Anderson states that the function of government in the conflict consists include; provide some goods and services collectively, provide economic infrastructure, provide the infrastructure in society, maintain competition, maintain natural resources, ensure a minimum access for individual to get goods and services, and maintain economic stability (Anderson in Riwukaho & Hariyanto, 1997).

According to Surbakti, the government power could intervene in the integration in four ways. *First*, formulate the rules. *Second*, organize collective services, *third*, educate the citizens, *fourth*, and confront those who violate the law (Surbakti, 2007).

Based on the definitions of the public policy described above, public policy has concepts as follows: *First*, public policy objectives, values and practices. *Second*, public policy is made by the government not private organizations. *Third*, public policy related to what is done by the government.

## **F. DEFINITION OF CONCEPT**

There are some definitions to support the terms used in this research. Those definitions are:

- a. Agrarian conflict is the conflict situation on land issues. To determine the rules in the context of right access in certain natural resource, the right to use, tenure and expansion of land. There is the actors interest both in the interests of society, institutions and companies in land use. The agrarian conflict is land tenure issues whose main conflict is political influence, legal status and economic factors.
- b. Public policy is the action which has the purpose established by actors in addressing an issue or problems, interrelated decision taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within specified situations where that decision should in response to the social problems.

## **G. THE CONCEPT OF OPERATIONAL**

In this study, the definition of operational used as follows:

- a. Agrarian Conflict
  1. The dynamics of agrarian conflict in Central Borneo
  2. Mapping agrarian conflict in Central Borneo
  3. Conflict resolution practices
- b. Government role and government policies
  - a. Public policy and the level of conflict

- b. The government's role in resolving conflicts
- c. Land or natural resource ownership management

In this research, conflict resolution between societies and companies in the context of ownership in Central Borneo is assessed by looking at the various expert opinion, to observe agrarian reform which comparing the possibility of implementing an agrarian reform policy by the government refers to the agrarian policy of Law 5 of 1960 and other provisions based on culture, economics and politics.

## **H. RESEARCH METHODE**

The research method is an assessment in the study of the rules contained in the research with perspective of philosophy. The research method is epistemology in conducting research. There are some parts of the research methods that the author considers significant in this research.

### **a. Type of the research**

According to Marshall & Rossman (Purnomo, 2014) the approach used in the research are exploratory, descriptions, explanatory, and emancipatory.

1. Exploratory research is conducted to determine an occurrence when researchers are a lack of knowledge and understanding of a phenomenon. This research is looking for new insights by asking questions and generates ideas for future research (Purnomo, 2014).

2. Descriptive research is a research that describes an accurate profile of a person or situation (Purnomo, 2014). According to Sukmadinata (2006), descriptive research is a form of research that aim to describe the phenomena that exist, both a natural phenomenon and man-made phenomenon. The phenomenon could be a form of activity, characteristics, changes, relationships similarities and differences. Descriptive research can be used to identify and classify the elements or chararcterestics of the subject. Explanatory research is research which is needed to explain the relationship between two or more symptoms or variable (Purnomo, 2014). This research does not only illustrate the phenomenon in the research. The research is to test hypotheses about cause and effect (Purnomo, 2014).
3. Emancipatory research is research that aims to empower social subjects in the study, creating opportunities and willingness to engage in social action (Purnomo, 2014).

In this research, the researchers used explanatory qualitative research, focused on analyzing the agrarian conflict in Central Borneo. The problems of this research were related to the conflict between societies and companies in context of ownership that occur in Central Borneo.



**b. Research Location**

This research located in Central Borneo in the case of agrarian conflicts that occurs between community and the company. The reason for choosing this location of Central Borneo is an area of agricultural land expansion. The researcher is interested to know the agrarian conflict in Central Borneo.

**c. Data Collection Technique**

The researcher uses data collection technique in term of library research by collecting data from the books, academic journal, article and other sources that relevant with this research. Types of data used are secondary data. The data are obtained from the result or documentary materials about the research objects and obtained from the literature study.

**d. Type of Data**

- a. The primary data source is the data information regarding research concept from the unit analysis used as objects of the research obtained directly through interviews and observations (Moleong, 2014).
- b. Secondary data sources is the data obtained indirectly (Moleong, 2014). Data obtained through the documents, in the units of analysis used as objects of research. Obtained from the literature, document, and previous individual research that is relevant to object of research (Moleong, 2014).

**e. Data Classification**

In this research, the writer uses the secondary data classification. The secondary data is the data that is quoted from main sources and not directly collected from main sources of the study. The secondary data collected from various sources such as books, journals, literature, document and either from the media related to conflict between society and company in the context of ownership.

**Table 2. Data Classification**

NO	Data	Primer	Secondary	Sources
1	Agrarian conflict, Conflict Resolution based best practice		✓	Books, journal, article, and media
2	Public policy on conflict resolution between society and company		✓	Books, journal articles, and media

## **I. DATA ANALYSIS TECHNIQUE**

The researcher uses data analysis technique in term of library research by collecting data from the books, academic journal, article and other sources that relevant with this research. There four steps in qualitative analysis data. *First* is the compilation of data means to obtain the data collected to assess that is sufficient and useful or not. Thus, it needs selection and preparation. *Second* is data classification means an attempt to classify the data based on categories created. *Third* is data processing means the data which have been obtained and then selected and arranged into qualitative data. *Forth* is interpretation and inference means that after the third step has been done, the researcher makes a combination of the data between a variable and others to become a good research (Bogdan & Taylor, 2007). The conclusion from the entire data of each variable by comparing the data obtained from the various sources to see the possible variations that occur, based on findings could be concluded into the result of the research.

## **J. THE SYSTEMATICS OF WRITING**

The systematic of writing and an understanding, the researcher make a systematic writing as follows:

**CHAPTER I, Introduction**, consist of: background, research question, objectives and benefit of the research, theoretical framework, literature review, definition concept, operational concept, type of the research,

research location, data collection technique, data classification, data analysis technique.

**CHAPTER II, Description of Central Borneo**, consist of: boundary, location and population, physical conditions and the potential of Central Borneo.

**CHAPTER III, Results, and Discussion**, this chapter will discuss the dynamics of agrarian conflict, causes of conflict, the impact of conflict, practices conflict resolution, government roles in conflict resolution, and policy settlement in conflict resolution.

**CHAPTER IV, Conclusion**, consists of, the conclusions of the research, recommendations, and literature on conflict between society and company.