

Sugarcane Plantation in Indonesia after the Collapse of the New Order Regime

The Case Study from Comal Subdistrict

Year: 2015

Place of fieldwork: Comal, Central Java, Indonesia

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Keywords: Sugarcane, Smallholders, Low Productivity, Comal

Research background

Sugar was an important commodity from Java and produced high revenue for the colonial government. Under Soeharto, the New Order regime attempted to sustain high productivity of sugarcane through Tebu Rakyat Intensif (TRI), a smallholder intensive program, by Presidential Instruction No. 9 of 1975. However, instead of enhancing the peasants' economic performance, TRI led to exactly opposite result: smallholder peasant became marginalized and sugarcane plantation reached its nadir; furthermore, the cultivation area declined from 304.000 hectares in 1996 to 195.000 hectares in 1998. Several months prior to the economic and financial crisis that led to the collapse of the New Order regime, TRI was withdrawn by Presidential Instruction No. 5 of 1998. The end of the coercion and repression regime gave the peasants lavish opportunity to plant their own land with more profitable crops. Interestingly, the area of sugarcane tended to increase after 2002, but a question remained to be answered: Why was the expansion of sugarcane cultivation not followed by an increase in its productivity?

Research purpose and aim

The problem of low productivity of smallholder cultivation is often attributed to the sluggish adoption of high yield varieties and the ratoon system, lack of capital, or the closing cultivation frontier. While I do not totally agree with this explanation, I argue that the low productivity of smallholders could be related to their economic calculation, resource constraints, and changes in the macro economy.

Results and achievements by fieldwork

My research has shown that after 1998, especially in Comal subdistrict, sugarcane cultivation is more popular in dry fields. Nevertheless, this was not the main reason for the decrease in productivity. Production data from the Cempogo sugar factory show that sugarcane cultivation, whether in wet field or dry field, faced similar problems. My interviews with smallholder peasants show that consequent to the decrease in household members and high level of migration, they could not devote enough labor to sugarcane cultivation. When they are forced to optimize their workday, it could lead

a decline in income, or even loss of income. The Cempogo sugar factory and smallholder sugarcane cooperatives have a similar view on this problem: low productivity, whether of smallholder or big farmer, is the consequence of low labor input.

Implications and impacts on future research

This research could be used as milestone to evaluate the government policies on subsidies and credits since both the programs have failed to increase sugarcane productivity. Finally, since the main problem is related to labor, we could ascertain as to at what point the calculations to maximize land productivity shifted focus to labor productivity and the impacts and consequences for the changing rural economy of Java.



Sugarcane plantation before harvesting in Pesantren village, Comal



Ratoon system: burning the sugarcane plantation left after harvesting

TAHUN 1979 - 2014

NO	DESAK	TAHUN 1979						TAHUN 2014						JUMLAH	PD LAIN	NIL	JUMLAH
		SAWAN		TEGALAN		JUMLAH	SAWAN		TEGALAN		JUMLAH						
		I	II	I	II		I	II	I	II							
1	1979	362					793	863	432	877			355	864		253	
2	1980	303					621	921	704	148			145	142		857	
3	1981	314					614	848	741	873			877	877		1502	
4	1982	348					448	806	874	189			137	837		1291	
5	1983	389					629	1025	632	871			857	857		1551	
6	1984	389					549	1115	954	1063			1387	1021	1173	1086	
7	1985	342	349			549	742	1205	954	1063			1387	1021	1173	1086	
8	1986	357					657	1029	938	978			874	883	848	1014	
9	1987	374					724	1025	913	1034			874	844	848	1043	
10	1988	350					390	1137	931	1046	761		871	854	889	952	
11	1989	375	354			354	674	1026	956	1020	491		871	844	848	1043	
12	1990	362	714			714	878	1027	973	1020	807		849	850	881	863	
13	1991	367					427	842	966	926	747		826	813	820	877	
14	1992	380					862	863	1140	1043	1087		748	763	920	874	
15	1993	420					250	750	988	897	977		481	471	874	853	
16	1994	1.181	250			250	848	799	814	805	497		805	784	784	854	
17	1995	802					802	861	848	862	772		848	845	811	824	
18	1996	802					802	903	894	803	556		728	738	713	771	
19	1997	817					817	888	858	847	845		848	803	879	843	
20	1998	724	473	814	430	440	822	928	858	847	845		848	803	879	843	
21	1999	584	345	248	384	309	328	409	560	846	260		486	433	338	404	
22	2000	786	521	378	488	436	814	872	876	871	879		873	871	871	871	
23	2001	869	343	318	483	474	384	740	872	887	884	561	888	826	826	887	
24	2002	797	665	741	360	365	799	794	838	836	771		826	826	826	887	
25	2003	804	140	728			494	773	803	848	841	320	871	881	829	886	
26	2004	1.000	830	809			989	1.036	927	745	811		871	861	844	924	
27	2005	864	488	789	172		874	781	781	734	743		833	829	872	744	
28	2006	799	589	487	357	433	364	662	628	610	610	628	628	628	628	628	
29	2007	748	514	879	176	820	371	527	708	649	650	650	650	650	650	650	
30	2008	829	518	544	347	377	522	614	634	560	560	560	560	560	560	560	
31	2009	889	611	614	331	424	783	783	738	792	823	798	844	844	844	844	
32	2010	802	603	786	783		521	420	484	483	517	320	369	343	368	368	
33	2011	482	272	374			723	709	660	649	578	491	450	420	420	420	
34	2012	884	420	725			725	748	711	728	654	611	725	725	725	725	
35	2013	723	447	703			473	471	571	561	542	321	370	330	334	360	
36	2014	481	350	437			473	471	571	561	542	321	370	330	334	360	
37	JABATA	799	897	787	489	471	471	471	471	471	471	471	471	471	471	471	

Production data of the Cempogo sugar factory, 1979-2014