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Authoritarian and paternalism in Indonesian peasant cooperative: A former plantation workers' cooperative from the 1950s to the neoliberal era

Ciptaningrat Larastiti¹

Abstract

This paper examines the dilemmas of a former plantation workers' cooperative attempting to develop an egalitarian and self-managed agrarian community in the face of persistent military influence in Indonesian's rural areas. These dilemmas are related to the question of how the ex-worker community shapes and is shaped by exclusionary politics as their cooperative shifts from a peasant political movement into an instrument of capitalistic relations of production.

The paper focuses on an ex-plantation workers' cooperative in West Java (Indonesia) which has been struggling since the rise of the socialist movement in the 1950s. At that time, the plantation workers occupied the former colonial rubber plantation and initiated land reform for the subsistence plots of landless households. The rest of the undistributed land was maintained as an independent cooperative owned and managed by the members under the guidance of the Indonesia Peasant Movement (GTI), a movement inspired by socialist ideology. In 1965, the political economic context changed abruptly with Suharto's takeover, the mass killing and persecution of leftist peasant movements and the ensuing 32 years of Indonesia's 'New Order' military regime. Suddenly, political activities vanished with the rise of military influence and the commodity boom in rural areas. After 30 years of successful participation in the rubber market, and a lack of internal political regeneration, the cooperative faces three main dilemmas.

First, there is a technocratic trap, related to the members' successful campaign for the land titling on private plots, the formalization of the cooperative's leasehold right, and the cooperative bureaucracy's shift in direction from an egalitarian peasant movement into an instrument of business enlargement. Those traps have led to the emergence of wage labor relations between members and non-members in rubber production. Second, growing social differences have emerged since the formalization of land ownership and the mechanism of rubber contract-farming relationship. The contract-farming excludes the landless, and incorporates the land owners and the cooperatives to enlarge the latex supply. Third, there is a pressing problem of democracy related to the question of internal regeneration in rural area and the continued involvement of the military in Indonesian cooperative organization. Since 1965 the cooperative has tended to avoid political and ideological regeneration, and this in turn propels the young generation into the labor market. Instead of creating egalitarian relations, the cooperative labor force want to access cooperative membership as the guarantee of permanent labor contracts. These dilemmas in wage relations, unequal access to land, and internal organization show how the cooperative, despite its continuing rhetoric of egalitarian relations, has fully integrated itself into capitalistic relations and authoritarian styles of management.

Keywords: Peasants movement, cooperative, wage labor, egalitarian community, depoliticisation

¹ The process of collecting and analyzing data has been cooperated with Muhammad Sofwan Hadi. Both are member of Samadhya Institute

1 Introduction

This paper aims to explore the dilemmas faced by a cooperative of former plantation workers in developing an egalitarian and self-managed agrarian community in the face of persistent military influence in Indonesian's rural areas. These dilemmas have arisen since the shift of cooperative orientation from a peasant political movement into an instrument of capitalistic relations of production. How have these orientations shifted?

The paper examines the trajectory of an ex-workers cooperative that has struggled over the self-management of the former colonial plantation from the 1950s to the present. The ex-workers occupied the plantation, distributed the majority of its area as individual subsistence plots, and consolidated the undistributed land as a collective owned and managed rubber plantation. This process can be seen as a manifestation of the workers' control during the Indonesian revolution (1945-1950)², when they took over the former colonial plantations, and attempted to eliminate the colonial system of labour exploitation (Suryomenggolo, 2011). "Workers have occupied means of production and have worked for self-management through cooperative or council as the genuine manifestation of their historical and material interest" (Ness and Azzellini, 2011: 17).

In Indonesia, the story of collective management and ownership is manifested through the idea of cooperative, as influenced by the left ideology of such parties as the nationalist, communist and socialist parties.³ The left ideology always considers cooperative as a political economic strategy against the colonial system of capitalist exploitation. The Indonesian Communist Party (PKI) leader wrote that "Cooperative should be progressive. We should keep cooperative away from the instrument of capitalism which will be easily used by capitalists, either landlords or rich farmers, to exploit the working class," (Aidit, 1963: 16).

One of the left influenced cooperatives at the time was the Majusari Cooperative⁴ in West Java. The cooperative members were former workers who have migrated to Majusari from various parts of Java since the establishment of the colonial plantation known as Sunda Syndicat NV Cultuur Mij Majusari in 1908. Between 1908-1945, these migrated workers were mobilized as the lowest rung in the production, controlled by the Dutch plantation manager and living in a segregated workers' camp.⁵

In 1942-1945, the Japanese military invaded Indonesia and instigated a brief period of oppressive and cruel military fascism. They interned around 170.000 Dutch populations, creating a crisis of commodity production in rural areas (Ricklefs, 2009: 298), aggravating the problems of the previous international economic crises due to the fall of export commodity market demands in 1930s (Lindblad, 2016). During the Japanese period much of the national agricultural production was diverted either to fulfill the military needs or to food crop farming. However, much of the food crop yields were appropriated by the Japanese military, creating the symptoms of starvation in Javanese rural areas around 1944-1945 (Lindblad, 2016: 27-28; Ricklefs, 2009: 300).

² Ricklefs (2005: 317) examines these years as the revolution due to the defense of Indonesia's independence and search of Indonesia's unity among the attacks of the Dutch army and regional rebellions after Second World War.

³ The first president (Soekarno)'s speech about the steps toward Indonesian revolution has noted that, "Cooperative can be the means of Indonesian revolution in order to clean the Dutch colonial system of exploitation influence and to avoid the new threats of American capitalism through its aid and investment," (Aidit, 1953).

⁴ Name of the cooperative and of persons referred to in this paper (except for major public historical figures) have been anonymized.

⁵ Pelzer (1985) characterizes the structure of colonial plantation as the contract labor which the native workers are being employed in certain provisions. No workers got the best deal of permanent contract in the colonial plantation. "Women and children, for instance, work in certain condition such as sorting the tobacco leaves and getting rid the caterpillars of," (Pelzer, 1985: 135).

In August 1945, along with the Japanese capitulation, there was a vacuum of political power and opportunity for the workers' movement to take over the abandoned colonial production assets. Suryomenggolo (2011) explains that 1945-1948 became the years when the worker movement could mobilize themselves, and independently take initiative to occupy and manage the assets and process of production, colonial structures, giving as examples the railway and plantation workers.

The ex-workers of Majusari plantation, flowing with the political currents of the time, had been influenced by the Indonesian Peasant Movement (GTI) an affiliate of the Socialist Party (PSI). Some of the ex-workers were able to organize themselves and create a self-management system through the new Majusari Cooperative. Later, following the change of regime and persecution and killings of suspected left ideology members in 1965-66, they were able to integrate themselves into the government project of formalizing the land distribution with individual land titles. The cooperative has been recognized by the government since the issuing of leasehold right (HGU) in 1989 and 2011. In later parts of this paper we will explore how the ex-worker community has shaped and been shaped by exclusionary politics as their cooperative shifts from a peasant political movement into an instrument of capitalistic relations of production.

2 Depoliticization of Indonesia's cooperative movement

The main question of this paper will be answered through the historical context of cooperative movement in Indonesia. The development of cooperative notion is closely related to dominant discourse on the nature of Indonesia's rural community, such as mutual cooperation (*gotong royong*) and the family principle (*kekeluargaan*). As the vice president said, "cooperative is the nature of our society who tend to help each other in fulfilling their daily needs," (Hatta, 1952).⁶ Through the discourse of family principle, we can clearly see how the cooperative has been used by successive elites – on both the left and the right – to mobilize the people. So here, we need to identify the trajectories of cooperative discourse and control in each successive political regime of Indonesia. This will help us to understand how the cooperative initiative shifted abruptly from self-management into an instrument of capitalism, and a tool of depoliticization, as part of the emergence of authoritarian populism in rural areas.

In the year of Indonesia's independence 1945, cooperative was enshrined in the new constitution (*undang-undang dasar*) the manifestation of the family principle (*kekeluargaan*) in the nation's economic life. The first vice president, Muhammad Hatta, was mandated to develop the Indonesian's economy as written in Article 33 of the 194 Constitution 1945: "the economy shall be organized as a common endeavor based upon the family principle."⁷ This family principle was intended to create the economic system of socialism without class struggle, and democracy based on wise paternalistic relations (Reeve, 2013: 11-21). This cannot be separated from the ideology of the Javanese nationalist aristocrat, Ki Hadjar Dewantara, who metaphored the state as a family that should embody the different elements and interests as the common interests or should underlie unity of all things (Reeve, 2013: 22; Bourchier, 2015). In the family principle, the rural community is seen as inherently containing a collectivist character, so all interests can be bridged through cooperative as the manifestation of Article 33 (Hatta, 2009: 49).

⁶ On Hatta's radio speech to celebrate the cooperative day in 1951, 1952, and 1953, he mentions that, "The Indonesian economy must be built as collective enterprises based on the family principle, and this is cooperative!" (Hatta, 2015).

⁷ His thought contributes the ideas that cooperative must fulfil seven tasks, such as "(1) cooperative must enlarge the production, (2) cooperative must improve the quality of commodity production resulted by community, (3) cooperative must improve the quality of distribution the commodity resulted by community, (4) cooperative must improve the price of community's commodity, (5) cooperative must halt the exploitation of moneylenders, (6) cooperative must consolidate the capital, (7) cooperative must encourage the community's granary, (Hatta, 2015: 13-15)"

In 1949, a year after the invasion by Dutch military forces, Indonesia had its first cooperative congress. This congress was held by the socialist leaders who had already established a peasant organization called the Indonesia Peasants' Front (BTI). Both aspired to strengthen the agrarian reform in rural areas where cooperative was considered as the organisation of production appropriate to the abandoned colonial plantations. The former leader of BTI, M. Tauchid, had visions about self-redistribution of land by plantation workers' movement. He wrote that "the colonial leased (*erfpacht*) plantation lands must be distributed to the peasant household as manifested through the cooperative and the individual property right," (Tauchid, 2009: 379-380).

In the mid-1950s, when PKI was one of the successful parties in the national election, the peasant movement split into two currents which debated fiercely about the development of cooperative in rural areas. The first current of PKI prompted that peasant households should consolidate their property rights into the cooperative as collective property. BTI as the peasant organization affiliated with PKI worked to educate the peasantry about the social differences and class social contradiction in rural area. PKI's leader, D.N. Aidit (1963: 17), wrote that, "The landlords and moneylenders should not be united in the same farming cooperative with the landless or small peasant. They have different means of production and interests." The second current of the PSI party established a socialist peasant organization called GTI in order to confront the communist domination (Novrian, 2013: 63). They alternatively offered the family principles and the recognition of individual property right in underlying the cooperative practice.⁸ "There is no class contradiction in cooperative because of the cooperative membership based on the volunteerism," (Hatta, 2009: 64-66).

The idea of family principle in cooperative seemed more popular than the progressive cooperative of PKI. In 1959, cooperative could be easily fitted with the idea of functional representation (Golkar) enforced by Soekarno's Guided Democracy. It was defined as the profession organization that contributes to the development agenda (Reeve, 2013). In 1958, the idea of "functional representation" in National Councils such as the National Cooperatives Council (*Dewan Koperasi Nasional*) was set up formally, as mandated in the second cooperative congress. However, under Guided Democracy the economic situation was getting worse, with chronic inflation in the mid-1960 due to overspending on the national budget, particularly the allocation to the armed forces (Kian Wie, 2016). The PSI was forced to disband because of "the allegation of socialist members in being involved in the regional rebellion (Sjamsuel'arifin, 1957)."

In the same time, army General A.H. Nasution demanded the inclusion of the military in the functional representation system and the practices of Guided Democracy. His demands cannot be separated from armed forces' interest in appropriating the former colonial plantations and other companies which had been officially nationalized in 1958. In 1959, when Soekarno accommodated the powerful PKI party through the combination of nationalist, religion-based and communist ideologies (Nasakom), the army felt betrayed. This sharpened the friction between army and communist party which ended up with the persecution and killing of communist members in 1965.

The period of 1959-1965 was undoubtedly the most progressive phase in Indonesia's government before it shifted to be more permissive to international and national capital. For instance, the Cooperative Law in 1965 became the manifestation of the "family principle", but pushing it into a more revolutionary and socialist. The Cooperative Law was closely related to the Basic Agrarian Law of 1960, with Cooperative becoming the core organization of production after land reform, and being stated clearly as the peasant and workers movement against exploitation (Cooperative Law, 1965). One of the revolutionary agendas proposed by the PKI was the participation of Workers Councils in the management of former colonial companies. At the same time, the declaration of Martial Law 1957, consolidated the army's position and plan to take over all former colonial companies and acquire the

⁸ It can be read in the "Guidance of Indonesian Peasant Struggle (Perjuangan Tani Indonesia)" which is published by the center of Indonesian Peasant Movement in 1956. We found the book in the field confidentially and we were difficult to get its citation.

major stake in the economy, legitimized by its role in crushing regional rebellions (Reeve, 2013: 190; Bouchier, 2015).

During the 1965-66 Soeharto takeover, besides the military-orchestrated mass killing, imprisonment, enslavement, torture and enforced disappearance of suspected communist members, Soekarno's the Nasakom ideology was abandoned in favour of the doctrine of the armed forces military's dual (military and political) function (*dwi fungsi*) led by Soeharto and General Nasution (Final Report of the IPT 1965, 2015: 39-41). General Nasution said, "It is clear who the enemies are within.... The elements of these political adventurers or their supporters are being swept out," (Final Report of the IPT 1965, 2015: 40).

In 1966, General Nasution published the MPRS Resolution Number 20 as the sign of returning to the original constitution and Pancasila.⁹ All of the regulations which had been issued in the Guided Democracy period were eliminated, including the 1965 Cooperative Law, putting an end to the socialist and communist debate about cooperatives. It established a clear hierarchy of legal products from the constitution down to presidential decisions and created a positivistic legal principle including the interpretation of family ideology (Bouchier, 2015). Golkar became the political vehicle of the New Order in 1970s and legitimized the Army's control over the functional or professional organizations. New Order started its regime by publishing laws to liberalize political economy such as Laws No 9/1966 that returned Indonesia to the International Monetary Fund and International Bank for Reconstruction and Development, and a series of laws in 1967 that liberalized different aspects of the economy such as the law on foreign investment, the law on forestry, the law on mining and the law on cooperatives.

The Cooperative Law of 1967, in its Preamble, claimed that the 1965 cooperative law had betrayed the Constitution and Pancasila because it placed cooperatives as the manifestation of Nasakom politics. Soeharto also dissolved the Cooperative Council and established a new umbrella organization under the direct commands of the military and the president called Dekopin (Indonesian Cooperative Council).

In 1971, in the early years of Indonesia's Green Revolution, the New Order created the Village Enterprise Units (BUUD) and a few years later Village Unit Cooperative (KUD) which were used to distribute the new agricultural inputs (Wiradi, 1980: 10). In 1973, Soeharto published the presidential instruction establishing KUD as the vehicle for the processing and marketing of the peasant's yield, distributing farm inputs (fertilizer, seeds, and pesticides), managing the farming credit program, and counseling farming modernization (Presidential Instruction No 4/1973). Village heads were pressured by central government to mobilize the peasantry to fulfill Green Revolution targets (Tjondronegoro, 1989: 4-5). The cooperative movement was thereby coopted as an economic institution and instrument of government, instead of an egalitarian and self-managing peasant political organization as in the vision of BTI and GTI. Using the discourse of "family principle" and "mutual cooperation", New Order created the relation between state and citizens as father and son, which was reflected in similar paternalistic relations down to village level. The post-1965 cooperative thus became the manifestation of government control in rural areas, depoliticized by the instrument of military power through the set of new regulations and the parallel incorporation of all elements in society into military controlled mass organizations. This instrument has been legitimized by the familial principle, creating the imagination of a society without social class which integrates all interests in harmony including the moneylenders, landlords, peasantry and military.

Having given this sketch of the broader historical context and trajectory of Indonesian cooperatives, we can now turn to the case of Majusari Cooperative and explore how its internal organization and external relations have shifted in response to this changing context.

⁹ Foundational philosophy composed of five principles: (1) Belief in one god, (2) Justice and civilized humanity, (3) Indonesian's unity, (4) Democracy led by the wisdom of representative, (5) Social welfare.

3 Historical Background of Majusari Cooperative

In 1942-1952, during the turbulent period of the Japanese occupation, independence revolution and early independence years, the workers of the 780-hectare Straat Sunda Syndicat NV Cultuur Mij Majusari (established in 1908) independently occupied the plantation. Some workers –especially who were able to read and write – also went to the city and participated in the nationalist movement led by socialist ideologues.

During the Japanese occupation, the rubber plantation landscape had been turned into subsistence plots of rice, cassava, and corn to supply the Japanese forces. This was a period of great hardship and food crises. In 1945, after the Japanese capitulation, the Majusari community burned down the former colonial rubber factory and plantation, and devastated the plantation infrastructure to avoid invasion by the Dutch, who had a military base nine kilometers away from Majusari. While the ex-workers struggled to protect their subsistence plots, some of them more educated workers participated in the first cooperative congress led by socialist ideologues. They met M. Tauchid, the BTI leader, who inspired and supported the Majusari ex-workers to develop peasant's cooperative (Yudotomo, 2015: 49). "My father, without formal education, was able to be Tauchid's cadre for developing cooperative management and administering the self-redistribution of the land," said one of the cooperative management board members, Pak JE.

The proximity of ex-workers with socialist ideologues can be seen in the local success of the PSI in the 1955 elections. The abandoned office of Majusari Plantation was transformed into the office of PSI's peasant affiliate, the GTI. The ex-workers based their process toward cooperative organization on the GTI's guidelines for peasant struggle published in 1956. The debate between the socialist and communists about agrarian reform was clearly stated there and created sentiment towards the communist members. The GTI guidelines claimed that their rival of the BTI tended "to eliminate individual property rights, seize peasant's property without compensation, and distribute their consolidated property right to the landless as the use right (GTI, 1956)."

During the wave of persecution and killings communist members by military forces in 1965-66, Majusari cooperative and its members were able to survive by seeking the protection from General Nasution, who was known as the most prominent military leader opponent of the PKI.¹⁰ The year after Martial Law in 1957, Majusari Cooperative had obtained its legalization letter. In 1965, they were still in process of formalizing their self-distribution of land as an implementation of the 1960 Agrarian Law 1960 through the document of agrarian inspection letter (Kinag) to secure the subsistence plots of peasant household. Then, the rest of the undistributed land, approximately 280 hectares, was collectively managed as a rubber plantation under their collective ownership.

In 1966, Soeharto takeover created a big transformation in the Majusari Cooperative into an economic development instrument instead of a peasant movement (Noviandi, 2013: 143). In the 1970s Majusari Cooperative becomes a member of Dekopin, the central cooperative organization affiliated with the government party Golkar. The integration into functional memberships affiliated with Golkar had essentially changed cooperative aspirations into the narrower goal of business enlargement. One of the prominent cadre was continually participating in cooperative training provided by the government in 1980s and 1990s, such as, "Training of Cooperative's Intensification in Green Revolution", "Developing Enterprises Motivation", "Cooperative's Enterprises Management", and "Training on Cooperative as a Credit Institution.")" Most of the trainings were objected to increase the capacity of business management in order to compete into international markets. Chair of cooperative's board told us that, "Majusari Cooperative is the production cooperative and avoid shifting into credits cooperative which tends to manipulate its members."

¹⁰ Majusari community was able to get the protection of prominent military leader due to their participation in combating Dutch military aggression in 1945-1948 and the regional rebellion (DT/TII) in the 1950s (Novrian, 2013: 11). Those events are the legitimation of General A.H Nasution in Martial Law for accessing the abandoned colonial company and involving to the civil democracy.

The self-depoliticization of Majusari Cooperative has been intensified since the issuance of its long-term lease concessions (HGU) in 1989 and 2011. This period is known as the “third generation” because of the cooperative board’s chair has not been replaced yet for almost 30 years since 1988. In this third generation, the cooperative was able to formalize its collectively-owned plantation with the support of General Nasution who wrote a recommendation letter to the Ministry of Agrarian Affairs: “Please kindly help this cooperative to manage and legalize its rubber plantation,” (Novrian, 2013). This was followed with the issuance of individual property titles on the individually-farmed plots in 2001 and 2009. Such state involvement has vigorously encouraged the cooperative to be linked with the state-private associations such as the Indonesian Farmers Association (HKTI) Organization of Plantation Enterprises (GPP), and National Agribusiness Association (KTNA). The chair of the cooperative’s board has also mentioned that they need to enlarge rubber sheet production by expanding the networking with private sector companies such as Bridgestone and Gajah Tunggal. The rise of international demand for rubber sheets has enabled Majusari Cooperative to increase its productive assets, including 20 hectares of new cooperative property, 3 trucks, 1 minibus, and 3 cars.

By the 2000s, the third generation of cooperative members and officials seemed to be moving even further far away from the former vision of worker’s control as an egalitarian agrarian community. Instead of engaging in peasant political education, the new members (mostly born in the 1960s) were mostly participating in the technical assistance of improving rubber production for the private sector and government. In the push to maximize rubber production the cooperative’s boards have started to employ their own (non-member) neighbors as contract laborers, especially women workers. Some of the members who have been trained by private sector or government will get high position in the cooperative such as administrative officers, supervisors or head of production. The chair of the cooperative board always claims that Majusari Cooperative is maintaining their vision based on the “family principle”, which becomes their justification for employing workers from the neighborhood.

Majusari Cooperative has achieved much, both in land redistribution, combining different landholding systems and developing a successful organization to operate the rubber plantation (Shohibuddin, 2014). Yet their current internal dynamic cannot be distinguished from their incorporation into the state-governed apparatus of cooperative organization and control. They are slowly incorporating themselves into military-influenced mass organization such as Dekopin, HKTI and KTNA which tend to set cooperative back to the New Order model and turn them into business form, reproducing capitalist relations of production.

4 Cooperative’s Dilemmas

The “family principle” discourse disguises the social differences and class contradictions which may arise within cooperatives and society. As we have seen, in its early years, Majusari Cooperative was considered as a vehicle of workers’ control in a self-managed agrarian community. Cooperative was the instrument of struggle toward an egalitarian rural community through the distribution of subsistence plots and management of collective resources. The early members of the cooperative were the former colonial plantation contract coolies, and their more educated supervisors joined in the national independence movement. Majusari community was actively involved in the left political agenda with their participation in GTI and PSI. It was not taboo to talk about politics, and they were able to position themselves in the debates of the communist and socialist party about peasant movements and cooperatives.

With the emergence of the New Order regime the debate on cooperatives as the manifestation of the peasant politics has disappeared. It was gone since the incorporation of technocracy regime in rural areas. The cooperative has tended to avoid political and ideological regeneration, and this in turn has propelled the young generation into the labor market. Instead of creating egalitarian relations, the majority of the cooperative labor forces are no longer members but want to access cooperative membership as the guarantee of permanent labor contracts. These dilemmas in wage relations, unequal

access to land, and internal organization show how the cooperative, despite its continuing rhetoric of egalitarian relations, has fully integrated itself into capitalistic relations and authoritarian styles of management. The cooperative now faces three dilemmas, as outlined below.

The first dilemma is the technocratic trap related to the members' successful campaign for land ownership titling on private plots, the formalization of the cooperative's leasehold right, and the cooperative bureaucracy's shift in direction from an egalitarian peasant movement into an instrument of business enlargement. In 1980, the former colonial plantation concession (which covered the entire plantation area) had run out. This pressured Majusari Cooperative to negotiate their leasehold right for the plantation area (around 280 hectares) and subsistence plots for the second-generation peasant households (around 468 hectares).

The legal concession requires adherence to administrative and business targets. Cooperative needs clear tenure designation due to the amount of tax that they should be paid. So, in 2010, they tried clearer plantation mapping (by staff of the Ministry of Agrarian Affairs) to re-designate the cooperative's plots. They found more than 80 hectares difference in area between the actual plots and the (formerly mapped) formal plots. Based on the current mapping, the cooperative continually lobbied for the new leasehold right and gained it in 2011.

Having established the new leasehold right, the cooperative was encouraged to fulfill target of production by re-planting the entire concession with new grafting technology and optimizing latex processing into sheet rubber sheet. The current boards pushed cooperative members to upgrade their skill in grafting rubber trees, preparing the plots, planting technique, tapping latex, and processing rubber sheet. The chair of the cooperative's board had also participated in the New Order trainings in the Constitution and Pancasila in relation to industrial relations. The content of this training held by private companies, governments and universities shifts the cooperative aspirations towards reproducing capitalist industrial relations and business enlargement.

Since the rubber price boom of the 1990s, in the name of optimizing production, the cooperative has begun to employ wage labourers who are not cooperative members. In the current (third) generation, only 30% of Majusari's work forces are cooperative members. The rest of them are employed as contract labourers. The total numbers of registered members is 165 (125 men and 40 women). The total number of registered workers is 207, consisting of 19 permanent workers, 21 daily-permanent workers, 133 daily workers and 19 seasonal workers. Those 207 workers have a clear division of labor where all the supervisors, rubber sheet processing factory and tapping workers are men and the seasonal workers (employed in such tasks as cutting the grass) are mostly women workers.¹¹ Those few women who are in strategic positions as accountants and administrative staffs are mostly family members of the cooperative board's male members. This has changed the original cooperative aspiration of workers' control, where the workers own the means of production collectively and manage these without hierarchy. Sometimes the workers that have been employed by cooperative will call the chair of the cooperative board "boss" or "*juragan*" –terms used during the colonial period to address the head of the plantation. During the field research, *juragan* was repeatedly used by our respondents to refer Pak DE who has a double position as the chair of the cooperative board, and head of the plantation.

The lack of egalitarian relations in rubber production creates gaps between the cooperative's boards, cooperative member and the non-member workers. The board blames the non-member workers for their lower productivity in tapping latex, the destruction of rubber tree bark, and dishonest reporting of labour time. The board expects a sense of belonging among the workers who are mostly non-cooperative members. The workers are supposed to take care of the rubber tree's barks as collective

¹¹ The wage rates on the plantation have never been discussed in the cooperative members' meeting. The wage rates are usually adjusted to the prevailing wage in labor markets around southern West Java. The chairman said that the decision on wage rates is usually based from the Regional Minimum Wage rather than on negotiations with the workers and members of cooperative.

assets. However, the workers (members and non-members) perceive the cooperative as “factory” due to the wage labor relations and the hierarchy between tapping workers, supervisors and the head of plantation. They compare cooperative to a large factory by recalling to their previous background as migrant factory workers in the nearby cities and towns.

Women workers have less opportunity for career advancement in the plantation’s employment. Most of them are not members, and it takes them greater effort and time than the male workers to be recognized as members. As seasonal workers, women earn less than men, and when rubber prices fall (as at present) they are perceived as the second choice by the cooperative. The gendered jobs assigned to them (such as grass cutting) are seen as less essential than tapping latex and preparing the rubber plot for replanting. Most women workers have to accept these conditions as the only local option to fulfill their daily needs, and their dependence on these wages means that they continue working during pregnancy or menstruation.

The second dilemma concerns the cooperative’s class-biased policy on relations with contract farmers. Growing social differences have emerged since the formalization of land ownership and the emergence of rubber contract-farming relationships. Contract-farming excludes the landless, and incorporates the land owners and the cooperatives to enlarge the latex supply. The New Order discourse on “family relations”, which denies the existence of class differences, has turned the cooperative into a mirror of the prevalent rural social differentiation, as the cooperative officials became a class of wealthy farmers during the rubber boom of 2000-2005, while the cooperative workers were left behind.

A few years later, continuing high rubber prices encouraged the cooperative to enlarge its business by contracting local smallholders to plant rubber following the cooperative’s standards. These local farmers were encouraged to form clusters (of about 25 hectares total), with the cooperative providing all the required inputs of production on credit. At present, these contract-farming arrangements cover 315 hectares. But who is able to join this contract-farming scheme? Only those with 1.0 hectare or more (planted with 500 trees per ha) can make a reasonable income and cover the loan repayments to the cooperative. In the area around Majusari, it is the cooperative officials and former officials (one of whom also has an agricultural-input business) who own land on this scale. Their holdings were consolidated by the cooperative’s land-titling programs in 2001 and 2009. The officials and businessman own on average 4.3 ha of private land, while the plantation supervisors (foremen/*mandor*) have around 1.0 ha. The remainders, the cooperative member-workers, have only between 0.05 – 0.25 ha, and often find themselves working for wages as rubber-tappers on their own small plots.

Third dilemma, there is a pressing problem of democracy related to the question of internal regeneration and the continued involvement of the military in Indonesian cooperative organization. The prevailing paternalistic relations within the cooperative structure have increased the social differences between officials, member-workers, and non-member workers. There is no space for the plantation workers, male or female, to raise issues of justice and fairness, as the formerly democratic forums (such as the annual members’ meeting) have been co-opted as instruments of technocratic control since the Soeharto period. Although since 1988 “attendance money” has been provided to enhance the appearance of member participation, the decision-making normally is no more than a rubber-stamping of the officials’ proposals.

The technocratic nature of cooperative decisions and policies has created a highly paternalistic and authoritarian style of leadership. Only those with charisma, extensive experience and influence can become leaders, and for almost three decades (since 1988) there has been no change in the cooperative leadership. Pak DE had been trained in cooperative management and Pancasila ideology since the 1980s and during his leadership the cooperative developed close relations with both government and large-scale business, through his membership in various local and regional Boards and Associations.¹²

¹² Including membership of the Board of the Tasikmalaya District branch of DEKOPIN (Indonesia Cooperative

Besides these positions, Pak DE has been awarded various honors by the local government and even by Indonesia's President (as a successful cooperative leader in 2007). His extensive training, experience and prestige have greatly increased the distance between himself, the other cooperative officials, the ordinary members and the non-members workers.

5 Conclusion

As we have seen in the above case study, the shift away from the cooperative's orientation as a political movement of peasants has its roots in processes of depoliticisation supported by the ideology and discourse of "family relations" which have been imposed on cooperatives since the birth of the independent Indonesia. This ideology is assumed to pervade cooperative structures, in a rural society assumed as homogeneous, harmonious and supported by family values. This principle, however, was easily co-opted by the military-based authoritarian power structure which denies the existence of class contradictions in rural society. The cooperative movement became depoliticized over time through the involvement of the military and technocrats in mass organizations and anti-communist ideological training. The depoliticization of cooperatives, in turn, has opened the door to neoliberal practices in the day-to-day functioning of the cooperative.

This, as we have argued, has confronted the cooperative with three dilemmas. First, the technocratic embrace stimulated by the formalization of the plantation concession and individual land titles, and the ensuing business expansion involving the cooperative in new forms of wage labour relations with its own members and others. Second, growing social differences have emerged since the formalization of land titles and the emergence of rubber contract-farming relationships. Third, as we have seen there is a pressing problem of democracy related to the question of internal regeneration in the leadership.

If cooperatives are to become an instrument of worker control, they can only generate democratic and egalitarian relations if every member engages freely and actively in the cooperative's internal politics. As we have seen, the dominant business orientation instilled by the technocratic New Order government has resulted in inequalities in access to land, wage relations and paternalism in the cooperative's internal structure. These regrettable developments have meant that the cooperative has unconsciously integrated itself completely into the prevailing system of capitalistic relations and authoritarian, paternalistic governance.

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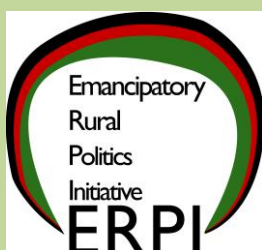
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The Emancipatory Rural Politics Initiative (ERPI) is a new initiative focused on understanding the contemporary moment and building alternatives. New exclusionary politics are generating deepening inequalities, jobless 'growth', climate chaos, and social division. The ERPI is focused on the social and political processes in rural spaces that are generating alternatives to regressive, authoritarian politics. We aim to provoke debate and action among scholars, activists, practitioners and policymakers from across the world that are concerned about the current situation, and hopeful about alternatives.

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