

GREEN PROMISES AND SOCIAL REALITY IN INDONESIA

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Today, land is no longer seen merely as a physical patch of soil, but as a fundamental element for life and the continuity of the biosphere. However, the ecological value of land is increasingly displaced by extractive interests that lead to exploitation and environmental degradation. This shift in land use creates a dilemma between economic needs and environmental sustainability, reflected in high deforestation rates and escalating agrarian conflicts.

According to classical economic theory, land value is greatly influenced by its proximity to the market. Johann Heinrich von Thünen, in *The Isolated State* (1826), stated:

“The cultivation of land becomes more or less profitable depending on its distance from the market.”

This illustrates that land value is not only tangible (such as physical soil), but also intangible—embodying social and functional significance. In the Indonesian context, pressure on land is intensifying alongside the rising economic value of land for palm oil plantations, mining, and other industrial projects, as described in the Bid Rent Theory. According to World Bank data, in 2022, 48.04% of Indonesia’s land area was still forested (approximately 95 million hectares out of a total of 181 million hectares). However, by 2024, net deforestation still reached 175,400 hectares, indicating weak ecological protection of productive land.

The 1960 Basic Agrarian Law (UUPA) is a key legal milestone in Indonesia’s land governance. It emphasizes that:

- Land is controlled by the state and utilized for the greatest prosperity of the people (Article 2);
- Customary land rights (hak ulayat) of Indigenous communities are recognized;
- Land redistribution through agrarian reform is encouraged as a means to achieve social justice.

Among these three principles, this essay focuses on the third: land redistribution as a path to social justice, which ideally includes ecological and socio-cultural considerations, especially Indigenous land rights. To realize the principles of UUPA, the government has launched several programs aligned with green economy frameworks that are socially and ecologically oriented:

1. Social Forestry
2. Land Redistribution (Agrarian Reform)
3. Climate Village Program (Program Kampung Iklim)
4. Village and Customary Forests

These programs aim to involve Indigenous peoples and local communities in their planning and implementation. However, field realities often diverge from the stated policies. Many Indigenous groups and smallholder farmers continue to face land conflicts and lack legal access to the land they have managed for generations.

Criticism of the slow realization of agrarian reform has surfaced in public protests. As expressed by a representative from the Kendeng Mountain Care Community Network (JMPPK) during a demonstration on September 24, 2019:

“There’s distrust in the agrarian reform agenda. President Jokowi had this big promise to distribute millions of hectares of land. So, when villagers tore up their land certificates, it was a form of protest against how poorly things are going.”
— Bambang Suteknyo

This was further emphasized:

“Here in Pati, we’ve been fighting against cement factories in Pati and Rembang. These companies are trying to seize thousands of hectares of farmland that locals depend on for agriculture.”

Agrarian reform has been a stated priority throughout President Joko Widodo’s two terms, embedded in his Nawacita vision and National Medium-Term Development Plan (RPJMN). Initially, the government targeted distributing 9 million hectares of land, split into two focus areas:

- Asset legalization: 4.5 million hectares (3.9 million ha of community-held land + 0.6 million ha of transmigration land)
- Land redistribution: 4.5 million hectares (4.1 million ha from forest areas + 0.4 million ha of former concession land and other state land)

Despite these ambitions, actual redistribution has lagged far behind. The following is a scenario-based projection up to 2045:

Scenario	Redistribution Rate	Total Land Redistributed (2025–2045)	Remaining Undistributed Land
Status Quo	100,000 ha/year	2,000,000 ha	1,300,000 ha
Optimistic	200,000 ha/year	4,000,000 ha	Fully Achieved
Pessimistic	50,000 ha/year	1,000,000 ha	2,300,000 ha

Without significant improvements in policy and implementation, by 2045 Indonesia will likely face:

- Persisting inequality in land ownership
- Widening agrarian conflicts
- Failure to achieve social welfare goals and recognition of Indigenous rights

Therefore, land management and agrarian reform programs must be reoriented to truly support social, ecological, and Indigenous justice. A green economy is insufficient if it is reduced to projects—it must be grounded in genuine alignment with the needs and rights of smallholders and Indigenous communities.