

MIFEE: Blessing or Calamity?



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Chapter I

I. Introduction

Today's population growth that is very rapid threatens the availability of fuel oil. Fuel oil availability in this world is getting limit then slowly creates energy crisis. Energy crisis creates a *biofuel complex* which is the fact of the increasing of crude oil production price and attempt to escape from dependence on oil-producing countries (Saturino M. Borrás, 2011). Biofuel Development is also seen as a means of increasing economic growth through investments and export, creating employment (especially in the plantation sector), and alleviating poverty in rural areas (International Energy Agency, 2008)

Therefore, along these five years Indonesia is taking effort to keep the national energy sustainable through a giant program called Merauke Integrated Food and Energy Estate (MIFEE). MIFEE itself is a program in Merauke, Papua province in Indonesia to fulfill the need and availability of food and energy of domestic even other countries. Energy here is biofuel energy which consists of biodiesel and bioethanol energy. Biofuel made of biological sources or biomass, such as palm oil, jatropha, corn, molasses and soy for biodiesel feedstock; as well as cassava, sweet potato, and maize for bioethanol feedstock. All of the biofuel feedstock is plant that is already known and can grow well in Indonesia.

Indonesian Vice-President, Budiono speech in World Conference on Food Security held by the Food and Agriculture Organization, in Rome, 2008, said that Indonesia is ready to provide food and energy to the world. Then, it became a national policy to produce that on a large scale by allowing the domestic and foreign investors to invest in agriculture. (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, 2012). However, the development of MIFEE program reaps many controversies. Merauke people rejected those program by the reason MIFEE will threaten their livelihood. MIFEE is also estimated as a tricks played on among parties to enrich themselves since the policy of MIFEE exists without considering its nasty impacts and tends to be assert. MIFEE program that is pro poor and pro environment is only an imagery of the government and be a guise of food and energy sustainability. It shows its neoliberal side, means pro the financial capital interest.

This paper will analyze and criticize this issue of MIFEE development program with energy in biofuel as the main topic has related to the food and land grabbing. Is MIFEE is the right solution for energy security? Or on the contrary, the

establishment of MIFEE just gives misery for the Merauke people?

II. Research Question

1. How did the MIFEE project can be implemented?
2. How was the dynamics among the stakeholders occurred when the policy of MIFEE was formulated?

III. Theoretical Framework

MIFEE program was designed by the political elite beyond the society understanding who is now become the victim. It makes MIFEE as a result of government policy, both local and center, guided by neoliberal perspective in which the government only a guard who sets the process of transaction. Not the people who get the huge profit but the availability of food and energy is given entirely to the market. Here, the capital owners control the government by monopolizing and lobbying them to create a set of policy and law, budget allocation, and conscription of the repressive apparatus. They make all of the accommodation and other things are being legal.

Neoliberal is a perspective that emphasizes absolute privatization, market, free trade and free of enterprises, and the use of government power to defend their property rights and market institutions (Harvey, 2007). Through MIFEE program, it can be seen that neoliberalism gives a big influence for the development policy. In his book, Karl Polanyi said that “the market will destroy the essence of nature and humanity in society. The market will destroy man physically and changing environment becomes extremely uncontrolled. Society will undertake efforts to protect themselves”. (Polanyi, 1944)

This paper analyzes by neoliberal perspective that MIFEE program is not the interest of many peoples. It only a result of “unhealth relations between capital owners and the government in the midst of society life” (Rachman, 2011).

IV. Hypothesis

- a) Political game did by the government and is controlled by the capital owners.
- b) MIFEE program gives negatives impacts toward the origin people of Papua.

Chapter II

Analysis

During this global development, fossil fuel as the the energy like oil become a significant problem for the countries around the world. Yet, the availability of fossil energy resources is getting limit since population growth increase more and more makes the demand jumps incisively. Whereas, fossil fuel is not renewable and cannot be use again. This matter cause energy crisis in 2008 attacked countries around the world, especially the imperialist country like United States.

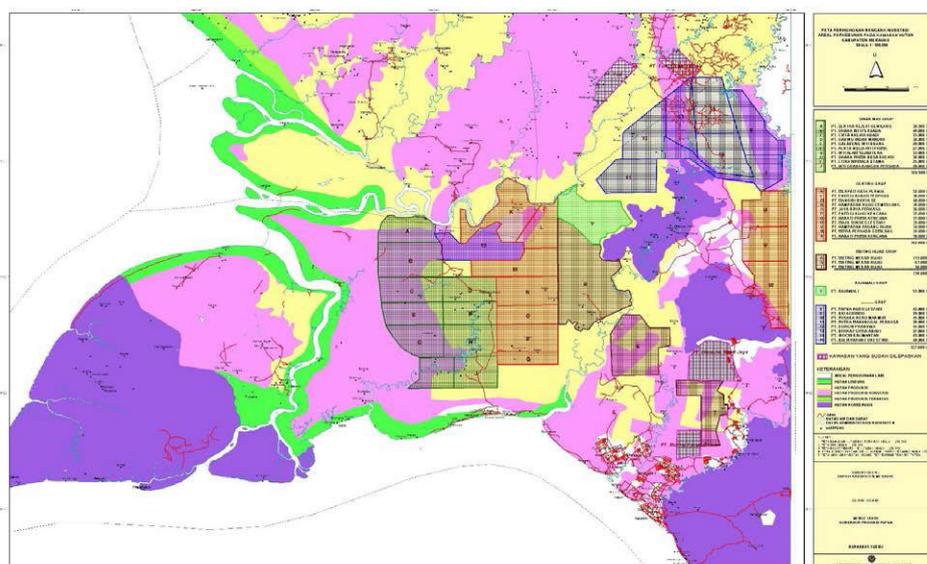
Because of that, researches tried to find alternative energy resources besides geothermal, wind and sun energy to citing climate change. One of the alternative energy is biofuel. Indonesia as the second largest palm oil producer after Malaysia (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, 2012) established a massive program called Merauke Integrated Food and Energy Estate to providing palm oils to create energy sustainable as the answer of energy crisis and decreasing poverty and unemployment.

A. **Background of Merauke Integrated Food and Energy Estate Program**

Initially, the MIFEE program proclaimed by District Head, Johannes Gluba Gebze as Merauke Integrated Rice Estate (MIRE) in 2007 since Gebze wanted to develop Merauke to be a rice basket of Indonesia but it failed. Then Gebze took the opportunity that Indonesia President at that time, Susilo Bambang Yudhoyono declared to seize the international food and energy crisis. The Presidential Instruction 5/2007 on the Acceleration of Development in Papua and West Papua (the names of the two provinces now comprising West Papua) and the Government Regulation No.39/2009 on Special Economic Zones (*Kawasan Ekonomi Khusus*, KEK) established Papua as a strategic location of national development fantasies. In 2010, Government Decree No. 18/2010 on Agricultural Crops created the format of Food and Energy Estates and Merauke became the flagship estate project (Resisting Agribusiness Development: The Merauke Integrated Food and Energy Estate in West Papua, Indonesia, 2011)

Later, the program officially launched on August 11, 2010, by the Ministry of Agriculture of Indonesia, Suswono, is designed to produce food crops and agrofuels. The invention of MIFEE is framed as serving food security and agribusiness export-led development (VWH, 2010) but also coincides with ambitious national plans for millions of hectares of biofuel estates (BWI 2007).

The term *Estate* is commonly used in Indonesia for housing complexes built by the private sector targeted for the middle to upper classes or called as real estate, while housing complexes for the lower strata is usually built by the government and have different names. Using the established presumption, the food and energy estate is visibly stated the exclusionary nature of the area, which is corporate agriculture (Naturalizing Land Dispossession: A Policy Discourse Analysis of the Merauke Integrated Food and Energy Estate, 2011)



Picture of Industrial Plantations Concessions in Merauke¹

The program is allocating 2.8 million hectares of lands² is projected to contribute 1.95 million ton of rice, 2.02 million ton of maize, 2.5 million ton of sugar, 167,000 ton of soybean, and 937,000 ton of crude palm oil per year (Naturalizing Land Dispossession: A Policy Discourse Analysis of the Merauke Integrated Food and Energy Estate, 2011). There are about 46 investors, consists of 36 domestic investors such as Bakrie, Medco Group, Wilmar, etc. and also 10 foreign investors such as Bin Ladin Group of Arab Saudi Kingdom, South Korea, China and Japan, etc. that will operate actively in MIFEE for 20 years ahead since the government believes that this program will be success if local and foreign investors are allowed to invest (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, 2012).

According to the Indonesian Vice-Minister for Agriculture, Bayu Krisnamurti, Merauke project can be developed as the biggest food and energy

¹ Source of picture: District Government of Merauke. This picture is captured from Resisting Agribusiness Development: The Merauke Integrated Food and Energy Estate in West Papua, Indonesia, 2011

² The large of land is according to data provided by the Merauke Regency government and is written in Resisting Agribusiness Development: The Merauke Integrated Food and Energy Estate in West Papua, Indonesia, 2011

estate in Asia with total investment of IDR 60 trillion. For the year 2010, the government was offering 100,000 hectares out of 500,000 hectares available for medium-term development (Land Grabbing for Food and Biofuel - Merauke Integrated for Food and Biofuel (MIFEE) Case Study, April 2012). Whereas, Merauke's gross domestic product is expected to reach US\$ 13,500/year in 2020 (Naturalizing Land Dispossession: A Policy Discourse Analysis of the Merauke Integrated Food and Energy Estate, 2011).

The twin pillars of the MIFEE are to produce not only food but also energy by turning sugar cane into ethanol in the name of renewable energy (Naturalizing Land Dispossession: A Policy Discourse Analysis of the Merauke Integrated Food and Energy Estate, 2011). So this program is supporting the agricultural business which produces food crops and plants for agro fuel. While the others will be plantations, fisheries and livestock. Merauke land will be an integrated agricultural zone accompanied with the establishment of big companies will growing well which support national food and energy security include supply the needs of export. This is the reason why this program is called as "Integrated Food and Energy Estate".

B. The Proponent Policy from Government

In 2006, to overcome the problem of energy supply, government created Presidential Decree No. 5 2006 about National Energy Policy. Those policy states that to create a conducive energy situation which is characterized by mix energy that will be achieved in 2025, the development of renewable energy sources as an alternative energy will be contributed about 10%, of which 5% is derived from biofuels and 5% comes from geothermal (Rachman, 2011). The policy is subsequently followed by the publication of Presidential Instruction No. 1 of 2006 about the Supply and Use of Biofuels as an alternative fuel. The government's commitment about alternative energy is then reinforced in Focus Economic Program 2008-2009, as stated in Presidential Decree No. 5 of 2008 (Rachman, 2011).

Meanwhile, Merauke government has effort to increase the standard of life by spreading the development in the region. According to Law No. 25 of 2004 about National Development Planning System, the government of Papua province also had decided Intermediate Distance Development Plan of Papua province for 2006-2011, which the target is to improve the quality of life of all people in Papua, especially the indigenous people of Papua (Rachman, 2011).

Consider about the President Instruction offered food and energy estate in the eastern Indonesia, government of Papua province is very appreciate and support those policy. This matter is stated in letter of Papua Government toward President No. 050/1879/SET, on Mei 26 2010 (PenataanRuang.Net, 2010). Between 2007 and 2013, Regional Government of Merauke Regency and Papua province had publish Location License for the land from 20.000 Ha until 301.000 Ha and Recommendation Letter to permit and aim companies application in order to get Wood Utilization Operation Permit; Release of converted Production Forest Area; Forest Area Permit for Mining and Non-mining Operation Production; Permit of Area; Permit of Plantation; Spatial Reference; Big Plan of Plantation Development; Increasing of Land (Programme, 2013).

Moreover, the MIFEE program is supported by several laws such as Law No. 41 of 1999 on Forestry; Law No.18 of 2004 on Plantation; Law No.7 of 2004 on Water Resource; 2005 Agricultural Revitalization; Law No.25 of 2007 on Investment then the Law No.41 of 2009 on the Protection of the Sustainable Agricultural Land (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, 2012).

Furthermore, other laws such as Law No. 39 of 2009 about Special Economic Zone; Government Regulation No. 26 of 2008 about National Spatial Plan establish Merauke as a key region for agricultural and plantation; Law No. 41 of 2009 on the Protection of Sustainable Agricultural Land and the Government Regulation No.18 of 2010 on Cultivation justified private companies to occupying the land in Papua (Franky); Law No. 41 of 2009 allows local and foreign investments and the production and trade of agricultural products both for the domestic and export markets (Programme, 2013) are more strengthening the government support toward MIFEE.

The providing laws and policies cause controversies since those laws and policies are facilitating the investors to control and plunder a whole of natural resources in Merauke. It shows that whether local and center government takes side with the investors guidance by neoliberal perspective that are rooted in several conflicts such as land grab, the survival of society in Merauke, even human rights. That is why some researchers claim MIFEE as *“Forbidden child of 3F and 2C (Food, Feed, Fuel and Climate Change). The result of the infidelity of the owners of capital and government economic interest-seeking in the narrowness life of many people”* (Rachman, 2011).

C. The Dynamics Relationship among Stakeholders

As a massive program, the establishment of MIFEE appealing a number of investors both local and foreign. Minister of Agriculture said that there are 36 local companies, some of them are: Medco Group, Rajawali Group, Wilmar Internasional, Murdaya Poo Group, PT. Bangun Tjipta Sarana, Sinar Mas Group, Artha Graha Group, and several State-Owned Enterprises such as PT. Perkebunan Nusantara (PTPN), PT. Sang Hyang Seri, PT. Pertani, PT. Padi Energi Nusantara (Rachman, 2011).

Tabel 1. Perusahaan yang Berinvestasi di Kabupaten Merauke

No	Nama Perusahaan (PT.)	Luasan (Ha)	Perijinan	Wilayah Konsesi (Distrik)
1	PT. AGRINUSA PERSADA MULIA	40.000	SK. No. 4 Tgl 13-01-2010	MUTING
2	PT. AGRIPRIMA CIPTA PERSADA	33.540	SK. No. 42 Tgl. 22-02-2010	MUTING
3	PT. AGRI SURYA AGUNG	40.000	SK. No. 280 Tgl. 16-11-2009	TUBANG; NGGUTI; ILWAYAB
4	PT. ANUGRAH REJEKI NUSANTARA	200.000	SK. No. 43 Tgl. 22-02-2010	TABONJI
5	PT. BALIKPAPAN FOREST INDO	40.000		ULILIN
6	PT. BANGUN CIPTA SARANA	14.000	SK.No. 97 Tgl. 28-05-2008	TANAH MIRING; SEMANGGA
7	PT. BERKAT CITRA ABADI	40.000	SK. No. 13 Tgl. 16-1-2007	ULILIN
8	PT. BIO INTI AGRIGINDO	39.000	SK. No. 9 Tgl 16-01-2007	ULILIN
9	PT. CENDRAWASIH JAYA MANDIRI	40.000	SK. No. 90 Tgl. 20-03-2010	KURIK
10	PT. CENTRAL CIPTA MURDAYA	31.000	SK. No. 15 Tgl. 26-01-2010	ULILIN; ELIKOBEL; MUTING
11	PT. DIGUL AGRO LESTARI	40.000	SK. No. 78 Tgl. 09-05-2008	TUBANG
12	PT. DONGIN PRABHAWA	39.800	SK. No. 12 Tgl. 16-01-2007	NGGUTI; KAPTEL
13	PT. ENERGI HUAU KENCANA	90.225	Rek. No. 522.2/011 Tgl. 06-01-2009	ELIKOBEL
14	PT. ENERGI MITRA MERAUKE	40.000	SK. No. 113 Tgl. 23-04-2010	OKABA; TUBANG; NGGUTI
15	PT. HARDAYA SUGAR PAPUA	44.812	SK. No. 3 Tgl. 11-01-2010	JAGEBOB
16	PT. HARDAYA SAWIT PAPUA	62.150	SK. No. 2 Tgl. 11-01-2010	JAGEBOB
17	PT. INOCIN KALIMANTAN	45.000	Rek. 522.2/3499 Tgl	ULILIN
18	PT. INDOSAWIT LESTARI	14.000	SK. No. 97 Tgl. 07-08-2006	TANAH MIRING; JAGEBOB
19	PT. KARYA BUMI PAPUA	30.000	SK. No. 112 Tgl. 23-04-2010	KURIK; MALIND
20	PT. KERTAS NUSANTARA	154.943	Rek. 522.1/2700 Tgl 23-10-2008	NGGUTI; OKABA; TUBANG
21	PT. KHARISMA AGRI PRATAMA	40.000	SK. No. 278 Tgl. 16-11-2009	TUBANG
22	PT. MEDCO PAPUA INDUSTRI LESTARI	2.800	SK. No. 205 Tgl. 18-08-2007	KAPTEL
23	PT. MEDCO PAPUA ALAM LESTARI	74.219	Rek. No. 522.2/415 Tgl. 18-02-2010	KAPTEL; NGGUTI
24	PT. MEGA SURYA AGUNG	24.697	SK. No. 277 Tgl. 16-11-2009	KAPTEL
25	PT. MUTING JAYA LESTARI	40.000	SK. No. 77 Tgl. 09-05-2008	TUBANG; ILWAYAB
26	PT. MUTING JAYA LESTARI	3.000	SK. No. 171 Tgl. 04-08-2008	SEMANGGA
27	PT. NUSANTARA AGRI RESOURCES	40.000	SK. No. 279 Tgl. 16-11-2009	NGGUTI; ILWAYAB
28	PT. PAPUA AGRO LESTARI	39.800	SK. No. 8 Tgl. 16-01-2007	ULILIN
29	PT. PLASMA NUTFAH Malind PAPUA	67.736	Rek. No. 522.2/2311 Tgl. 04-09-2008	OKABA; KAPTEL

30	PT.SELARAS INTI SEMESTA	301.600	Rek. No. 522.2/3574 Tgl.18-08-2007	KAPTEL
31	PT.SUMBER ALAM SUTERA	15.000	SK.No.72 Tgl.08-04-2009	KURIK
32	PT.TEBU WAHAN KREASI	20.282	SK.No.114 Tgl.23-04-2010	TANAH MIRING
33	PT.ULILIN AGRO LESTARI	30.000	SK.No.160 Tgl.16-01-2007	ULILIN
34	PT.WANNAMULIA SUKSES SEJATI	61.000		ANIMHA
35	PT.WANAMULIA SUKSES SEJATI	96.553	Rek. No. 522.2/1959 Tgl.01-08-2008	KAPTEL; MUTING
36	PT.WANAMULIA SUKSES SEJATI	116.000	Rek. No. 522.2/222 Tgl.21-01-2009	KAPTEL;OKABA; NGGUTI;MUTING
	TOTAL	2.051.157		

Table of list of companies that invest in Merauke³

Three top conglomerates such as Medco, Bakrie and Wilmar have already expressed their intentions to develop the sugarcane plantation that integrated the sugar and ethanol factories. Their investment is estimated to reach IDR 9 trillion (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, April 2012).

Medco is one of the key business groups in MIFEE which is an oil company that also involved in energy, agribusiness, finance, manufacturing, real estate and hotels. Medco is an active proponent of the whole MIFEE concept, and has established its own Merauke Integrated Food and Energy Estate Research Centre that is “promoting bio fuel experiment that will support energy resilience for the country” (Medco Foundation). The founder and former CEO of Medco Group⁴ also Indonesian tycoon, Arifin Panigoro writes in his book:

Areas of 11 million hectares in south Papua, covering Merauke, Asmat, Mappi, Boven Digoel districts, have almost never been touched by agriculture, and it reminds the author of tiny peasant-farmers’ paddy-fields (*sawah*) today. The total figure of paddy field in Indonesia today is twelve million hectares. If the idle lands in Merauke were touched by productive hands, our food security will grow stronger. Moreover, those agricultural products could be processed to become renewable energy (biofuel) for domestic need. In short, from the solitude and virginity of Merauke, I could have a better understanding of the thought of Thomas L. Friedman about the contemporary world which is hot, flat, and crowded, and his insistence to a green revolution in all part of the word to sustain life on this earth. Thus, we need food, education, and energy. It is our task together to flatten Indonesia. Without free movements of goods and services and the sturdiness of food, education and energy triangle, the hot and flat world will destroy us. (Arifin Panigoro, 2009)

³ Source of table: BAPINDA, Merauke Regency. This table is captured from Rachman, 2011

⁴ Medco Group is a multinational company was founded in 1980 and is based in Jakarta, Indonesia. See <http://www.medcogroup.co.id/>

According to Arifin Panigoro's brother, Hilmi Panigoro, the involvement of Medco group in MIFEE will focus on biofuel industry. Regarding the statement of Arifin Panigoro above, Hilmi Panigoro thinks that Indonesia has bright prospect for biofuel industry if the government consistently implement its commitment and plan to make the industry grow. Consider that Brazil has the best practice in industry as well as in the ways of government design the national biofuel program, Indonesia can learn about this matter from Brazil (Hilmi Panigoro 2009).

In this massive investment Medco Group is company that has the largest land area up to 378.619 Ha, following the Central Cakra Murdaya Group has a total land area of 137.963 Ha. Then, following subsidiary company of Rajawali Group and Korindo Group, the land area of both reached 180.00 Ha. Sugarcane and palm oil that they produce are for commercial produce and export (Yayasan Pusaka, 2011).

The interesting one is most of the local owners of capital in MIFEE are the usual suspects from the of agribusiness and logging conglomerates that reaped super profits under general Suharto's export-oriented "New Order". Pre-MIFEE concession permits were given to Sinar Mas, Muting Hijau and Rajawali groups, for conversion to pulp and palm oil plantations (Resisting Agribusiness Development: The Merauke Integrated Food and Energy Estate in West Papua, Indonesia, 2011).

The key players in MIFEE have political connections. Hashim Djojohadikoesoemo, the owner of The Comexindo Group, is the brother of ex-commander of Kopassus and son-in-law of Suharto, Prabowo Subianto. PT Bangun Cipta Sarana, has a close relation to Siswono Yudo Husodo, the former Suharto's minister of interior and minister of transmigration. Another company, Artha Graha, is the owner, Tommy Winata, has well-connection to the military in West Papua and has been involved in various infrastructure projects. While, Arifin Panigoro, the owner of Medco, was an influential politician with the PDI-P (Resisting Agribusiness Development: The Merauke Integrated Food and Energy Estate in West Papua, Indonesia, 2011)⁵

For the foreign investors, a Chinese state company was reported to be planning a one million hectare palm oil biofuel together with Sinar Mas Group (EIA and Telepak 2009). The Saudi Arabian Bin Laden Group invests USD 4.3 billion for rice production in the area of 500.000 Ha (Anon 2008, Ichwan 2008),

⁵ The journal takes information from Klute 2010, Papua Forest Eye 2010

and the Japanese corporation Mitsubishi and the Korean corporation LG were also associated with the project (Tapol and Dte 2010). In 2009, LG International (2009) announced that it had secured a “massive forestry concession in Papua” through a joint venture with the Indonesian Medco Group in a company called Metra Duta Lestari.

Genting Group, Malaysian timber and palm oil corporation, has 300.000 Ha land area to plan palm oil and biofuel production. Rajawali Group that is owned by a billionaire, Peter Sondakh, also has the investment for about 70.000 Ha. (Resisting Agribusiness Development: The Merauke Integrated Food and Energy Estate in West Papua, Indonesia, 2011). Besides that, palm oil giant, Wilmar⁶, has also been reported to have been offered 200,000 Ha for sugar cane plantation since they got the permit in September 2009 with total investment around 2 billion USD (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, April 2012).

In addition, foreign investors from South Korea, PT Dongin Prabhawa, which is a subsidiary of Korindo Group of South Korea, will open the oil palm plantation of 25,000 hectares and also develop the crude palm oil factory in Merauke with the investment of 150 million USD. Public Relations Head of PT Dongin Prabhawa said that this company open the forest for oil palm plantation of 34,058 Ha with total number of working force around 4.000 people (Land Grabbing for Food and Biofuel: Merauke Integrated for Food and Biofuel (MIFEE) Case Study, April 2012).

The establishment of MIFEE with its goal to providing biofuel in energy term was allegedly an unhealthy relationship between government and the owners of capital so that this program is called as “*Forbidden child ... The result of the infidelity of the owners of capital and government economic interest-seeking in the narrowness life of many people*”. The decision of Government Regulation No. 18 of 2010 issued by the central government with a pretext to implement the

⁶ Wilmar is the biggest palm oil in the world for about USD 17.9 million and one of the biggest plantation company in Indonesia and Malaysia. This company was founded in 1991 by Indonesian person, Martua Sitorus in Sumatra. He founded Wilmar International with Kuok Khoon Hong (He is Robert Kuok's nephew, the king of sugar and property company in Malaysia) then headquarters in Singapore. Approximately 30% of crude palm oil that is processed by Wilmar comes from its own palm oil plantation while the rest was purchased from other suppliers. Wilmar ever received big financial support from International Finance Corporation, a branch of World Bank. Wilmar gets many critics since it failing to comply with the law, taking people's land without the agreement of the people, open forests without prior the environmental impact assessment and burn the land illegally. There are many land disputes between Wilmar and local communities, as well as conflicts over the way they treat the small farmers. See www.forestpeoples.org/id/tags/wilmar-international

provision of Article 46 and 51 of Law No. 12 of 1992⁷ become a major controversy. This Government Regulation is presumably intended to accommodate the interests of private companies in the acquisition and use of land and development of agriculture and plantation on a large scale. Government which states that the basic objective of this program is to strengthen national food and energy security and supply of exports has promised a special facility to investors such as tax holidays, licensing, fiscal and non-fiscal facilities, etc (Rachman, 2011).

Effort and process of political policy in MIFEE tends to favor the capital interest rather than the interest of society since the process of policy making is far from Merauke community participation. Although the government of Papua has a big support toward MIFEE with a set of related policies, there is no one knows and get information about the assessment process and the preparation of Spatial Planning. Government never give socialization, all meetings to approve MIFEE are involuntary, no protection on human security, land rights and food security resulted in the origin people are entangled by a complicated economic that is controlled by the owners of capital. They only got imagination information about benefits, gain compensation and promises of development. Until it goes to resulted in the emergence of tension and conflict between the community and investors.

Currently, the government is preparing a Draft Law of Land Acquisition for Development which is full of controversy since it is in contradiction with constitution and social aspect. This draft is suspected to pass and pave the interest of capital owners in controlling of land, include MIFEE. Government determined to encourage this because of the insistence of capital owners. For example, KADIN (Chamber of Commerce and Industry) continue to voice and push the government for a tax exemption policy and fiscal incentives to support investment. In the 18th meeting of ASEAN Summit in Jakarta, 2011, the Minister of Agriculture was still invited investors from ASEAN countries to invest in Papua. They are active on invited foreign investors and produces policies to facilitate investment interests of MIFEE (Yayasan Pusaka, 2011).

Indonesian government is hungry of the investment has become a stooge of neoliberal regime. The government chose the steps that adequate of food and energy can be met through industrialization by setting up a legal umbrella with

⁷ This law is about Cultivation System. The scope of this Government Regulation includes cultivation, cultivation permits, and founding and role of community.

extensive involvement of the private sector (Rachman, 2011). The state not only utilizes legality to pave the way for the land dispossession by corporate actors, but also creates consensus between various state, corporate, and local actors through integrating them (Naturalizing Land Dispossession: A Policy Discourse Analysis of the Merauke Integrated Food and Energy Estate, 2011). It can be seen in the case of MIFEE domestic political game into a thing taken lightly for the elite. Policy on land acquisition and supply of cheap labor on a large scale for industry, as well as economic dependence on capital owners spoiling the image of country and the survival of the community.

D. **The Impacts of MIFEE**

The establishment of MIFEE is not give luck but only destruction and suffering for the origin people of Merauke, Papua. Merauke people are being so inflicted by the investors who behave arbitrarily toward their land and their tribal life.

Malind tribe, the Merauke origin people, their life cannot be separated from the forest. Their staple food is sago starch where it comes from trees that grow in the forest. Their lives also depend on the animals they hunted in forest. As the origin people of Merauke, they fulfill their lives by farming, gathering food and hunting in forest, they never touched the modern stuff even the technology. Malind people live really close to nature. But now, their life is not as pleasant as before. MIFEE program grabs the land of Merauke people. This greedy project chopped down almost of the natural forest. The companies had taken over the public lands by cheating, manipulation and intimidation, only with lower compensation Rp. 2000,00 up to Rp. 300.000,00 per hectare for 35 years. Tribes around the companies also lost their livelihood. They become unskilled labors perforce with pay below standard: Rp. 70.000 per day (Saturi, 2014)

Land grabbing also has rooted in starvation. In the early of 2013, five children has died in Zenegi village⁸ because of the malnutrition and deases caused by polution and robbery of Zenegi's plantation. The company destroy their land by presenting them with a gift of 300 million rupiah in December 2009 and attachment to signed gift given by company to log timber for a fee of Rp. 2000,00 per m³, whereas the normal rate is ten times higher (R. Yando Zakaria, 2010).

⁸ Zenegi village is one of the village in Merauke which its land is occupied by PT. SIS, a subsidiary of Medco Group

It is indeed that biofuel is the right way to reduce the environmental impact due to energy consumption from conventional fuels and it is expected to solve environmental problems without affecting economic growth. Yet, according to Gallagher report (Saturino M. Borrás, 2011) it predicted around 500 million hectares of land is needed fulfill the biofuel in 2010. So then, the availability of food and land would be the effect. In another words, to meet the global demand will lead to a competition between biofuel, food, and environment in which humans, animals and plants become the victims.

Consider that Papua origin people has not good ability to working on the companies since they used to live from nature and their education is still low. Investors may not fully rely on the ability of Papua people for their company, so they bring in labor from outside Papua. It is predicted that around 2 until 4 million working force come in to Merauke only for MIFEE. This is a big challenge for origin people since the number of imported working force make up more than half of Merauke's population will change the demographical order and it definitely will create conflicts with Papua tribes.

In addition, besides those conflicts rising because of MIFEE program, one thing that is most apprehensive is the involvement of military personnel in this mega project. All of the MIFEE companies use military as a security force to apply pressure and violence in the process of getting land, secure and speed up the company's operation as well as to face the society's protests. Those who oppose even destroy the company's land will be caught and killed by accusation as a part of the OPM (Free Papua Organization). It is extremely alarming because the military should not be involved in this case, especially with the violence that led to human rights violations. This will only lead to greater pressure on the indigenous people of Papua.

It is true about what Vel said (Vel, 2010) that there is always a certain tension in the process of development interventions. Due to the construction of "not only in the form of direct action design to complete goals can be set in advance" but also about the competition between the new activities with existing ones. Whether in terms of time and resources, in terms of organization, and the most important is competition among ideas (Rachman, 2011).

However, to cope with increasingly deep tensions, about 27 non-governmental organizations in human rights and environmental rights from

Indonesia, England and Germany had proposed a letter of application⁹ toward Convention on the Elimination of Racial Discrimination (CERD) in Geneva. This letter is urging and recommend United Nations commission to pay attention and consider the Malind tribes and other Papua people that their life is threatening because of MIFEE. Not only that, various community and communication forum from several region including outside Papua joined together into organization movement against MIFEE called Solidaritas Rakyat Papua Tolak MIFEE (Solidarity of Papua People Rejected MIFEE). It shows that how big and serous the damage and mess made by MIFEE until various parties pay a great attention to it.

⁹ This latter of application consists of 40 paragraph, published by Forest Peoples Program in July 25 2013 with title “Application for Further Consideration of the Situation of Indigenous Peoples of Merauke, Papua Province, Indonesia, in Urgen Action Procedures and Early Warning of Elimination of Racial Discrimination Commission”

Chapter III

Conclusion

Rising oil fuel and the depletion of world oil supply requires us to find new energy resources. In this case, biofuel is the rights energy to overcome the energy crisis. Indonesia through Merauke Integrated Food and Energy Estate (MIFEE) trying to maintain energy security through biofuel they planted in this project. The project is considered appropriate to maintain energy security, including food, both domestic and abroad. But in fact, this project provides huge negative impacts on the survival of the Merauke people. Land grabs, food scarcity, economic crisis, and human rights violations plagued their lives.

However, there are consequences from the development; there must be losers and benefited. And in this case Merauke people are the one who become the victims. While government and capital owners are the parties who achieve huge profits from it. Biofuel revolution creates a complex relationship between the state, capitals, and the society. We can see in this case how easily capitals control the government to create a set of policy and law without considering the condition of peoples.

Facilities on infrastructure, social and economic institutions are also needed by the people of Merauke. Even more important is the understanding, respect, and protection of basic rights of indigenous people of Papua from the government and security apparatus. Here, the government is the main character to be able to uphold their right to life, not take side with the owners of capital.

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