Oil Palm in Indonesian socio-economic improvement: a review of options

Description

The Indonesian government has used oil palm as a major tool of rural socio-economic improvement, doing this through ‘nucleus estates’
operated by estate companies and through assisting individual smallholdings. The initiatives have together raised the incomes of more than 500,000 farmers, and may be judged successful market interventions which are far superior to laissez faire. But although the average economic and social performances of both initiatives have been reasonable, their outcomes...[Show more] have been variable.

The nucleus estates have sometimes suffered from faulty management, bad community rapport, difficult land conversions, and the mistakes of government agencies and settler cooperatives. They were also discontinued in 2001, due to scarce finance. The assistance to individual smallholdings has always had short funding, limiting its scope. Both initiatives were commenced under the New Order, and face new challenges in the present era of democracy and otonomi daerah. The analysis of this paper nonetheless shows that these Indonesian interventions should be continued, albeit with more capital being provided and their deficiencies being remedied. It denotes that the interventions compare well with official efforts in other countries, strengthening the general case for public action to assist poor rural dwellers.

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Review of current palm oil mill effluent (POME) treatment methods: Vermicomposting as a sustainable practice. World Appl. Sci. Oil palm in Indonesia socio-economic improvement: a review of options. Working Paper (Australian National University, Canberra, Australia). [119] Zulkifli, H., Halimah, M., Chan, K.W., Choo, Y.M., Mohd Basri, W., 2010. Sources: Indonesian Palm Oil Producers Association (Gapki) & Indonesian Ministry of Agriculture. The table above shows production of palm oil has grown rapidly in Indonesia over the past decade. The Indonesian Palm Oil Association (Gapki) stated that its target is to see Indonesia producing at least 40 million tons of CPO per year from 2020. According to data from Indonesia's Statistics Agency (BPS) the total area of oil palm plantations in Indonesia is currently around 11.9 million hectares; a figure that is about three times higher than in the year 2000 when around four million hectares of Indonesian soil was used for palm oil plantations. This figure is expected to increase to 13 million hectares by the year 2020. The oil palm industry has transformed rural livelihoods and landscapes across wide swathes of Indonesia and Malaysia, generating wealth along with economic, soc... CHAPTER 3 Interventions to Promote Smallholder Oil Palm and Socio-economic Improvement in Indonesia. (pp. 78-108). Zahari Zen, Colin Barlow, Ria Gondowarsito and John F. McCarthy. DOI: 10.2307/j.ctv1xz0km.8. For four decades, the Indonesian state has pursued developmental policies that saw oil palm as a major vehicle for rural socioeconomic improvement. During the New Order period (1966–98) the state followed a model of government intervention to promote smallholder development. Oil palm has increasingly been established on peatlands throughout Indonesia. One of the concerns is that the drainage required for cultivating oil palm in peatlands leads to soil subsidence, potentially increasing future flood risks. For the economic analysis, we analyzed four ecosystem services: oil palm production, jelutung production, carbon sequestration, and orangutan habitat. We developed two scenarios to compare different management options: (1) conversion of the whole area to oil palm plantations involving drainage of all the peatlands in the area and (2) a mixed land use scenario involving protection of currently
remaining peat forests, oil palm on mineral land and in areas that are currently intensively drained, and jelutung (Dyera spp.) plantation forest. Oil palm in Indonesian socio-economic improvement: a review of options. Z Zen, C Barlow, R Gondowarsito. Malaysian Palm Oil Board, 2006. World palm oil supply, demand, price and prospects: focus on Malaysian and Indonesian palm oil industry. R Abdullah, MB Wahid. Malaysian Palm Oil Board Press, Malaysia, 2010. 61. 2010. The optimal age of oil palm replanting. A Ismail, MN Mamat. Oil palm industry economic journal 2 (1), 11-18, 2002. 54. 2002. An economic analysis of the Malaysian palm oil market. BA Talib, Z Darawi. Oil Palm Industry Economic Journal 2 (1), 19-27, 2002. 54. 2002. Prospects of elevating national oil palm productivity: a Malaysian perspective. BS Jalani, Y Basiron, A Darus, KW Chan, N Rajanaidu. Review of current palm oil mill effluent (POME) treatment methods: Vermicomposting as a sustainable practice. World Appl. Sci. Oil palm in Indonesia socio-economic improvement: a review of options. Working Paper (Australian National University, Canberra, Australia). [119] Zulkifli, H., Halimah, M., Chan, K.W., Choo, Y.M., Mohd Basri, W., 2010. Sources: Indonesian Palm Oil Producers Association (Gapki) & Indonesian Ministry of Agriculture. The table above shows production of palm oil has grown rapidly in Indonesia over the past decade. The Indonesian Palm Oil Association (Gapki) stated that its target is to see Indonesia producing at least 40 million tons of CPO per year from 2020. According to data from Indonesia’s Statistics Agency (BPS) the total area of oil palm plantations in Indonesia is currently around 11.9 million hectares; a figure that is about three times higher than in the year 2000 when around four million hectares of Indonesian soil was used for palm oil plantations. This figure is expected to increase to 13 million hectares by the year 2020. The oil palm industry has transformed rural livelihoods and landscapes across wide swathes of Indonesia and Malaysia, generating wealth along with economic, soc... CHAPTER 3 Interventions to Promote Smallholder Oil Palm and Socio-economic Improvement in Indonesia. (pp. 78-108). Zahari Zen, Colin Barlow, Ria Gondowarsito and John F. McCarthy. DOI: 10.2307/j.ctv1xz0km.8. For four decades, the Indonesian state has pursued developmental policies that saw oil palm as a major vehicle for rural socioeconomic improvement. During the New Order period (1966–98) the state followed a model of government intervention to promote smallholder development. Oil palm has increasingly been established on peatlands throughout Indonesia. One of the concerns is that the drainage required for cultivating oil palm in peatlands leads to soil subsidence, potentially increasing future flood risks. For the economic analysis, we analyzed four ecosystem services: oil palm production, jelutung production, carbon sequestration, and orangutan habitat. We developed two scenarios to compare different management options: (1) conversion of the whole area to oil palm plantations involving drainage of all the peatlands in the area and (2) a mixed land use scenario involving protection of currently remaining peat forests, oil palm on mineral land and in areas that are currently intensively drained, and jelutung (Dyera spp.) plantation forest. Oil palm in Indonesian socio-economic improvement: a review of options. Z Zen, C Barlow, R Gondowarsito. Malaysian Palm Oil Board, 2006. World palm oil supply, demand, price and prospects: focus on Malaysian and Indonesian palm oil industry. R Abdullah, MB Wahid. Malaysian Palm Oil Board Press, Malaysia, 2010. 61. 2010. The optimal age of oil palm replanting. A Ismail, MN Mamat. Oil palm industry economic journal 2 (1), 11-18, 2002. 54. 2002. An economic analysis of the Malaysian palm oil market. BA Talib, Z Darawi. Oil Palm Industry Economic Journal 2 (1), 19-27, 2002. 54. 2002. Prospects of elevating national oil palm productivity: a Malaysian perspective. BS Jalani, Y Basiron, A Darus, KW Chan, N Rajanaidu.