

# CUSTOMARY LAND TENURE AND LANDLESS FARMERS IN JAVA, INDONESIA: THE CHALLENGES AND PROSPECTS FOR SUSTAINABLE DEVELOPMENT

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## CUSTOMARY LAND TENURE AND LANDLESS FARMERS IN JAVA, INDONESIA: THE CHALLENGES AND PROSPECTS FOR SUSTAINABLE DEVELOPMENT

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### ABSTRACT

**Objectives:** This study aimed to analyze the tenurial system of customary land in Java, its deficiency, the accompanying consequences on land access, and the identification of modes of improvement in order to accelerate rural development.

**Theoretical framework:** This study was based on theories of rural development and decentralization, with a specific focus on landless farmers.

**Method:** This study employed qualitative method to analyze the tenurial system of customary land in Java. Data were collected through two steps, first, observations, interviews, and documentaries were conducted to understand the realities of customary land tenure from the descriptive statistics and narratives of local officers. Second, a focus group discussion involving local officers and villagers was held to present the initial findings, formulate a new tenancy system, and analyze the possibilities of its application in village administration.

**Results and conclusion:** Based on the villages in the Grobogan District of Central Java Province, this study showed that land use causes unequal access to landless farmers. The land management methods to finance village development programs are currently irrelevant in the framework of recent decentralization. A system that can benefit landless farmers is contract farming.

**Implications of research:** This study provided evidence-based information for policymakers to improve the use of customary land for landless farmers and an additional reference for rural development in the world.

**Originality/value:** Studies on Indonesian rural development have shown the strategic position of customary lands in Indonesia, especially in Java. However, little is known about the potential of customary lands to achieve sustainable rural development, as this issue is still inadequately addressed in the literature. This led to the implementation of this study, with the objectives of analyzing the tenurial system of customary land in Java, its deficiency, and accompanying consequences on land access, alongside identifying improvement approaches in order to accelerate rural development.

**Keywords:** Customary Lands, Decentralization, Rural Development, Landless Farmers.

### POSSE DE TERRA CONSUMIDORA E AGRICULTORES SEM TERRA EM JAVA, INDONÉSIA: OS DESAFIOS E AS PERSPECTIVAS PARA O DESENVOLVIMENTO SUSTENTÁVEL

### RESUMO

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**Objetivos:** Este estudo teve como objetivo analisar o sistema de posse de terras consuetudinárias em Java, sua deficiência, as consequências que o acompanham no acesso à terra e a identificação de modos de melhoria para acelerar o desenvolvimento rural.

**Estrutura teórica:** Este estudo foi baseado em teorias de desenvolvimento rural e descentralização, com foco específico em agricultores sem terra.

**Método:** 33 e estudo empregou o método qualitativo para analisar o sistema de posse de terras consuetudinárias em Java. Os dados foram coletados por meio de duas etapas: primeiro, observações, entrevistas e documentários foram conduzidos para entender as realidades da posse de terras consuetudinárias a partir das estatísticas descritivas e narrativas de oficiais locais. Segundo, uma discussão em grupo focal envolvendo oficiais locais e moradores foi realizada para apresentar as descobertas iniciais, formular um novo sistema de arrendamento e analisar as possibilidades de sua aplicação na administração da aldeia.

**Resultados e conclusão:** Com base nas aldeias do Distrito de Grobogan, na Província de Java Central, este estudo mostrou que o uso da terra causa acesso desigual aos agricultores sem terra. Os métodos de gestão da terra para financiar programas de desenvolvimento da aldeia são atualmente irrelevantes na estrutura da descentralização recente. Um sistema que pode beneficiar agricultores sem terra é a agricultura contratada.

**Implicações da pesquisa:** Este estudo forneceu informações baseadas em evidências para formuladores de políticas para melhorar o uso de terras consuetudinárias para agricultores sem terra e uma referência adicional para o desenvolvimento rural no mundo.

**Originalidade/valor:** Estudos sobre o desenvolvimento rural indonésio mostraram a posição estratégica das terras consuetudinárias na Indonésia, especialmente em Java. No entanto, pouco se sabe sobre o potencial das terras consuetudinárias para alcançar o desenvolvimento rural sustentável, pois essa questão ainda é inadequadamente abordada na literatura. Isso levou à implementação deste estudo, com os objetivos de analisar o sistema de posse de terras consuetudinárias em Java, sua deficiência e consequências associadas no acesso à terra, juntamente com a identificação de abordagens de melhoria para acelerar o desenvolvimento rural.

**Palavras-chave:** Terras consuetudinárias, Descentralização, Desenvolvimento rural, Agricultores sem Terra.

## TENENCIA CONSUEUDINARIA DE LA TIERRA Y AGRICULTORES SIN TIERRA EN JAVA, INDONESIA: DESAFÍOS Y PERSPECTIVAS PARA EL DESARROLLO SOSTENIBLE

### RESUMEN

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**Objetivos:** Este estudio tuvo como objetivo analizar el sistema de tenencia de tierras consuetudinarias en Java, su deficiencia, las consecuencias que conlleva en el acceso a la tierra y la identificación de modos de mejora para acelerar el desarrollo rural.

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**Marco teórico:** Este estudio se basó en teorías de desarrollo rural y descentralización, con un enfoque específico en los agricultores sin tierra.

**Método:** Este estudio empleó un método cualitativo para analizar el sistema de tenencia de tierras consuetudinarias en Java. Los datos se recopilaron mediante dos pasos: primero, se realizaron observaciones, entrevistas y documentales para comprender las realidades de la tenencia de tierras consuetudinarias a partir de las estadísticas descriptivas y las narrativas de los funcionarios locales. En segundo lugar, se realizó una discusión en grupo de discusión en la que participaron funcionarios locales y aldeanos para presentar los hallazgos iniciales, formular un nuevo sistema de tenencia y analizar las posibilidades de su aplicación en la administración de las aldeas.

**Resultados y conclusión:** Basado en las aldeas del distrito de Grobogan de la provincia de Java Central, este estudio mostró que el uso de la tierra causa un acceso desigual a los agricultores sin tierra. Los métodos de gestión de la tierra para financiar los programas de desarrollo de las aldeas son actualmente irrelevantes en el marco de la descentralización reciente. Un sistema que puede beneficiar a los agricultores sin tierra es la agricultura por contrato.



**Implicaciones de la investigación:** Este estudio proporcionó información basada en evidencia para que los responsables de las políticas mejoren el uso de las tierras consuetudinarias para los agricultores sin tierra y una referencia adicional para el desarrollo rural en el mundo.

**Originalidad/valor:** Los estudios sobre el desarrollo rural de Indonesia han demostrado la posición estratégica de las tierras consuetudinarias en Indonesia, especialmente en Java. Sin embargo, se sabe poco sobre el potencial de las tierras consuetudinarias para lograr un desarrollo rural sostenible, ya que esta cuestión aún no se aborda adecuadamente en la literatura. Esto llevó a la implementación de este estudio, con los objetivos de analizar el sistema de tenencia de las tierras consuetudinarias en Java, su deficiencia y las consecuencias que acompañan el acceso a la tierra, junto con la identificación de enfoques de mejora para acelerar el desarrollo rural.

**Palabras clave:** Tierras Consuetudinarias, Descentralización, Desarrollo Rural, Agricultores sin Tierra.

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## 1 INTRODUCTION

Rural areas are the habitat of the most economically vulnerable people in Indonesia. Before the Covid-19 pandemic, this group amounted to 80 million people, with 62 percent living in rural areas (BPS, 2020). In Java Island, where the majority live, the problems encountered include the decreasing role of agriculture, degradation of natural resources, and the scarcity of cropland. Farmers are mostly landless, planting food crops using subsistence systems. In 2018, about 83 percent of the farmers on the island had cropland less than 0.5 hectares, 13 percent had between half and one hectare, and only 6 percent had more than one hectare (BPS, 2019). This problem is magnified by the unfavorable social and economic institutions for the farmers. The stiff competition over access to land characterizes the political economy of land distribution in Java and hampers the sustainability of farming and rural development. The current poverty status is historically inconsistent with the Green Revolution policies implemented in 1970-1980 (Sutiyo & Maharjan, 2017). This is because the subsistence farming system used is unable to prevent poverty for smallholders.

Recent studies of rural development in Indonesia mostly focus on agriculture development (Hansen, 2019; Conway & Barbier, 2013), socio-economic institutions (Rustiansyah, 2019), and rural-urban networks (Douglas, 2018). Discussions of policy issues majorly examined various programs to help the community, such as microfinance (Sutiyo *et al.*, 2020), economic empowerment, and tourism development (Aritenang, 2021). Others concerning the administrative-political aspects of rural development mostly focused on the dynamics of decentralization (Sutiyo & Maharjan, 2017; Antlöv, Wetterberg, & Dharmawan,



2016), local politics in development (Talitha, Firman, & Hudalah, 2020; Welker, 2012), as well as administrative and management problems (Maryudi *et al.*, 2015).

Meanwhile, studies on Indonesian rural development have shown the strategic position of village land in Indonesia, especially in Java (Zaim *et al.*, 2020; Kurosaki, Paul, & Witoelar, 2020; 2021). For instance, customary land has been used as a clientelism commodity by an incumbent village head to receive political support in a village election (Kurosaki, Paul, & Witoelar, 2021). Another study also found that fixed rental tenancy is often adopted instead of sharecropping, which is only practiced when the village head leases customary lands to specific people in order to receive electoral support (Kurosaki, Paul, & Witoelar, 2020). The use of customary land through deliberation processes produces mutual benefits for farmers and the government (Zaim *et al.*, 2020). Although existing studies are important to current knowledge, they have solely concentrated on the use of customary land. As a result, there are insufficient studies on various important topics, including the management, the impacts of the current practice on land access for farmers, and future recommendations for sustainable farming.

The basis of this study was that agriculture, as the backbone of the rural economy, was weakened by land scarcity. As a result, the need for affirmative policies to enhance the sustainability of rural development in Indonesia, particularly Java Island, and increase access to cropland for smallholders was highlighted. A Javanese village also serves as a political and administrative institution or government. It is the lowest level of administration led by an elected village head, which provides daily public tasks and administrative services to the people. In addition, the village has customary lands [*bengkok*], used as a salary replacement for its officers. Within the framework of sustainable livelihood, programs to develop rural areas should emphasize improving the access of the poor and vulnerable to natural, physical, social, financial, and human capital through favourable institutions and policies. This signifies the existence of *bengkok* land posits as an opportunity to explore the possibility of increasing the access of villagers to natural resources, particularly the croplands.

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However, little is known about the potential of *bengkok* land to achieve sustainable rural development, as this issue is still inadequately addressed in the literature. This led to the implementation of this study, with the objectives of analyzing the tenurial system of *bengkok* land in Java, its deficiency, and accompanying consequences on land access, alongside identifying improvement approaches in order to accelerate rural development. Within the framework of the decentralization system, this study sought to identify alternative policies for the government. The key contribution was the creation of new knowledge about the role of *bengkok* land institutions in accelerating rural development. The remainder of this study





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comprises section 2 contains the literature review, sections 3, 4, and 5 present the methods, findings, and discussion, respectively, while section 5 elucidated the conclusion and policy recommendations.

## 2 LITERATURE REVIEW

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A village is the lowest level of administration in Indonesia, and the characteristics and arrangement vary based on ethnicity and local regulation. In Java, the area is led by a headman elected every five years and comprises several hamlets and neighborhoods. Villages were previously autonomous entities before the introduction of various modern regulations. Regardless, they maintain their culture, custom, and rules to manage community life, including security, conflict resolution, tradition, religion, and the utilization of common resources (Hansen, 2019). Village heads and officers govern the community and perform various public service tasks, for which they are compensated by opportunities to use *bengkok* lands. These are specific plots of land belonging to the village government that also function as a source of income to finance various village development programs in some areas.

The existence of *bengkok* land is rooted in the history of the villages. According to (Kurosaki, Paul, & Witoelar, 2020), the Dutch colonial government in 1883 found that these lands 5 occupied 13.9 percent of total farmland in Java, excluding Batavia, Yogyakarta, Surakarta, and Madura. The government statistics indicated a concentration in villages within the central and east areas of Java Island. Although the land sizes vary, they serve the same roles in the village. Exact data on the total size of *bengkok* lands remain difficult to provide mostly due to challenges in conducting ethnographic studies. This practice is recognized in modern legislation, particularly Law 5/1960 on Agraria, which bestows the land rights to village heads and officers, who are obliged to return the property after retirement.

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The *bengkok* practice is closely related to the political economy of land ownership in Java. Land scarcity on this island has experienced little improvement throughout the decades, as illustrated by a study conducted by the Ministry of Agriculture in 2007 and 2010. Previous studies have presented a tendency for a decreasing wet and dry land ownership (Irawan *et al.*, 2007). Meanwhile, *bengkok* land has become a motivation to contest during village elections (Kammen, 2018), the basis of various forms of clientelism (Kurosaki, Paul, & Witoelar, 2021; Sidel, 2005), a resource for various tenancy innovations (Zaim *et al.*, 2020), and a facilitator of participatory development and livelihood improvement (Inoue, 2003).



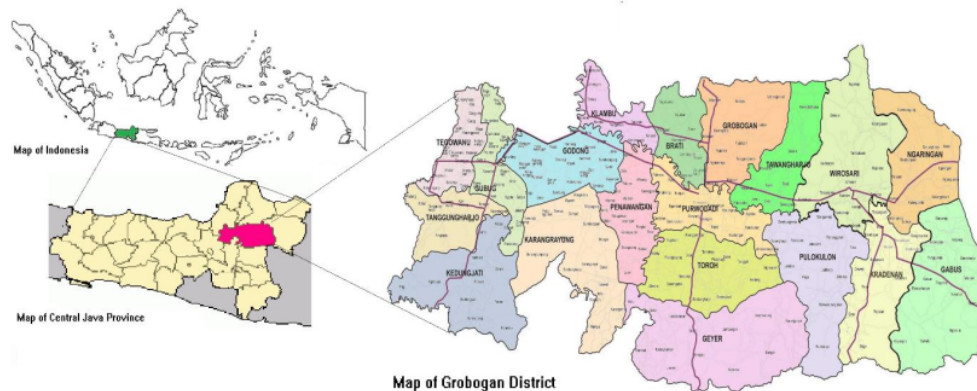
In contemporary situations, *bengkok* lands and rural development should be considered based on the decentralization system implemented in 2014. The system provides the village government with more authority to manage its internal affairs, accompanied by greater budget transfers for development and fixed salaries for the officers. This implies that the traditional use of *bengkok* lands to pay village officers has changed. Law 6/2014 on Villages, which was implemented as the basis of the decentralization system, reaffirms that the land must be used for the interest of the village, without explicitly defining it as the rights of the officers.

### 3 METHOD

This study selected Grobogan District, one of the poor areas in the Central Java Province, to investigate the use of customary land in rural communities in the region [Figure 1].

**Figure 1**

*Map of the Study Site*



Agriculture is the biggest contributor to the local economy in the district, providing 27 percent of the local economy, with about 56 percent of the households as farmers and 79 percent as landless farmers (BPS, 2020). Approximately 22 percent of the cropland in Grobogan is categorized as customary land, scattered in 273 villages in the district.

Meanwhile, the fieldwork was conducted for two months in November and December 2021. Data were collected through two steps, first, observations, interviews, and documentaries



were conducted to understand the realities of customary land tenure from the descriptive statistics and narratives of local officers. Second, a focus group discussion involving local officers and villagers was held to present the initial findings, formulate a new tenancy system, and analyze the possibilities of its application in village administration.

## 4 RESULTS

### 4.1 DESCRIPTION OF THE STUDY SITE

Grobogan is a district <sup>37</sup> located in the north-eastern <sup>39</sup> part of Central Java Province. It is adjacent to Semarang, the capital city of Central Java Province, and is the second-largest area, spanning 197,586 km<sup>2</sup> with 165,858 km<sup>2</sup> of uninhabited land.

Most households in Grobogan are farmers (55.64 percent), aged between 45 – 54 years (29.11 percent). About 35.47 percent cultivate food crop, 20.05 percent are horticulture farmers, while 3.88 percent, 11.91 percent, 28.37 percent, and 0.29 percent deal with plantations, forestry, livestock, and fishery, respectively. Approximately 87.08 percent of the food crop farmers engage in paddy cultivation, while 12.91 percent grow other food plants. A surprising fact is that 79.28 percent are landless farmers, with the largest and lowest proportions of 10.27 percent and 2.8 percent in Toroh and Klambu Sub-districts, respectively. The largest portion of landless farmers indicates a need for alternative programs that differ from the current village land management practices (Table 1).





**Table 1**

*Socio-economic Profile of Grobogan People*

Socio-economic condition		Number	%
Age	15 - 24 years old	90,793	12.64
	25 - 54 years old	446,207	62.12
	> 55 years old	181,298	25.24
Education level	No formal education	108,462	15.1
	Elementary school	284,158	39.56
	Junior High School	153,643	21.39
	Senior High School	140,930	19.62
	Undergraduate and upper	31,102	4.33
Occupation	Agriculture	399,714	55.64
	Labour	77,725	10.8
	Business	169,435	23.58
	Service	60,807	8.46
	Other	10,617	1.47
The number of farmers	Food crop	229,845	35.4
	Cash crop	129,908	20.05
	Plantation ( <i>Perkebunan</i> )	25,184	3.88
	Forestry	77,221	11.91
	Livestock	183,809	28.37
	Fishery	1,882	0.29
Type of farmer	Landless farmer	201,965	79.28
	Non-landless	52,784	20.72

Source: Calculation from People Empowerment, Village Agency, and BPS, 2021

The Grobogan administration structure consists of the district, sub-district, village, and/or urban levels (*kelurahan*). The officers in the 273 administrations comprise 82.85 percent staff, 8.57 percent heads, and 8.57 percent secretaries, amounting to a total of 3,204 officers with an average of 138 officers per village. A village head is a political position assumed after an election that occurs every 6 years, with the option of contesting for 3 terms. The secretary is usually meant to assist the administration, as most of the officers possess low education levels. Finally, the village staff are contractual and temporary workers consisting of sub-village heads and workers in government, development, people prosperity, finance, general, and operational affairs.

#### 4.2 REGULATION OF THE CUSTOMARY LAND

Grobogan District spans 197,586 km<sup>2</sup>, where the largest area is occupied by Geyer Sub-district with 13 villages, and the smallest area is inhabited by Klambu Sub-district, which has 9 villages. The area is classified according to the inhabited and uninhabited land. The uninhabited land contributes to 83.9 percent of the total, with 60.1 percent of cropland. Godong



Sub-district accommodates the largest cropland, with 28 villages, while the largest non-cropland is in Kedungjati Sub-district, which has 12 villages. Meanwhile, the largest habited land is in Pulokulon Sub-district, where there are 13 villages.

According to Law 5/2014 on Village and the District Regulation of 8/2016 on Villages' Finances and Assets, customary land consists of *prancangan* and *bengkok* lands. The former is dedicated to financing development programs, while the latter is devoted to paying the salary of village officers. The remaining lands are occupied by public facilities, such as offices, graves, roads, schools, clinics, and infrastructure.

The requirements for the use of *bengkok* land for additional income by village administration officers are:

1. The largest size of village land with technical irrigation is 6.67 hectares for the village head, 3.3 hectares for a secretary from non-public servants, 1.65 hectares for a secretary from public servants, 2 hectares for the hamlet head, and 1.3 hectares for other officers;
2. The largest size of village land with irrigation which counts on rain, is 10 hectares for the village head, 5 hectares for a secretary from non-public servants, 2.5 hectares for a secretary from public servants, 3 hectares for the hamlet head, and 2 hectares for other officers;
3. The largest size of village land of *tegalan* (land cultivated with tuber plants) is 13.3 hectares for the village head, 6 hectares for a secretary from non-public servants, 3 hectares for a secretary from public servants, 4 hectares for the hamlet head, and 2.67 for the other officers.

The largest *prancangan* land is 89.901 hectares in Selojari Village, and the most expansive *bengkok* land is 69.852 hectares in Pulokulon Village. The proportion of both lands in each village varies, where one may be bigger than the other or vice versa. The total size of these lands can exceed 100 hectares, and 84.6 percent of the villages own over 25 hectares. *Prancangan* and *bengkok* land use are classified based on economic value. The highest economic value is the irrigated village land, while the lowest is dryland (Table 2).



**Table 2**

*Size of Customary Land in Grobogan District*

No.	Average size of customary land	Number of Villages	%
1.	Less than 10 ha	12	4.4
2.	10-25 ha	30	10.89
3.	26-50 ha	99	36.26
4.	51-75 ha	64	23.44
5.	76-100 ha	59	21.61
6.	More than 100 ha	9	3.29

Source: Calculation from People Empowerment and Village Agency, 2021

The regulations stipulate that the management of village land should be aimed at increasing prosperity, the standard of living, and community revenue. The authority of the land management is the village administration head, and the utilization is through rent, where the longest period is 3 years with the possibility of extension. However, the longest rent period for the *prancangan* land is 1 year due to the strict administration of the annual budgetary system. Supposing more than one person is willing to rent the land, the officers conduct an auction to obtain the highest price. The tenants must be the villagers, except for rare cases of lands outside the village area. Generally, the auction involves the establishment of a committee from the officers, which is supervised by district officers, local police, and the army, and occasionally monitored by non-government organizations in the village. The village heads and the council stipulate the price baseline, location, and size of each land available for auction. The auction mechanism is regulated under the decision of the village head.

#### 4.3 THE IMPLEMENTATION OF THE REGULATION AND ITS IMPACT ON LAND ACCESS

About 7 of the 273 villages do not possess or manage *prancangan* and *bengkok* lands. Generally, these lands are used differently. *Bengkok* land is the prerogative of the village officers, which they occasionally cultivate and frequently rent out through an informal contract for one to six years, the same duration as the village head's service period. The village head usually rents out their *bengkok* land to high payers during his/her first and middle administration period. However, the land is rented in the last period to obtain votes during impending elections, as the existing laws only give the land to the village officers without regulation concerning its management.

Conversely, the *prancangan* land is auctioned yearly by the village administration. The regulation necessitates the performance of an auction in cases where many people wish to



cultivate the land. In 2021, an average of 248 people followed the auction in each village in Grobogan District. There are three types of auctions subject to the economic value of the *prancangan* land. The indicators used to determine its economic value are (1) type of land irrigation: technical irrigation/wetland, subject to rainy season/dry land, or 'wasteland,' (2) soil quality: fertile or barren, (3) land position: located on the downhill or a flat surface, and (4) road access to the land.

#### 4.4 OPEN SYSTEM AUCTION

*Prancangan* lands spanning above 5 hectares are considered to possess high economic value. Such lands are present in 235 villages, which constitutes 86 percent of the district. The officers conduct an open auction yearly in January and February to determine who will cultivate the land. In December of the previous year, the council is invited by the village head to decide the baseline price. The number of land locations and baseline prices is usually the same as the previous, but may be increased after two years due to inflation.

After the number of *prancangan* land locations and their baseline prices is stipulated, the village head specifies the auction mechanism as well as creates a committee and supervisors. Three weeks before the auction, the officers announce the auction timetable, its requirements, and land plot locations publicly through pamphlets and microphone broadcasts. This will ensure every village is aware of and understands the coming auction.

Only villagers, recognized by their identity cards, are allowed to follow the auction. Some criteria include registration before the auction day and the choice of only one plot. Supposing certain plots are without bidders, an already registered person may be allowed to consecutively follow the auction of an unbidden land.

On the auction day, one specific land is announced, and each registered bidder is allowed to propose his price. The highest bid is picked by the village and the winners must pay cash on the spot, as there have been previous cases of default when done otherwise.

However, the auctioning results in unequal access, particularly to the landless farmers, as the rich people obtain most *prancangan* lands. The stipulation of one bid per person also causes some rich individuals to pay locals to act on their behalf. After winning the auction, the hired people are paid off, and the land control is transferred to the rich. The hired people are usually from poor backgrounds, while the rich people are from other villages. Since the participants are required to prove their national identity administratively, the rich outsiders hire the village residents to follow the auction.



The supervision of *prancangan* land use involves cautioning the managers of the land but not the registered winners on the auction day. However, this mechanism is theoretical and not implemented because the aim of the auction main is to obtain economic benefits, namely receiving a high income. The poor are helped through other programs conducted at the district, province, and national levels. This shows that the distribution of village land is not considered a poverty reduction approach.

In addition, the village head may manipulate the open auction by ensuring the winners are people from his network. This official has the authority to stipulate the auction winners, using a hammer to show that a winner has been chosen. During the auction of specific plots with high economic value, people from the village head's network create high tension. Subsequently, the head suddenly hits the hammer to decide a winner after his person states their bid. This appears to be a method to avoid impending chaos but is actually a strategy to select the winners.

#### 4.5 CLOSED SYSTEM AUCTION

*Prancangan* lands between 1 – 5 hectares are considered to possess average economic value. These lands are present in 23 villages and constitute 8.4 percent of the district. Generally, this event is conducted to decide who cultivates the land, using a similar period and mechanism as the open auction. The only difference is that one day before the auction, the applicants write their names and the amount of rent money they wish to pay for a specific plot on a piece of paper.

On the day, no participant is allowed to follow the process, as only announcements are made. The village heads, committee, and supervisors open each applicant's paper and read the contents individually in front of the audience. The highest price for a specific plot is selected as the winner.

This type of *prancangan* land use also hinders equal access, particularly to the landless farmers, because the winners are still rich people. Moreover, the village head can manipulate the auction by ensuring the winners emerge from his networks. After registration is closed, the village administration can open the paper and map the highest bid for a specific plot. Afterward, the bid of his people may be slightly increased to ensure the highest bid wins the auction.





#### 4.6 LOTTERY SYSTEM AUCTION

*Prancangan* lands covering below 1 hectare have low economic value. These plots are possessed by 8 villages or 2.9 percent of the district. Generally, a lottery is conducted to decide who cultivates the plot. The lottery winners pay the rent at the baseline price and are not allowed to partake in the subsequent year but may participate after all the villagers have won. The auction timetable is similar to the two previous types.

This type of *prancangan* land use ensures equal access, particularly to landless farmers. However, the land has poor fertility, leading to low harvests and a subsequent inability to achieve an increase in economic conditions. Regardless, the lottery winners display solidarity by sharing their plots with neighbors, resulting in the distribution of the harvest among several people.

The role of district administration is limited to equalizing the access of *prancangan* and *bengkok* land. The district can only advise the prioritization of the poor because the regulation stipulates that the village has the autonomy to manage its government. Furthermore, the existing regulations change the use of both lands due to tradition because their ancestors are assumed to be represented by the village officers.

The poor customary land management system results in difficult access for landless farmers. This condition illustrates the irony that 79.28 percent of the farmers are landless, though the village administration has an obligation to help poor people. The village administrations control 5,599.819 hectares of *prancangan* land and 8,574.696 hectares of *bengkok* land, making a total of 14,274.515 hectares. This equals 22 percent of the total cropland in Grobogan District.

#### 4.7 PROSPECTS FOR SUSTAINABLE DEVELOPMENT

The existence of customary land provides a solution for land distribution. Although regulated by Law 5/1960 on Agrarian Basics issued by President Sukarno, this policy was never implemented due to communist rebellion. During that administration, a transmigration policy was issued, causing the relocation of inhabitants of Java Island to the outer Islands, with an average allotment of two hectares of land.

After 2001, the state implemented decentralization, increasing the power of the local government and creating difficulties in implementing transmigration. Before Law 6/2014 about Villages, the administrations had little budget and their income was sourced from limited



revenue and district transfer. Presently, *prancangan* land is the most valuable asset and the main revenue for supporting village administration programs. Before Law 6/2014, *bengkok* land was the only salary for the officers. This condition changed after the implementation of Law 6/2014, as villages receive grants from the district and central governments to finance their salaries and development programs.

The grant involves the provision of IDR1 billion to each village in Indonesia and each village in Grobogan receives an additional allocation of IDR662,806,000 from the district. In total, one village in Grobogan District receives IDR1.6 billion for its budget, thereby expanding the source of budget from the previous limitations in Law 6/2014, which only depended on the benefits of the *prancangan* land.

According to Law 6/2014, village officers also receive fixed income and allowances. This income is more than the minimum wage of Grobogan District, thereby eliminating the limitation on the source of income before Law 6/2014, which previously depended solely on *bengkok* land (Table 3).

**Table 3**

*Village Officers' Income*

Village Position	Fixed Income	Allowance	Total	Minimum Wage of Grobogan District
Village Head	IDR3,250,000	IDR750,000	IDR4,000,000	IDR1,890,000
Head Secretary	IDR2,225,000	IDR500,000	IDR2,725,000	
The other officers	IDR2,025,000	IDR300,000 400,000	- IDR2,325,000 2,425,000	

Source: Calculation from People Empowerment, Village Agency, and Indonesian Statistics Bureau, 2021

Consequently, the coverage of the village officers' income and budget for development programs by the district and central government permits the equal distribution of customary land to landless farmers. The total revenue from the land ranges between IDR3,450,000 and IDR1.9 billion, with 82.5 percent of the villages receiving over 100 million while 35 villages or 9.15 percent earn below IDR1 million. Therefore, the distribution of customary land should employ a cross-village approach, where areas with larger plots can distribute to landless farmers from villages with smaller portions. This will guarantee equal distribution to all landless farmers in Grobogan District (Table 4).



**Table 4**

*Revenue from the Auction of Customary Land in Grobogan District*

No.	Revenue	Number of Villages	%
1.	Less than 100 million	49	17.95
2.	100 – 250 million	34	12.45
3.	251 – 500 million	70	25.64
4.	501 – 750 million	49	17.95
5.	751 million – 1 billion	41	15.02
6.	More than 1 billion	30	10.99

Source: Calculation from People Empowerment and Village Agency, 2021

## 5 DISCUSSION

This study showed that the villages in Grobogan District manage customary lands by conducting open and closed auctions, as well as a lottery system. However, most of the villages use open auction approaches, leading to unequal access for landless farmers. The winners of the auctions are majorly the rich, selected from the network of village heads. Meanwhile, the customary lands are regulated to provide additional salaries for village officers, meaning landless farmers are still unable to obtain access to land. This is an irony, as landless farmers constitute 79.28 percent of all farmers in the district. This study further explained previous investigations concerning the use of customary land and the political interest of village heads are needed (Kurosaki, Paul, & Witoelar, 2020; 2021). The findings showed that the use of customary land is subject to the political interest of the village head.

The use of customary land can be the solution to promote equal access for landless farmers. Therefore, the current regulations require modifications by distributing the lands to landless farmers. The distribution scheme should be a cross-village approach to support areas that obtain poor yield. This recommendation is relevant for the present condition. Law 6/2014 on Villages provides grants for development programs and salaries for the officers. Hence, the idea of customary land to finance development programs and salaries has become irrelevant. This method was employed before the enactment of Law 6/2014 due to low budget transfer from the district or national level and the sole reliance of the village revenue on the results of customary lands.

The need to revise the current regulations to provide equal land access is congruent with comparative evidence from the study by (Adimassu, Kessler, & Hengsdijk, 2012) in Ethiopia, which described landholding as the first factor determining farmer productivity. In addition, the findings support the demand for legal revision and improvement of land tenure in developing countries. It also corresponded with the framework of decentralization to local administration,



which aims at increasing the power and budget transfer for the village government to manage their home affairs based on local initiatives.

## 6 CONCLUSION

The results of this study highlighted an incidence of the use of customary land, which results in unequal access to landless farmers. The lands are currently to provide additional salary for village officers through rentals to receive high payment as well as political support in the coming election. Meanwhile, plots rented through an open auction system utilize the highest bidding approach and hinder landless farmers from obtaining lands while the rich emerge as winners.

After evaluating the laws that regulate the use of customary land, this study found that the current *bengkok* land use management for additional income for village officers and *prancangan* land to finance village development programs has become irrelevant. This idea existed before Law 5/2014 due to the lack of budget transfer from higher administrations. Therefore, both lands can be distributed to landless farmers, as almost two-thirds of farmers in Grobogan are landless. The distribution scheme should be cross-village-based to ensure landless farmers in villages with limited resources can cultivate *bengkok* or *prancangan* lands from other 'rich' villages.

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Consequently, this study contributed to the existing literature on Indonesia, which still discusses the use of customary land and its utilization as a political commodity of village administration heads. It added new knowledge on the use of village lands by officers, not only the heads, and provided novel evidence on the impact of the current arrangement of land access and the need for revising the regulation.

Although the findings do not represent all villages in Indonesia due to the different geography, locations, and arrangement, it offers evidence-based information for policymakers to improve the use of customary land for landless farmers. The study also serves as an additional reference for rural development in the world and encourages more investigations on customary land use and landless farmers in other countries in order to provide a broader picture of different contexts.

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