Different Grounds, Different (policy) Fruits

Exploring the varying domestic impact of transnational land policy paradigms in Bolivia and Indonesia

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1 INTRODUCTION

Indeed, land reforms are not purely technocratic processes; they remain ‘intense political acts’, not only for their redistributive element, but also for their power to influence the way societies are shaped.  
Fontana, 2013

Throughout history land issues have been central to sociopolitical disputes in the Global South. In developing countries – where the majority lives from the land – effective land arrangements are crucial for political stability and economic development. Ironically, they appear most difficult to grapple (Studwell, 2014). At the crux of this problem is the multitude of actors that claim land for various reasons, based on different understandings of the matter. Land governance entails a “..political process that is contested by multiple state and societal actors to control the nature, pace, extent and direction of access to, control over, and use of land (Bottazzi & Rist, 2012: 529).” Land can be perceived as an economic asset for agriculture and natural resource extraction on the one hand, or as a symbolic asset that is essential for livelihoods and culture in poor rural communities, on the other. In terms of policymaking, these perspectives reflect different land paradigms. Hence, the way in which land access, use and ownership are regulated have a direct impact on the power relations between actors that value the resources on diverging grounds. Many developing countries are still dealing with the colonial legacy of injustice and unequal distribution of land and wealth, and place land reforms high on the political agenda. These usually entail measures of land (re)distribution and tenure reforms; the former entails the transfer of land from one actor to another, whereas the latter is linked to the recognition of the stakeholder’s political rights and often a right to self-determination with respect to livelihoods, sociopolitical organization and political representation (Bottazzi & Rist, 2012: 529).

Not surprisingly, land is a key issue in the global development debate. From the mid-1990s, land has been an essential part of the neoliberal development program initiated by the Bretton Woods institutions. In the neoliberal doctrine land is an economic asset with valuable resources for agricultural production. With this philosophy the World Bank pushed the Market-Led Agrarian Reform (MLAR), an approach with market-based policies like formalization and privatization of land to increase productivity and efficiency of land. While market-led policies became the mainstream approach for rural development, they were fiercely opposed by a rising transnational advocacy of rural social actors that entered the global stage for the first time. It involved a wide range of (trans)national actors representing small food producers, indigenous peoples and other rural peoples that criticized the neoliberal model for having a negative impact on agricultural production and livelihoods of the rural poor. They presented land as a social, cultural and historical asset, along with its economic value. With new principles of food sovereignty, the right to food and agro-ecology, a new land paradigm of social justice was introduced (McKeon, 2013: 106-7). Although the market-based model has been the
dominant course for rural development, recent crises of food, energy, finance and climate have weakened the neoliberal paradigm (Borras, Hall, Scoones, White & Wolford, 2011). Contemporary processes of liberalized land markets and growing Foreign Direct Investments (FDI) allowed for the crises to be followed by large scale (trans)national land deals for mass food and biofuel production and commercial aims. ‘Agricultural investments’ in the eyes of pro-market actors, but ‘land grabbing’ for the pro-poor camp (Borras et al., 2011; Zoomers, 2010). This growing trend has underlined the division between the ideological opponents with different interpretations of (land) development. Whereas neoliberal actors believe that a free land market will have a positive effect on rural development, social parties state point to the negative impact of corporate ‘land grabbing’ on domestic food security, local livelihoods and (indigenous) cultural preservation (da Silva, 2012).

Two countries that embody the contrasting land approaches are Indonesia and Bolivia. Indonesia is currently known as the largest palm-oil producer in the world, and the fastest growing economy of Southeast Asia. In the late 1990s, neoliberal reforms have opened up the land market to large-capital investments in forest and land-based industries. Though state revenues from agricultural production have decreased, industries revolving around mining, logging and palm oil refinement have grown exponentially in the past decade. However, a large part of the population is still living below the national poverty line, predominantly in the rural areas. Transnational investments go hand in hand with land grabbing practices and development goals appear to reach no further than favoring wealthy stakeholders.

On the contrary, Bolivia represents a pro-indigenous land model. The election of Evo Morales as first indigenous president has marked a new era of ‘21st Century Socialism’ focused on restoring justice for the indigenous population, strengthened by an ideology of anti-imperialism. Contemporary Bolivia has intrigued the international community that watched how Morales successfully nationalized oil and gas enterprises, set up mass land redistributions (‘from the rich to the poor’) and openly advocated against U.S.-imposed eradication of coca. The focus on (indigenous) social justice in land affairs was further emphasized in the Constitutional Reforms of 2009 in which UNDRIP¹ was adopted, and indigenous rights of self-determination and territorial autonomy were institutionalized. Unlike in Indonesia, transnational land investments in Bolivia are limited and controlled by the government.

1.1 Research Problem

Agrarian developing countries face similar challenges of balancing between local and global interests in land. With regard to land policymaking, Indonesia and Bolivia each have to cope with poverty, a large rural population, indigenous heritage, natural resources and a globalized economy. Still, when looking

at the path they have taken, these factors appear to weigh differently in both countries. This problem will be at the center of this thesis, from which the following research question is derived:

**Why has Bolivia adopted the social justice land policy paradigm, but has Indonesia chosen to follow the neoliberal land policy paradigm?**

Classical theories of International Relations (IR) and International Political Economy (IPE) cannot account for these country-specific differences, or the role of transnational policy paradigms in general. In the tradition of realist political economy, where it is assumed that states are unitary actors pursuing their self-interest ‘in an environment defined by anarchy (Kirshner, 2009: 36)’, transnational actors do not play a role in the global political economy. Unless – in line with Waltz’ claim that “A general theory of international relations is necessarily based on the great powers (1979: 73)” – they serve the superpower in upholding its hegemonic status-quo. Moreover, realists stress the autonomy-seeking character of states, which makes them skeptical to any account that includes interference of ‘globalizing actors’ (Kirshner, 2009: 40). This line of reasoning could explain the Indonesian approach by arguing that Indonesia is seeking to secure its position in the international political economy natural resource exploitation. However, the Bolivian anti-imperialist, rights-based land approach is irrational in this view.

Liberal institutionalists are more optimistic about the nature of international relations. They recognize the role of trans- and international organizations as mediators for trade and cooperation between states. Liberals believe that growing economic interdependence will lead to harmony in the global order, as states will seek to either preserve their hegemonic economy (great states) or focus on economic growth (developing states). Either way, the liberalist view believes that all states will act to pursue their own national interests which includes preserving global harmony. Transnational policy paradigms could fulfill the role of an international regime – as long as they cater to these goals (Cohen, 2007: 31). Diffusion of the neoliberal transnational policy paradigm makes sense from this perspective. However, the promotion of the social justice land policy paradigm – which is not economy- but human centered – by transnational actors, and its dominance in Bolivia's land affairs are rather problematic in the liberalist view.

In sum, mainstream IR and IPE theories fall short in explaining the interplay between international, transnational and domestic factors that lead to specific policy approaches at national level. Their weakness is their blind spot for cultural globalization, in which interactions between societies and societal actors are overlooked. Moreover, rationalist theories cannot account for ‘irrational’ transfer of ideational facets nor the dominance of a certain discourse within a country, which is exactly what this thesis aims to explore. A constructivist approach is more suited for this end, as it offers room for ideational motives in political behavior on multiple levels. The complex process of policymaking in a
globalized world order – the key topic in this thesis – can only be delineated if parsimony is replaced by an integrated analysis of multi-level actors. Constructivism offers a theoretical playground in which structure and agency are mutually constituent, including a multitude of possible (f)actors that may account for diverging state behavior. Though it is not applied thoroughly in my thesis, the constructivist approach represents the leading IR perspective here.

My focus will be on exploring domestic factors in Bolivia and Indonesia as possible explanations for their diverging land policy paradigms. The policy paradigm concept is borrowed from Hall (1993), who defines it as a cultural framework that guides the policy process, and argues for a significant role of ideas in the policymaking process. Three domestic factors are studied that play a role in political behavior: the national cultural repertoire (policy legacies, ideational heritage), interest constellations (the relative strength of the opposing groups’ interests) and responsiveness of political institutions. Thus, it is no question if transnational ideas are influential, but how and to what degree they influence the domestic sphere. The adoption of a transnational policy paradigm is subject to a process where domestic culture, interests and political institutions are ‘gatekeepers’ that decide which paradigm gets to be internalized (Cortell and Davis, 2000; Acharya, 2004).

1.2 Methodology

A comparative case study analysis will guide the research, conducted by process tracing. For the purpose of exploring possible explanations that could account for the different land policy outcomes in Bolivia and Indonesia, a process-oriented study is suited. Hence, the analysis will be based on ‘thick description’ of the national context as structured by culture, interests and institutions. While the three domestic factors are first analyzed separately, they will be discussed in relation to each other in the final step. Thus, process tracing complements the explorative nature of this thesis as it requires thorough examination of cases. This is evident for mapping out the possible conditions and mechanisms that affect the interplay between domestic policy outcomes and transnational input.

1.3 Thesis Outline

This thesis is organized in seven chapters. After this introduction a theoretical framework is presented in Chapter 2. Structured in three sections, the framework first discusses the policy paradigm concept and its implications for the policymaking process. Second, theories on transnational actors and diffusion mechanisms are outlined to explain how and by which actors a transnational policy paradigm is constructed and promoted, followed by a third section that focuses on domestic mechanisms through which transnational policy paradigms are screened. In Chapter 3 the research design offers justification for the process tracing methodology and case selection, followed by a presentation and operationalization of hypotheses. Chapter 4 provides an assessment of the neoliberal and social justice transnational land policy paradigms, and briefly discusses the dominant paradigm that is present in
Bolivia and Indonesia. Though the object of study is usually not discussed in such extension, here it felt adequate since the ‘transnational policy paradigm’ is not yet a widely understood concept. In Chapter 5 the case study is conducted for Bolivia and Indonesia. The analysis is structured according to the three domestic factors that are proposed in the theoretical framework. Respectively, the cases are presented in a historical narrative, subdivided in the cultural repertoire, interest constellations and institutional responsiveness. The results of the comparative case studies are presented in Chapter 6. Finally, in the concluding chapter the focus will be on accounting for the varying policy outcomes in Bolivia and Indonesia, but even more – given the explorative nature of this thesis – on theoretical discussion and suggestions for future research.
2 Theoretical Framework

In order to understand the influence of transnational policy paradigms on national-level policy outcomes, it is important to have a theoretical overview that includes implications of the policy paradigm concept, identification of transnational actors and their persuasion mechanisms, and insight into the national context. This Chapter provides a comprehensive framework that is subdivided in three sections that discuss the above aspects in respective order.

2.1 Policymaking, ideas, and the policy paradigm concept

Even where the Leitmotiv of policy is simply an overarching metaphor, such as the ‘war on drugs’ or the ‘problem of welfare mothers’, the metaphor and its attendant elaborations can structure many aspects of what is to be done (Hall 1993: 292)

In the history of research about policy making, scholars were mostly focused on the pressuring role of material interests, political positions and societal forces to explain political behavior. The dominating perspectives on this came from pluralist, behavioral and Marxist theorists. They are known to ascribe policy outcomes to ‘external’ (domestic, corporate or otherwise) pressures, and not to the state itself (Berman 2012: 218). In the early 1990s, Hall (1993) acknowledged the state and its affiliated political institutions to have significant influence on the nature of public policy, independent of the above mentioned ‘external pressures’. He claimed that although power is an important aspect of politics, another one is about figuring out what should be done in the public policy sector, and how it should be done. In this, state actors base their actions on social learning, defined by Hall as ‘the deliberate attempt to adjust the goals or techniques of policy in response to past experience and new information’ (Hall 1993: 278). Hence, with ‘past experience and new information’ referring to ideational aspects, this implies that ideas matter in policymaking.

Based on this belief that ideas are central to the policy process, Hall developed the policy paradigm concept. He used Kuhn’s concept of a paradigm to describe a similar pattern in the policy process. Kuhn perceived a paradigm as the philosophy and methods that underpin a scientific community: a worldview incorporated into a regulating and normalizing framework of thought that structures the scientific process (O’Sullivan 1999: 311). A policy paradigm works according to the same principle: it structures the policy process with ideas and beliefs that are shared by policy actors. Since deliberation about policy happens within an intersubjective realm, this framework of ideas and beliefs – the policy paradigm – is embedded in the conceptualizations, classifications and theories used when policy actors interact with each other. Put differently, a policy domain (such as ‘land’) is guided by a particular system of thought (such as the neoliberal ‘market rationale’) in pursuit of specific goals (such as ‘land market efficiency’ and ‘economic growth’). Like in Kuhn’s definition of a paradigm, the policy paradigm shapes the way in which policy actors interpret reality, and in a way it reflects the ontological premises.
that underpin a certain policy domain. It determines the kind of problems that should be addressed, the goals to be pursued and which instruments are to be used to attain them (Daigneault 2013: 457). In this vein, a policy paradigm is the *leitmotiv* for political action that is found in the common language about the policy domain. In this thesis the policy paradigm concept shall be used broadly so it entails all ideational consistent constructs that underlie policy (Princen & t’ Hart, 2014: 418).

Hall’s theory focuses on the role ideas play in the policy process. Contrary to state-centric theorists who appoint full autonomy to the state in the policy process, Hall believes that when it comes to social learning, social pressures (or: state-structural aspects) are not to be excluded. The political system as a whole involves broader participation and conflict of interest groups, political parties and other external, non-state actors (Hall, 1993: 276). With this, the relation between state and society is not merely one of pressuring each other, but one in which ideas are mutually exchanged. However, as will show later in this chapter, the extent to which societal actors can channel their ideas to policymakers is constrained by the degree of responsiveness of domestic political structures.

Ideas are almost always contested by other ideas. While the neoliberal land policy paradigm sheds its light on the economic potential of land, the social justice approach perceives land in function of human rights and securing livelihoods. Hence, an alternative policy paradigm is often competing the status-quo for dominance. Whether or not this will result in a change of policy paradigms depends on ‘... their positional advantages within a broader institutional framework, on the ancillary resources they can command in the relevant conflicts, and on exogenous factors affecting the power of one set of actors to impose its paradigm over others (Hall 1993: 280)’. It is then up to the policy actors to judge which experts and advocates of a certain policy paradigm they regard as authoritative in that policy field. Hall stresses that participation in this contest is not limited to state officials but can spill over to a broader political arena, by which he includes organized interests, parties, policy networks etc. as participants of the game. Thus, multiple actors are engaged in a battle that ‘...will end only when the supporters of a new paradigm secure positions of authority over policymaking and are able to rearrange the organization and standard operating procedures of the policy process so as to institutionalize a new policy paradigm (Hall, 1993: 281).’

In the face of globalization which brought about the decline of the nation-state and the rise of (financial) international institutions, what is regarded as ‘actors outside the state’ can be expanded to mean ‘actors outside the territorial boundaries of a state’. The contest between policy paradigms then does not only involve domestic non-state actors, but is expanded to include transnational actors. This way, state policy making is influenced by a domestic as well as transnational flow of ideas. The question is to what degree states retain agency in these circumstances, or are dominated by structural determinants of
globalization (Drezner 2001: 55). In the following section I will come back to this when I discuss the influence of transnational actors on the domestic policy process.

2.2 Transnational actors and the diffusion of policy paradigms

In this section the focus will be on the role of transnational actors in the domestic policy process and more specifically: the way in which transnational actors can influence a country-level policy paradigm. First there will be a short introduction to the interactive relationship between transnational actors and the domestic political realm. Hereafter a number of transnational actors are discussed, selected on the likelihood that they play a role in the diffusion of transnational land policy paradigms. Then, the focus will be on activities of transnational players that are in line with creating norms and developing policy paradigms, and the way in which they pursuit to diffuse these into the domestic sphere. Most of the literature about transnational influence and diffusion mechanisms is directed at explaining ideational processes or the diffusion of either norms/ideas or policy. As explained in the previous section, the policy paradigm is a much broader concept, including not only ideas and policy prescriptions, but an entire system of thought with respect to a particular policy domain. Therefore it is important to emphasize the distinct nature of diffusion addressed in this thesis. That is, central to diffusion of a policy paradigm is the aspect of persuasion. Put differently; given that a ‘system of thought’ determines the way in which actors interpret reality, it makes sense to argue that diffusion hereof is only accomplished if the actors on the receiving end are persuaded into changing their way of thinking.

2.2.1 The interplay between ‘the transnational’ and ‘the domestic’

Those who theorize about international relations and about domestic politics tend to ignore the linkages between societies and societal actors across national boundaries. Those who study transnational relations mostly neglect structures of governance, in particular the state (Risse-Kappen, 1995: 16).

The effects of globalization – in the sense of intensified cross-border political, economic and cultural interactions – have left their marks the nation-state. Opportunities for transnational actors have increased through the decrease of transaction costs, especially the improved technologies for communication have speeded up the flow of information and reached a global scope (Keck & Sikkink 1999: 93). The impact of transnational actors and norms spread by international regimes on the behavior of nation-states is contested by rationalist theories; they see states as self-interested actors competing for power in a system of anarchy. For neorealist scholars, the distribution of power among states is what shapes systemic outcomes on the global level. The existence of institutions can be explained as long as it serves the interests of the most powerful states. However, neorealism cannot account for transnational relations that involve non-state actors. “Neorealism has little to say about transnational relations. For that matter it has little to say about domestic politics either (Krasner in Risse-Kappen, 1995: 257).” Liberal scholars recognize that international institutions have an effect on government practices; they shape preferences and interests, and thereby serve as mediators to achieve
cooperation in the international system (Risse-Kappen, 1995: 29). Thus, structural liberalism can account for transnational relations to the extent that they are based on rational (cost-benefit) motives. Rationalist approaches fall short in explaining behavior that is less rational and more ideational. As Hall argues, state-centric theorists exclude societal pressures from actors 'outside the state' which makes them blind to typical ideational aspects that can account for a country-specific policy course (Hall, 1993: 276). Therefore, the problem with state-centric approaches is that their simplified conception of a unitary 'black-box' actor cannot explain a-rational behavior of states, and fails to grapple the complexity of interrelations in the policy process.

Keck and Sikkink describe the impact of transnational actors and network coalitions on domestic affairs as undeniable given, and argue that the nation-state no longer has monopoly over public affairs (p. 99). In the political economy domain, this seems to be particularly valid as economic issues have increasingly moved from the domestic political agenda to the global agenda. Here, globalization of economic activity has led to a shift from ‘domestic deregulation to global re-regulation’ in most countries (Baylis, Smith & Owens, 2001: 365). This refers to the contemporary neoliberal hegemonic order in global political economy. However, the belief that territorial boundaries and domestic structures significantly matter in country-level politics is still widely held. Béland (2009) argues that states hold their autonomy when it comes to policymaking, regardless of transnational incentives interfering in the process (Béland 2009: 710). This does not mean that transnational influences are completely blocked, but that the domestic structures are decisive of which input to accept, and which to reject. The interplay between ideas of transnational actors and national factors is crucial for the impact of transnational ideas on domestic policy domains. Risse-Kappen argues that “...the impact of transnational actors and coalitions on state policies is likely to vary according to differences in domestic structures, i.e., the normative and organizational arrangements which form the "state," structure society, and link the two in the polity (Risse-Kappen, 1995: 6).”

The interplay between transnational and national actors, and their relative strength in the domestic policy process is explained by Béland and Orenstein (2010) in terms of ‘veto-players’ and ‘proposal actors’: since transnational actors lack formal veto power over domestic policymaking, their power to exert influence is limited to (ideational or material) ways of persuasion. Therefore, transnational actors only serve as proposal actors that try to change the preferences of domestic veto-players in order to steer policy in their favors. By introducing their own (policy paradigm) perspectives they hope to influence the domestic policy paradigm. Veto-players are thus domestic policy actors that have the authority to change the status quo (Béland & Orenstein 2010: 3).
2.2.2 Transnational actors: different types, different roles.

Transnational relations include both vertical and horizontal directions of influence. Note that ‘transnational’ stands for transcending national borders, and ‘transnational relations’ simply refer to cross-border interactions. Hence, the range of transnational actors is widespread, differing from individual, state and non-state actors. What makes these actors ‘transnational’ is that their influence exceeds national boundaries. With regard to domestic policymaking a variety of transnational actors is working to influence the process through diffusion mechanisms that I will discuss in the next section. In order to understand the nature of transnational influence on domestic policymaking it is important to map the transnational actors that could play a role in this. I will discuss the ones that are most likely influential in the domestic policy process.

International Organizations can refer to either intergovernmental organizations (IGOs) like the United Nations, international financial institutions (IFIs) like the World Bank and IMF, or international non-governmental institutions (INGOs) like Via Campesina. These entities have become the focus of global politics, as they provide structures for governance and are equipped with highly specialized knowledge. IGOs are recognized players in the international arena when it comes to setting norms and spreading their ideals through ideational (mostly UN) or coercive (mostly World Bank and IMF) instruments.

Transnational advocacy networks connect actors of civil society, nation-states and international organizations by facilitating communicative and political exchange between them. Their interactions are structured by a common goal, shared values and the exchange of information and services (Keck & Sikkink 1999: 89). Such a network can include international and domestic NGO’s, local social movements, foundations, the media, trade unions, parts of regional and international intergovernmental organizations etc. The scope of actors involved in a transnational advocacy network is its biggest strength: it can incorporate individuals and organizations that have access to necessary information and use it to build strong campaigns. In addition to this, transnational advocacy networks promote the implementation of policies by pressuring actors of interest and by monitoring compliance with international standards. By constantly being monitored, persuaded and pressured, they hope to push states with different values and norms into one direction. One important aspect of these networks is that they can empower local minorities that lack political voice in their own country. By offering them international allies, the transnational advocacy network can pressure the state from the outside (ibid.: 93).

Transnational business networks embody the organizational forms and processes that make transnational business activities possible. Such a network is in fact a governance structure for transnational corporations that directs operations across various fields and geographic locations (Yeung, 1997: 5). TNC’s are increasingly engaging in efforts for institutional development (networks of
individual enterprises and non-governmental players), based on multi-actor and multi-level relationships. Multinational companies use their international network to shape institutional emergence and influence convergence on institutional policies, and thereby serve as ".. agents of diffusion, learning, and convergence in institutional systems (Dahan et al., 2006: 1572). Their influence is manifest in a wide range of policy domains and social issues on local, national, regional, supranational and global levels.

*Epistemic communities* are knowledge-based transnational networks that have a role in international policy coordination by defining policy problems, providing calculated solutions and reviewing the policy outcomes. The members of such a community have an academic or professional background, but are linked by unifying characteristics that aim to promote knowledge for the sake of collective advancement (Haas 1992). An epistemic community with respect to transnational land policy could be a group of land policy experts that facilitate diffusion of their ideas.

*Individual policy entrepreneurs* are people that promote policy ideas. They form a distinct group because of their *individual* attempts to win support for a change of policy paradigm. This is done in several ways: policy entrepreneurs first introduce their ideas to the policy field and thereby help to identify new problems; they move in policy circles and use their ideational perspective to help reshape the terms of the policy debate; and they form coalitions to strengthen their case (Mintrom 1997: 739). An example of an individual policy entrepreneur of the neoliberal transnational land policy paradigm is Hernando de Soto: an academic who believes that formalization of land property rights will help eradicate poverty and facilitate economic development (de Soto, 2003).

These four types of transnational actors have clear set goals and are actively spreading their ideas. But transnational stimulus can also come from *other states*, in the form of passive leverage. By only observing the policy behavior of other countries, a country can choose to copy this behavior or to adapt its own policies for the sake of competition. Hence, interstate interaction can take place in either direct (bilateral-/multilateral cooperation) or indirect (learning or competing) fashion. For instance, the socialist turn in Venezuela and Ecuador and indigenous uprisings there have influenced the political situation in Bolivia.

2.2.3 Transnational policy paradigms

From the descriptions of the various transnational actors it can be derived that most of them lend their legitimacy and influencing power from the highly specialized, expert information they can provide. Each of them has unlimited access to information that offers different perspectives and calculations to a certain policy issue. This is why the influence of transnational actors in the domestic policy sphere is often compared to that of ‘global think tanks’, ‘agenda-setters’ or ‘policy entrepreneurs’: they are ‘armed’ with information and this gives them the opportunity and resources to create norms or develop
transnational policy paradigms (Béland & Orenstein 2010). In this line, Babb (2013) stresses the intrinsic value of scientific expertise to the existence of a transnational policy paradigm. Specialized knowledge is where transnational policy paradigms derive their legitimacy from, such as international economic scholarship that reinforces the transnational neoliberal land policy paradigm, or the growing scholarship on pro-poor – human rights-based – development that strengthens the transnational social justice land policy paradigm (Babb, 2013: 272). In similar vein, Stone (2008) stresses the importance of knowledge-based legitimacy for preserving the status quo: “…scientific expertise is used for ideological purposes of ‘paradigm maintenance’ and the normalization of discourses of power (Stone, 2008: 25)”. Furthermore, transnational policy paradigms “…are also embedded in the practices of organizations with coercive authority, such as national governments, which gives them relative durability and insulation from disconfirmation (Babb, 2013: 272). The capacity to engage in ideas-creating activities is limited for most transnational actors. Usually, transnational actors are involved in activities of diffusion or campaigning for particular policy ideas (McKeon, 2013: 106).

2.2.4 Diffusion mechanisms

The fact that transnational actor’s power in the domestic policy process is limited to that of ‘proposing’, has made them develop numerous ways to increase their influence. These ways can be broadly categorized into three typologies of policy paradigm diffusion: passive, ideational and coercive (Béland & Orenstein 2010: 7). In what follows, I will deal with the three typologies of diffusion, which are directed at the interaction between transnational actors and domestic policy actors or ‘veto-players’. After that I shall briefly explain methods of influence in which transnational actors align with domestic non-state actors, and this way can either pressure state officials or empower societal actors to the extent that they assimilate in the political system.

The first mechanism of ideas transfer, passive leverage, refers to influence that comes from observing policy success or failure in other states and learning from these foreign experiences. Thus, this implies a horizontal approach to influence in which states learn from other states and converge, rather than the vertical approach in which transnational actors ‘teach’ a policy paradigm to a state. Another mechanism of passive leverage is competition; countries can adopt certain socio-economic policies to compete with other countries, with the aim of ending best-off, with the most profit out of it (Graham, Shipan & Volden 2013: 691).

The second mechanism, which is the central focus in this thesis, is ideational diffusion. It refers to a way of persuading, by which transnational actors use ‘ideational means’ to transfer their policy ideas into the domestic policy sphere. These ideational means refer to the specialized knowledge produced by the ‘global think tanks’ that entail a variety of transnational actors. In the absence of a formal veto over state-level policy, their main asset is providing expert information that may cause policy actors to
change their views (Béland & Orenstein 2010: 7). Techniques through which this influence is exercised can be through media outreach, publications, regular communication with policy actors (‘veto-players’), or the organization of conferences and seminars. The latter can be described as the socialization of political leaders, facilitated by transnational actors, with the aim of changing these actor’s preferences (Graham, Shipan & Volden 2013: 692).

Finally, there is diffusion through coercion. Unlike the ideational mechanism, this kind of diffusion is proceeded through material means. It entails offering membership or financial resources to nation-states, but on the condition that they adopt policies advocated by the transnational actors. However, few transnational actors are in the position to exert this kind of influence because most of them lack the resources needed to force conditions upon countries. The small group of transnational actors that does have a pool of powerful resources consists of large international (financial) institutions like the European Union, World Bank or International Monetary Fund (IMF). Thereby, in practice it shows that ‘hard conditionality’s are most successful in times of crisis or when a ‘window of opportunity’ occurs in which significant transitions in domestic policy can be facilitated by the material resources. An example of this kind of opportunity is a crisis like the ‘Third World Debt crisis’ in the 1980s that struck Bolivia, or the East Asian financial crisis in 1997 that affected Indonesia. In both cases, the IMF and World Bank offered financial aid in return for (neoliberal) policy reforms. While Indonesia has continued the market oriented pace after crisis, the same did not happen in Bolivia where the crisis was not less severe. Thus, although the coercive mechanism can be a powerful means for diffusion, it is not always sufficient for persuading domestic actors. Later in this chapter the mediating role of domestic factors will be discussed, which could account for the different impact of transnational incentives to adopt their proposed policy paradigm. On a side note, ‘windows of opportunities’ are quite rare, in ‘normal times’ these coercive players have to work through ideational persuasion as well (Béland & Orenstein 2010: 4).

Persuasion can also occur through indirect pathways. In the description of the transnational advocacy networks I already mentioned the mechanism these actors can use to empower non-state (domestic) actors as a means to pressure the policy actors (Keck & Sikkink 1999: 93). They can form alliances with these actors in which financial resources and information are given in exchange for their collaboration. The empowerment of civil society organizations like business associations, labor unions and social movements can result in a more purposeful course of action. For example, civil society organizations can help the transnational actors to reshape the domestic policy agenda or to translate transnational policy paradigms into the local cultural and political context. Alliances can also be formed with state bureaucracies that can help facilitate the development of policy ideas (Béland & Orenstein 2010: 5). This way, the veto-players are constrained by transnational actors indirectly.
The diffusion of a policy paradigm always involves transnational actors that advocate their policy ideas (proposal actors), and domestic actors that filter these ideas and decide whether or not they get adopted (veto-players). It is important to note that ‘diffusion’ here means piercing through national boundaries, but it does not necessarily imply a ‘successful diffusion’: veto-players need to be persuaded by the transnational policy paradigm. This idea is further elaborated by Béland (2009) who stresses that despite the undeniable influence of transnational actors, the domestic political, institutional and cultural context is decisive in the policy process (p. 710). As stated earlier, coercion through conditional loans can be a powerful mechanism of policy paradigm diffusion. It is believed that countries who are strongly dependent on the expertise and financial resources from an IFI like the World Bank are more likely to adhere to its proposed policy paradigm. But as was pointed out in the example of Bolivia and Indonesia during crisis, adopting policy prescriptions does not equal accepting the policy paradigm, for which persuasion must occur. Bolivia was not persuaded although it did follow the structural adjustment program the IMF imposed; as will be discussed later, the neoliberal system of thought never really internalized. For the transfer of policy ideas to be successful, the IFI will have to collaborate with the countries to make the policy paradigm fit the national context (Béland, 2009: 712).

Hence, it is no longer questioned whether ideas transcend national boundaries. Just like the contestation between domestic policy paradigms, transnational policy paradigms compete with each other for authority. They apply the diffusion mechanisms that were described above or they make alliances with domestic actors that support their policy paradigm. In case of the latter, the mechanism as explained by Hall is the same: whether or not the diffusion is successful depends on positional advantages, resources, exogenous factors or a shift in the authority over policy (i.e. change of veto-players)(Hall 1993: 280). Transnational actors can offer their domestic allies the resources and expertise they need to strengthen their position. Moreover, support from an institution like the United Nations or World Bank exerts ‘soft power’ by itself, because of their great reputation.

After learning the variety of ways through which policy paradigms can be diffused the question remains: which policy paradigm will have domestic impact? This thesis will look into domestic factors that operate like gate-keepers: filtering transnational ideas to make them fit the national context. Three domestic factors are discussed in the next section: cultural repertoire, interest constellations and political institutions.

### 2.3 Domestic factors

In order to trace the ideas that are fundamental to a political actor’s behavior, it is essential to look into both exogenous factors and structural changes as into the local political context and local political actors. The interaction between these ‘external’ and ‘internal’ factor provides the most reliable answers to the question of why and how certain ideas come to prevail and others do not (Berman, 2012: 228).
The next step is finding out why some transnational policy paradigms seem to have a bigger domestic impact than others. When there is a choice to be made between diverging transnational inputs, domestic factors dictate the prescriptions for action (Cortell & Davis, 2000: 69). They act as gatekeepers that determine the course of the process of transnational ‘import’, and ‘localize’ transnational input that fits the goals of the country (Lenschow et al., 2005; Acharya, 2004). The deeply embedded cultural, material and institutional differences between states make it plausible that the persuasive effect of a transnational policy paradigm will also differ. Cortell and Davis (2000) refer to the varying strength of transnational ideas as salience: the extent to which a transnational policy paradigm is seen as legitimate in light of the national context. Domestic salience, according to the authors, is expressed through discourse, policies and state institutions (Cortell & Davis, 2000: 70). Thus, the normative ‘fit’ that is needed to speak of transnational persuasion corresponds to the degree of salience, hence is measured by taking account of these domestic factors.

2.3.1 Cultural Repertoire

Pre-existing domestic norms are believed to shape the preferences of policy agents (Checkel, 1999; Béland, 2009). Moreover, cultural attributes are often used as catalyzers in politics to construct imperatives for policy change. In this sense, governments can push through policies by means of rhetorical framing; using cultural factors to make plans more appealing to the public (Béland, 2009: 706). In the presence of diffusing transnational norms, policymakers will act as much as possible in line with social and cultural characteristics of the population. March and Olsen (2004) refer to this as the logic of appropriateness, in which externally given elements are filtered by cultural values and inherited policies of the state. In this, the adoption of a transnational policy paradigm is appropriate only if it is morally desirable, and for that it has to fit the national cultural context (March and Olsen, 2004). Béland (2009) refers to this as the cultural repertoire of a country, that consists of ‘..a relatively coherent set of cultural symbols and political representations mobilized during social and political debates to frame the issues and shape the public’s perceptions (Béland, 2009: 706)’, and despite transnational influences is central in shaping domestic policies. Policy legacies and ideational heritage can be crucial for the national political course, even if powerful transnational actors advocate an opposite policy direction. External ideas are subject to selection by the cultural repertoire; only if transnational input appeals to existing ideas it may find ground on the domestic level. Political actors can then choose to frame it according to familiar principles and thus promote the ideational fit (Béland, 2009: 707).

In the current global context, a country’s cultural repertoire is a preserving factor for national identity that is threatened by globalization and the decline of the nation-state. Although cultural values do not weigh the same in every country, they can be a strong factor in countries where they do. Therefore, this mechanism applies mostly in countries where cohesion of social entities in the population is recognized as a cultural understanding (Checkel, 1999: 86). In that case domestic culture shapes the
way the public assesses a policy issue and which line of action it expects to see. Thus, understanding the domestic culture is an important step towards finding the origins of a policy course, because it explains how a policy issue is interpreted in that country. Culture makes it that policymakers lend more legitimacy to some social interests than others, which explains the different meanings and associations that countries have for the same policy issues (Lenschow et al., 2005: 801).

The degree to which a transnational policy paradigm will have a national constitutive effect depends on the presence of normative intersections between the two. Checkel (1999) describes this as the cultural match between global norms and the domestic practice, which he defines as “...a situation where the prescriptions embodied in an international norm are convergent with domestic norms, as reflected in discourse, the legal system (constitutions, judicial codes, laws) and bureaucratic agencies (organizational ethos and administrative procedures) (p. 87).” So in case of convergence, the transnational policy paradigm will be empowered domestically through public discourse and legislation or institutionalized into socio-economic structures.

But ideas alone cannot account for a shift of policy course; their strength is in part determined by interacting powerful (trans)national institutions and political actors (Béland, 2009: 707). In this respect transnational policy ‘proposals’ will only be adopted if they can help to reinforce national cultural principles.

2.3.2 Interest Constellations

A second factor that determines the domestic impact of a transnational policy paradigm is the state’s internal balance of power or interest constellations. Here, convergence depends on the relative strength of domestic groups that are supportive of the transnational policy paradigm, with respect to the opposing group. Risse-Kappen refers to this as the ‘structure of demand-formation in civil society’, that is examined by looking into the internal polarization between actors in terms of ideological and/ or class cleavages. He then considers the extent to which societal demands can be mobilized for political aims. In this respect, ‘strong’ societal groups are relatively ‘un-fragmented’ by ideological/ class cleavages, they have a centralized structure of organization (such as businesses, unions) and are ‘politiciized’ groups that articulate their demands for political causes (Risse-Kappen, 1995: 22). If the supportive domestic actors are strong, and have sufficient power and resources to ensure that their interests prevail, they are more likely to push through the adoption of their preferred transnational policy paradigm (Knill, 2002: 259). As the focus in this thesis is on a dichotomous constellation between ‘social interests and ‘market-driven interests’, the theoretical base in this section will be narrowed to “business” interest groups and social movements. Here, business groups are assumed to act in their self-interest, which points to profit-enhancing goals, whereas social movements most often pursue collective benefits (Young & Everitt, 2004: 6).
But when will the interests of one group outbalance those of the competing group within a particular policy domain? This depends on the resources and relative strength available to advocacy groups, here defined as "any organization that seeks to influence government policy, but not to govern (Young & Everitt, 2004: 5)". "Policy success", or domination of interests is a function of several factors with respect to the advocacy group. First, financial or human resources are important for interest mobilization; some may have a sizeable budget but little human resources, other groups depend solely on their 'strength in numbers'. The more resources, the greater the chance of influencing policy. Second, the cohesion of the advocacy group, determined by organizational control, unity and motivation of the group, increases policy success. Third, leadership and expertise are essential for effective advocacy; knowledge of the policy domain and administration is helpful for tactically formulating demands. Last, the strategic position of the advocacy group, or group representativeness, within the policy domain can favour their interests (Bashevkin, 1996: 137).

Advocacy groups differ in range, size, strategies and goals, and can vary from business associations to social movements (although these often pursue a broader goal of 'social and political change'). Strategies, as argued by Young & Everitt, can be classified into 'formal' practices, such as various forms of lobbying and government consultations, and 'informal' activities like protests, rallies, and engaging in civil disobedience, which can even include violent acts against private/public institutions (p. 8). Formal strategies are mostly practiced by advocacy groups with a considerably centralized organizational structure with large budgets and a professional staff. In developing countries these are usually business associations or elite groups, as social movements often lack financial resources.

While business/elite advocacy is relatively simple to explain (driven by materialist incentives), social movement advocacy is more complicated as it relies more on human rather than financial resources, which requires a strong organization and clear-set goals for effective, cohesive mobilization. Here, the "New Social Movement Theory" (NSMT) that focus on advocacy of non-materialist goals is helpful for understanding the nature of social activism. Theorists stress the focus on identity and culture in movement formation, which entails symbolic collective action in the cultural sphere as opposed to instrumental action. The assumption is that ideologies and grievances are socially constructed: key to collective identity formation is rethinking and challenging existing ideas, social structures and culture for the sake of mobilizing this new found identity for political goals. Thus, the practices of collective action shape identities and the formation of identities shapes practices of collective action. Unlike materialist-driven groups that strive to maximize power, influence and/or profits by means of 'centralized' organizational forms, 'New Social Movements' usually pursue goals of autonomy and self-determination, and exist of a variety of networks that uphold collective action (Buechler, 1995: 442).
Hence, the preferences of the strongest pressure groups are key to domestic decision making. Powerful domestic groups participate in political deliberations and can bring other interested (transnational) parties to the negotiating table. Therefore, the adoption of a transnational policy paradigm remains a function of domestic interest constellations (Heinze & Knill, 2008: 503). On the other hand transnational policy paradigms could bridge domestic divisions between groups with conflicting material or ideational interests. In this case, the policy paradigm has socialized an otherwise fragmented group and empowered both the group and itself domestically (Cortell & Davis, 2000: 78).

2.3.3 Institutional Responsiveness

The relationship between societal actors and the state (policy officials) can be crucial for allowing transnational elements to enter the domestic arena. Political institutions structure this relationship with procedural rules that determine which actors take part in the policymaking process. In turn, this helps explaining the policy outcome and the choice for a certain transnational policy paradigm; policy procedures help frame the policy debate by providing conditions that benefit or block groups that wish to promote their interests (Immergut, 1992: xii). The adoption of a transnational policy paradigm then depends on the extent to which the state is responsive towards the interests of the group that support it (Checkel, 1999: 89). Following the assumption that political elites base their decisions on social learning inside and outside the state, knowledge about which groups the government chooses to learn from is evident for explaining policy decisions. Procedures of policymaking thus reflect the responsiveness of ‘the state’ towards ‘society’ that in turn “…affect the ways in which issues are defined and the types of evidence that can be brought to bear in resolving policy disputes (Immergut, 1992: xii)”.

But what does ‘responsiveness’ of political institutions entail? According to Immergut (1992) this is different for every country. Procedural rules determine which groups are pulled into the policy process, which government officials are most important in a particular policy domain, which branch of government is decisive and which role is set aside for the general public. It depends on the domestic political culture which cleavages of interest will prevail in the debate. “For some countries, the effective point of decision is in the executive, for others it is the parliament or the courts, and in others, policy issues are put directly before the electorate through referenda (Immergut, 1992: 4).” Formal institutions as defined by the Constitution as well as informal structures such as interest groups, political parties, politicians and bureaucrats shape the typical “rules of the game” of a country. “Constitutional rules, the organization of political parties, and patterns of electoral participation - the standard political variables - create decision-making structures, each of which has its own logic. These formal institutional features and the ways in which they are combined with electoral results produce different kinds of political dynamics (Immergut, 1992: 5).” Thus, when questioning to whom the
government is most responsive, three things must be considered: first, the dominant political organ of a policy domain, second, how it can be accessed and third, by whom it can be accessed.

In this vein, Risse-Kappen (1995) distinguishes a ‘centralized state’ from the ‘fragmented state’-type. In the former, the executive power is dominated by a small group of ruling elites whose authority reaches into lower-level administrations (regions, communities). Here, the legislative branch is relatively weak compared to the executive national government, which presents itself as ‘caretaker’ of the needs of its citizens (Risse-Kappen, 1995: 22). The latter reflects the opposite: it is a ‘fragmented’ state in the sense that it has a decentralized structure in which the power between the legislative and executive branch is more balanced, and where local governance structures are relatively autonomous from national government.

Checkel (1999) distinguishes four categories of domestic political structures, in which he describes the domestic mechanisms between the state elite and society that determine empowerment of transnational norms within the country. In short, societal pressure on elites prevails in the liberal structure, the corporatist model favors societal pressure while including elite autonomy, statist institutions are based on elite decision making with societal input, and state-above-society implies elitist decision making, excluding societal pressures (Checkel, 1999: 90). Though these distinctions will not be thoroughly utilized in the case study analyses, they are helpful for picturing different models of institutional responsiveness, which will be discussed in Chapter 5.
3 RESEARCH DESIGN

The central aim of this thesis is to account for the diverging land policy paradigms of Bolivia and Indonesia relative to the influence of proposing transnational land policy paradigms. Explaining 'why'
The theoretical framework presented in the previous chapter provides a starting point for an inductive research model in which possible conditions and mechanisms are identified by investigating the land policy process in each case. This implies a rather explorative research approach in which the goal of process tracing is to generate tentative hypotheses and thereby get more insight in the mechanisms at play. Hence, the conclusion will primarily focus on theoretical reflection as derived from the results of the comparative case study analysis. The next sections will discuss the selection of cases, research implications for the process tracing methodology, and the data that is used. Moreover, expectations are presented by a set of hypotheses, followed by the operationalization of the research object and domestic factors that are specified by research indicators. Case study research supports the purpose of exploring and theorizing, but it requires a solid justification of cases and methods for it is inherently biased by the researcher's perspective and interpretation. Therefore, Gerring's book *Case Study Research* (2007) will guide the research design: “The case study ... is best defined as an intensive study of a single case (or a small set of cases) with an aim to generalize across a larger set of cases of the same general type (p. 65).”

3.1 Justification of cases

A comparative case study is suited for such an explorative approach, especially because it concerns a relatively understudied field of research (the effect of the interplay between international, transnational and domestic factors on national-level policy outcomes). Cortell & Davis (2000) focused on a similar mechanism and argued for cases to be selected based on ‘variation in relevant outcomes’ (p. 85), corresponding to the criteria of ‘most-similar system design’ which suggests that the cases should be ‘similar in all respects except the variable of interest (Gerring, 2007: 131)’. The choice for Indonesia and Bolivia fits these criteria. Though their geographical distance may suggest otherwise, the countries are similar by the fact that they are both agrarian developing countries with a large rural (and indigenous) population facing the same challenges – brought about by a globalized world order - of balancing between global and local interests. In land issues this means that the governments of Bolivia and Indonesia need to mediate between land claims from the rural poor and those of (trans)national investors. The two cases are both outstanding in this respect: Indonesia exemplifies a deeply internalized neoliberal land approach, characterized by its large palm oil industry, whereas Bolivia embodies a land model that is driven by social justice and protection of indigenous ethno-cultural

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2 In ‘Understanding the Domestic Impact of International Norms: A Research Agenda’, Cortell & Davis (2000) provided some mechanisms that could be at play in the case that national policies are affected (or not) by international norms. Moreover, they suggested some research implications that could be helpful for expanding this field of research.
rights. Thus, these ‘most similar’ cases represent a ‘variation in relevant outcomes’, in the sense that their relevance is established by their extremely contradicting land policy outcomes.

3.2 Hypotheses

Based on the domestic factors that are used to explain the varying impact of transnational land policy paradigms on the national level in this thesis, three hypotheses are formulated. They represent the anticipated effect of the factors cultural match, interest constellations and political institutions on domestic dominance of a transnational land policy paradigm.

Hypothesis 1 - Cultural Match

- a) If an established cultural match can be observed between the neoliberal transnational land policy paradigm and the domestic cultural repertoire, then it is more likely that the neoliberal transnational land policy paradigm will prevail domestically.

- b) If an established cultural match can be observed between the social justice transnational land policy paradigm and the domestic cultural repertoire, then it is more likely that the social justice transnational land policy paradigm will prevail domestically.

Hypothesis 2 - Interest Constellations

- a) If the domestic interest constellations are in line with the neoliberal transnational land policy paradigm, then it is more likely that the neoliberal transnational land policy paradigm will prevail domestically.

- b) If the domestic interest constellations are in line with the social justice transnational land policy paradigm, then it is more likely that the social justice transnational land policy paradigm will prevail domestically.

Hypothesis 3 - Institutional Responsiveness

- a) If domestic political institutions are receptive towards influences from actors that favor the neoliberal transnational land policy paradigm, then it is more likely that the neoliberal transnational policy paradigm will prevail domestically.

- b) If domestic political institutions are receptive towards actors that favor the social justice transnational land policy paradigm, then it is more likely that the social justice transnational land policy paradigm will prevail domestically.

3.3 Research indicators

Four components are central to this thesis and need to be specified carefully in order to trace them in the empirical content of the two cases. This section will provide a comprehensive description of the phenomenon that needs to be explained (explanandum), which is the dominance of a transnational land
policy paradigm on domestic level, and the three explaining factors (explanans), respectively cultural match, interest constellations and political institutions. The operationalization of these dependent and independent ‘variables’ leads to specific indicators that are used to detect empirical correspondence with theoretical explanations. This means that each theoretical component is linked to a set of indicators that serve as evidence; the more empirical evidence is found for one theory, the more plausible this theory gets and the more likely it will be confirmed.

3.3.1 Explanandum: TLPP dominance

In order to detect domestic dominance of a transnational land policy paradigm, it is important to identify the object(s) of study: the domestic actors that ‘carry out’ the policy paradigm and dominance of a transnational policy paradigm. Following Hall’s conception, a policy paradigm is a product of social learning carried out by the state and its political institutions. It is built on the argument that policy actors themselves have significant influence on the policy process, since they have to think of solutions for public issues. In turn, the policy paradigm is embedded in conceptualizations, classifications and theoretical assumptions used by policy actors when they communicate with each other, and channels the way they interpret a policy problem (Hall, 1993: 278). Thus, the actors to be studied are ‘veto-players’ of the policymaking process: government officials and other policy actors directly involved in the policy process. Terminology that is used in the land policy discourse offers indications about the goals that are pursued. In case of a neoliberal land policy paradigm, economic concepts – property rights, agricultural investments, market efficiency, capital accumulation, global trade - dictate conversations of land. In the social justice land policy paradigm land issues are interpreted from a human rights point of view that is translated into an emphasis on land tenure security in deliberations. Central aspects that indicate a social justice-oriented polity include recognition of cultural and ethnic rights, land redistribution, self-determination and protection of livelihoods. In Chapter 4 the transnational land policy paradigms will be discussed in more detail, and in relation to the cases of Indonesia and Bolivia.

While both the neoliberal and social justice transnational land policy paradigms are to a certain degree present in every developing country (they are ‘transnational’ for a reason), this thesis seeks to account for dominance of one over the other within a polity. Social learning implies that domestic policy is influenced by the exchange of ideas between state and society, including the ‘global society’ that is represented by transnational actors. Hence, dominance of a transnational policy paradigm can be determined by examining communication flows between government officials and transnational ‘proposal actors’: if domestic policy actors choose to attend conferences or sign treaties proposed by transnational advocates of the neoliberal land policy paradigm but avoid confrontation with ‘social justice’ proponents, the neoliberal approach probably dominates in that country – and the other way
around. In other words, dominance is reflected by the extent to which policymakers accept transnational incentives for diffusion.

The more the international norm or institution accords with national institutions and the more numerous the mechanisms devoted to its reproduction and reinforcement, the greater its domestic salience (Cortell & Davis, 2000: 71).

Accordingly, neoliberal dominance can be determined when transnational interactions with the state primarily entail associations with financial institutions (World Bank and IMF), transnational enterprises and trade agreements (large scale land deals) with wealthy countries, including EU. In case of social justice dominance, government officials will be more engaged in contacts with transnational actors that promote human rights and ‘pro-poor’ principles. Examples are the Food and Agricultural Organization (FAO), the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP) or transnational activist networks. However, dominance does not mean that the other transnational land policy paradigm is excluded completely; a country with market-based land principles will have to respond to ‘social’ demands, and a country that pursues social justice land goals cannot ignore the hegemonic world order of free market capitalism.

3.3.2 Explanans: ideas, interests, institutions

A threefold of domestic factors – cultural repertoire, interest constellations and political institutions – is studied to account for domestic acceptance of one transnational land approach over the other. An assessment of these components in Bolivia and Indonesia with respect to the neoliberal and social justice TLPP will give insight into their national context and thereby explain their different land policy paradigms.

Cultural Match

The ideational/ cultural explanation suggests that transnational ideas will have more domestic strength when they correspond to the country’s pre-existing cultural repertoire, or rejected in case of contradiction: “In some cases, recognition of an international norm might be likened to cultural imperialism or colonialism and cause domestic resistance or rejection (Cortell & Davis, 2000:74).” In case of a ‘cultural match’, elements of the transnational land policy paradigm will converge with the domestic ‘land culture’ ‘as reflected in discourse, the legal system .. and bureaucratic agencies ..’, which strengthens the position of the transnational land approach (Checkel, 1999: 87). To see if a cultural explanation can account for differences observed in Bolivia and Indonesia, the matching level with both neoliberal and social justice land policy paradigms must be determined. The domestic land culture is embedded in several policy spheres. The legal framework reflects culture that is institutionalized, which suggests observation of laws, rules, policies, ratified treaties or Constitutional articles. Furthermore, the public discourse in the land policy domain reveals which cultural standards are
applied to the land issue. Hereby, statements or speeches of government officials can enforce the ‘legal’ evidence of a particular domestic land culture, but they will not be leading aspects in the analysis. Another cultural indicator is found in the pre-existing prevailing ‘organizational ethos’ with respect to land, i.e. a prevailing pluralism of land governance would be more in line with a social justice land culture, but homogeneity resembles the neoliberal land approach, that prescribes property rights as a ‘one size fits all’ system. The national culture is best detected in an historical overview that highlights the relevant policy legacies or ‘ideational heritage’. In order to understand domestic attitudes towards land issues, legal features will be observed in the context of historical elements that have shaped them. As argued by Béland, analyzing culture through historical institutionalism is helpful because it “...sheds much light on the conditions of policy change because it stresses the weight of previously enacted policies and the institutional mediation of interests (Béland, 2009: 703).”

**Interest Constellations**

The interest constellations factor looks into the domestic balance of power between non-state pressure groups. Advocacy groups with the strongest resources can outweigh their opponents and thus, push the policy path in their preferred direction. For the analysis it is important to establish first which actors support the social justice land approach, and who are engaged in neoliberal, economy-oriented advocacy. Although ‘power’ is not measurable in strict sense, there are some aspects that can indicate the relative strength of a pressure group within a country. As discussed in the theoretical chapter, power can be expressed through financial resources, ‘great capital’ – mostly by corporate, elite actors of the pro-neoliberal camp – or through ‘strength in numbers’, which points to human resources, and is more often linked to social justice advocacy. Social movements are more likely to outweigh their corporate opponents by ‘outnumbering’ them, but successful mobilization requires a strong organizational capacity for coordinating actions, and even more a strong ideology that binds them. Elite-advocacy strategies are usually ‘traditional’ – lobbying, attending formal meetings – as opposed to the often radical, informal strategies of social justice actors. Hence, in the case studies the relative strength of the two groups is analyzed by observing their political activities – radical or traditional – with regard to land issues. Despite the abstract character of ‘power’, which makes it difficult to measure, a balanced overview of the group’s actions will allow for more insight on the power relations in the two cases.

**Institutional Responsiveness**

The diffusion of a transnational land policy paradigm also depends on domestic political institutions. Within a country, procedural ‘rules of the game’ structure political responsiveness towards societal interests by determining which actors get a role in policymaking. Checkel already introduced four political structures that present different mechanisms through which transnational policy paradigms
can be empowered. While he distinguishes societal pressure on elites, elite learning and a combination of the two as main mechanisms, my assumptions are slightly different. The policy paradigm theory argues that policy actors shape policies by means of social learning, in which they act independently of societal pressures. Here, it is suggested that ‘elite’ social learning determines if a transnational land policy paradigm should be adopted, but that societal pressures could influence this process if the government is receptive towards their demands. Social learning is about channeling a flow of ideas from both domestic (societal) and transnational actors, but if societal actors are excluded from political institutions their ‘flow’ of ideas is less likely to be considered in decision making.

Then, for determining the nature of responsiveness within the political institutions of Bolivia and Indonesia it is important to look into the decision making structures that affect the land policy domain. A few questions important to keep in mind for the analysis: which political institution(s) are most influential in the land polity, how can they be accessed and by whom? The answers will reflect the specific kind of responsiveness that is applied in land issues, which can differ from procedural rules that apply to other issue areas, and from the expectations that come with a particular political structure. Thus, establishing the extent to which legislative, executive and/or judiciary institutions are decisive within the land policy domain is helpful for determining which societal actors can access the policymaking process, and influence the land discourse. Henceforth, the way these institutions are accessed (and by whom) can be determined in several ways. For instance, in the legislative branch this could be electoral procedures, political parties or referenda; executive institutions – if dominant – are usually accessed by informal procedures (advocacy groups, political parties), and in case of a strong judiciary branch, Constitutional Reforms or Supreme Court decisions reflect responsiveness towards particular interests.

3.4 Process Tracing

As announced earlier in this chapter, process tracing will be applied to facilitate ‘thick description’ in the case studies in order to investigate accountability of the proposed domestic factors. Process tracing is a form of analysis suited for this kind of research, because multiple types of evidence are employed in search for better insight in the ‘process’. The comparative case study in Chapter 5 entails a thick description of the three domestic factors as found in Bolivia and Indonesia, which is analyzed and interpreted (‘traced’) in Chapter 6. Process tracing acquires a detective-like logic: making sense of every piece of collected evidence that sheds light on the outcome (Gerring, 2007: 179). Hence, extensive description of the land policy process in the cases is expected to bring more clarity on the factors that are (most) at work. For these facts to be ordered, classified and told in the right sequence – to show logical coherence in the evidence – the domestic factors are first discussed separately, followed by an integrated discussion in which their relative influence in the process will be determined.
3.5 Pool of Resources

As a methodology, process tracing offers much freedom to collect evidence from a variety of data resources. In ideal circumstances this study would include ‘direct resources’ such as interviews with government officials, advocacy group-members and transnational actors; a policy paradigm is best portrayed by the discourse of the members that are involved in pushing or pulling for a certain policy direction. Due to the unfortunate lack of resources and a limited time-span in which this thesis is written, the empirical content is retrieved from document analysis. At the heart of this research are scientific articles written by scholars highly specialized in the history, social structures, economic conditions and political procedures related to land affairs in the two cases. These articles have guided most of the analysis, which could bring a biased outcome to the degree that articles are colored by subjectivity of the author’s theoretical perspective.

Furthermore, institution documents/ rapports – mostly from transnational institutions like FAO, World Bank and UN, given the language barrier that limits access to documents by national institutions of Bolivia and Indonesia – have been helpful for getting a clear overview of their practices and perceptions on land approaches in developing countries. Documents summarizing international agreements that have been ratified by the countries – ILO 169, UNDRIP – were consulted, as well as rapports discussing projects initiated by transnational actors (such as World Bank: Land Administration Project).

Newspaper articles were used mostly to strengthen analytical claims with material from the media. As many of these (online) newspaper articles include quotes from important actors in the land polity, or representatives of key interest groups/ social movements, they were helpful for mapping out the leading domestic land discourse.
4  **TRANSNATIONAL LAND POLICY PARADIGMS**

The changing international–national–local linkages that structure the terms under which people accept or resist the corporate-controlled global politics and economy present both threats and opportunities for the world’s rural population (Borras, 2008: 259).

The 21st century has witnessed a revival of the global land debate between the neoliberal camp and social justice proponents. The debate reflects their diverging perspectives on land rights, land law and land reform and their relation to the broader development issue. In short, the neoliberals perceive land issues through a ‘market-economy lens’ and see property rights as the solution for efficiency and economic growth; the social justice camp has a ‘human rights lens’ that is open to alternative (customary, local) land models for securing the livelihoods and income of rural peoples (Assies, 2009: 573). Global interest in the debate grew with the rapid agrarian change of the past decade caused particularly by the increase of transnational land investments – ‘the global land grab’ – revealed the ideological contradiction where neoliberal advocates present it as an economic opportunity for the rural poor, but social justice actors point to the negative effect on rural peoples’ lives and livelihoods (Borras et al., 2011: 210). The neoliberal land approach has been the mainstream tradition since the 1990s, offering specific policy prescriptions promoted by the World Bank, IMF and transnational corporations. But in recent decades the social justice camp has increasingly articulated its ideas and proposals through a transnational network of international institutions (UN-Habitat, FAO), NGO’s (Via Campesina) and international civil society organizations, and is challenging the neoliberal hegemony (McKeon, 2013: 106).

While Assies (2009) underlines a debate between ‘marketability’ and ‘security’ oriented perspectives, this thesis refers to them as transnational policy paradigms. As proposed by Hall (1993), they both have a well-established system of ideas and beliefs that determines the nature of the problems that should be addressed and the goals to be pursued. In addition, Babb (2012) argues that transnational policy paradigms derive their legitimacy primarily from expert knowledge, stressing the crucial role of academics and think tanks as supporting fundaments (p. 271). Both transnational land policy paradigms are based on expert knowledge; Hernando De Soto and other academic economists have been important for the neoliberal approach, whereas the UN human rights development approach has inspired the social justice camp. In this chapter I will discuss the key components and trends that substantiate the transnational land policy paradigms, and the way they are applied to the cases of Bolivia and Indonesia. The focus will be on the classifications, conceptualizations, and theories of land and the prescriptions for action that follow from it, with reference to their history and central actors. While both the transnational neoliberal and the social justice land policy paradigm are trying to influence domestic affairs in Bolivia and Indonesia, I will only discuss the dominant paradigm that is operating in the country.
4.1 Neoliberalism: commodification of land

In the neoliberal tradition land is conceptualized as an economic asset, a commodity that is to be regulated by market mechanisms rather than state policies. As a policy paradigm, it defines inefficiency and underproduction of land as the ‘problem’, and therefore pursues to generate capital through an efficient land market, prescribing instruments of private property rights and free land markets. Formalization of individual property rights are seen as a basic means to maximize (agricultural) production, the exploitation of natural resources and with this, capital accumulation. This notion is strongly influenced by the academic writings of economist Hernando de Soto (1989, 2000), who argues that ‘dead capital’ (untitled land) is causing poverty in the Global South because it is ‘invisible’ to the market and thus cannot generate capital (Assies, 2009: 575). He proposes formal land titling as the solution. Central to his argument is the notion that legal land leads to access to loans and credit for the poor, followed by poverty reduction and development. He explains that formal titling turns land into a transferable, exchangeable asset that has the ‘capability of being divided, combined or mobilized to suit any transaction’ (de Soto, 2000: 157). Thus, he believes that property rights ‘legally empower’ the poor, as they receive the freedom and the means to trade and use land as collateral in a market context. Capital that is ‘alive’ means it is visible to the market and therefore will automatically be put into good use. The market is the most efficient way to distribute land and maximize production, and a fair development approach because it offers equal opportunities to everyone. This translates into the aim of formalization to create a homogenous ‘Western-style’ land system by transcending the pluralism of local ‘social contracts’ (Assies, 2009: 579).

The neoliberal land policy paradigm emerged in the 1990s as an integral part of market-led development advocated by International Financial Institutions (IFIs); a set of policy prescriptions widely known as the Washington Consensus (Babb, 2013: 275). In the land issue area, neoliberal actors criticized the state-led agrarian reforms that had generated an inefficient and corrupt collective sector, and proposed a counter-reform that would focus on individual property rights (Assies, 2009: 585). As the Washington Consensus promoting market-liberalizing reforms with ‘growth enhancing’ strategies such as the privatization of state enterprises and trade liberalization, land regulations were inclined to follow the same trend. In the 1990s this was first facilitated with the Market-Led Agrarian Reform, a neoliberal policy framework for land (advocated by the World Bank) that prescribes free land markets and formalization of property rights. (Lahiff et al., 2007: 1422). For actors of the neoliberal camp the land issue is considered basically in terms of costs and benefits, a rational approach but strongly opposed by the social justice paradigm.

The transnational neoliberal land policy paradigm expanded in the face of ‘corporate-led globalization’ that marks the global economy of the 21st century. Along with market liberalization and the rapid growth in foreign direct investments (FDI), recent food and energy crises have triggered large-scale
land investments carried out by transnational corporations and wealthy states. The land deals are
aimed at sectors varying from export-oriented agriculture, biofuels production and exploitation of
minerals (primarily) for the global market. Whereas the market-led agrarian reforms of the 1990s were
aimed at economic development and gradual integration into the global economy, current practices
focus on the latter and claim to bring new development opportunities. (Trans)national corporations
could facilitate economic opportunity for the poor by creating new jobs, improvements in infrastructure
and services and the guarantee of food security (Zoomers, 2010: 433).

Indonesia

In recent times Indonesia has made global headlines on several grounds. It is the fastest growing
economy of the Southeast Asian region and was posting growth even during the global financial crisis
(CIA, 2015). Besides having a leading role in the global mining sector, timber production and a booming
agricultural sector, the country has become the world’s largest producer of palm oil and is expected to
expand palm oil plantations even more in forthcoming years (Fortin, 2011). The archipelago is covered
for about 70 percent by (tropical rain) forest around which many industries revolve their production.
Although forest-based sectors are important for the economy, they also contribute to forest
degradation, deforestation and displacement of local peoples. Indonesia’s development strategy of the
past decades was almost exclusively focused on rapid economic growth and has proven to be effective
on macro-economic level, but failed to benefit the most vulnerable groups – the landless, peasants,
indigenous peoples, forest communities (USAID, 2012).

While land cannot officially be bought and traded by foreign actors, forested areas are owned by the
Indonesian government that primarily uses this for foreign investments. This way, a large amount of
forests is granted to (trans)national companies for large-scale production. The increasing global
demand for palm oil (used in food and non-food products) contributes to practices of ‘land grabbing’
facilitated by the government, the conversion of forests into palm oil plantations (deforestation) and
increasing unification of agricultural production: single-crop cultivation (mainly) for export. Some
Indonesian smallholders choose to engage in the palm oil industry, but most farmers lack productive
capacity and capital to do this (Fortin, 2011). Thus, the local population is often left in a subordinate
position: they are dispossessed of the land that was both a source of income and food, in some cases
they are given the opportunity to work for the (trans)national corporation at a minimal wage that is not
enough to support their existence.

In sum, Indonesia applies a land approach in which the neoliberal land policy paradigm prevails.
Agricultural production is primarily focused on single-crop cultivation for the global market, but
despite large revenues the capital seems to ‘leak out’ to corporations rather than the population. A
World Bank-funded land titling program has been active since the 1990s, but the procedure is quite
problematic; formal laws often contradict customary *adat* laws, and most often richer classes rather than the targeted poor benefit from land titles. In 2004 the World Bank initiated a ‘land governance’ project to guide this process, but the complexity of Indonesian land regulations remains a barrier to effective implementation (Reerink, 2011: 111).

### 4.2 Social Justice: the human right to land

In recent years ‘market fundamentalism’ and its exclusive orientation on individual property rights has been contested by the surge of a ‘social justice’ land interpretation that stresses the security of livelihoods, food and shelter as a means to achieve human rights. The social justice approach embraces the multifaceted character of land, integrating its cultural, social and historical value to economic considerations and thereby rejecting a homogenous property system. Alternatively, it is open to differentiated land regulations that answer to social and cultural pluralism and recognize customary land systems (Assies, 2009: 586). This ‘social turn’ in the global land discourse emerged in the context of increasing prominence of a rights-based development approach and the rise of identity politics (Borras, 2006: 102). Unlike the neoliberal land policy paradigm that is a ‘top-down’ creation of Washington academics and institutions, the social justice model is built from the bottom-up; rural social movements were empowered by the broader human rights agenda and a growing transnational network. While global land governance was traditionally dominated by IFI’s, new actors in the shape of transnational advocacy networks emerged (McKeon, 2013: 106).

Thus, the transnational social justice paradigm applies a politics of recognition in which security of land and human rights are interlinked. For example, the FAO integrates land security in the context of national food security as ‘the human right to food’, whereas the UNDRIP point to the ‘indigenous right to land’ as to acknowledge their cultural, economic and political structures and demands for self-determination and territorial integrity (Assies, 2009: 574; UNDRIP, 2008). In this vein, transnational advocacy for ‘pro-poor’ land policies has incorporated the protection of land-based wealth, such as the right to access essential resources like water, forests, and minerals. Greater emphasis has thus been given to a land approach that supports the local ‘subsistence economy’ rather than capital expansion (Borras & Franco, 2010:10). Human rights have become a source of influence for NGO’s advocacy, governments and bilateral and multilateral development agencies, which increasingly refer to the United Nations Declaration for Human Rights and the Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights as bases of accountability.

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3 The rights-based approach to development emerged in the 1990s as a discourse opposing neoliberalism. Principles of non-discrimination, participation and empowerment, and good governance were increasingly promoted by civil society organizations and development actors, and incorporated by the UN in their development work (Ferguson, 2011).

4 Identity politics refers to social mobilization of a group around a collective identity for political goals. They seek recognition of their cultural/ethnic rights and thereby often refer to past injustices. The international indigenous movement—with demands of self-determination, autonomy and land rights—is an example of identity politics (Chatterjee, 2011).
In broader sense, the social justice land policy paradigm is associated with anti-'corporate-led' globalization tendencies. This aversion is directed at the effects of the neoliberal global order, that seems to deliver wealth to already rich governments, corrupt leaders and corporations, but fails to trickle down to the poor in developing countries. Thus, as it is often referred to as 'new imperialism', the neoliberal hegemony seems to have glued together an otherwise fragmented group of social actors.

**Bolivia**

With the election of Evo Morales as the first indigenous president in 2006, Bolivia entered an era of 'new socialism' promoted by Morales’ party MAS: *Movimento Al Socialismo*. The contemporary land policy paradigm in Bolivia is characterized in great terms by this indigenous presidency and the 'revolutionary' MAS government that originate from the rural world (Fontana, 2013: 2). Morales political goals are shaped by the history of indigenous exploitation and the strive to restore social justice in their name. Since his presidency, land reforms have been on top of the MAS’ political agenda. Key aspects were the nationalization of non-productive land, the redistribution thereof to peasant and indigenous communities, and collective land rights for indigenous groups. While most of these goals are not new to the country and were promised by a number of preceding administrations, the difference now is that MAS appears to be the first government that is seriously implementing it (Herzler & Ledebur, 2007). Indigenous grievances in Bolivia revolve around the dispossession of land and natural resources by wealthy elites. In the first round of reforms, Morales had nationalized the natural gas industry and started implementation of the new land policies. The New Bolivian Constitution was approved by a referendum in 2009, emphasizing the re-foundation of Bolivia as a Plurinational State: recognition of the ethnic differences in the country, introducing a special type of autonomy for ‘native indigenous peasant peoples’ in response to their goals of self-determination. This notion was influenced by the indigenous peasant movements that proposed it and by the UNDRIP, which is explicitly mentioned in the Constitution (Fontana, 2013: 8).
5 CASE STUDY ANALYSIS

Although it is unquestioned that both transnational land approaches have influenced domestic attitudes towards land in Bolivia and Indonesia, the answers to their divergent configurations in the two countries are less obvious to state. This chapter will be guided by the earlier presented theoretical framework in which domestic factors are incorporated as the gatekeepers for ideational ‘import’, and thus as possible explanations for the case-specific outcomes. In pursuit of the process tracing methodology of ‘collecting evidence’ the analysis will contain a thorough assessment of the Bolivian and Indonesian national land context that is manifested in their cultural repertoire, interest constellations and political institutions.

5.1 Bolivia

With the election of Evo Morales as the first indigenous president in 2006, Bolivia entered an era of ‘new socialism’ promoted by Morales’ party MAS: Movimento Al Socialismo. The rural political origins of the MAS government have made land issues the central focus in Bolivian politics today. Although the land reforms in 1953 and 1996 already moved towards more equitable politics of redistribution and recognition, this analysis will show that efforts made by the MAS government have facilitated a better establishment of these goals and thereby established Bolivia’s position as ‘social justice land actor’ in the world. In what follows, it will be clarified to what extent the cultural repertoire, interest constellations and political institutions of Bolivia have contributed to the inclusion of the transnational social justice land policy paradigm in the country’s policymaking. First thing is to discuss the Bolivian cultural repertoire with regard to land and agriculture. It will show that the current land approach has evolved from earlier policies and ideational constraints concerning indigenous peoples rights, and how social justice prevails in the government’s discourse, legal framework for land and the way land is organized in rural areas. Second, the interest constellations factor will reveal interesting shifts in Bolivian ‘locus of authority’ as peasant unions and indigenous groups aligned to support Morales’ presidency. Last, examination of Bolivian political institutions will tell to what extent the current land approach is supported by the population, and which transnational actors have been involved in land policymaking. While the three domestic factors are discussed separately, the empirical content will partly overlap where the boundaries between the factors get blurry. Nevertheless, each domestic factor forms a distinct perspective on the Bolivian land policy approach and its part in the process of adopting transnational land perspectives.

5.1.1 Cultural Repertoire

As in many other Latin American countries, in Bolivia the territorial issue has been a field of unresolved tensions and cyclical struggles since the formation of the state 200 years ago (Fontana, 2013).
Tensions related to land issues date back to the colonial era in which existing patterns of land tenure and social organization were differentiated to cater for the colonial economy. The indigenous population was affected hardest as it left them displaced, disenfranchised and excluded from national life. Independence in 1825 brought little change to this situation; the *hacienda* system (large estates owned by feudal lords or *latifundistas*) continued to dominate land organization that provided ‘communal land-holding’ for the rural (indigenous) population in return for tribute (similar to tax-payments) (Assies, 2006: 575-577). While it is ancient history, the colonial legacy of indigenous exploitation and fragmentation of socio-economic structures has been crucial for the construction of Bolivian identity and for the land reforms that would follow. Moreover, these historical dimensions underlie Evo Morales’ political conceptions and have guided his view on land regulation.

1953-1964: The Agrarian Reform as part of the Bolivian National Revolution

The first wave of change came with the National Revolution in 1952 led by the Nationalist Revolutionary Movement ‘MNR’ (Movimiento Nacionalista Revolucionario), who engaged in a co-governance with the national workers’ union. The objective was to end political segregation and construct a Bolivian nation-state, which brought about transformations such as universal suffrage for all Bolivians, nationalization of the mines and the Agrarian Reform of 1953 (Harten, 2011: 17). The Agrarian Reform reflected MNR’s nationalist ideology and development program, articulated through policies of land redistribution along with modernization and consolidation of large agricultural enterprises. Redistribution was largely facilitated by expropriation of *latifundia*, at the receiving end were landless peasants and indigenous communities; the landless were granted cultivation holdings, whereas collective titles for the indigenous groups intended to restore the historical dispossession. This egalitarian approach was accompanied by stimulation and commercialization of agricultural production, and promotion of internal migration in order to rationally distribute the population (Assies, 2006: 583). But despite these idealist goals, indigenous collective rights were not implemented and the Agrarian Reform failed to contribute to socio-economic development (Fontana, 2013: 5). The distribution of land was implemented by two state agencies, but corruption, irregular and overlapping procedures resulted in questionable land titles (Assies, 2006: 584). In sum, the legal status of the 1953 reform was weakened by poor implementation; little was changed for the indigenous land situation as power relations continued to be in favor of the large estate holders and agribusinesses. “The 1952 revolution merely replaced outright discrimination against and exclusion of the indigenous and peasant population by more subtle forms (Harten, 2011: 16).”


The evolution of the Bolivian land situation was recapitulated in 1996, with the adoption of the National Agrarian Reform Service Law (INRA law 1715). The new Agrarian Reform was led by the neoliberal government to modify the legal framework of the 1953 land system, in response to the growing
discontent over it in the population. The focus of this reform was on establishing land tenure rights that would reflect the multi-cultural character of the population. Whereas in 1953 the political perception was guided by goals of redistribution and development, the 1996 agrarian reform is aimed towards ethnic recognition (Fontana, 2013: 3). The main transformations in this respect were the distinction between individual and collective land tenure rights, and the introduction of the Original Community Lands (Tierras Comunales de Origen; TCO), an institutional model that recognizes indigenous peoples' rights to land (the REDD desk, 2015).

The formation of the INRA 1715 law has been influenced by international trends in both the neoliberal and social justice-seeking camps. In 1991 Bolivia ratified the 169 Convention of the International Labour Organization (ILO 169), a binding rule that entails the entitlement of special territorial, cultural and self-determination rights for indigenous peoples. The Convention came into force in 1989 and holds the fundamental criterion of self-identification of indigenous identity, implying that countries that ratified it recognize their indigenous population. Official recognition was established in 1994, when the 'multiethnic and multicultural' nature of the Bolivian Republic was included in the Constitution (ILO, 2015). Legally, the ratification of ILO 169 was assimilated into Bolivian Constitution by means of the 'constitutionality block'. This means that international human rights treaties are incorporated into domestic law, in the sense that 'both groups of rights must be complementary and mutually reinforcing (ILO, 2009). Thus, the land reform innovations of 1996 were in part the domestic implementation of ILO 169 and the Constitutional reform.

Around the same time, the World Bank supported the construction of new land legislation directed at market enablement and market-led reform. The first proposal was presented in 1994 as an instrument specifically aimed at institutional ordering. However, the market-led approach was resisted by a counterproposal from peasant and indigenous organizations. Consequently, the established legal document would classify properties with a 'social function' as lands that serve the well-being and development of their owners, whereas land with a Social Economic Purpose was assigned to agricultural production and economic efficiency (Assies, 2006: 590-1). The Social Economic Purpose (Funcion Económica Social, FES) concept entailed that one has ownership rights on land on the condition that it is put into good use; if this criterion is not met, the land is reverted to the government (REDD Desk, 2015).

On the whole, the INRA law of 1996 marked an important turn in the Bolivian land approach; the kick-off of an institutional platform that reflects the multicultural character of the population, accompanied by legal and technical procedures to implement redistribution. An interesting note is that neoliberal ideas had relatively little influence in the process, as well as the relatively marginal economic orientation in comparison to the rights-based course this particular land policy path has shown.
Considering the fact that only a decade earlier the country was in economic crisis, a land course in line with politics of recognition rather than an economic modus operandi, is at least noteworthy.

**2006: Communitarian Re-Organization of the Agrarian Reform Law**

The election of Evo Morales as the first president of Bolivia of indigenous origins marks a political and ideational turn for the country. Morales and his Movement Toward Socialism (MAS) party have oriented their government’s agenda on restoring social justice for the people of Bolivia. With reference to the struggles of native predecessors, indigenous empowerment and ‘decolonization’ of society are at the heart of the ‘cultural democratic revolution’ Morales plans for the country (Postero, 2010: 19). In this line, the new Bolivian ideology is shaped by anti-imperialism and overall rejection of the mainstream neoliberal economic model, and goals of national and territorial sovereignty. The MAS government translated this into nationalization of natural resources and campaigning for legalization of coca production. The latter has become symbol for the fight for recognition of indigenous demands, in response to US efforts to eradicate coca production as part of their ‘War on Drugs’\(^5\). The production of coca, and its traditional use by the rural population are key to the subsistence economy of indigenous and peasant groups, making it a crucial source of livelihoods and cultural practices. As former leader of the ‘cocaleros’ movement, Morales has openly opposed the abolition of coca by the US. In his inauguration speech, Morales states: “...the fight against drug trafficking cannot be an excuse for the US government to dominate our nations. We want true dialogue without conditions or oppressions or bribes (BBC News, 22 January 2006).” Thus, under Evo Morales, Bolivia entered a ‘Leftist’ era in which ‘new socialism’ and identity politics have made remarkable changes to the countries’ domestic and international politics and production.

Not surprisingly, this ideational tone has been key to the new land approach. The wish to recover indigenous territory and restore the injustice and inequality the native population has lived under, made the land issue central to Morales’ reform program. Hence, land reforms were the first on the list of the MAS governments’ agenda (Fontana, 2013: 6). Rather than launching a new initiative, the new legislation draws on effective implementation of the 1996 Agrarian reform law. In 2006, Morales formulated ‘seven decrees’ as guidelines for the new Agrarian Reform, focused on improving legal and technical procedures and implementation of land redistribution. This was further established in the ‘Communitarian Re-Organization of the Agrarian Reform Law’ (INRA 3545), which came into force in 2006. In order to redistribute land ‘from the rich to the poor’, land was expropriated from large landowners that failed to conform to the Social Economic Function as defined by law. In turn, it was declared state-owned property (which increased rapidly with this law) and assigned as communal land for the indigenous and peasant population (Bottazzi & Rist, 2012: 541).

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\(^5\) The coca leaf is raw material for cocaine. Thus, coca production is commonly associated with the production of cocaine (Harten, 2011: 26).
2009: Constitutional Reform

The most recent development – the Constitutional Reform of 2009 – is also the most relevant as it symbolizes the re.foundation of Bolivia as a Plurinational State. Here, the emphasis on resource allocation and identity differentiation is inherent to the new found order. Implications essential for the land issue are the inclusion of the Social Economic Function, the combat of land concentration by expropriation, and the introduction of a special ethno-cultural autonomy. The latter means that ‘native indigenous peasant peoples’ are entitled to a differentiated set of rights, to guarantee the ‘exercise of a political, juridical and economic system according to [its inhabitants’] world view’ (Art. 18)(Fontana, 2013: 6). This means that, according to the Constitution, the native indigenous peasant peoples also have a special territorial autonomy by which they can decide on their own social organization, largely structured by their own land regulations. Crucial to the inclusion of these set of rights was the signing of the United Nations Declaration on the Rights of the Indigenous Peoples (UNDRIP) and its adoption in the Constitution. ‘The reform represents explicit transition of concept of ‘land’ to that of ‘territory’, which links land to self-governance and natural resource sovereignty (Bottazzi & Rist, 2012: 544).”

The regional and ethnical differentiation of land rights and the organization thereof reflects Bolivia’s self-identification as a Plurinational State. Morales’ call for social justice has resulted in a far-reaching political recognition of the native population and their particular way of life. Hence, the organizational ethos of land regulation in Bolivia cannot be described in procedural terms, but is characterized by the acknowledgement of the countries’ pluralistic nature, which is exactly what proponents of the social justice paradigm advocate. The social justice land policy paradigm is guided by goals of land security and human rights, which Morales has carried out by giving the natives their own tools for self-determination.

5.1.2 Interest Constellations

While rich in natural resources, Bolivia has been one of the poorest countries in Latin America. This contestation is almost symbolic for the country’s history of elite control, in which the exploitation of resources went hand in hand with the exploitation of the native population. In this section I will focus on the evolution of the domestic power balance between the traditional elite groups and the rural poor, to find out to what extent it has contributed to dominance of the transnational social justice land policy paradigm. Although current interests constellations are in favor of the ‘social justice’ status-quo for land (thus represent rural peoples rather than elites), this is only since indigenous president Morales came to office in 2006. The turning point that changed the government’s neoliberal course into Morales’ ‘New Socialism’ can be attributed to the mass mobilizations of the 1990s and early 2000s, which mark the beginning of an explosive resistance against US imperialism and neoliberal economic policies (Postero, 2010: 22). The growing influence of indigenous and peasant movements and the reconfiguration of the
class-based social identity to an ethnic indigenous ideology are crucial for understanding the shift towards social justice-seeking land interests. Therefore, the analysis of Bolivia’s interest constellations is explained by the failure of the neoliberal system and decline of elite rule in congruence with the gradual successes of social movements that eventually turned into victory of ‘social justice’.

*Mobilization of social movements based on cultural regeneration*

Promises of the Agrarian Reforms in 1953 had not been kept. Implementation of the land redistribution that would favor indigenous peoples was ineffective and the land reform stagnated through political instability. After the revolutionary MNR government was overthrown by a military coup in 1964, the focus shifted back to imperialist practices. The military regimes used land distribution to satisfy wealthy large-estate farmers and attract foreign investors, ignoring the indigenous peoples that lived there. The expansion of corporate agriculture and the decline of the mining industry in the 1960-70s (an important source of income for the indigenous population) motivated indigenous groups to start organizing (Bottazzi & Rist, 2012: 535). Pro-poor land reforms seemed to be a blast from a revolutionary past in the centralized government, but this did not stop rural social movements from rising. Quite the contrary “Dead land reforms are not dead; they become nodes around which future peasant mobilizations emerge because promises unkept keep movements alive” (Herring, 2003 in Borras, Kay & Akram-Lodhi, 2010: 12).

The mobilization of indigenous peoples has been evident for the progress of social ‘land movements’ in a number of ways. First and probably most important is that indigenous movements have brought demands for cultural and ethnic recognition to the Bolivian agrarian debate. Indigenous identity was concealed in formal institutions since the Bolivian Revolution as the MNR government had banned the term ‘Indian’ from official discourse. Their strategy was to assimilate indigenous peoples in the nation by addressing them as *campesinos* (peasants) and thereby defining them in terms of class rather than ethnicity(Postero, 2010: 21). The interests of the rural population were defended by the national federations of peasant and worker unions. Unions became the primary political tool for acquiring rights because elite-controlled political parties were unsatisfying in this matter. The rural sector politicized when the peasant union CSUTCB allied with the miner’s union COB (which was in co-governance with MNR) to represent the masses. This political activism motivated rural groups across the country to voice their demands through social movements and a new generation of indigenous and peasant organizations gained (informal) political power. In turn, ‘indigenousness’ returned to the national discourse as activists started to rethink indigenous history and mobilize around cultural demands. On the union level, the CSUTCB was convinced by the Katarista movement to get more ‘indigenized’ and adopted an ethnic-based conception of land. Indigenous movements started to get off the ground in the 1980s with the help of anthropologists, (trans)national development NGO’s and European donors. The
first indigenous organization on national level was CIDOB – the Indigenous Federation of Eastern Bolivia (ibid. 20-21).

This new social movement was very different from both the union model and the Kataristas’ linking of race and class. Instead, it relied on identity politics, in which culture and ethnic difference were the most salient basis for rights, and did not constitute any radical challenge to capitalism (Postero, 2010: 22).

All in all, these developments contributed to better articulation of indigenous and peasant claims for land, put the ethno-cultural social identity back in the land discourse and, as will show later, mark the beginning of a turbulent ‘era’ of indigenous and peasant mobilizations. As Indian identity was rethought by a growing group of indigenous activists and introduced into the land debate, articulation of indigenous peasant demands started to take shape in terms of cultural and ethnic rights. Hereby the political aims were redirected towards self-determination, territorial integrity and autonomy for indigenous groups in the form of collective land rights. Reformulation of their demands helped to empower more indigenous grassroots movements, and was supported by the international recognition of indigenous rights and a greater emphasis on human rights as a development approach in general. As a result, the previously fragmented rural movements unified in reach of a common goal: the differentiation of land rights based on local social structures.

The first indigenous peasant mobilization of scale took place in 1990 with the ‘March for Territory and Dignity’, that led to ratification of the ILO 169 Convention and the recognition of indigenous territories, which was later formally established in the land reforms of 1996 (Bottazzi & Rist, 2012: 537). The claims to cultural and ethnic rights were not perceived a threat by the neoliberal Sanchez the Lozada government that was focused on economic restructuring. However, efforts to conduct a pro-market land reform confronted the neoliberal regime with the fact that the new multicultural reality was a serious issue. Empowered by ILO 169 and with NGO support, indigenous peasant unions succeeded in a countermovement to prevent a full liberalization of the land markets. Negotiations between state and indigenous peasant movements resulted in only partial liberalization of the land market and the establishment of TCO’s – collective ownership rights – which marked a significant victory for the indigenous peasant groups (Assies, 2006: 591).

On another front, the cocaleros movement was fighting a different battle for the same goals. The United States’ ‘War on Drugs’ was actively pushing for the eradication of coca, a sacred leaf for the indigenous population. During the 1990s the ‘coca wars’ unfolded as symbol of indigenous struggles and reframed social organization into anti-imperialist and anti-neoliberal tendencies. After the mining industry was privatized as part of the neoliberal restructuring plan, thousands of workers ended up unemployed. Many of them ‘relocated’ to rural lands to produce coca, which was in fact a step back in the historic evolution: ‘modern’ wage workers suddenly faced rural grievances towards the imposed modernized agriculture. Their worker ideology turned into cocaleros solidarity based on anti-imperialism and
ethno-cultural rights claims. The cocaleros applied traditional union strategies in their political strike such as road blockades and protests, and were supported by the international community that acknowledged the link between the coca leaf and indigenous rights claims (Postero, 2010: 22).

Then, at the start of the new millennium, social turbulence reached a tipping point when further restructuring pushed by the IMF and World Bank led to privatization of the water supply and gas. Economic policies for further exploitation of natural resources increased the discontent towards transnational corporations and the political elite, that appeared strongly committed to the global economy but failed to protect Bolivia’s national interest. Social justice actors perceived this as violation of ‘national sovereignty’, which provoked a mass mobilization of grassroots movements; first the Cochabamba protests (water war) in 2000 and the Gas War in 2003 (Albro, 2005: 446). The gas protests were mounted by a coalition of indigenous and labour groups that proceeded action through road blockades and strikes. The conflict escalated when the military began to violently oppress the demonstrations; after six weeks of ‘war’ Sanchez de Lozada was forced to resign in order to preserve the Constitutional order (Postero, 2010: 24). His vice-president Mesa took over but resigned in 2005 in the face of mounting protests. Although fragmented on several aspects, indigenous and peasant organizations joint forces in a political alliance - ‘the pact of unity’ - to support Evo Morales in the elections for presidency. Once elected, Morales successfully set up his ‘pro-poor’ land approach, despite resistance (discussed in the next section) from the agro-industry and wealthy landowners (Bottazzi & Rist, 2012: 540).

**Countermovement of the traditional elite**

While marginal in comparison to the mass indigenous peasant movements that supported Morales and his socialist reforms, resistance was certainly present and mobilized by media luna, a right-wing movement representing political elites, landholders and business actors. Media luna stands for the (moon-shaped) region in the eastern lowlands that is rich in natural gas resources, and where traditional elites hold the majority. Before Morales came to power, as demonstrated earlier in this chapter, the Criollo⁶ and Mestizo⁷ elites long depended on the centralized state that was operating mostly in their benefit (Gustafson, 2006: 352). The elites of the media luna had great influence in the national government, which they used in the 1980s and 1990s to turn state policies in favor of neoliberalism to serve their own interests. While pro-market policies were highly beneficial for eastern elites, they had a devastating effect on rural subsistence economies practices by indigenous and peasant groups in the western part of the country (Eaton, 2007: 79).

When in the 2000s social unrest started to dominate the streets of Bolivia, the Criollo and Mestizo elites sensed that their power in the centralized government was weakening and slowly started to retreat

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⁶ *Criollos* are direct descendants from Spanish colonizers, born in Latin America.
⁷ *Mestizos* are of mixed European and indigenous ancestry.
But the fight was not over for them; when Morales and his MAS party were inaugurated and started to set up reforms for nationalization of resource enterprises, land redistribution and rewriting the Constitution, conservative elites responded furiously – and violently - with demands for their own regional autonomy. Their strategy became to copy the way in which the indigenous movement had claimed for territorial autonomy – framed by the discourse of colonial racism – and presenting themselves as the subordinated group (Postero, 2007: 194). In similar vein to the indigenous cultural regeneration, the traditional elite were intentionally framing their position equal to the historical discrimination of Indians – with which they hoped to win sympathy.

The demand for autonomy was primarily present in the economic core of Santa Cruz that occupies one third of the national territory and is home to Comité Pro-Santa Cruz (CPSC) – a group of well-organized business associations. The members of CPSC are threatened by the socialist orientation of the Morales government. This is not surprising as the region accounts for almost half of the nation’s agricultural output and 80 percent of natural gas. The strategies for mobilization were also copied from the leftist practices: in the wake of the constitutional changes that would definitely weaken the elites, CPSC turned to radical approaches and started to occupy government buildings, agricultural reform offices and more key institutions. With little success in reaching their goals, however (Fabricant 2009: 780). Their desperate move to present themselves as a social identity, instead of promoting their interests as a wealthy economic class and radical forms of mobilization did not have the affect they hoped for – recognition of their claims for autonomy – but it did make the government to listen. Much of the Bolivian economy has remained in state hands, but the government seems to have reached a stable understanding with the Santa Cruz elite: “Over the years, Santa Cruz’s business leaders have learned to tune out Morales’ anti-capitalist diatribes but take seriously his private appeals for help with an ambitious growth agenda” (Miroff, October 6 2014). In sum, the traditional elites of the Santa Cruz region have demonstrated their organizational capacities in a creative appeal to autonomy rights based on their new found – or invented – traditional Mestizaje and Criollo identities. This kind of mobilization was remarkable for wealthy, right-wing groups that enjoyed economic status and political dominance throughout history, but are now no longer in the position where they can count on their centralist power. They too, took on informal, social movement strategies, which could very well be the reason that Morales reached a mutual understanding with the ‘traditional elites’.

5.1.3 Political Institutions

When looking at historical political structures in Bolivia it can be stated that the Morales administration marks a new era of institutional responsiveness towards indigenous ‘social justice’ demands. Political instability since the formation of the Republic illustrates the difficulty for political configuration in Bolivia. This is traced in the many ‘military coups’ the country had, but also in the alleged need for a national revolution to reach political/ economic change. The MNR administration was the first to
engage in revolutionary practices, with the strategy of co-governing with worker unions. However, their goals of redistribution and recognition of indigenous rights failed to be implemented due to corruption of the executive institutions. As became clear in the interest constellations section, unions, and later also social movements, have been the primary way to acquire political rights in Bolivia, for political parties – and thereby formal politics in general - were dominated by the elites. But even after democracy was restored in 1982, formal representation of indigenous interests was absent in the political system and political parties even refused indigenous candidates access in their electoral platform (Loayzda Bueno & Datta, 2011: 8). This started to change when Sanchez de Lozada appointed vice-presidency to Victor Hugo Cardenas, a member of the Katarista movement and the first ever indigenous elected member of Congress. As will be discussed later, this was the first in a series of moves by the government in which moderate receptiveness towards Indians was a strategy to pass neoliberal reforms by minimizing the chance to resistance (Lalander & Altman, 2003: 68).

In the 1990s the Sanchez de Lozada administration started a series of neoliberal reforms that included decentralization of governance. The adoption of ILO 169 in the Constitution was paired with the World Bank market-led agrarian reform initiative; the neoliberal government did this as a tactic to mediate between wealthy landholders (and the state’s free land market plans) and indigenous peasant groups that fiercely opposed it. This Popular Participation Law was in accordance with the differentiation of ethnic and cultural rights as established in the Constitutional reform in 1994, in which the ‘multi-ethnic and multicultural’ aspects of the Bolivian Republic are emphasized. Decentralization fit into the government’s neoliberal aspirations to establish a more efficient political and economic system, but unintentionally it opened an opportunity for indigenous and peasant groups to enter formal political institutions on the local level. The Popular Participation Law included the subdivision of Bolivian territory into municipalities that each got a share of national state expenditures. Through local governments a new legal status was granted to indigenous, peasant and community organizations as they served as representatives of their constituent populations in the form of Grassroots Territorial Organizations (OTB). In turn, the OTB of a canton elect representatives of the municipal committee that is concerned with municipal expenditures and budgets. The Popular Participation Law does not directly deal with land issues but it has given the special types of indigenous social organization legal recognition for the first time, which allowed them to pursue their own land regulations. For indigenous peoples this was the first experience with formal political structures, as intended by the ‘democratic inclusion’ goals of the De Lozada administration. But what was not foreseen by government officials is that political activities on the local level would trigger state-level political aspirations for the indigenous peasant groups (Lalander & Altman, 2003: 63).

In addition, the electoral system was also slightly changed; the National Electoral Court was institutionalized and a new system was introduced to favor smaller parties by turning votes into seats.
This opened a space for indigenous politicians to enter politics at federal level. Furthermore, the National Secretariat for Indigenous Affairs was set up to facilitate political receptiveness towards indigenous claims in 1997, followed by the National Dialogue in 2001 (Loayzda Bueno & Datta, 2011: 8). Hence, the intention was there to improve the formal political status of indigenous actors, but in reality it showed that Indian participation in central government remained minimal; in Congress indigenous representation was kept low by exclusionary practices of (elite) coalition governments. The ‘receptive’ institutions proved ineffective due to disproportionate participation of ‘white elites’ with respect to indigenous groups, which undermined the sole purpose of dialogue and inclusion. While Sanchez the Lozada wanted to include the indigenous peasant people in politics as a social class, though recognizing their special ethno-cultural identity, this did not correspond to indigenous demands of self-determination and territorial integrity, for which wholesale Constitutional Reform was needed (ibid. 10).

The election of Evo Morales was preceded by years of indigenous protests (i.e. the Water and Gas Wars) and social unrest. Grievances towards disproportionate benefits of the neoliberal reforms for elite groups were growing and were catalyzing the furious indigenous peasant movement. As discussed earlier in this chapter, political elites sensed the rising unrest and were gradually withdrawing from political activities. Sanchez de Lozada was forced to resign after the Gas War had exploded into a deadly conflict between demonstrators and the state military. To uphold the Constitutional order, De Lozada stepped down and was replaced by his vice-president Mesa. But Mesa faced the same challenges: the persisting mass mobilization of indigenous and peasant movements succeeded in overthrowing the neoliberal government that failed to answer to the majority's demands.

The election of Evo Morales and his MAS party marked the beginning of political restructuring in favor of the indigenous population and thereby – facilitating formal responsiveness towards indigenous demands. In the first presidential term, MAS held about 40 percent of Congress, which was a ‘startling turnabout in this historically elitist chamber’ (Albro, 2005: 436). However, a leading position in the executives was still not sufficient political weight to make the pro-indigenous land reforms aspired by the MAS happen; they did not hold a majority in Congress and Senate, which blocked their proposed bill for a Constitutional Assembly. Constitutional Reform was seen as the ultimate end towards full recognition of indigenous rights and the final step in reaching social justice, especially with regard to land distribution and -rights. Hence, it was not something Morales would easily let go: he requested the social movements – which had gained strong informal political power by then – to pressure the Congress and Senate into passing the bill. And this is how the first move towards Constitutional Reform was enacted; through pervasiveness of an ambitious president and his party, but moreover, through illegal (as in: not part of formal politics) procedures. The next step was to set up national elections for representatives that would form the assembly, as prescribed by the bill. After the elections were held in
June 2006 and the MAS won 52% of the votes, the Constitutional Assembly could finally start (Loayzda Bueno & Datta, 2011: 12-13).

Despite a few setbacks - opposition from the Santa Cruz elites\(^8\) and technical complications delaying the process – the Constitutional Reform was finally approved by Referendum in 2009. The final draft reflects strong influences from the indigenous movements, which indicates the Constitution’s responsiveness towards their demands. A number of proposals produced by several indigenous organizations – together forming the CEJIS’ Solidarity Coordinating Committee – were adopted in their original form. Moreover, receptiveness towards indigenous ‘social justice’ demands is found in the executive branch of government, where several former employees of CEJIS hold seats. CEJIS (Center for Legal Studies and Social Research) is a Bolivian NGO that was found in 1978 in advocacy for human rights and democracy, but changed its focus towards indigenous land rights. The close ties between CEJIS and government – both visible in the Constitutional formation and executive positions in Morales’ Cabinet – reveal strong receptiveness towards indigenous rights-claims, and thereby the government’s planning and ideology with respect to land (ibid., 15-16).

Morales was elected for a second term in the 2009 presidential elections, and in 2014 he even won an unprecedented third term that was approved by a Supreme Court decision\(^9\). In 2009 the Plurinational Legislative Assembly replaced the Congress, and in elections that were held in the same years, the MAS again won a broad majority of seats in the legislative political branch. All in all, the concretization and success of Morales’ ‘social justice’ land approach, from a procedural perspective, can be appointed to his victories in all political branches – the majority of seats in the legislative, his prolonged presidency and indigenous-based cabinet in the executive, and the Constitutional Reform which was proposed by an indigenous coalition of organizations and passed by means of informal (illegal) procedures – that significantly increased the political weight of the MAS (Bottazzi & Rist, 2012: 544). This kind of overall political dominance is probably the reason that the Morales-MAS government has been able to sustain the socialist course of land distribution and -rights; the entire system seems to be pulling in the same direction. But even Morales’ greatest opponents – the traditional media luna elites – receive concessions (responsiveness) to some degree, that are apparently satisfying enough to withhold protests and sustain a stable political order. Given Bolivia’s historical repertoire of social polarization, economic oligarchies, military coups and (partial) revolutions, Morales’ establishment of a stable ‘Plurinational government’ that is proportionally responsive – at least up until now – is quite impressive.

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\(^8\) The Constitutional Assembly was first seated in the city of Sucre, where the opposition against Morales held the majority and used this advantage to delay the process (Loayzda Bueno & Datta, 2011: 12).

\(^9\) The Supreme Court argued that Morales was allowed to run for another term because the Constitution was amended during his first four years as president (Al Jazeera, 21 May 2013).
5.2 Indonesia

The land system in Indonesia has been a great challenge to post-colonial leaders. During the Dutch rule, land was regulated by two parallel jurisdictions: *adat*, the customary law that applied to the indigenous community, and formal 'European' law that served the colonial economic goals. After independence in 1949, the intention was to converge these two models into one basic model for land and agrarian issues. However, a unified land system has proven to be a tough task in a country that focuses state-building primarily on economic growth (ANGOC & ILC, 2004). Contemporary land issues in Indonesia are still characterized by the complexity of two contradicting land models that represent diverging interests. In the 1990s the World Bank encouraged the refocus of land policies on titling with the idea that it would support peasant interests. A property rights-based approach was appealing to government officials as it seemed to be a fairly un-confrontational solution and thus a relatively ‘easy fix’ for the ongoing land-related problems (Studwell, 2014). But apart from complicated land registration procedures that hardly affected targeted peasant communities, state supremacy on land rights is guaranteed in the Constitution. Thus, the government is empowered to give and use land for any state-led or private economic development practices.

Present-day Indonesia does not reveal significant changes with respect to the land situation. While the World Bank and IMF are financially and technically involved in programs to improve implementation of 'Land Administration', in reality the number of land conflicts is growing and reflecting a legal framework that falls short for the rural poor. The expanding palm oil sector and growing presence of transnational corporations in the country mark the export-oriented course that Indonesia is following. The paradox of this Southeast Asian, post-colonial 'developing country' is what makes the Indonesian land policy paradigm an interesting object of study: on the one hand it is the fastest growing economy in Southeast Asia in which palm oil, timber and mining sectors are evident; on the other hand this wealth doesn’t seem to ‘trickle down’ to the poor population that should benefit from it. In some cases the group of peasants, landless, indigenous peoples are even worse-off than before transnational investments exploded in the country. In this section the focus will be on disentangling the factors that weigh the most in Indonesian land politics: the land culture, the power balance between 'land actors', or the formal political structures.

5.2.1 Cultural repertoire

*Basic Agrarian Law: origins, principles and implications*

The colonial legacy of two separate land systems in Indonesia has been ground for legislation that followed after independence, and is still visible in land affairs today. During Dutch rule, the colonizers had installed a Western-style model for land that was based on private property renting, meant for a system of foreign investment and trade to serve the colonial economy. The acquisition of peasant-titled
land was a common colonial practice encouraged by the Dutch, the people that lived on the land were forced to work for the foreign companies that stationed there. On land that was not preoccupied for this end the native population continued to practice the customary *adat* laws (Szczepanski, 2002: 235).

After independence in 1945, the first Indonesian Constitution was set up, followed by years of ‘Constitutional democracy’. Shortly after the colonial rule, the focus was on restoring justice for the native peoples and protecting the most vulnerable groups. The state, as ‘representative of the people’ was appointed responsible for this end. Article 33 of the Constitution addresses the land issue in this respect, stating that “Land and water and the natural riches therein shall be controlled by the State and shall be exploited for the greatest welfare of the people (Szczepanski, 2002: 236).” This article authorized the government to be in control of all land in Indonesia in favor of the ‘national interest’. However, until the enactment of the Basic Agrarian Law in 1960, implementation of the Constitutional status was absent.

Implementation of Article 33 was established in 1960 with the enactment of the Basic Agrarian Law as first and founding legal framework for land in Indonesia. It was part of a larger set of reforms initiated by president Sukarno, who took power with a military coup in 1957 and introduced ‘Guided Democracy’ as a political ideology that would end colonial and feudal systems. The reform laws were intended to steer the revolutionary turn towards a nationalist and socialist (economic) order. In this spirit, the BAL was set up to create a unified Indonesian land system, that would incorporate both civil and *adat* law features, and would eventually replace *adat*. The responsibility of the state to provide an equal and just land model and protect the particularly vulnerable – as dictated by Article 33 of the 1945 Constitution – was reflected by the “social function” clause in the BAL. Hereby, one *adat* concept is maintained as still valid: the community’s right to use land (*Hak Ulayat*). But given the state’s Constitutional supremacy over land and preconditions attached to it, in practice this right was obsolete: *adat* land use is only recognized if it can be proven to be still intact, if it is not in conflict with the national interest and higher legislations, on the basis of the unity of the people. On the other hand, individual interests were safeguarded with private property rights by the BAL implementing organ – the National Land Agency – that carried out the registration (Reerink, 2011: 60-62). Furthermore, Sukarno’s socialist land reform entailed the expulsion of foreign actors and foreign ownership of land, and cleared the way for subsequent regulations for land redistribution (Lucas & Warren, 2003: 95). As its name implies, the Basic Agrarian Law lays the foundation for an Indonesian land system, which means it has a general character; its key principles are to be implemented by other laws and regulations. During Sukarno’s regime, the BAL was implemented through laws regulating land registration, government’s right to use land without permission of the title holder, and the government’s right to revoke land rights. In sum, the Basic Agrarian Law was set up in a context of nationalist and socialist ideology, which justified the extent of state control over land in that time.
However, as well intended this government responsibility to protect the interests of ‘the people’ was, the BAL was ambiguous in the socialist regime – key concepts as ‘national interest’ were poorly defined – and even more in the decades that would follow.


When Suharto took power in 1966 he and his New Order government set up a new ideological course with the primary focus on economic growth. The ‘developmentalist’ approach emphasized state-led industrialization, the intensification of agriculture and large-scale extraction of natural resources. In this vein, policies on domestic and foreign investment were adopted and agencies installed for development planning (Reerink, 2011: 63). Land reforms were also redirected to facilitate economic development, whereas land as political issue was banned from the official discourse. The ambiguity of the socialist oriented BAL suited the New Order administration, as they could easily reinterpret or ignore aspects that were inconvenient for their economic aims. For instance, the redirected ‘national interest’ clause equated the public’s wellbeing with the state, which twisted the fundamental intent of the BAL (to protect the most vulnerable by safeguarding their access to land and resources) in order to satisfy private interests’ demand for land and resources. The Suharto government never repealed the BAL because it did not limit their political space; in fact, the strong socialist, nationalist and ‘popular’ reputation of the BAL proved to be necessary – at least its rhetoric – to uphold legitimacy of the Suharto military regime (Lucas & Warren, 2003: 95).

Although ‘agraria’ originally referred to all land, water and air space in the discourse of Basic Agrarian Law, and was thus intended to cover jurisdiction over all Indonesian areas, this changed in the New Order with the legal differentiation of forest areas. In 1967 the Basic Forestry Act was introduced, declaring the State as rightful owner of all forest lands (with the exception of some private titles). Consequently, about 70 percent of Indonesia’s land area was excluded from BAL clauses and came under direct control of the state. This was disastrous for the legal status of populations living in forests, on which they had customary claims to land and resources under BAL jurisdiction (Lucas & Warren, 2009: 96). The ‘general’ character of BAL was hereby no longer in place as it now applied only to non-forest land (which is some 30 percent), and classified as one more ‘sectoral’ law next to ‘Forestry’ and ‘Natural Resource Extraction’.

The New Order regime had thus extended the amount of ‘state land’ to a significant degree and hereby its legal authority to revoke existing titles in the ‘public interest’. In the developmentalist spirit of growth enhancing projects and stimulation of (foreign) investments, the government gave strong priority to investors over peasants. Required legislations to implement the BAL were hardly put into effect during the New Order. Instead, the National Land Agency (NLA) did enact a great number of subordinate regulations to support the developmentalist land approach of that time. Two newly
introduced policies were particularly relevant in this sense. The first is land clearance for development in the public interest, in which the government extended its supremacy over land so it could be accumulated (by dispossession) if it could be argued that it served the national interest in its development goals; the second type allowed investors to occupy land for commercial purposes, but with help of the government (which could easily act ‘for the sake of development’) that offered them site permits for.

The fact that, under the New Order, the land system was controlled by a centralist-authoritarian state, that marginalized BAL legislation or used it instrumentally to grant itself unlimited power in the land sector resulted in severe misuse of authority in the name of ‘development’. Tenure security of indigenous groups, peasants, forest populations and ordinary landholders was threatened (Reerink, 2011: 66). Consequently, this caused the increase of conflicts between ‘the people’ and ‘the state’, and even more so in the ‘Late New Order’ that was marked by large-scale development practices such as expanding (palm-oil) plantations and residential development. Although the BAL grants some legal protection to long-term occupants of land (as long as it does not contradict other regulations or national interest), the extent of ‘national interest’ was redefined in such a way that any development project applied and every smallholder on ‘development territory’ legally dispossessed (Lucas & Warren, 2003: 96).

1998: Democracy and land registration programs

The monetary and economic crises that struck Indonesia in the mid-1990s and growing social pressure led to the resignation of Suharto. Democratic order was installed immediately and followed by a grandiose restructuring program initiated by the new President Habibie and the two representative chambers. In general, the reforms were set up to ‘correct’ for Suharto’s maladministration, specifically the aspects of ‘developmentalism’, authoritarianism and corruption. But the main priority with respect to development – at least in the first years – was to restore the economy from crisis. The IMF and World Bank offered financial support and conditioned Indonesian government to adopt neoliberal-oriented economic reforms (Reerink, 2011: 68). The land issue was brought back into official discourse, and revision of most of the land legislation was suggested in light of Indonesia’s Constitutional reforms, which were increasingly human rights colored.

Already during the New Order in 1994, the World Bank initiated a land registration program together with the government. In that time financial actors (including World Bank and IMF) were greatly inspired by the growing approach of ‘formalizing/ legalizing land’ as the best solution for tenure security and economic growth, theorized and dominated by economist Hernando de Soto. Land registration was facilitated by the National Land Agency (NLA), the BAL implementing organ, even before that time but was ineffective due to high registration costs and complex procedures. The Land Administration Program initiated in 1994 was meant to improve the institutional framework and assist
the government in developing long-term land administration policies, and train the NLA staff for this purpose. In 2004 a new World Bank-supported project (Land Management and Policy Development Program, LMPDP) was set up with a broader approach to increase coherence and consistency of land management institutions, laws and regulations with the emphasis on transparency and efficiency goals (Reerink, 2011: 100-1). Although land registration got more accessible through these projects, with relatively low costs and shorter procedures, they still often failed to affect the poorest landholders. Registration required evidence (‘registration of deeds’) of land claims in expensive official documents, which was a financial obstacle for the low-income groups. As is the case with other land policies in Indonesia, the land administration program offered only partial protection to the poorest landholders; mostly rich parties were benefitting from it and moreover, the NLA has proven to be corrupt, and incompetent in terms of technical and organizational assistance (ibid.: 102).

The Post-New Order also came with strong pressure from domestic NGO’s, academics and rising social movements to revive land law. After long negotiations the People’s Representatives finally accepted the decree on Land and Natural Resources Management - People’s Consultative Assembly Directive No. IX/MPR/2001 – based on the Basic Agrarian Law (Bachriadi, 2009: 30). The decree acknowledged the disproportionate power structures in land control and the fact that this was causing conflicts, the overlapping and contradictory nature of existing policies and the need for legal reforms based on democratic values and the rule of law. Thus, the Decree no. IX/2001 was a mandate for government to execute land reforms. However, few land reforms followed directly from this decree, continuing the implementation problems that have become familiar to Indonesian land legislations (Reerink, 2011: 83-85).

Current land culture

Recent revisions of land legislation have been mostly addressing administrative shortcomings related to land registry. In order to make registration more accessible to poor landholders, the government introduced the Service to the People for Land Registration. Moreover, the democratically chosen leaders became well aware of the problems relating to landlessness, land acquisitions and insecure livelihoods for the poor, but the complexity of the issue stands in the way. As part of his presidential campaign for re-election, Yudhoyono promised to make land reform a government priority again and announced a National Agrarian Reform Plan. But once he was re-elected, little was left of this ambitious resolution. “Successive governments in Post–New Order elections continued to relegate the land issue to the “too hard” basket’ (Studwell, 2014: 304).”

Nevertheless, small steps are being made towards a more inclusive land system. In 2013, the Law on Protection and Empowerment of Farmers was passed by Parliament. Enforcing laws are still awaited because farmer’s and human rights organizations have asked for a repeal in the Constitutional Court.
The new law promises only use and rental rights but still excludes ownership of land, which the social actors are seeking to revive (ILC, 2014: 13). Though there has still not been a ‘revolutionary’ land reform, – and the question is if there will even be one – small steps like this new Law are taken towards more social justice within the hegemony of the neoliberal land system.

5.2.2 Interest Constellations

Although there is much discontent amongst the rural population (indigenous, forest, peasant) about their subordinate position in land issues, social organization has not yet succeeded to challenge land domination of the State and investors in significant ways. Mobilizations of rural groups are increasingly taking place but most often lack coordination and a coherent set of goals. On the contrary, the state and transnational corporations are organizing in multi-stakeholder roundtables to facilitate efficient economic sectors revolving around agricultural land, forests (with the primary focus on palm-oil plantations and timber) and resource extraction.

Social Justice advocacy

During the New Order regime any kind of political activism – grassroots organizations, rural protests – was banned by the Suharto government. ‘Leftist’ political practices were criminalized and people engaging in them were stigmatized as communists (which equaled exclusion from the nation in that time). Therefore, activists were organizing around environmental claims to cover up their original demands for social justice and human rights, and not be associated with ‘the communist land reform movement’ (Pye, 2010: 857). Rural groups did not have the freedom to defend their interests in political institutions nor by organizing themselves. Despite this repressive order, rural groups started to engage more openly in organized protests followed by human rights violations by the government, which in turn motivated activists and NGO’s to restructure rural social movements and start campaigns in support of the poor. From the 1990s these mass mobilizations that were addressing the government’s repressive political actions and human rights violations increased exponentially. In the context of social and rural unrest, ‘pro-rural’ social movements came to the front. Two large organizations were established that focused on promoting agrarian reform in Indonesia: in 1994 the Consortium for Agrarian Reform (KPA, Konsorsium Pembaruan Agraria) was founded, followed by the Federation of Indonesian Peasants Unions (FSPI, Federasi Serikat Petani Indonesia) in 1998. The emphasis was on strengthening their organizational capacity to empower peasants at the local level. Prior to the formation of KPA and FSPI, these organizational goals were set up first with a local autonomous peasant organization in Java (West Java Peasant Union), followed by similar initiatives in other regions and leading to the establishment of FSPI (Bachriadi, 2009: 5-8). Central to FSPI advocacy are principles of democratized, inclusive and socially just land reforms. Whereas the KPA existed of NGO and peasant group members, FSPI only allowed membership to peasant organizations with the idea that peasants should fight for their class interests themselves. But the two rural organizations failed to coordinate a
solid nation-based coalition of peasant organizations with clear-set ideological goals. Instead, their approach was focused more on ‘one direction’ policy advocacy.

KPA and FSPI were challenged by new actors that wanted to nationalize the peasant movement in the 2000s. The Alliance of Agrarian Reform Movement (AGRA) was initiated for the purpose of building a nation-wide, rural mass-based and ideologically coherent peasant organization. The self-declared ‘radical leftist’ movement was inspired by heating debates on ideology, organizational structures, political relations between peasants and urban-based activists, and strategies to restore peasant control over land. In this line of rethinking rural activism, collective land occupations were encouraged as strategy to demand rights to land and livelihood. These ‘reclaiming actions’ are justified by referring to existing agrarian legislation (primarily BAL) that protect their land titles ‘on paper’, but in reality were never implemented.

The best way to understand this strategic move to actions to reclaim state land, is as an attempt to reclaim rights as citizens: A claim based not only on ideological and/or theoretical arguments about social justice and welfare, but also on a right specifically cited in the Constitution and laws of the country (Bachriadi, 2009: 10).

Land occupations became the main practice of rural movements in their fight to empower the rural poor. When democratic order was installed in 1998, peasant organizations used the new political conditions as opportunity to intensify their ‘reclaiming actions’ in order to strengthen the agrarian reform movement. For the first time, they were free to express their demands for land rights openly and hereby return public debate on land reform back to Indonesian politics. The Post-New Order opened the way for human rights claims to land and the growing empowerment of solid rural social movements (ibid.: 10). Since the transition to democratic order, social movements from different regions have developed a variety of ideas that reflect their specific views on what agrarian reform should entail. However, the numerous rural groups are still much fragmented in this sense, that they have not been able yet to formulate a coherent set of goals and articulate a mission for a pro-poor and democratic land system.

Business/ elite advocacy – Indonesian ‘Developers’ in the palm oil sector

The prevailing focus on economic growth, accompanied by the dominant presence of corporations in Indonesia is most certainly a legacy of the ‘developmentalist’ ideology that prevailed for three decades during Suharto rule. The ‘social function’ of the BAL was redefined by the New Order regime for the sake of development and government took supreme control over forest lands, so investors (‘developers’) were practically given a free pass to occupy land for their economic practices. Begin

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10 In October 2010 an Indonesian online newspaper (Kompas) presented an article in which was claimed that, approximately 50% of the (forest)lands in Indonesia are controlled by nearly 500 companies (Muhammad, 30 October 2010).
1990s Suharto initiated large-scale development programs, which was the start of expanding palm-oil plantations, timber logging, mining and tourism facilities (Bachriadi, 2009: 118). Companies engaged in these sectors have massive landholdings which were acquired to them by the state. In the past few decades, these sectors have grown to be the primary source of revenue for Indonesian economy. In response to the global demand for biofuel and commercial products based on palm oil, the Indonesian government gladly provided transnational corporations and agribusinesses forest lands to invest on. This happened in similar vein for companies in the timber, mining and other land/forest based industries (ILC, 2014: 14).

The palm oil sector has become one of the dominant land and forest-based industries in Indonesia, which makes it a legitimate object to study for the business advocacy group. Therefore, the companies, smallholders and institutions involved in promoting palm oil expansion will represent the group of ‘pro-land market’-actors in this section.

The production of palm oil in Indonesia has witnessed an explosive growth in the past decade. Transnational palm oil companies have come to play a bigger role in the country, next to a significant share of domestic companies and smallholders that engage in palm oil cultivation and processing. The palm oil business is popular in Indonesia for several reasons: it yields big profit margins and it is relatively simple to produce, the rates of productivity are higher than other edible oil products and, as the international demand for palm oil is growing, it safeguards long-term revenues (Indonesia-Investments, 2015).

Palm oil expansion was introduced in the 1970s by the state that started to promote tree plantation crops in line with their developmentalist approach. For this purpose, the government first established the Nucleus Estate Scheme (NES), whereby state-owned plantation companies, such as PT Perkebunan Nusantara (PTPN) helped farmers with material, technical assistance and financing to grow oil palm. Besides the direct state investments through state-owned companies, the government funded transmigration programs to ‘resettle’ labour force in service of the new plantations. For the economic status of smallholders, this kind of ‘settlement development’ linked to large-scale palm oil plantations was evident; the state granted development loans to smallholders that converted to palm oil production, and private ownership rights over their holdings once the credit was paid off (Budidarsono, Susanti & Zoomers, 2013: 180).

The World Bank criticized this intense government involvement in the development of palm oil and advocated for an approach that was more market-oriented. From 1995 to 1998 a new approach was adopted: the KKPA (Primary Cooperative Credit for Members) emphasized a more private-community ‘partnership’ in which the firm was appointed responsible for the project and managing relations with
the farmers. Moreover, the state opened up to foreign direct investment in large-scale plantations which led to further expansion. The shift to full market-led palm oil development was activated in 1998 when the New Order came to an end. The neoliberal model included decentralization and new partnership relations between market-actors and the government (public-private) and between market actors and communities (private-social). These developments led to increasing interaction between smallholders and big-capital companies that were extensively investing in palm oil projects which required great labour force. Hence, palm oil expansion – and thereby the increase of economy-driven land programs - was for a great deal ‘enabled’ by partnership initiatives of Suharto’s developmentalist regime, which set a solid base for the industry to flourish on. Although in that time palm oil plantations were still in control of state-owned companies like PTPN, the step towards integration of smallholders was crucial for balancing interests between corporate actors of the industry and local farmers.

With the liberalization of agricultural policies in the Post-New Order it became easier for independent smallholders to engage in the industry. The partnership agreements between companies and farmers were mostly a form of ‘guided participation’, instrumental for minimizing potential disruptions to the productivity and expansion of plantations. Given that few local landholders were actually consulted about their role as ‘partner’, this strategy succeeded in 'balancing interests' to foster further expansion. Farmers with NES contracts (and later joined by KKPA farmers) had access to palm oil technology and know-how which they used in the new market-economy climate to increase their income. Subsequently, they managed to pay off their loans and use their land as collateral for more bank credit to expand their production. Hereby a new group of economy-oriented land actors (’wealthy NES/KKPA farmers’) came to the front. Furthermore, the booming palm oil market attracted rural elites and entrepreneurial smallholders that had even better access to knowledge and capital. The continuing interplay between a growing market and newly introduced agribusiness-actors resulted in a race to extend smallholdings for palm oil – accompanied by a ‘race to the bottom’ in terms of production and labour costs (which, of course, was most devastating for the already poor farmers). In sum, the palm oil industry, as opposed to other agrarian enterprises, was not only limited to business elites but has become accessible for ‘ordinary smallholders’. The mass involvement of smallholders (independent or NES/ KKPA participants) has been the biggest driver of palm oil expansion in Indonesia: the government made the first move but maintaining growth can largely be appointed to domestic smallholdings and transnational investors with large plantation estates.

11 Estates held by local farmers that did not succeed to convert their production of subsistence crops into palm oil, were often transformed into palm oil plantations by foreign investors.
The move to decentralized administration has also contributed to restructuring of power balance with regard to land. Varkkey (2013) argues that patronage politics exercised by regional leaders has made it 'easy for well-connected companies to skirt regulations to obtain licenses for these lands' (p. 688). Local administrations lacked the organizational capacity and financial resources to implement legal procedures, and used the large areas available for plantation development as land-capital for investment deals. Extensive revenues provided by palm oil companies paid for the regional leaders' political seats, and secured even more pro-plantation outcomes (McCarthy et al, 2012: 561).

Furthermore, the industry – and thereby land business advocacy groups – grew in terms of organization. The Indonesian Palm Oil Association (GAPKI) is the primary lobby group for palm oil interests in Indonesia, which includes membership of nearly four hundred local and foreign commercial plantations. In 2011 the government passed a moratorium to slow down the pace of deforestation, which was negatively affecting the environment and forest communities. The GAPKI lobby used its influence with the government in getting a weaker moratorium passed (Varkkey, 2013: 688). Considering that the moratorium was intensively promoted by international institutions (Greenpeace, REDD) and the government was under strict international watch, the bargaining power of GAPKI – and thus the palm oil sector – has proven to be stronger than that of the environmental and human rights camp.

5.2.3 Political Institutions

After the fall of Suharto and his New Order regime the government institutions were restructured and democratized. Members of the new established People’s Consultative Assembly (existing of the People’s Representative Council and the Representative Council of the Regions) and other decentralized authorities were now directly elected, together with their respective leaders. Political organization was revised with the result that there were no restrictions for the number of political parties or –activism (Reerink, 2011: 71). An important aspect of these reforms was administrative decentralization enacted in 2001 with the Regional Autonomy Law (RAL). In this, expectations were high as local governance was intended to bring more democracy and equitable distribution of resources. However, the empowerment of regional leaders has proven to be misused by many individuals who took the opportunity to enrich themselves. In 2013, over 300 regional leaders have been charged with corruption, accused of bribery, abuse of power and of regional budgets. Land and natural resources management was affected most by this: palm oil, timber and mining industries deliver large revenues. For regional heads, it was easy to collect funding for political campaigns (to secure political seats) just by supplying permits and making concessions to large companies (Hadinaryanto, April 2014).

To this day, political structures in Indonesia are marked by a history of authoritarian rule, political patronage and weak institutions. Access to services and political processes remains primarily governed
by personal connections, whereby legal status is undermined. Aspinall (2013) points to the illusive nature of the transition to democracy, in which the underlying political arrangements that revolve around class power and influence have hardly changed. The legacy of the Suharto regime – often referred to as a ‘technocratic’, apolitical state in service of capitalist actors – is still pervading the contemporary order. Corruption, patronage politics and prevailing state-business relations are the ingredients for a predatory democracy in which ‘wealthy businessmen [are] entering on to the political stage as party leaders and ministers’ (p. 229-230). In addition, this disproportionate ‘responsiveness’ of the executive branch towards capitalist interests is sustained in large part by a weak judiciary system that is incapable of disciplining businesses by rule of law (Aspinall, 2013: 238). Moreover, legal ambiguity makes it easy for wealthy actors to bend legislation to their benefit. For the lower- and middle class, opportunities for political expression have become more open in the Post-New Order, but organized representation (especially for the lower class) of interests remains quite fragmented. Although attempts are made by populist parties to appeal to the lower class electorate, these forms of responsiveness are limited to ‘low politics’, non-economic issues. Executives that deal with Indonesian ‘high politics’ of the agricultural, industrial and mining sector respond to the capitalist class only.

Di Gregorio (2014) explains the receptiveness of Indonesian political institutions as differential in nature, depending on which interests are at stake. In her view, the legislative People’s Representative Council is fairly responsive to demands from rural, environmental and other social groups. Thus, at least in formal settings the legislative organ of Indonesian government is accessible to ‘bottom-up’ demands. However, her analysis also shows the political organs that are most powerful in the policy field related to land and forests issues; here the legislative branch of government holds a marginal position. The influential and policy determining players with respect to land and forest related issues are the executives; i.e. the State Ministries in question: Ministry of Agriculture, - Forestry, - Energy and Mineral Resources, as well as the Local Governments and the National Land Planning Agency. Their responsiveness towards rights claims coming from human rights-based advocacy groups is close to zero. Di Gregorio argues that social movement organizations selectively apply lobbying to state actors that are most receptive to the movement’s claims – which are usually less influential institutions but nevertheless offer some way of entry to the political system. This means that political opportunity for social pressure groups could be quite open if their demands are in line with the interests of specific elite policy actors, but closed to those that threaten them (Di Gregorio, 2014: 391).

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12 In her recently published article “Gaining Access to the State: Political Opportunities and Agency in Forest Activism in Indonesia” she looks at state access of environmental movement organizations (EMO’s) – which also address tenure issues for the rural poor.
The Ministry of Forestry is the main agency in state forest management, and thereby the most influential actor in the Indonesian land policy sphere. Not surprisingly, it is also the Ministry that is most targeted by advocacy groups for lobbying efforts, including both corporate associations as well as environmental movements (EMOs). But political opportunities for rights-based advocacy groups is highly limited, given that their human rights/social justice/pro-poor goals conflict those of the Ministry of Forest, which primary focus is on large-scale exploitation of the forestlands and the natural resources thereon – for the sake of national development. Moreover, the Forest Ministry controls large financial flows from forest accounts, which contribute up to 1 percent of total Indonesian Government revenues. While the state cannot fully ignore sustainability standards set by domestic and transnational NGOs, they are of low priority and thus weakly enforced. Hence, it is highly unlikely that the Forest Ministry will be open to discussion with rights-based advocacy groups, as their demand for recognition of local ‘adat’ rights forms a major threat to forest management. Similar positions can be appointed to the Ministry of Energy and Mineral Resources, which benefits from mining activities in the forests, and the National Development Planning Agency which is increasingly working in the interests of investors as opposed to its original mandate to coordinate land regulations from the bottom-up (Di Gregorio, 2014: 390-1).

Di Gregorio argues that in the land and forest policy domain alternative institutional sites have risen through which rights-based interests can be channeled more successfully: multi-stakeholder forums. These are important for shaping an integrated forest management approach through multi-stakeholder negotiations. For non-corporate interest groups this provides a window of opportunity as they can participate in deliberations that also include state actors, which provides them the chance to directly confront executive officials with their demands. Examples of these multi-stakeholder forums in the forest policy domain are the EU-funded Forest Law Enforcement, Governance and Trade Action Plan (FLEGT), the Roundtable on Sustainable Palm Oil (which is a self-regulating entity) and Indonesian Communication Forum on Community Forestry (FKKM). Most of these forums are joined by NGOs, (trans)national companies and sometimes monitored by international organizations. For rights-based advocacy groups these new governing sites offer relatively increased political opportunities. But even if they get to participate in these multi-stakeholder forums, their contribution is rather symbolic as decision making remains a function of the forest/land executives that favor corporate interests (ibid., 393-394).

In July 2014 a new president was elected in Indonesia. Contrary to his predecessors that relied mostly on military force or personal relations with earlier presidents, Joko Widodo accessed the federal

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13 As demonstrated in Indonesia’s Interest Constellations section, environmental movements have been representing both environmental and (indigenous) forest communities interests since the Suharto regime, where land reform movements were criminalized and banned from political life. Responsiveness to EMOs thus implies some responsiveness to pro-poor land claims.
administration through positions in local governments and is already seen as a ‘man of the people’ (The Economist, 26 July 2014). For institutional responsiveness the election of Widodo could mean that changes are ahead. At the start of his mandate he merged the Ministry of Forestry with the Ministry of Environment, which is now renamed the Ministry of Environment and Forestry. The new appointed minister has initiated a halt to forest-exploitation permits for the purpose of streamlining the system into a ‘one-stop shop’ (Asia Sentinel, 26 November 2014). Whether the new president and his executive ministers will change procedures that regulate political responsiveness in land and forest affairs is yet to be discovered. Nevertheless, the first move towards restructuring the forest management may imply a future agenda of reforms to weaken the overwhelming power of the Forestry Ministry and make it accessible to social advocacy groups.
6 Balance of Results

6.1 Cultural Match

Bolivia

For Bolivia, the colonial legacy of indigenous subordination has been evident in the political land culture. The cultural belief that social justice needed to be restored in name of the indigenous population was first embedded in the policy prescriptions of the revolutionary Agrarian Reform, that intended for land redistribution and collective rights to benefit the socio-economic status of indigenous peoples. Despite the weak legal status of these reforms due to ineffective implementation, they mark the first concrete move in linking land policies to social justice goals in Bolivia. During the decades of military rule land was banished from the public discourse, but was revived by the neoliberal government in the 1990s. Ironically, neoliberal land reforms emphasized – besides free land markets – a 'politics of recognition' and institutionalized collective land rights for indigenous peoples, preceded by a Constitutional Reform that stressed the multicultural and multi-ethnic character of Bolivian Republic. The fact that market-led land reforms were only partially adopted illustrates the deeply entrenched 'social justice' features in the Bolivian land policy culture, that were able to prevent transnational actors to fully persuade veto-players into adopting a neoliberal, 'free land market' approach. When Morales and the MAS came to power social justice was fully integrated as cultural platform guiding the land reforms, and was even promoted as political ideology – 'New Socialism'. Morales’ public speeches – especially the ones from his presidential campaign(s) and inaugurations – are mostly historical narratives that stress the end of imperialist practices with the promise to 'give land back to the people', have strengthened the cultural understanding that all indigenous peoples share the same social identity. Last, the establishment of Bolivia as a Plurinational State – with the key focus on resource allocation and cultural differentiation – was completed with the Constitutional Reform in 2009.

Explaining diffusion

The case study of Bolivia has demonstrated that social justice goals have been a part of the country's land culture since the Revolution. When Morales was elected as president, the social land approach – stressing land redistribution from the rich to the poor, cultural and regional differentiation of land titles and 'special autonomy' for indigenous peoples – has been fully institutionalized by implementing policies and adopted the Constitution. Comparing these cultural features that are embedded in the domestic public discourse and legal framework (legacies) to key concepts of the transnational social justice approach, it can convincingly be argued that the 'transnational' corresponds to the 'domestic'. Bolivia’s pro-poor and pro-indigenous land approach is in line with transnational objectives of securing land to secure livelihoods and human rights, and ethno-cultural recognition supported by a
differentiated land system – which is exactly what Bolivia’s Plurinational State is rendering. Moreover, they embody a similar vision of development in which the emphasis on ‘land security’ reflects the purpose of safeguarding rights – to food, water, culture – rather than productivity. Hence, in the Bolivian case study the cultural repertoire factor can convincingly account for diffusion of the transnational social justice approach, for a cultural match between the two is observed. This validates the hypothesis:

✓ If a cultural match can be observed between the social justice transnational land policy paradigm and the domestic cultural repertoire, then it is more likely that the social justice transnational land policy paradigm will prevail domestically.

**Indonesia**

The contemporary land culture in Indonesia reflects the colonial legacy of legal dualism and the Constitutional status of the State as caretaker of its citizens. The prevailing land rhetoric after independence was to restore justice after colonial exploitation by putting the government in control of land and resources to serve this end in the ‘national interest’. The first land legislation – the Basic Agrarian Law (BAL) – was set up to unify the colonial land system with customary ‘adat’ models. Although the BAL acknowledged indigenous communities’ cultural features and thereby entailed a sense of social justice in the postcolonial land policy culture, the Dutch system of private property rights counted as ‘formal law’ that overruled custom rights. This, in combination with the government’s supremacy in land control left little space for adat to be practiced by indigenous groups. The New Order regime exploited the Constitutional status of a caretaking, paternalistic state to expand state controlled land in pursuit of economic growth, which was framed as catering for the ‘national interest’. Thereby, the paternalistic land culture in which the state is responsible for the wellbeing of its citizens, was transformed into a developmentalist ideology justified by the same rhetoric but manifested with a sole economic *leitmotiv*. In the Post New Order, neoliberal reforms replaced the state-led economy with market regulations. Hereby, the World Bank-funded Land Administration Project (LAP) supported efforts to create a market-friendly property rights system. The shift to a neoliberal democracy has not brought fundamental changes to Indonesia’s land culture, as the state’s supreme control over land has been preserved in legal framework. In fact, the neoliberal ‘touch’ only strengthened ‘paternalization’ of land and economic development by welcoming transnational investors, and increasing efficiency and revenues of land-based sectors.

**Explaining diffusion**

Analysis of the Indonesian cultural repertoire has demonstrated an institutionalized economy-oriented land vision in which the state is granted supreme authority to arrange land and forest areas in name of development for the people. Customary land structures are tolerated as long as they do not interfere
the ‘national interest’, which basically means that social organization of *adat* only has a symbolic status in the Indonesian land culture, for any land investment (‘development project’) could be argued to be in favor of the people’s wellbeing. The pre-existing domestic land culture widely corresponds to the main components of the transnational neoliberal land approach. The preserved Dutch ‘formal’ land system revolved around property rights but lacked proper implementation due to a malfunctioning land agency. Hence, technical and financial support from the World Bank was welcomed as it strengthened the efficiency-based land model pursued by Indonesian leaders. Though the government still controls most forests and lands (which contradicts the neoliberal ‘privatization’), the state offers transnational investors permits to lease large estates for economic activities, which is in line with the transnational paradigm’s objective regulate land through market forces, including foreign investment. Hence, a cultural match is found in the domestic vision of land as a commodity and primary asset for economic development, and the transnational policy paradigm that promotes a homogenous land model for arranging land as an economic asset. Additionally, the paternalistic nature of the pre-existing Indonesian land culture, and the BAL goal to establish a unified land system demonstrates the desire to organize development in one direction, which fits the neoliberal ‘one size fits all’ approach for development and land policies. Concluding, Indonesian cultural features not only match the key aspects of the transnational neoliberal land policy paradigm, they are also strongly enforced by it. Thus, a cultural match provides a convincing account for diffusion, which corroborates with the hypothesis:

✔ If a cultural match can be observed between the neoliberal transnational land policy paradigm and the domestic cultural repertoire, then it is more likely that the neoliberal transnational land policy paradigm will prevail domestically.

### 6.2 Interest Constellations

**Bolivia**

For a long period of time the power balance in Bolivia was in favor of traditional elite’s interests, which relied on their strong economic status – ownership of large landholdings and control of natural resources – to uphold their dominance. However, social movements representing indigenous and peasant groups managed to outweigh elite interests by mobilizing themselves around identity politics. Several factors contributed to the success of these social movements. First, cooptation of rural movements in the union structures politicized the indigenous and peasant group's demands and inspired more 'Indian' groups to organize. Hereby they established a strong organizational capacity, which was essential for coordination of mass mobilizations at a later stage. Second, through ‘cultural regeneration’ indigenous peoples rediscovered their collective Indian identity around which they started to articulate their demands for land. Ethno-cultural land claims were further empowered by the international recognition of indigenous rights – first by ILO Convention 169 and later the UNDRIP – and
were fundamental for group coherence and goals. Third, growing discontent over market policies and the U.S. coca eradication campaign increased solidarity between various indigenous, peasant and (former)workers movements, which resulted into a collective ethnic-based, anti-imperialist ideology and alliances between social movements. Fourth, the resource wars of the 2000s catalyzed mass mobilizations with radical strategies – protests, road blockades, hunger strikes – and led to retrieval of the neoliberal government. Last, indigenous and peasant movements joined forces in a ‘pact of unity’ to make sure Morales would be elected as president – by which dominance of domestic ‘social justice’ groups over elite interests was ensured. A countermovement of the media luna Santa Cruz elites – although remarkable for their radical strategies and identity-based claims for autonomy – could not withhold the decline of elite controlled land and natural resources.

Explaining diffusion

The balance of power in Bolivia has made a notable shift in favor of indigenous peasant group's interests. In this, the transnational social justice land policy paradigm has fulfilled several roles. International recognition of indigenous rights and the human rights development approach have inspired otherwise fragmented groups to ‘socialize’ around mutual interests, whereby transnational social justice actors supported these organizations with donations and legal aid. With this, the transnational paradigm has empowered both the social justice advocacy group and itself domestically. Hence, the interest constellations factor provides a solid account for the diffusion of the transnational social justice land policy paradigm in Bolivia, corroborating the hypothesis:

✓ If the domestic interest constellations are in line with the social justice transnational land policy paradigm, then it is more likely that the social justice transnational land policy paradigm will prevail domestically.

Indonesia

The Indonesian case study has demonstrated that the domestic balance of power in land issues has historically been in favor of elite interest groups. During the New Order, large-scale land acquisitions were carried out by (trans)national corporations investing in land and forest sectors. The study of the actors engaged in the palm-oil industry shows how the expansion of palm oil plantations, and thereby the commodification of land, was first facilitated by state-owned companies and state-funded programs to interest smallholders in growing palm oil. Partnership agreements between private companies and local farmers that were supposed to enhance cooperation and coordination in palm oil projects, were instead triggering perverse incentives for corporate actors to take full control in plantation planning, justified by the 'partnership' implying local consultancy. Neoliberal reforms in the Post New Order enabled further growth of the palm oil sector: the growing global demand for palm oil attracted transnational companies and stimulated independent smallholders to grow palm oil. Hereby, the group
of economy-oriented actors was enforced by two key players; transnational companies with large capital resources and ‘wealthy’ smallholders that enlarge the number of ‘human resources’ in the neoliberal camp. Not only are business interests strengthened by mass capital of TNC’s, they are empowered by smallholders that made palm oil plantations a ‘local practice’. Thus, it is not surprising that the palm oil lobby group (GAPKI) is able to exert great influence on the state. On the contrary, rural poor have been quite unsuccessful in articulating a coherent set of goals and organizing around collective interests. Rural social organizations in Indonesia are fragmented by diverging ideologies and regional and linguistic obstacles. Peasant organizations mostly engage in collective land occupations to ‘reclaim land’ based on their legal status in BAL, but despite small-scale occasional ‘wins’, they have not yet been able to outweigh corporate interests. Indigenous forest communities are also represented by environmental movements that have more resources for formal advocacy strategies, but in formal settings the rights-based claims are subordinate to corporate investment claims.

**Explaining diffusion**

The analysis has demonstrated a strong overweight of corporate interests in Indonesia that have not yet been seriously threatened by their pro-poor opponents. Transnational investors have become a key player in Indonesia’s land and forest sectors and simultaneously facilitated dominance of the neoliberal land policy paradigm. Furthermore, smallholder plantations have included a large number of local farmers in economy-driven land practices. In combination with increasing business actors’ associations that coordinate and organize corporate interest advocacy, it can be concluded that interest constellations are in line with the transnational neoliberal land policy paradigm, which confirms the hypothesis:

✓ If the domestic interest constellations are in line with the neoliberal transnational land policy paradigm, then it is more likely that the neoliberal transnational land policy paradigm will prevail domestically.

### 6.3 Institutional Responsiveness

**Bolivia**

Political institutions in Bolivia have changed their receptive nature over time. The revolutionary government – though rhetorically claiming otherwise – was mainly elite-centered but consciously allowed societal input from mining (and later joined by peasant) unions with whom they engaged in co-governance. Centralized decision making responded to business elite’s interests that fit revolutionary aims for agricultural modernization and enhancing productivity. The mining-peasant union was crucial in pushing societal demands for the Agrarian Reform, and also managed to pass universal political rights and educational reforms – which helped to break indigenous illiteracy and socio-political
isolation. The military regimes responded to elite interests only, followed by restoration of democracy and ‘civil rule’ in the 1980s. From the start of the democratic order until the retreat of the neoliberal government in 2005 the procedural ‘rules of the game’ had a centralized structure that was responsive to (and controlled by) the traditional elite, but were strategically responsive to societal actors in order to prevent social unrest. Recognition of ethno-cultural rights and ratification of ILO 169 were assimilated in the Constitutional reform and INRA land policy to counter social protests against neoliberal policies. In the same years decentralization of government facilitated indigenous-peasant participation in local formal politics, which triggered unforeseen state-level aspirations of the new indigenous political leaders. Followed by changes in the electoral system, indigenous-peasant representation in federal institutions gradually increased. Though exclusionary practices from elite parties prevented them to influence any policy decision, this changed when Morales and the MAS took power. The transition was not exactly quiet, yet in terms of responsiveness it is important to note that resignation of the neoliberal presidents (though pressured) was done to ‘preserve the Constitutional order’, which implies respect for democratic principles and indirect responsiveness towards societal pressures.

While the battle for political dominance was not won solely with Morales’ presidency, representation of indigenous-peasant demands for land was secured in later elections (where the MAS won a majority in Congress) and the 2009 Constitutional Reform which was largely proposed by a coalition of indigenous groups. The Constitution was approved by Congress (in which opponents outnumbered pro-indigenous members at that time) but only after social movements pressured them with radical means – ordered by Morales himself. All in all, the current responsive nature of political institutions is in favor of the indigenous-peasant interests; Morales managed to get in control of the legislative, executive and Constitutional judiciary political organs, which have contributed in securing the ‘social justice’ orientation of Bolivia’s land program.

Explaining diffusion

Instrumental responsiveness towards ‘social justice’ interests applied by the revolutionary and neoliberal political structures have, unintentionally, offered a window of opportunity for native societal groups to engage in formal political activities. Hereby, the strategic move of ILO 169 ratification directly led to the import of the transnational social justice system of thought, which influenced decision making in the land reforms. Under Morales, institutional receptiveness in favor of the social justice camp is safeguarded by the overweight in all political branches. Hence, the contemporary ‘rules of the game’ are mainly offering secure status and enforcement for the social justice-guided land policies. Political overweight offers the chance to include transnational ideas in the decision making process. For instance, UNDRIP served as inspiration for the construction of the Constitutional Reform in 2009. The
analysis of political structures in Bolivia has demonstrated that institutions are predominantly receptive towards supporters of the social justice land approach. It implies that this factor helps to explain diffusion of the transnational social justice land approach but even more in preserving its dominance, confirming the hypothesis:

✓ If domestic political institutions are receptive towards actors that favor the social justice transnational land policy paradigm, then it is more likely that the social justice transnational land policy paradigm will prevail domestically.

Indonesia

Political structures in Indonesia are marked by a history of authoritarian rule, political patronage and weak institutions. Contemporary institutions, through ‘democratic’ are still pervaded by corrupt and centralized political arrangements, especially in the executive organs that are in charge of land and forestry sectors. The legislative branch of government is receptive to the interests of the rural poor though it lacks significant power to influence policies. In addition, judiciary institutions are mostly responsive to corporate interests as legal ambiguity allows them to act in favor of the wealthy elite. Thus, the real decision makers are the Ministries in charge of forestry, agriculture and resource extraction. The case study has demonstrated that the main executives – in particular the Forestry Ministry – are selectively responsive to interest groups that complement or empower the Ministry’s interests, which revolve around managing revenues. Decentralization of government, which was meant to strengthen democracy, has led to patronage politics of local leaders that aim to secure their political seats by engaging in large-scale land deals.

Explaining diffusion

Political institutions have been strongly favoring corporate interests that correspond to the government’s economic development program. The executive institutions in the land policy domain have an overwhelming decisive power in relation to the legislative and judiciary, which are either weak or corruptively responsive to capitalist actors. All in all, Indonesia’s political structure is centralized, the ‘rules of the game’ are dominated by executive institutions that are largely responsive to vested interests, but provide little opportunities for rights-based land advocates to access negotiations – let alone influence the policy course. Hence, institutional responsiveness most certainly accounts for diffusion of the transnational neoliberal land model:

✓ If domestic political institutions are receptive towards influences from actors that favor the neoliberal transnational land policy paradigm, then it is more likely that the neoliberal transnational policy paradigm will prevail domestically.
6.4 Interrelation of Domestic Factors

The comparative case study analysis has provided insight into the motives that have driven Bolivia to follow the transnational social justice land policy paradigm, and Indonesia to adopt a neoliberal approach. The question is no longer if domestic factors can account for their different policy path, but how ideas, interests and institutions have contributed to the country-specific outcomes. The answers are found by comparing the relative strength of the domestic factors and explaining to what extent they are interrelated; complementing or contesting each other.

The Bolivian case study has demonstrated a strong ‘fit’ between the national context and the transnational social justice policy paradigm. Historically, the land policy culture has been linked to social justice objectives, recognizing the colonial injustices that have subordinated indigenous peoples for centuries. Colonial domination has been central to the development of a strong anti-imperialist ideology and key to the rediscovery of indigenous identity around which social movements have been mobilizing. In earlier sections it was established that cultural regeneration has been key to indigenous identity-based articulation of land goals which contributed to social coherence and at a later stage, outbalancing their elitist counterparts. Institutional responsiveness accounts for the preserving domination of the social justice land model since Morales became president, but the preceded instrumental responsiveness towards indigenous interests offered windows of opportunity for the rural social movements to enforce their organizational capacity. In sum, the Bolivian case study analysis has shown that domestic factors are to a great extent accountable for diffusion of the transnational social justice policy paradigm. However, since they cannot be seen separately from each other – all three factors influence policymaking – it is important to establish which factor has most explanatory power relative to the other. The analysis of the Bolivian national context has illustrated the overwhelming success of the social movements in overthrowing the government with radical strategies and identity politics, and brought about a ‘shift in the locus of authority’. The role of Bolivia’s cultural repertoire in this is undeniable, but since culture alone cannot account for policy change – it must be promoted by actors – its role was to empower social justice advocacy groups. Compared to culture and the balance of power, institutional responsiveness has served the social justice land paradigm by gradually reinforcing the interplay between cultural ‘social justice’ features and the fast growing movement that organized around them. In conclusion: the relative strength of social justice advocacy groups was empowered by policy legacies that embody the ‘ideational heritage’, and reinforced by political procedures that gradually opened small spaces for indigenous groups to channel their demands, which eventually led to a shift in power in both informal and formal institutions. Morales’ government then succeeded to outweigh elite interests in the legislative, executive and judiciary (Constitutional) branches, and established ‘full responsiveness’ towards social justice demands for land.
Accountability of Indonesian domestic factors shows different configurations in relation to each other. At first glance, it would be safe to say that all three factors equally contribute to the large impact of the transnational neoliberal land policy paradigm. However, in relative order their accountability can be delineated by taking the cultural point of view as a starting point. The Indonesian land culture has historically assigned a paternalistic role to the state as caretaker of its citizens. This translated into a far-reaching government's authority in land affairs that allowed the state to take any land if it was for the national interest – which became synonym to economic development. In the New Order regime, ‘Constitutional paternalism’ was perverted into an excuse to set up mass development projects and invite corporate actors to invest in forest land industries. Hence, the paternalistic land culture enforced institutional responsiveness to business interests. As demonstrated in the palm oil sector, extended land commodification was kick-started by the state – implying economy-led political institutions – and further developed by (trans)national investors that entered the Indonesian land market after neoliberal reforms. Institutional political arrangements, even after the shift to democracy, remained centralized, corrupt and largely in favor of interests that served the country's economic focus. Though the domestic power balance is clearly overruled by big-capital actors and palm oil smallholders and convincingly accounts for prevalence of the neoliberal land policy paradigm, a closer look reveals an ever stronger role for institutional responsiveness; the state – supported by legal paternalism – has been the main driver of economic activities, welcoming (trans)national investors and World Bank-funded projects to shape the Indonesian land system, but refusing to take human rights and environmental claims into serious consideration. Concluding, Indonesia has adopted the transnational neoliberal land policy paradigm in the first place because it matches the pre-existing paternalistic land culture. The cultural repertoire was strengthened by subsequent legislations that further empowered the state as central ‘developer’, through which political institutions became increasingly receptive to economy enhancing actors. Hence, it was the Indonesian culture and institutional responsiveness that opened the door to market forces and transnational investors that led to further internalization of a neoliberal land ideology.
7 CONCLUSION AND DISCUSSION

7.1 Conclusion

This thesis has presented an explorative study on the relation between land policy outcomes in Indonesia and Bolivia, and the impact of transnational land policy paradigms in the respective policy processes. The two countries face similar development challenges in which they have to balance between interests of the rural poor and indigenous communities on the one hand, and agricultural modernization with foreign investors, on the other. The comparative case study has provided a ‘thick description’ of Indonesia’s and Bolivia’s domestic culture, interests and institutions with respect to land. As argued in Chapter 6, the analysis shows that the domestic factors are deeply intertwined, suggesting that corroboration of the hypotheses is not sufficient for explaining a difference between the policy outcomes, especially because all factors have been validated. Examination of the culture, interests and institutions in relation to each other has provided interesting results. In both cases, the pre-existing cultural features have been decisive for the adoption of a transnational land policy paradigm. Bolivia’s justice-oriented land culture has empowered social movements that outbalanced the opposing traditional elites. For Indonesia the paternalistic cultural repertoire enforced centralized political institutions that were focused on economic development. Institutional factors in Bolivia, and interest constellations in Indonesia are certainly evident for explaining deep internalization of the respective social justice and neoliberal transnational policy paradigm: domestic dominance of a transnational land approach requires prevalence in all policymaking spheres. Though ideational factors cannot account for policy outcomes on their own, this thesis has demonstrated that they are a crucial guide for explaining country-specific policy behavior. Particularly for the contemporary world order in which national factors increasingly interact with transnational and international factors, it can be concluded that ‘ideas matter’ in domestic policymaking.

7.2 Research Limitations

An explorative study allows for a broad research scope and the inclusion of multiple factors. While this has given me the opportunity to present a comprehensive overview of the domestic mechanisms at play, it has also limited the extent to which I could provide a truly ‘thick description’ of the cases. Moreover, poor access and language barriers have constrained the ability to look into official government documents, websites of (social) interest groups or scientific articles on the land topic written by Bolivian and Indonesian scholars, which would have contributed to a less biased understanding of the domestic context. Like in any case study, the bias of perspective and interpretation must be taken into consideration when reflecting on conclusions that have been derived from qualitative research. Though I believe that this thesis has succeeded in its explorative goal of mapping
out the domestic conditions and mechanisms that may explain the varying impact of transnational land policy paradigms in Bolivia and Indonesia, its inferences remain a product of my own interpretation, and of perspectives that have colored the secondary literature I used. Given that the validity of a process tracing study is determined (in part) by the quality, quantity and variety of evidence, I must note that my conclusions are tentative and that more research is needed to strengthen the pool of evidence and extend the case studies. Further limitations and suggestions for future research are discussed in the next section.

7.3 Theoretical Reflection and Implications for Future Studies

Intrigued by the growing forces of globalization in the contemporary world order, this thesis has sought to explore the interplay between international, transnational and domestic factors, and their effect on national policy outcomes. The analysis of domestic factors in Bolivia and Indonesia has provided more insight in these complex interrelations that were introduced briefly in Chapter 2, but as could be expected from an explorative study, it has even more contributed to extension of the possibilities for future research.

The comparative analysis has provided insight into the relation between domestic factors and the way in which they influence each other. First, the case studies have demonstrated that culture, interests and institutions are mutually reinforcing factors, but more interestingly, they each have their specific role in the policymaking process. The analysis has shown that policy outcomes – in which the impact of a transnational policy paradigm is embedded – are shaped by the interrelation of domestic factors, in which country-specific cultural features are guiding the process. In my view, this is not very surprising: domestic interest constellations reflect which actors are most successful in pushing private or collective demands, which implies that these advocacy groups are agents of their interests. Agency indicates a relative freedom from structure (in this case the political institutions), which inherently increases the ability to account for change. On the other hand, institutional responsiveness limits the ability for interest constellations to influence policy outcomes, and therefore structure is accountable for continuity rather than change. Domestic culture, then reflects the interplay of structure and agency in a historical institutionalist perspective, as a product of political struggles defined by formal and informal power structures. Ideas can thus account for both continuity and change because they can empower a group's interests (as demonstrated in the Bolivian case) but they can also strengthen pre-existing political structures (like in the case of Indonesia). Though ideas alone cannot account for a particular policy outcome - they need to be channeled by agents or structures - they do offer more insight on which of the two factors (interests or institutions) is most accountable for the political path. If culture is preserved in the policy outcome, this is probably because the political institutions are receptive towards groups that support the existing domestic culture. If the policy culture is changed as a result of
a policy process, this most likely implies a power shift (shift in the locus of authority - Hall) in favor of the camp that opposes the existing domestic culture.

Opening up the 'black box' of the nation state is helpful for understanding the country's political behavior, especially when actions contradict the structural continuity that feeds rationalist IR scholarship. From an IR perspective, the domestic cultural repertoire provides a guide to explaining a-typical state behavior. Irrational behavior in the eyes of rationalist scholars is presented by the 'socialist' land approach of Bolivia in the midst of neoliberal (land) hegemony. On the contrary, for constructivists Bolivia's behavior is not problematic, but merely a product of mutual constituency between domestic agents and structures, state agency and transnational structures, and state structures with transnational agents.

The Bolivian case study offers interesting implications for further research. Whereas this thesis has focused on the domestic result of the interplay between the 'domestic' and the 'transnational', different studies may seek to account for the transnational outcome. Especially in the case of the transnational social justice land policy paradigm in relation to Bolivian domestic factors, where lines of structure and agency are blurring. As is argued in Chapter 4, the social justice paradigm is mostly constructed from the bottom-up: transnational advocacy networks have linked local to global and state actors and thereby were crucial for both articulation and promotion of the transnational paradigm. However, the very fact that local, global and state actors are involved it is difficult to tell 'where the fire has started'. This thesis has focused on diffusion of the transnational social justice land policy paradigm into Bolivian land policy culture, but since Bolivia is one of the pioneer states (along with Peru, Venezuela, Ecuador) where the social justice land policy paradigm dominates, it would be curious not to question to what extent domestic factors in these countries helped to construct the transnational policy paradigm, and perhaps to which degree Latin America as a regional structure has contributed to these 'leftist' political practices. Extended research on the interrelation of agency and structure on multiple levels could then seek to detect where the source of the paradigm is located, how it was empowered and how the TSJLPP influences domestic empowerment. In the contemporary globalized world order, it would not be bad to extend scholarship on transnational policy paradigms (which remains rather limited), for more research would contribute to exploring new forms of 'global governance' and (non-) state transnational agency, which increases predictability and comprehension of complex multi-level and multi-actor interrelations.

For rationalist theories of IR this is not catastrophic, though. Unlike Bolivian state agency, rationalism can very well account for Indonesia's welcoming behavior to the transnational neoliberal land policy paradigm. While rationalists would not quite acknowledge the concept of a 'transnational policy paradigm', they can argue that economic neoliberal hegemony is in the interests of the great powers
that seek to sustain their status quo. Indonesia following the same path is rational because the country’s main priority - in rationalist vision - is to secure its status in the international world order. Liberals can account for diffusion as an instrumental act by an international regime to promote cooperation and a harmonious international system, acknowledging some role to transnational actors (‘regimes’). Neorealism would refer to this not as an ‘act of agency’ but an ‘act of structure’, where besides military force, market force is the primary means to the end of surviving in a world of anarchy.

With regard to the transnational neoliberal land policy paradigm it would be interesting to study continuity and development within the paradigm. This could lead to interesting new questions as in which degree have the two transnational land policy paradigms influenced each other? Neoliberal hegemony is expected to uphold according to rationalist models, but critical theorists could argue that this dominance is being torn down by a growing social justice advocacy and social justice paradigm adoption on national level. It is not surprising that neoliberal transnational actors are increasingly engaging in ‘sustainability’ conferences and promote land acquisitions in ‘social frames’: as opportunity for local development, for the sake of global food security and biofuels to reduce climate change. Just like in the case of the Bolivian neoliberal government in the 1990s, the social justice countermovement is challenging the neoliberal hegemonic status by ‘naming and shaming’ capitalist practices in developing countries and providing alternative options. The internal structure of the neoliberal land policy paradigm is thereby forced to adapt to these global forces in order to preserve its dominant status. These changes have already started to shape the nature of transnational land investments. A recent example is the joint undertaking of the World Bank, FAO, International Fund for Agricultural Development (IFAD) and UNCTAD in formulating Principles for Responsible Agricultural Investments (RAI) that reflect their collective position on the matter. In similar vein, a ‘code of conduct’ has been set up by the International Food Policy Research Institute (IFPRI) to promote transparency, respect for existing (custom, common) land rights, sharing benefits with local communities and environmental sustainability in transnational investments (Borras et al., 2011: 213; IFPRI, 2009). Hence, even the ‘solid structure’ of neoliberal hegemony is not immune to new global forces that have only just begun to challenge (trans)national power structures in the 21st Century.

7.4 Context: epistemology and ontology

In a concluding note, it is adequate to reflect on general lessons for IR scholarship that can be drawn from this thesis. Robert Cox (1981) has stressed the significance of context with his famous phrase: ‘theory is always for someone and for some purpose’ (1981: 128). The theoretical discussion has demonstrated that both rationalist and constructivist IR theories are evident for analyzing land policy outcomes in Bolivia and Indonesia. Classical IR theories can explain Indonesian behavior from a purely state-centered perspective, but are not suited for the ideational focus of this thesis. Constructivist
theories can account for both cases as they focus on ideational factors that drive continuity and change. This thesis is conducted through a constructivist lens, which was helpful for investigating the structural changes in Bolivia. However, it can be questioned whether an ideational approach offers sufficient account for Indonesian behavior, or if a materialist world view (Realpolitik) is more suited to analyze this ‘rising state’. Hence, it is all about perspective; every perspective sheds a different light by either taking the world as it is and solving problems that contradict the status-quo, or breaking open existing structures to propose new alternatives, like critical scholars do (Cox, 1981: 129). While a positivist ‘problem-solving’ approach was adopted in this thesis, a critical approach could question to what extent Bolivian socialism (along with other Latin American countries) marks the beginning of a changing world order.
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