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Death of an Indonesian farmer: are companies doing enough to protect local communities?

Asia Pulp and Paper is facing tough questions after a farmer and workers' rights activist was found dead in Sumatra



The death of an Indonesian farmer has raised concerns about corporate behavior in one of the least regulated markets in the world. Photograph: Romeo Gacad/AFP/Getty Images

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Alison Moodie

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In late February, a young Indonesian farmer named Indra Pelani showed up at a checkpoint manned by security guards for Asia Pulp and Paper, a Chinese-Indonesian company, in central Sumatra. He and a friend were on their way to a rice harvest festival, and a confrontation ensued. The friend ran off to get help.

Pelani's body was found the next day, a few kilometers away, with his hands and feet bound. Five of the seven guards on duty, all of whom turned themselves in earlier this month, are still under investigation by the Indonesian police.

The death of Pelani, who advocated for the rights of tenant farmers against the corporate takeover of their lands, has become a flash point for a bigger set of issues plaguing [Indonesia](#) and much of the developing world. His death highlighted the increasingly volatile relationship between corporations and the people whose land they use to grow their products.

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Human rights and environmental groups reacted swiftly. Twenty-five European NGOs signed a letter of protest demanding that APP cooperate with police investigators and re-examine its corporate policies around resource exploitation in fragile areas. Greenpeace took it a step further and, while not cutting ties with APP altogether, did curtail its [much-highlighted cooperation with the company on its foresting practices](#).

“[We want to] ensure Indra’s case receives the justice it deserves, and that the company prioritizes resolving social conflict across its operations,” said Bustar Maitar, Greenpeace’s global head of Indonesia Forest Campaign.

APP responded to Pelani’s death by meeting with the farmer’s family, appointing a new security company in the district where the incident occurred, and now cooperating with the independent investigation by the Indonesian

National Commission on Human Rights (Komnas HAM).

APP said in a statement: “Our thoughts and prayers are with the family of the victim and the community at this difficult time. APP’s immediate priority will be to appropriately support the family, the community and to continue to assist with the police investigation.”

But some say APP could do more to ensure this doesn’t happen again. Christine Bader, author of [The Evolution of a Corporate Idealist: When Girl Meets Oil](#) and former manager of policy development for BP, said APP should adopt what is known as the [Voluntary Principles on Security and Human Rights](#), a set of guidelines put together by governments, companies and NGOs that helps companies protect their staff and assets while upholding human rights.

“I can say from my personal experience working for BP in Indonesia that the Voluntary Principles absolutely helped shape our relationship with the military and police for the better, in terms of our long-term relationships with local communities,” she said. “That project hasn’t seen nearly the sort of social strife that plagues extractive projects elsewhere.”

Marc Gunther

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Pelani's death has raised concerns about corporate behavior in one of the most highly sought-after but least regulated markets in the world. Local communities are losing their land without their consent to large

companies due to so-called legal land grabs. There are more than 500 villages with unresolved land claims in the 2.4m hectares of plantations that feed APP's giant pulp mills. On top of that, palm oil companies have taken over an additional 9m hectares of arable farmland in Indonesia. Government land bureau estimates there are 4,000 palm oil-related territorial conflicts across the country.

Large plantations in Indonesia tend to be run like compounds, with armed guards and checkpoints controlling access to the plantation, while workers live on plantation-provided housing. Local farmers and residents often find themselves in the crossfire, and while killings remain relatively rare, other types of violence and intimidation are increasingly common.

According to data from the Forest Peoples Programme, the Indonesian National Human Rights Commission (Komnas HAM) has received 1,126 complaints of human rights violations by corporations since 2012, with 446 cases related to land conflict.

Suppliers to APP, such as PT Suntura Gajapati, operate with their own private armies of thugs to beat villagers into submission, said Usha Haley, professor of management at West Virginia University and author of [New Asian Emperors: The Business Strategies of the Overseas Chinese](#). "This gives a layer of protection and plausible deniability to APP that can claim ignorance of such activities," she said.

Also problematic is APP's militarized security force, said Andreas Harsono, a researcher for Human Rights Watch in Indonesia. The name of the security unit allegedly involved in Pelani's death is URC, which stands for "Unit Reaksi Cepat" or "Rapid Reaction Unit."



"The police should investigate the company's so-called Rapid Reaction Unit. It's not common for a company to set up its own commando-styled security. Who did set up that unit? What's the company policy on that unit? Who gave the order to act against those protesting farmers?" he said.

This isn't the first time APP has run into legal trouble over its business practices. The company has been linked to two similar deaths in the past. In 2010, police killed a farmer during a rally protesting land that was taken over by APP in 2001. In 2012, a man was found dead in a canal in an area owned by an APP supplier company.

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Violence aside, the company has drawn in the past the ire of conservationists and NGOs for its rampant destruction of rain forests in Indonesia, which [Greenpeace in 2013 estimated to be "tens of thousands of hectares per year"](#). The same year, APP announced a "zero deforestation policy" after major brands like Mattel and Adidas boycotted the paper giant over its forest clearing practices. A recent audit of APP's pledges found that the company had made "moderate" progress, including halting the clearing of natural forests, but that it still hadn't resolved hundreds of social conflicts with local forest communities.

Pelani's death is symptomatic of larger industry-wide abuses of workers, said Robin Averbeck, a senior forest campaigner with Rainforest Action Network (RAN). Pelani apparently was part of a grassroots network formed to monitor illegalities and land grabs. His death allegedly took place the night before a planned meeting to discuss APP's commitment to fairer land distribution.

"Criminalization of union leaders is all too common in Indonesia," she said. "APP must ensure that workers' rights to organize unions and collectively bargain are protected and upheld."

The bottom line is that companies like APP have to start recognizing locals' right to land, said Marcus Colchester, senior policy advisor at the Forest Peoples Programme.

"The underlying problem is that plantations have taken over communities' lands without respecting their prior rights to land, without their consent and without making adequate provision for their livelihoods," said Colchester. "The business model has to change."

This story was amended 3 April to clarify that Pelani, the farmer who was killed, was not an employee of Asia Pulp & Paper, and to add more information about the company's deforestation efforts. It was also updated 2 April with more details about the investigation.

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