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Capitalism from below or capitalism from above?

Essay about the concept of enclosure and the emergence of capitalist relations
among the Lauje highlanders in Sulawesi, Indonesia

By

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Introduction

In recent decades the growing globalization has led to a worldwide increase of cases of capitalism from above. Thus, foreign countries or companies with certain interests appear in local areas and influence local communities in severe ways by taking away their land and by implementing industrial plantations or development schemes. Thereby, areas that did not have anything to do with capitalism are suddenly introduced to capitalist relations, which have striking impacts on their livelihoods (Gellert 2015; Li 1993; Li 2016). In contrast, in her book *Land's End* (2014) the anthropologist Tania Murray Li claims to have found a community that has developed capitalist relations without any outside forces and instead as a process from within: the Lauje people.

This essay explores Li's understanding of this capitalist process from below which manifests itself in the enclosure of land among the Lauje community. In order to approach Li's argument, her repeated reference to E.P. Thompson's *Making of the English Working Class* (1963) and her use of his concept of enclosure will be closely examined. I argue that their use of the concept is different, which puts into question Li's comparisons with Thompson's work. In the last part of the essay Li's core argument will be further challenged as I argue that there are several factors that indicate the influence of outside forces in the process of enclosure among the Lauje highlanders.

The emergence of capitalist relations among the Lauje highlanders

Over the course of twenty years (1990-2009) Tania Murray Li conducted research among the Lauje people, which is an indigenous community that lives in the highlands of Sulawesi in Indonesia. Li focused on the agrarian transformation that took place within the community during that period of time. Until the 1990s the Lauje used to share a common land tenure system, which was based on kinship and the practices of appropriating patches of land ("do'at") by clearing or burning it down ("ulat"). According to Li major changes started to occur when cacao crops were introduced to the area. People had an increasing desire to make money and started planting cacao trees instead of allowing the land to lie fallow to use it for other annual crops. In doing so, they excluded their kin from future use and thereby established private ownership rights, which led to the enclosure of their common land. A few highlanders were able to accumulate wealth, whereas many others were left landless and struggling with precarious livelihoods as well as scarce wage labor (Li 2014: 3-4; 7).

Tania Li describes this process of enclosure as an occurrence that was not driven from above: "The non-commoditized social relations through which [the Lauje] previously accessed land,

labor, and food were not destroyed by ‘capitalism’, envisaged as a force that arrives from the outside. They eroded piecemeal, in a manner that was unexpected and unplanned” (Li 2014: 9). According to Li, there was no influence of land-grabbing corporations or government-backed development schemes. Instead, she describes the enclosure of land and the emergence of capitalist relations among the Lauje highlanders as an insidious process – capitalism from below. The Lauje themselves took the initiative to plant cacao crops, which eventually led to the privatization of land (ibid. 3).

E.P. Thompson and the English working class

In her descriptions of the agricultural changes that came along with capitalist relations, Tania Murray Li refers several times to the British historian E.P. Thompson’s *The Making of the English Working Class* (1963), which is an influential book about the social and economic history of England. As the title suggests, Thompson focuses on the emergence of the English working class within the context of the Industrial Revolution. The enclosure of land is a significant aspect of that emergence. Tania Li takes this concept of enclosure and compares the processes of enclosure among the Lauje and the English people.

However, looking closely at E.P. Thompson’s account, it can be argued that there is a difference between his and Tania Li’s use of enclosure. To illustrate this difference, it is necessary to first outline the factors that were crucial in the formation of the English working class. Thompson writes that “the working class made itself as much as it was made” (Thompson 1963: 194). In his account, the English working class was an important force itself with its own desires and actions, however, there were major outside forces that contributed to the formation of the working class. One of those forces was the Industrial Revolution, which brought about political repression and economic exploitation of the working people that led to a feeling of political radicalism among them in the 1790s. This sentiment of having common experiences and interests created a feeling of unity of the working class (Currie and Hartwell 1965: 634).

According to Thompson the growth of this class-consciousness – the knowledge of shared interests and desires among the working people – was necessary for the formation of the working class. However, the Industrial Revolution with its changing productive relations and working conditions was implemented on these people, which strengthened the formation (Thompson 1963: 194).

In this context Thompson (1963: 195) further describes the importance of the enclosure movement that took place between 1760 and 1820 in England. Thompson identifies it as “a

plain enough case of class robbery” (ibid. 218). In other words, the enclosure movement implemented by a Parliament of property-owners and lawyers impoverished many people. In particular many village people were exploited and dislocated from their land, they lost their common rights and values, and the resulting landless laborers remained dependent on capitalist farmers – often with precarious employment (Moselle 1995: 482).

Even though Thompson’s work has been criticized and debated by many academics (i.e. Currie and Hartwell 1965; Moselle 1995; Donnelly 1976), his arguments that the English working class was formed and influenced not only by internal factors, but also by outside factors such as the Industrial Revolution, the tremendous increase in population, the enclosure movement and the political counter-revolution, which led to the shared interests and values among the British working people, are convincing and strong (Thompson 1963: 197). The English case was, therefore, to a major part a case of capitalism driven from above.

The different use of the concept of enclosure

When comparing E.P. Thompson’s and Tania Li’s use of enclosure, they appear as different concepts. Thompson defines enclosure as a movement that was implemented by property-owners within the context of the Industrial Revolution in England. According to him, enclosure is a “case of class robbery” (Thompson 1963: 218), which implies it is something that is clearly imposed from above, from an outside driving force – as explained above, as a way to improve regular employment and living standards of the rural poor within a growing population.

In contrast, Tania Li defines enclosure among the Lauje as “the permanent withdrawal of plots of land from the highlanders’ commons” (Li 2014: 84). In other words, she understands enclosure as the process of privatization of land, which was provoked by the highlanders themselves when they started planting cacao trees. Li manifests this with the permanent character of the cacao crop, which makes further use of the land for annual crops impossible and therefore changed the common land tenure system of the Lauje into an individual ownership system.

Despite this difference, as mentioned above, Tania Li claims that there are similarities between the two contexts of enclosure. She sees one of them in the absence of resistance against the enclosure of land among most of the Lauje and many English villagers. Even though there was an opposition in both cases, many supported the enclosure as they hoped and desired to prosper if they claimed land for themselves (Li 2014: 114).

Li discovers another similarity in a road protest in Sibogo. A road project was supposed to be implemented in 2006, which would provide an important contribution for the highlanders' mobility and their children's ability to go to school. However, the project was interrupted when the funds turned out to be insufficient. Subsequently, a group of Lauje highlanders came together and protested against the interruption of the project. Here, Tania Li compares the Lauje's reaction to what E.P. Thompson described as "moral economy", when there appears a feeling among a group of people of their entitlement to fair treatment. According to Li, Thompson's famous example of a bread riot resonates with the road protest in Sibogo as people gathered together because of their unfair treatment (Li 2014: 163-164).

In these comparisons, the differences between Li's and Thompson's use of enclosure are not addressed and apparently overseen. It is questionable to compare two rather different situations: the absent resistance against the enclosure of land created by own initiative in the Lauje case or against an imposed enclosure of land in the British case. Li's attempt to strengthen her core argument with the comparisons therefore raises several questions. Why does Li focus on Thompson's account of the emergence of the British working class? Why does she compare the enclosures of land among the Lauje and the English working people? Is the emergence of the English working class an example of capitalism from below, according to Li?

As explained above there are several factors that imply the outside forces that brought capitalism into the British society in the 18th century, which greatly influenced the formation of the English working class. The working people undoubtedly contributed to the shift of capitalist relations with their hope to claim land for themselves and to prosper. However, in particular the enclosure of land took place by means of outside forces and more influential people such as the property-owners in the form of exploitation and oppression. In other words, the *Making of the English Working Class* is rather a case of capitalism from above.

Tania Li's comparison of the enclosure among the Lauje and the British working class, therefore, challenges her argument that capitalist relations emerged among the Lauje solely as driven from within due to their desire to prosper. In Li's sense, the Lauje as a group of people chose to implement capitalist relations when they started planting cacao trees, which led to the monopolization and enclosure of land. Though, some of the Lauje chose it more than others. According to Li's descriptions some were keener to accumulate than others (i.e. the case of Tempo and Linajan demonstrates this) (Li 2014: 98-103).

Li's uncontested use of Thompson's concept of enclosure questions the strength of her core argument, which is further intensified by several other factors, some of which are briefly

mentioned in her book. The following paragraphs will explore these factors and discuss further pivotal aspects.

Capitalism from below?

In the introduction to her book Tania Li writes “the process that dislodged [the highlanders] from their land wasn’t initiated by land-grabbing corporations or state agencies” (Li 2014: 3). It was, in contrast, provoked by the Lauje themselves – as capitalism from below. In the course of the book Tania Li describes the enclosure of the highlands of Sulawesi as a rather isolated phenomenon. Even though she mentions the presence of a Canadian development project and the role of the desa headmen (by encouraging the coastal people to move into the highland in order to grow the new crops with more efficient methods), Li does not go too much into detail about their influence in the process of enclosure. Her uncontested argument that it was the highlanders’ own initiative to start growing cacao crops and the “skipped” exploration of the influence of the development projects raise another set of questions. How were the cacao crops introduced to the Lauje in the first place? Why did the Lauje have a sudden desire to prosper and to claim ownership of land? Why was suddenly more land needed – why was there a shift of land from being abundant to being scarce? Why did a Canadian development project show interest in supporting the cacao business in the highlands of the Lauje? Were other NGO’s present? Was the Indonesian government involved?

François Ruf (Henley et. al 2016: 97) also raises skeptical arguments towards Li’s account of a rather complete absence of external aspects in the emergence of capitalist relations among the Lauje people. As a main driving force, he identifies the “cousins” of the highlanders that live in the coastal villages as a type of migrant that brought capital into play, which eventually contributed to the commoditization of land and labor and to the process of social differentiation, as well as exclusion. Furthermore, the Canadian cacao project is also identified as a crucial role player in spreading the plant material and in shaping the access to land – with unexpected negative effects (ibid. 98).

Tania Li herself shortly addresses the impact of government-backed development projects in the Lauje area, but she does not emphasize it. The Canadian project, which is not specified in the book, took initiative in the area by promoting tree crops in order to introduce the highlanders to modern agriculture. According to Li the project was already present in 1991 (Li 2014: 107). Even though the project did not introduce the cacao crops to the Lauje, they shaped land relations in several ways. On the one hand they unwillingly contributed to the unequal distribution of the free cacao seedlings when they aimed at favoring the poor farmers

but monitored the distribution inadequately, which intensified the inequality (ibid. 108). On the other hand, the project aspired to help farmers in the highlands to get a hold of the patch of land that they were using. However, having no individual land ownership system, the officials of the project encountered problems, which they tried to solve with mapping the whole area and making lists. With that action they brought a sense of land as “lokasi” (a unit of space that is detached from the person who first cleared it and made it useable) into the community, which did not exist before (ibid. 109-110).

These aspects are not further addressed in Li’s book, however, they are examples of how outside actors can have impacts, even in small ways. The introduction of a term that equals the English term “land” might seem meaningless, though it partly lays the groundwork for people to adapt to a new system of land use, one that is separated from social ties and based on capital and profit. At the same time the contribution to the distribution of cacao seedlings is crucial in its way as well, as processes are shaped, which might take their course in a different way if the inequality among the Lauje was not intensified by the project.

The aspects mentioned above put in question why Li only vaguely touches on these influences. Even more so when it is taken into consideration that Tania Li herself worked on a Canadian development project in Indonesia in the 1980s, whose practices she apparently disliked as she left the project after some years (Li 2020).

Furthermore, Tania Li also published a paper (Li 1993) as part of the Sulawesi Regional Development Project, which was funded by the Canadian government and which aimed to improve welfare of the rural communities in Sulawesi. In that paper Li examines the impact of government programs and the practices of local officials concerning land tenure and tree crop expansion, as well as garden development schemes, road constructions, and the new land and property tax – all of which are factors that are purposefully implemented and introduced by external actors (Li 1993: 22-29). Therefore, she was aware of the influences of the government in Sulawesi.

In addition, putting the case of the Lauje into a bigger context, it becomes clear that there must be many factors in play. Indonesia has had a long history of capitalist emergences with the implementations of large-scale industrial plantations and the influence of governments and foreign companies. Today, Indonesia counts as the world leader in palm oil production and export (Potter 2015: 12-17). Tania Li ignores this big role that the cultivation of commercial tree crops plays on a large scale in Indonesia. She mentions for example that permanent coconut stands were planted in the lowland areas of Sulawesi in the context of the copra boom in the early 20th century. She does not draw any connection to the highlanders’

capitalist behavior though (Henley et. al 2016: 92). Looking at Tania Li's research background it is even more surprising that she does not point out any connections with the decades-long existence of capitalist relations in Indonesia. Li has done research on the changes and dilemmas in rural land in Southeast Asia, where a big part of agricultural land has been converted to commercial, industrial use since the 1980s and which leaves many locals, that were dependent on their access to land, with precarious livelihoods. These processes are manifested as a combination of large-scale enclosures from above and small-scale enclosures from below (Hall et. al 2011). Li has also written other articles covering similar topics, such as the consequences of large-scale investments in land (Li 2014) and the dominating project system in the rural development in contemporary Indonesia (Li 2015).

Conclusion

This essay explored, on the one hand, the difference between Thompson's and Li's use of enclosure of land among the British working class and the Lauje community, and on the other hand, it continued to challenge Li's argument that the emergence of capitalist relations occurred from within and by the highlanders themselves. I argued that even though there were no land-grabbing cases or big state agencies involved, the enclosure of land in the highlands of Sulawesi was not completely provoked by the Lauje themselves. Several factors such as the involvement of NGO's (Canadian development project), the role of the desa headmen and the history of Indonesia's large-scale cultivations of commercial tree crops were identified as crucial outside forces in the introduction and cultivation phases of the cacao crop. Therefore, I argued that the emergence of capitalist relations among the Lauje was to a crucial part driven from above. In this context, it could be interesting to explore and examine other examples of emergences of capitalist relations in communities that are not implemented by land-grabbing corporations or state agencies, but develop due to the connection of both the actions of the locals and outside forces. A more comparative dimension might have strengthened Li's arguments.

After examining Li's example of the Lauje and coming to terms that apparently there were several external aspects that played an important role in provoking capitalist relations within the community, the question is raised of whether it is actually possible for a community to develop insidious capitalism, completely isolated from external factors – in particular in a contemporary world that is coined by globalization, interconnection and mutual influences.

Finally, it was also brought to attention that humanitarian or development programmes such as the Canadian development project in the Lauje highlands, often have unexpected negative

impacts despite their usually good intentions. Some people profit more of their presence due to their politically connected position. This is an aspect that future programmes, as well as academics should be aware of and pay close attention to, in order to point out their underlying structures.

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