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Chronological file - 1985 (1)

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Jakarta, 08 February 1985

Dear Dan,

During a recent visit back to the States, I dropped by the VIA office and talked with Dwight about developments here in Indonesia, and in Irian Jaya in particular. Of course, we talked about the Transmigration Program sponsored by the World Bank and I asked Dwight if he had any contacts there to whom I might write for information. Dwight gave me your name.

Recently (ending April 1984), I spent two years in Irian Jaya as an Asia Foundation consultant with the newly-formed Irian Jaya Development Information Service Center (IRJA-DISC). Among our many development-related concerns was (and is) the impact of the National Transmigration Program on the culture, livelihood and traditional lands/natural environment of the indigenous population. The major thrust of our activities in that area involved field research at transmigration sites and awareness-building/advocacy with community and church leaders, government officials and policy makers at both local and national levels. That effort is still ongoing.

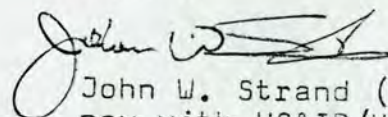
What has been grossly lacking in our transmigration activities is any information/understanding about how the major survey/evaluation sponsor, The World Bank (am I correct in that?), views this program. What was the original rationale, in economic feasibility terms, for initial World Bank involvement in this massive project? What have been the findings and recommendations of World Bank evaluations of the program? What adjustments has the GOI made in program design, implementation, target figures in response to WB evaluation recommendations? Is there any particular World Bank information relating to the Irian Jaya component of the program?

Despite rather shrill, and often narrow and misleading, criticisms of the Irian Jaya transmigration program (see enclosed), the fact remains that in Irja a serious problem exists, and is growing in magnitude. The problem is multi-faceted, involving socio-cultural, economic and security issues and those on the short end of the stick in Irja are not only the indigenous peoples but the transmigrants who are dropped into sometimes inhospitable environments (no water, no arable soil.) From a grassroots development point-of-view, tackling a problem of this magnitude is a long and frustrating task, one that receives frequent lip-service from govt planners and intellectuals concerned with "finding a culturally sensitive development approach to Irja" but yields few concrete results.

Any information you might be able to provide regarding the above questions and issues would be most appreciated, and add immeasurably to our own understanding of the World Bank position. Your assistance, comments, opinions would of course be confidential and off-the-record (we do have journalist friends in this effort). Dan, we are not hot-headed troublemakers, only a network of individuals concerned with what we see as a gloomier future on the horizon for the indigenous peoples and environment of Irian Jaya.

If you can help, thanks. In any event, best of luck with your work in 1985.

Tabea,



John W. Strand (Ambon, '78)
now with USAID/VHP, Jakarta

Jl. Pejompangan IIIA/15

Little land and many people...

The idea of correcting the apparent "imbalance" of Indonesia's population — or at least alleviating population pressure and poverty in Java by "transmigrating" people from Java to the outer islands — is almost a century old. The Dutch colonial administration, impressed by a census in 1905 which showed that 80% of the population of the East Indies (then 37.5 million) lived on Java, which accounted for only 7% of the land area, embarked on a "colonisation" policy which over the next 35 years settled some 200,000 people, mostly in southern Sumatra.

After independence, the idea was revived, initially with quite unrealistic targets. In practice, the numbers moved during the period of former president Sukarno rarely exceeded 25,000 in any one year, and declined to a trickle in the chaotic mid-1960s. Interest in transmigration revived after 1966, but with a different perspective: it came to be recognised that transmigration could not solve the population "imbalance," or even the problem of population pressure in Java. Even an ambitious programme involving the movement of 200,000 people a year would be equivalent to only 10% of the annual increase in Java's population.

Transmigration now is viewed as having primarily a welfare objective: to raise the living standards of the migrants themselves and, perhaps — by reducing numbers — improve living standards throughout rural Java. A secondary motive has been to promote lagging economic development on the outer islands.

During the first five-year plan, Repelita I (1969/70-73/74), transmigration was resumed, with the emphasis on expanding food production. As the older settlement areas in southern Sumatra became overcrowded and increasingly resembled some of the worst areas of Java itself, attention shifted to swamp reclamation in coastal regions of southern Kalimantan and eastern Sumatra and to non-irrigated (rain-fed) land in other provinces of Sumatra, Kalimantan and Sulawesi.

The Opec oil-price increases of 1973-74 and 1979-80, which brought hitherto unimaginable foreign-exchange earnings to the country, raised Indonesian development targets all round. Transmigration became one of the main beneficiaries. Both the scale of the programme and its regional development objectives became more ambitious.

The income of migrant settlers was to be raised by giving them enough land to grow cash crops, such as rubber or palm oil, as well as food for their

own needs. Settlements, increasingly, were to serve as growth centres by attracting spontaneous migrants from Java and by promoting regional development beyond agriculture, in processing and other industries as well as in trade and services.

Repelita II (1974/75-78/79) at first adopted a target of 50,000 families (200,000 people) a year — four times more than the highest figure achieved in any previous year. This soon was recognised as unrealistic and was scaled down to 20,000 families a year. The third plan (1979/80-83/84) set its sights even higher, with a target of 500,000 families or more than 2 million people during the plan period, and within a year of its adoption the second oil-price increase seemed to make such a vast programme financially feasible.

Development budget allocations were raised from about US\$5 million a year in Repelita I to US\$340 million in



Born in Germany, Heinz Arndt migrated with his parents in 1933 to England, where he studied at Oxford and the London School of Economics. A former head of the department of economics in the Research School of Pacific Studies at the Australian National University, he is editor of the *Bulletin of Indonesian Economic Studies*, published in Australia.

Repelita III — equivalent to almost 6% of the development capital budget. Since the early 1970s, the transmigration programme also has received a substantial flow of external assistance, from the World Bank and other international agencies.

Judged merely by the number of people moved from Java, Bali and Lombok, the transmigration programme has achieved remarkable results in the past 10 years. Admittedly, the Repelita III target of 500,000 families has proved over-ambitious. (Official statistics which show it to have been reached include a substantial number of spontaneous migrants.) But to have managed the movement, as well as the settlement even of 50-60,000 families a year in the often extremely difficult conditions of the Indonesian archipelago, represents a notable organisational feat.

Even in terms of numbers, the effort

has not been pointless. The removal of 200-300,000 people a year has relieved population pressure and consequent social problems in some of the poorest areas of Java. Nor is there much doubt that the welfare of the transmigrant families has been improved. The scanty evidence suggests that their income is not significantly above the average in Java, but even this — and the ownership of a piece of land — represents a great improvement for formerly landless labourers.

There is evidence, also, that the programme has contributed to increased food production on the outer islands, has opened up large tracts of jungle and swamp, and laid the foundations for longer-term regional development.

To achieve these results, the transmigration programme has had to overcome immense obstacles, some of which cast serious doubts on its future. The programme has imposed severe strains on the large and complex, but not very robust, Indonesian bureaucracy. The costs of the programme rose with the improvement in facilities provided to transmigrants. The direct cost to the development budget during Repelita IV (1984/85-88/89) of a target programme of 800,000 families would reach at least US\$2 billion a year. Such a figure might have been accommodated during the years of the oil boom. It hardly could be contemplated in the conditions which began with the world oil glut of 1982.

Most serious of all has been the increasing difficulty of finding suitable land for settlements on the outer islands, where most of the soil is much less fertile than the volcanic soil of Java. By 1965, most of the good agricultural land was already under cultivation. For some years after 1966, reclaimable swamp attracted most interest among transmigration planners, but the technical difficulties and costs have proved very great. Most settlement in the past decade, therefore, has been in upland regions of Sumatra and Kalimantan, with soils of low fertility, highly susceptible to erosion and leaching.

Three factors have limited the choice of suitable sites even here. One is that clearing of primary forest for settlement sites has virtually ceased, as forest conservation has been given higher priority. A second major problem has been infestation of cleared and grass land by alang-alang grass, which renders large areas unusable for agriculture. The third persistent difficulty has been land claims by local populations on even sparsely

populated land of the outer islands.

All these factors have made transmigration sites in the traditional settlement areas increasingly hard to find. "Sumatra and Kalimantan are full," it has been said. This is why in planning for transmigration during Repelita IV the remote province of Irian Jaya has been considered seriously as the major target area.

So long as ample land nearer to Java was available, little thought was given to Irian Jaya as a recipient area. It never figured significantly in the Dutch colonisation policy, and a mere trickle of transmigrants was sent to Irian Jaya in the 1960s. About 2,000 families were moved to Irian Jaya during Repelita II and some 12,000 during Repelita III. In the same period, the number of spontaneous immigrants to Irian Jaya from other provinces of Indonesia is estimated at 160,000.

In the early stages of planning for Repelita IV transmigration target figures as high as 1 million families (4-5 million people) were under discussion, and a substantial proportion of these were to be settled in Irian Jaya. More recently, the target has been scaled down to 800,000 families overall, including some 300,000 spontaneous migrants. Of the 500,000 transmigrant families, 137,000 (or about 600,000 people) are to be settled in Irian Jaya.

It is difficult to believe that the organisational problems of so ambitious a target will be any less in Irian Jaya than they have proved to be in Sumatra and Kalimantan. It is true that Irian Jaya is a large, sparsely populated province, but it is remote, with minimal transport and other infrastructure, and much of it consists of barely accessible mountain ranges. Above all, large-scale transmigration to Irian Jaya raises political problems not encountered in the older settlement provinces.

When Indonesia incorporated West Irian (as it was then called) in 1962, with only token consultation with spokesmen of its 600,000 Melanesian population, the move was widely criticised in Western countries. Indonesia based its claim on the fact that West Irian had been part of the Dutch East Indies, to which the republic was seen as the legitimate successor. It rejected the argument from ethnic diversity as being hardly less applicable to many other parts of the country.

Irian Jaya is irreversibly a province of Indonesia, and Indonesians see it as their task to integrate and develop it. Vis-à-vis the indigenous Melanesian people of the province, educated Indonesians think of themselves (much like educated Frenchmen in their 19th century colonial empire) as having a civilising mission. The Indonesian Government, in fact, has made very



Transmigrants on the move: no easy way out.

great efforts to promote economic development and public services — transport, health and education — in the province.

Government expenditure in the province was budgeted to exceed US\$250 million in 1983-84, and further increases in real terms are planned through Repelita IV. There has been little overt friction between indigenous and immigrant people in the province, though, in the highlands especially, the local people have been reported bemused by official efforts to "civilise" them. The handful of members of the Free Papua Movement (OPM) until recently have presented no serious problem.

Massive transmigration to Irian Jaya is widely believed to pose a serious threat to this relatively stable situation. An inflow of 600,000 Javanese transmigrants and numerous spontaneous immigrants from other provinces would soon swamp the indigenous population. Whether or not the Melanesians of Irian Jaya would actively object or rebel, the fact that their plight would be viewed with sympathy by their ethnic "brothers" across the border in independent Papua New Guinea would greatly exacerbate the problem.

Port Moresby has leaned over backwards to maintain friendly relations with Jakarta. When Indonesian army action to capture a few OPM guerrillas recently led to a flight of 10,000 Irianese village people across the

border, the Papua New Guinea authorities went out of their way to arrange with their Indonesian counterparts for their peaceful repatriation. The Australian Government keenly shares the desire of both neighbouring countries to minimise friction.

But this desire is not shared by significant radical elements among articulate public opinion both in Papua New Guinea and in Australia. Persistently hostile

to the regime of President Suharto, they are only too ready to suspect or at least accuse Indonesia of expansionist designs on Papua New Guinea and to see strategic motives behind the programme of transmigration to Irian Jaya. The fact that the lowland areas of the province best suited for transmigrant settlements happen to be in the border regions south of Jayapura and north of Merauke lends superficial plausibility to such suspicions.

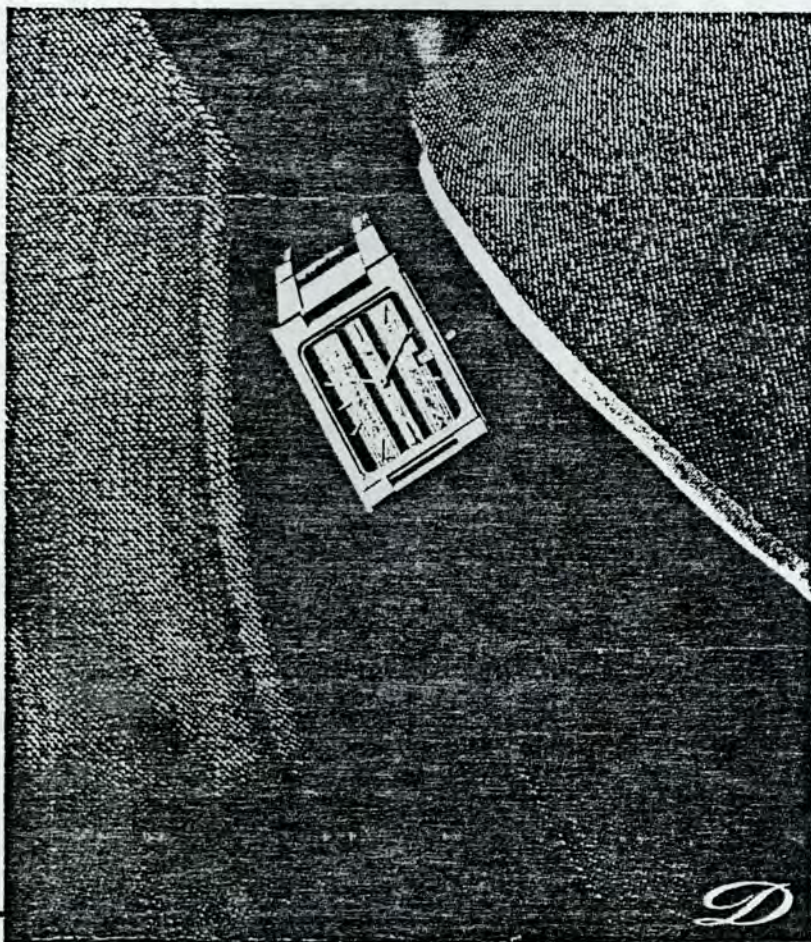
Australian media reaction to Port Moresby's request to the Australian Broadcasting Corp. in May not to broadcast an interview with an OPM leader conducted illegally on Papua New Guinea territory, and a suggestion by one of Australia's best-known journalists, Kenneth Davidson of the Melbourne daily newspaper, *The Age*, that Australia should arm the OPM need not be taken too seriously. They certainly do not reflect Australian official or majority opinion.

But there can be no doubt that large-scale transmigration to Irian Jaya over the next few years would further destabilise the Indonesia-Papua New Guinea border situation and play into the hands of Indonesia's critics and enemies. There is no easy way out of Indonesia's transmigration dilemma. Many have long been sceptical about the wisdom of the whole transmigration concept, believing that the problems of Java have to be solved in Java and that the money would be better spent there. But the vested interest, emotional and organisational, in transmigration is too strong for the programme simply to be stopped.

In the longer run, the answer to the land problem lies in development of effective techniques of along-alang eradication and of cheaper methods of swamp reclamation in Sumatra and Kalimantan. But until more land becomes available in either way on the other islands, a temporary scaling-down of the programme may be wiser than inviting serious political trouble through wholesale transmigration to Irian Jaya.

'There is no easy way out of Indonesia's transmigration dilemma. Many have long been sceptical about the whole transmigration concept... But the vested interest, emotional and organisational... is too strong for the programme simply to be stopped.'

S.T. Dupont



THE STEEL AND 18 CARAT GOLD WATCH.
MODELS FOR MEN AND WOMEN.

ORFÈVRES À PARIS

Heinz Arndt's THE 5TH COLUMN [1 Nov. '84] is shallow and disappointing. He begins with the Dutch and ends up with the Javanese while ostensibly discussing Indonesia's population problems. The number of Dutchmen ever present in the Malay archipelago can only be described as a handful in comparison with the teeming millions they subjugated. Most Dutchmen lived in Java, and Java, by Arndt's own account, represents only 7% of the Dutch East Indies.

Any view that is so Dutch- and Java-centric therefore is liable to be lopsided and misleading, totally ignoring the interests of the remaining 93% of the territory and its peoples.

It is true that Indonesia begins with the Dutch and ends with the Javanese. But this is a rapidly passing phase in the long history of the sprawling Malay world of Southeast Asia. Indonesia is merely the *continuation* of the Dutch East Indies, lock, stock and barrel — politically, economically and juridically. That is why Indonesia is an illegal state from the point of view of the non-Javanese peoples and international law. Politically, Indonesia occupies the same territory as the Dutch colonial empire of the East Indies: when its territorial integrity is kept intact an empire is not liquidated but perpetuated.

Thus the Indonesian state is the perpetuation of the Dutch colonial empire established by shedding the blood of our ancestors. The Dutch did not stop to ask our ancestors to legalise their crimes. So how can we legalise the bloody Dutch legacy to the Javanese now?

Arndt told us that the objectives of transmigration from Java to the "outer islands" were "welfare and to promote lagging economic development on the outer islands." This was indeed a very friendly description of the most blatant land robberies in history. The Javanese are practising this policy without shame, thanks to Western approval. Even Arndt seemed to have added his little bit by writing patronisingly that "educated Indonesians think of themselves (much like educated Frenchmen in their 19th-century colonial empire) as having a civilising mission." There has been resistance everywhere to Javanese transmigration, or rather land robberies, from Aceh Sumatra to Irian Jaya but these were hushed up in the Indonesian press. Therefore poor souls like Arndt have never heard of them. He has heard about the massive resistance of the Irian Jayans because the news could not have been controlled by the Javanese regime due to the proximity of Papua New Guinea. But significantly, every time Arndt mentioned the Free Papua Movement (OPM) he added his own epithet of "a handful" or "a few" OPM members, belittling the

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edom fighters. Living in Australia as he does, he could not have been ignorant of the fact that in the past few months more than 10,000 Irian Javanese refugees have crossed to Papua New Guinea seeking protection from Javanese barbarism.

This Javanese land grab is the cheapest means to overwhelm the colonised indigenous peoples who still dream of exercising their rights of self-determination and independence that the Javanese in collusion with the Dutch had done away with. It is an attempt to Javanise the entire Malay archipelago. But it is an impossible task.

This hideous project has been hidden from world public opinion by the help of scholars who misrepresent a colossal scheme of colonialism-by-immigration as merely transmigration and who have helped propagate the make-believe, artificial, fabricated nation of "Indonesians" — that non-existent species of men, or culture, or language, or history, or homeland. All this nonsense has been foisted on the peoples of the Malay archipelago just to simplify the maintenance of Western hegemony and economic exploitation of the entire region as a cheap source of raw materials.

From the point of view of the non-Javanese peoples whose homelands had been confiscated to accommodate Javanese immigrants, their future has been sacrificed for the sake of the Javanese; their lands have been used to solve Javanese economic and demographic problems; the Javanese regime is exporting its poverty, misery and its alien culture to their homelands which

have been made dumping grounds for all Javanese problems. Those who dared oppose Javanese colonialism are called separatists, fanatics, communists or bandits.

The peculiarity of the Western media is that they are completely one-sided in presenting Indonesia's political and economic problems. They pretend to be objective and without bias. But, in fact, they write only about what is good for Western interests. The post-World War II political order in Southeast Asia, especially in the Malay archipelago, is being legitimised by them to such an extent that nothing more is to be said about it.

I have only one message to give to your readers: the Javanese can never protect Western interests outside Java against the power of the indigenous peoples once they are aroused and organised against Javanese colonialism. And that is inevitable.

TENGKU DI TIRO

President, National Liberation Front
London Aceh Sumatra

A frog in a well

As a writer, I have learned to ignore reviews of my books [29 Nov. '84], good or bad. I am of the school that regards book reviewers as frustrated writers unable to produce anything of interest with their own pens. But the review of my book *Images of Taiwan* by Ian Buruma is so petty and misinformed that a rebuttal is called for.

I question whether the reviewer has ever spent any time in Peking, or Taipei. The Grand Hotel, in fact, was

APPOINTMENTS

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The World Bank, an international institution that provides financial and technical assistance to developing countries, has an opening for an Agricultural Credit Specialist at its Headquarters in Washington, D.C.

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IFC International Finance Corporation

A Wilderness Is Now Home

By BARBARA CROSSETTE

Special to The New York Times

JAYAPURA, Indonesia — It has been called the largest organized peacetime relocation of people in recorded history. But to a 42-year-old farmer named Sukardji, Indonesia's "transmigration" program has a more concrete definition: his own home, on his own piece of land; a kerosene lamp, a radio and a new life.

A year ago, Mr. Sukardji was a landless farm laborer in Java, living with more than a dozen people in a house he did not own. In February, he and his wife, Subartini, and their three children were one of 600 pioneering families to open a settlement called Koya Timur, on virgin farmland carved from a relentless jungle here in West Irian, Indonesia's part of the wild, remote island of New Guinea.

The Indonesian Government has set a goal of moving about 750,000 families over next five years from the country's overpopulated islands — Java, Madura and Bali — to sparsely populated and undeveloped corners like this one in the vast Indonesian archipelago. More than 500,000 families, or about 2.5 million people, were "transmigrated" during the last five-year plan, ending on March 31, 1984, the Government says.

Land, Food and Fertilizer

In a program now, and then reminiscent of the homesteading of the American West, each family gets a plot of land, a house and a year's supply of basic foods and fertilizer in return for its commitment to open new territory.

Human rights groups, environmental organizations and community development workers have criticized the project for a variety of reasons.

There are concerns that people thrown into new and often hostile environments do not get adequate support services; some of them have reportedly gone hungry when land proved infertile.

There are criticisms that fragile and often primitive local societies — particularly here in West Irian, with its native Melanesian population barely a generation out of a stone-age culture — will be overrun by the country's predominant ethnic Malays, especially the Javanese.

Tribal landowners are not always compensated. Eko Sarwoko, who directs the transmigration program in West Irian, said in an interview that the tribal chief who relinquished the thousands of acres of hunting land around Koya Timur "didn't ask for money." All he wanted, Mr. Eko Sarwoko said, were a house, a school, a clinic and a building for his clan's cultural activities.

Separatist Group

Diplomats in Jakarta say that the Free Papua Movement, a separatist group fueled by opposition to transmigration in West Irian, may pose a long-term problem for Indonesia because dissidents seek to draw support from and find refuge in neighboring Papua New Guinea, an independent nation of ethnically similar people.

There are also charges, which transmigration officials have denied, that some migrants are moved involuntarily, or that resettlement is used to rid the cities of undesirables.

Java, Madura and Bali, where more than 80 percent of Indonesia's 180 million people live, already have at least 23 million more people than the land can support, officials say. While there are about 680 people per square kilometer in Java, the larger neighboring island of Sumatra has only 59 per square kilometer; the Moluccas have 19; Kalimantan, part of Borneo, has 12, and West Irian has 3.

Vast areas of land are available for development, but spontaneous, unassisted migration, now also being encouraged, has been negligible in Indonesia's nearly 40 years of independence. Many Indonesians blame the Dutch colonizers for creating a labor-intensive plantation system in Java, leading to the island's overpopulation, and for total neglect of other parts of the country. Many of Indonesia's islands are without docks, roads or any forms of communication.

Preparing for Second Crop

In Koya Timur, at the end of a muddy, 25-mile drive from this small provincial capital of Jayapura, Mr. Sukardji was preparing his rice paddies for this year's second crop when visitors arrived at his new home. He and his neighbors are lucky to be within a few hours of an established town. Many settlers in West Irian are in the trackless wilderness, reached only by air.

Mr. Sukardji's home is the standard three-room, dirt-floor wooden house allocated to each migrant family. He had filled his with furniture he made himself from wood cleared from the fields. Mr. Sukardji said his first rice crop had brought him enough money for the kerosene lamp and transistor radio.

Behind the house, he was building a coop for the chickens that would be his next major purchase. Flowers bordered his small fields of rice and beans; a friend had given him the seeds.

Officials hope that farmers like Mr. Sukardji will set an example for local people who have come to live at Koya Timur. Government policy, partly in response to criticisms of Javanization, is to populate new settlements with one-third Javanese, who are known for their farming skills; one-third migrants from other islands, and one-third local people.

Letters

Disguised Invasion in the South Seas

To the Editor:

The poet-philosopher Paul Valéry wrote, "The state — friend of all, enemy of each one." In the name of the people, many nation states follow the cancer-cell ideology that expansion is good, and outright invasion can be hidden until takeover is complete and irreversible.

Your Dec. 25 article on Indonesian transmigration into the western half of the island of New Guinea ("In Indonesia, a Wilderness Is Now Home") presents the Javanese rationale to take over Papuan lands and resources. What are really the traditional lands and resources of Papuan villagers are referred to as "virgin farmland" and "wilderness," while Jakarta's transmigration solution to overpopulation on Java, Bali and Madura is termed "the largest peacetime relocation of people in recorded history," rather than a disguised invasion to annex West Papua as part of the Indonesian state.

Made up of some 300 ethnolinguistic groups spread across a 3,000-mile arc of 13,700 islands, Indonesia is the world's fifth most populous country, formed upon the outlines of a Dutch colonial empire. Jakarta expanded the nation state with the 1975 invasion of East Timor and by forcing the 1962 United Nations giveaway of West New Guinea. Cloaking its efforts to expand and consolidate, Jakarta promotes the official slogan of "Unity through Diversity" while practicing the Javanization of the archipelago. Overpopulation on Java, Bali and

Madura is not a justification for the invasion of Papuan lands in West Papua (West Irian) by thousands of "pioneer" families in the Government-sponsored transmigration project. Nor does the need for resources to develop and maintain Java justify massive exploitation of lumber and minerals on Papuan lands.

Rather than referring to Papuans as "fragile and often primitive local societies . . . barely a generation out of a stone-age culture," they should be seen as the descendants of peoples who have continuously occupied the region for at least 40,000 years, 1,000 times longer than the existence of the artificial Indonesian state.

The invasion of non-Papuan settlers, many of whom comprise military units ("transmigrasi saptamarga"); large-scale deforestation, using conscripted Papuan labor; the almost complete denial of pre-existing indigenous rights to customary lands and resources, and the 8,000 to 10,000 West Papuan refugees who have fled into neighboring Papua New Guinea — all these have fueled the Free West Papua resistance movement (O.P.M.) led by James Nyaro. Armed with outdated weapons, some 300 Papuan guerrillas are carrying out one of the world's little known "fourth-world" wars. Several thousand more O.P.M. members want arms to defend lands and peoples against state annexation and expropriation.

BERNARD NIETSCHMANN
Professor of Geography
University of California
Berkeley, Calif., Jan. 2, 1985

February 22, 1985

Mr. Robin Hanbury-Tenison
President
Survival International
29 Craven Street
London, WC2N 5NT
England

Dear Mr. Hanbury-Tenison:

Mr. Clausen has asked me to reply to your letter of February 4 regarding the World Bank's involvement in the Transmigration program in Indonesia.

The World Bank has been involved in Indonesia's transmigration program over the last decade through four transmigration projects and two swamp reclamation projects. As you have suggested, the transmigration program, while important to the Government's objectives of resettlement of farmers from critically impoverished watersheds and disaster areas, provision of employment opportunities for the rural poor, food self-sufficiency and development of remote provinces, has not been without problems, as one could expect in any major resettlement program of this sort. Chief among the issues we have highlighted have been quality of implementation of the program (related to its ambitious scale), yields and incomes (and therefore welfare) of migrants, and the importance of sound resource use.

In view of our concerns in these areas, our recent projects have focused on site identification and evaluation, development of

appropriate farming models for transmigrants, and program management. Among the objectives of these projects have been improvement in identification of sites that can support viable communities, development of diversified farm models, based on farmers' past experience, for swamp and upland areas, improvement of agricultural support programs for transmigrants, increased development of sites in grassland areas, as opposed to forest sites (for economic and ecological reasons), and recovery of timber where clearing forest areas cannot be avoided. It is our hope that, through our support to the transmigration program, we can assist the Government in dealing with the problems the program has encountered and thereby have a positive impact on the welfare of migrants and the protection of valuable resources.

With respect to the effect of the transmigration program on local peoples, as I have mentioned, recent Bank assistance to the Indonesian transmigration program has been largely in the financing of planning studies to select suitable settlement sites. In addition to the meteorological, topographical, soils and agro-forestry information needed for this purpose, the planning studies include an assessment of local populations, their traditions and needs, and existing land use patterns. The Bank is currently reviewing with the Indonesian authorities the existing arrangements for protecting the well-being of local people. The Indonesian Government is aware of Bank policies regarding tribal peoples and has made useful suggestions for improving its administrative procedures for identifying and addressing their interests.

February 22, 1985

As the full details of these arrangements have not yet been finalized, it would be premature to try to summarize them in this letter. In due course, however, we would be most pleased to brief you on how the Bank expects the proposed arrangements to work.

Yours sincerely,

Ann O. Hamilton
Chief, Indonesia Division
Country Programs Department
East Asia and Pacific Regional Office

MChoksi:mld(MC97)

SURVIVAL INTERNATIONAL

FOR THE RIGHTS OF THREATENED TRIBAL PEOPLES

A REGISTERED CHARITY No. 267444

29 CRAVEN STREET, LONDON, WC2N 5NT, ENGLAND.

Telephone: 01-839 3267

President: Robin Hanbury-Tenison, O.B.E.

Company Registration No. 1056317

Girobank No. 5664454

U. N. (ECOSOC) - N. G. O.

EEC - NGO

Mr T. Clausen, President
The World Bank
1818 H Street, NW
Washington DC 20433
USA

4 February 1985

Dear Mr. Clausen,

Survival International is a human rights organisation that defends the rights of threatened tribal peoples to survival, self-determination and the use and ownership of their traditional lands.

We are writing to you on this occasion to gain information concerning the World Bank's involvement in the **Transmigration** programme in Indonesia. We understand that this programme receives considerable funding from the World Bank in both its implementation and associated research and would be very grateful if you could answer a number of queries we have regarding the programme and the Bank's involvement in it.

In the first place, we would be grateful if you could provide us with basic information regarding the extent to which the World Bank has funded this programme since its inception and what future funding allocations have been negotiated with the Indonesian government.

We would be very grateful if you could provide us with basic policy statements regarding the World Bank's involvement in this programme, especially on the social and economic rationalisations for it, its expected benefits and also on any of the problems the programme has had to overcome during its development and elaboration.

As you are no doubt aware the Transmigration programme in Indonesia has not been without its critics. We would therefore be particularly interested to learn how the World Bank counters the accusations that the programme has been ecologically extremely damaging due to the massive deforestation that has accompanied the resettlement programme and the fact that the agricultural techniques attempted in the resettled areas are inappropriate, having been evolved in areas with quite different climate and soils.

Of immediate concern to Survival International are the effects of the relocation programme on the local peoples onto whose lands the transmigrants are being resettled. Reports received by the organisation indicate that in many areas the traditional land rights of the tribal peoples are not being respected and many are not receiving any compensation for land lost to the settlers. We would therefore be very grateful if you could inform us of the World Bank's policy with regard to indigenous land rights in the context of the transmigration programme.

Specifically we would like to know:

1. What measures are being taken to involve local peoples in the selection of resettlement sites
2. What procedures are undertaken to ensure that traditional land rights are fully acknowledged before resettlement occurs
3. What procedures are adopted for compensating the tribals for any land lost by them to transmigrants settled on land to which they have customary rights
4. What is the procedure by which the tribal peoples elect to become involved, or not, in the resettlement programme as "local transmigrants"
5. Where there have been problems in the past arising from land disputes between local peoples and settlers, what measures are planned to resolve these problems. What measures are proposed to avoid them in areas where new settlements are planned.

A recent report produced by the Australian Section of the International Commission of Jurists has revealed that one of the major reasons for the current escalation of the conflict between nationalist West Papuans and the Indonesian armed forces is the Indonesian government's plan to step up the transmigration programme in West Irian. We would be particularly interested to hear your reactions to this finding.

We look forward to receiving an answer to these queries,

yours sincerely

Robin Hanbury-Tenison
President.

RECEIVED

11 09 PM 13 FEB 1985

OFFICE MEMORANDUM

DATE March 8, 1985

TO See Distribution Below

FROM G.B. Baldwin, AEPDR

EXTENSION 72019

SUBJECT INDONESIA: Non-assisted Transmigration (Draft Informal Report)*Mr. Cockler 3/11/85**pls. review & draft comments.**SPONTAN 7**Comments given verbally by Mark to Jim Baldwin.*

1. The attached manuscript is the draft report produced as a result of the Davis/Baldwin mission to Indonesia last November/December to look at unassisted ("spontaneous") transmigration. The intent is to make two uses of the report: the first is to give it narrow distribution within the Government, after internal Bank review, as an informal discussion paper (and so labeled); second, to use it as the main input on unassisted transmigration to the larger sector review of the transmigration program to be conducted in FY86.

2. The draft is being circulated now for comments and clearance as an informal report from the Programs, Ag. 4, and RSI staff before distribution to Government. Ms. Davis is in Indonesia and will participate in the RSI review later this month. The two headquarters Divisions are requested to send any comments to Mr. Baldwin by c.o.b., Friday, March 22.

3. Because parts of this draft are expected to be incorporated in the FY86 sector report, we do not plan to issue this document as a formal report that has proceeded through the usual color-coded stages. The substantive review here requested will assure that the informal distribution to Government will not occur without adequate prior internal review and clearance.

Attachment

*c) too much emphasis on "counting" as a way of reducing unit costs.
push-pull factors.*

Distribution:

Messrs./Ms. Yenai, AENVP; Hussain, AEPA4; Hamilton, AEAIN; Rao, RSI

GBBaldwin/jim

*4) too heavily based on one person's work (Mrs Haradono)
5) doesn't stress enough avoiding friction with local residents.*

paper
1) underestimate influence of Javanese/Balinese given work in the 20's/30's by Dutch + expatriates in forestry, road construction, tree crops esp. in S. Sumatra, Kalimantan, Jambi, Sulawesi + urban dev.
2) should discuss relative costs and risks of different packages
3) if you want to damn all settlers, then must include all costs

THE ROLE OF UNASSISTED MIGRATION
IN REDISTRIBUTING INDONESIA'S POPULATION

(An Informal Discussion Paper)

March 8, 1985

Agriculture 4 Division
Projects Department
East Asia & Pacific Region

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

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Draft: G.B. Baldwin
March 7, 1985

- 1 -

SUMMARY CONCLUSIONS AND RECOMMENDATIONS

i. This informal report on the role of unassisted transmigration within the overall transmigration program was prepared by World Bank staff at the request of the Minister of Transmigration. Its two main purposes are to estimate the size of unassisted transmigration and to suggest ways in which its volume might be increased. The Ministry would like to reduce unit costs of transmigration since the target for Repelita IV has been raised 50% (from 500,000 to 750,000 families) while its budget has been increased by less than 15%. Increasing the proportion of unassisted transmigration is one of three ways unit costs might be reduced. The other two are (a) reduced ^{support} benefits for assisted transmigrants and (b) improving the statistical system to include the large volume of transmigrants who are not now counted in the official figures.

over
Rep IVThis
doesn't
cut the
costs.

ii. Estimating the volume of unassisted transmigrants requires adding the number of registered but unassisted families (TBB) and the number of unregistered families. The former group can be directly measured from official statistics. The second group can only be estimated, using indirect evidence. Much the best evidence comes from the 1980 census which, for the first time, contained a question on the "mother tongue" spoken in each household. This shows how many people in each receiving area have a mother tongue from Java or Bali, indicating that the family is, or is descended from, a transmigrant family. The total number of transmigrants can then be compared with the number of officially reported transmigrants (and their descendents) since the program began. The difference between the two figures provides an estimate of unofficial transmigration. This calculation shows that at least

any bias
in
answers?

how do you account for second generation of
migrants who went to work in forestry,
urban areas, plantations years ago.

- ii -

50% of all transmigrants come from this unofficial group^{1/} - a group that costs the Government nothing. If this group could be brought within the official statistics, unit costs of the program would fall by over 50% and would provide a much more accurate figure of the program costs. Present official figures seriously understate the volume of transmigration that is occurring and overstate unit costs.

not so
infrastructure
social
religious
local
administration

depends what is in unit costs

iii. Two suggestions are made as to how the unofficial transmigrants might be brought within the official monitoring system. The less important of the two suggestions is that the Government might subsidize the transportation costs of the otherwise unassisted transmigrants (a specific proposal is made, together with an annual cost estimate, which we put at around Rp 25,000,000,000). The much more important suggestion concerns land policy and revised rules for land eligibility. One simple change in the land provision policy is to systematically reserve some land in or near all SKP sites specifically for unassisted transmigrants. Such a change in policy would require changing eligibility on permitting people who have moved on their own initiative to register in the receiving area. Waiting lists could be maintained by officials in the latter areas, with registration made conditional on a minimum residence period to establish a simple character reference in the new community. In addition to greatly improving the statistics on

^{1/} The estimate of unofficial, unrecorded transmigrants rises to 80% if North Sumatera and Lampung are included in the calculation, as they probably should be. The grounds for excluding these two most populous Sumateran provinces are the very early and large Dutch plantation settlement programs there in the 1920s and 1930s long before the official Transmigration Program began in 1950.

No

yes

Sulawesi also

- iii -

transmigration, these two innovations should also encourage a larger volume of transmigration.

iv. We have two additional suggestions that might improve the costing and setting of settler benefits and encourage a larger volume of movement. At present, the official program offers, in effect, only one level of assistance for "assisted" transmigrants, i.e., regular and partially-assisted (DBB) settlers get almost the same benefits. We suggest the Ministry consider introducing a more differentiated scale of benefits, geared to the level of need of settlers in different circumstances. Three benefit levels are suggested - low, medium, and high (the latter being essentially that received today by regular and partially-assisted (DBB) settlers). The second suggestion for improving the benefit program is to remove the costs of site selection and preparation, and ~~infrastructure construction~~, from the definition of "assistance." These costs (better regarded as Preparation and Infrastructure, or P&I costs) are too indirect to be properly considered as benefits received by transmigrants. These P&I "benefits", or costs, are the same for all official transmigrants, since they are based on national average costs. It seems more useful and accurate to limit the concept of "benefits" to those things (over and above their land allotment) given directly to settlers to help them get started on their new land.

don't
agree

If you start to count the
unofficial transmigrants then
you must include these

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

I. BACKGROUND TO THIS REVIEW

Introduction

1. Although the policy of redistributing population from Java and Bali to the outer islands has a long history, and has multiple objectives, it is only during the last ^{decade} 15 years or so that the program has achieved high visibility, and obtained large resource commitments. The World Bank's involvement in the Transmigration (TM) program dates from 1976, when the first Bank loan (Trans I) was approved. ^{six} Three additional Bank loans have been made, and a ^{sixth} fifth has been appraised for expected approval in 1985.

2. Whenever the Bank assists any sector of a country's economy it tries to put its individual lending operations in a wider perspective, one that assesses the economic justification of investments in a sector, satisfying itself that returns to the economy will exceed costs or, if returns cannot be measured, that objectives are being pursued at the lowest reasonable cost, i.e., that the program is "cost-effective". The review of a sector's ends and means - its objectives, and its individual investments and their implementation arrangements - is done through periodic sector reviews, which result in formal reports used for discussion with Governments and for the information of Third Parties who may have an interest in a particular sector. The Bank conducted an initial review of Indonesia's Transmigration program in the mid-1970s, before making its first loan and a second review, on the progress of the program, in 1980, resulting in publication of a two-volume report in April

1981.^{1/} Now that five years have passed, the Bank feels the need for a fresh review; this will be conducted in mid-1985. The Minister of Transmigration, however, requested the Bank to do a preliminary study of one particular aspect of the program before starting the larger review. That aspect is the role of unassisted, or partially assisted, migration in the total program, i.e., what is referred to loosely as swakarsa (literally "at one's own initiative") migration. This paper is our response to that request. It is intended to be used as an informal working paper for discussions with Government a year or more before the 1985 Review will become available; it will also provide the main input to the Review on this aspect of the TM program.

3. The principal significance of swakarsa transmigration is that it offers a large volume of migration at costs far lower than those necessary to move people under the fully-assisted (Umum) program. With new pressure on Government budgets, and much higher re-settlement targets, there is some interest in Government in making greater use of lower-cost approaches to transmigration. As we shall see, there are varying types and costs of swakarsa movement, some of it involving partial Government assistance; so not all such migration is entirely at the expense of the migrants themselves. But the Government has the option of working out different amounts of assistance for different classes of migrants; one objective of this paper is to suggest some refinements that might be introduced (some of them as experiments) to encourage more of the lower-cost types of swakarsa movement. Giving greater emphasis to such types of transmigration would of course reduce average costs

^{1/} Indonesia Transmigration Program Review, April 2, 1981 (Report No. 3170a-IND). Vol. I: Summary of Major Findings and Recommendations, (68 pp.) and Vol. II: Annexes (161 pp.).

- 3 -

of the total program; it could also improve the statistics that measure how much migration is occurring and where it is going. The Minister's call for this review seems timely, since relatively little experimentation has been attempted in recent years, the Ministry itself is newly-established, and the Directorate that oversees the swakarsa program seems open and receptive to outside views and ideas. The Directorate itself is ~~too~~ young, and perhaps inadequately staffed, to have yet engaged in much policy thinking on its program, largely inherited from the days when responsibility for the TM program rested in a Directorate-General within the Ministry of Manpower and Transmigration. }

4. In Repelita III the Government surprised the Bank, and perhaps itself, when it moved some 350,000 families (a family averages about 4.2 persons) and identified another ^{177,000} 150,000 which had moved spontaneously. The five-year target had been 500,000 families and, although the very large increase reported for the final year of the Plan raises some questions about the figures, there is little doubt that the program moved much larger numbers than had ever been moved previously (83,000 families were moved during Repelita II, itself a much larger number than during any earlier five-year period). The target for Repelita IV has been increased by 50%, to 750,000 families. However, the program budget has been increased by only (10-15)%. This means that unit costs must come down: the numbers just cited imply that the cost per family must fall by about 25%.

450,000
units

official migrants from
350,000 to 450,000
only

Reducing Unit Costs

5. There are three ways by which unit costs might be reduced, all of which might be used:

- i. The benefit package given to umum and partially-assisted transmigrants (who receive almost the same benefits) might be reduced, in effect transferring some costs from the Government to the transmigrants;
- ii. The proportion of official migrants who cost the Government nothing, or much less than umum and partially-assisted migrants, could be increased.
- iii. Unofficial settlers could be brought within the official program.

There is little scope for reducing the unit costs of umum transmigrants; however, there does seem some possibility that partially-assisted migrants, or perhaps some portion of them, might be shifted to a more economical benefit package - see below, para. 34. The third option is the simplest and quickest. There could be an immediate "increase" in the number of low-cost migrants if a way could be found to measure the volume of migrants who now fall completely outside the present data-gathering system. If these people could be brought within the monitoring system, there would be an immediate increase in the reported volume of migration without any change at all in its actual volume. Since there is strong evidence that unrecorded transmigration is larger than that which is officially reported, capture of this unrecorded stream by improvements in the monitoring system would allow Government to claim significantly higher achievements than its present recording procedure

now permits. Indeed, the present recording system tempts officials into making occasional "estimates" that have little relation to actual flows. What we are saying is that program accomplishments can be increased, and unit costs can be reduced, simply by improving the statistical system's ability to record present flows, with little or no change in the program or the benefits it offers. Such a change would not be a "statistical trick"; it would be a much-needed improvement in the monitoring system. Instead of the new figures being suspect, it is the present figures that are suspect: they do not take enough credit for what is happening. We are not sure how the statistical improvement can be achieved: however, we have two suggestions we believe deserve careful consideration. They involve introduction of a new transport subsidy, and/or incentives for registration at daerah transmigrasi, or destination). We should also make clear that we are not interested only in improving the monitoring system; we are even more interested in increasing the actual migrant flow. The key to that, in our view, rests more on changes in land policy than on any other single factor within Government's control. By changes in "land policy" we mean changes in the Government's rules for making land available to partially-assisted and presently unassisted migrants. We believe there is a strong possibility that the introduction of some new, clear guidelines that extended land eligibility to all classes of transmigrants would lead to an increase in swakarsa transmigration, allowing the Ministry to concentrate its budget and its energies on the land problems of those being settled on entirely new sites, i.e., on umum settlers, the true pioneers among the many classes of transmigrants.

up to 20% local
participants

50% from
Jaya

Transmigrant Terminology

mosque

- I. Umum -- A term introduced in 1952, it refers to officially sponsored transmigrants who get the maximum set of benefits (normally 2 ha. of cleared land, a house and shared well, bedding and necessary cooking equipment, standard agricultural tools, seeds, fertilizer, a 12-month supply of rice and a 4-month supply of a few other foods, free transport to the settlement site, and a school and clinic in the community). Umums have no choice of destination; they may, however, decline an offer if willing to accept the uncertainty about when another offer may be made or where it will be.
- II. Swakarsa Transmigrants -- ("at one's own initiative", i.e., spontaneous or spontan. The term spontan was introduced in 1957 but was later given up in favor of swakarsa. Benefit packages for non-umum transmigrants have varied from time to time and from place to place. Today, the following three types of swakarsa settlers are officially recognized and reported in transmigration statistics:
- i. TBB (= "without official assistance"). These have registered with the program but are not given the benefits umum receive. They are free to go wherever they wish, must pay their own transport, and must support themselves on arrival at their destination (normally by moving in with relatives or friends). However, their registration entitles them to recognition as official transmigrants by program officials at their destination; this recognition consists of help in theory, in finding (usually uncleared) land, the only benefit they receive. The TBB program has been in existence for many years. In Repelita III, TBB swakarsas exceeded DBB swakarsas by more than 4:1.
 - ii. DBB (= "with official assistance"). These have registered at point of origin. They are free to choose their destination but are not given transportation assistance to get there. They are given land (not necessarily the usual 2 ha.) of which 1/4 ha. will be cleared with a house supplied. They also receive food and other benefits similar to the umum package. The DBB program has been in effect only a few years.
 - iii. PIR = these are officially registered transmigrants who elect to move onto one of the government's estates (usually a tree crop estate). Their transport is paid and they are entitled to whatever benefit package is in effect at a particular estate; however, PIR benefits are not grants but loans, all of which must be repaid.

?

nearby

what not paid

III. Unofficial (i.e., unregistered) transmigrants: Sometimes referred to as "liars" (= wild). These get no assistance of any kind and, because they have not registered at point of origin (which would make them TBB transmigrants), are not entitled to any help from officials at their destinations. This group is believed to account for a large majority of total transmigration, especially in easy-to-reach Sumatera.

The word "spontan" has been used loosely to refer to all transmigrants other than umums. The word murni is also sometimes used: it refers to the TBB, DBB, and PIR transmigrants, i.e. official transmigrants who are free to choose their destinations. Finally, the term transmigran swakarsa famili has recently been introduced; it refers to registered transmigrants who join "free" relatives who moved earlier, thus covering most TBB and DBB transmigrants.

Sometimes these individuals will return to their original area in order to register so they can get land-acquisition help in their destination -- area (such registration would of course make them DBB or TBB settlers).

II. TERMINOLOGY AND CONCEPTS OF THE TRANSMIGRATION PROGRAM

Who Are Transmigrants? (Conceptual and Definitional Problems)

6. Indonesia has migrants, transmigrants, and Transmigrants. Migrants are those who move their residence within their island of birth; they are usually, today, rural-urban migrants, part of the substantial stream of urbanization that is occurring both on Java and on the Outer Islands. Transmigrants, whether spelled with a small or capital "t", are migrants who move their residence from one island to another, so that they must cross over the sea. There is still a considerable volume of transmigration (small "t") into Java from the other islands; while this certainly affects the net flow out of Java, such transmigrants are not considered Transmigrants (capital "T"). The latter term is reserved for residents of Java or Bali who migrate to other islands. Since almost all Transmigrants are present or former farmers, their movement represents rural-rural migration. In this paper we are interested only in Transmigrants; for this reason we will not bother to capitalize the word. ?
 - evidence

7. There are three broad classes of transmigrants to distinguish. These are shown in Table I. A short explanation of these terms is necessary to subsequent discussion.

8. Umum: Regular Transmigrants. These are the fully-supported families who have applied to move under program sponsorship; these are the true pioneers. They may be sent to remote, isolated sites which have been cleared from forest and on which simple houses and water supplies have been constructed. Umum have no choice of location, although they may refuse a social facilities

how many umums
are driven ie have to
be given new land because
their land is
taken by
govt?

proposal if willing to undergo another wait, often long, for a second opportunity. Umum have ^{seldom} never seen the area of destination; there is no one there who might have told them what it is like; there is no guarantee of friends or relatives to give them support. All they have is the Government's promise of 2 ha of land, a house with a water supply, a standard list of household supplies, agricultural implements, seeds and essential inputs, and enough food to live on for 12 months. For the umum, transmigration is a speculative gamble by a husband and wife, driven by the prospect of getting their own land. Despite the risks, the demand for umum space is greater than the supply, i.e., there is a waiting list of people who cannot be moved until the central authorities in the Ministry of Transmigration (MOT), in Jakarta, give the "green light". This English term is in general use among MOT officials in the sending areas of Java and Bali.

9. Swakarsas - Three Types, All of Them Official: Umum have constituted the largest component in the total flow of official trans-migrants. Their dominance is expected to continue in Repelita IV, which has targets for ^{450,000} ~~436,350~~ umum families and ^{300,000} ~~313,650~~ swakarsa families. All official (= registered) transmigrants other than the fully-sponsored umum are referred to as swakarsa. The various classes of swakarsa transmigrants, and the sometimes shifting and rather loose terminology used for them, are summarized in the box opposite.

10. The Swakarsa Majority - Unregistered, Unofficial, and Uncounted: In addition to the preceding classes, there is a large stream of unofficial migrants who have not chosen to register with the MOT. There is nothing illegal about such migration, but one wonders why they do not register since

without the official papers which registration gives them they have practically zero chance of ever getting any help from MOT officials at their destination, either when they arrive or in subsequent years. It would thus seem that an intending migrant would have everything to gain and nothing to lose by registering. Some may not understand the advantage which registration might bring in the future. Some may fear they will be discouraged or prevented from going to areas where they have families and/or friends, e.g., Lampung which is now closed to in-migration. Some may not want to go to the inconvenience of securing the four separate pieces of paper that are required,^{2/} i.e., a character reference from the village headman, a separate character reference from the camat, a "clean record" report from the police, and an application form which must be secured by visiting an MOT office, the nearest of which would be in his subdistrict headquarters. Some apparently want to keep away from any formal association with a program which some high Government officials have described as a program "for the poor", which is said to embarrass some. Whatever the mixture of reasons, the volume of unregistered swakarsa is believed to be large. In earlier years, these non-registered migrants were often referred to as liar ("wild") and their unguided movement was discouraged. Today, fortunately, Government officials are taking a more positive attitude towards this group. Note that the only difference between TBB (unassisted but registered) and the unassisted and unregistered migrants is the registration. In all other respects the two groups are assumed to be very similar. Both have enough resources to cover their own

how
much
does it
cost?

^{2/} A 1973 Presidential Decree (No. 42) requires that transmigrants be citizens, of good character, in good physical condition, know how to work, and be willing to abide by the regulations. "Registration" involves certifying he can meet these tests.

moving expenses. Both can choose to go wherever they want with limits (above). Both tend to move to areas where relatives and friends already exist. And many officials believe that the unassisted migrants contain a higher proportion of self-reliant and self-confident families than those in the assisted category (Umum and DBB).

MIGRATION SEQUENCES

11. The classes of migrants just described suggest the normal sequence of transmigration. The start in any new area is normally made by umum, followed by DBB, then, a few years later, by TBB and non-registered "spontans. Exceptions are sometimes found (e.g. the early Balinese pioneers to central Sulawesi were not umum but unassisted "spontans", with umum settlements coming later.) But the "starter group" for almost all large new settlements today are the umum. After they establish themselves, labor shortages and employment opportunities are created in successful areas and chains of family relationships and friendships pull others from the sending areas into the settlement areas. The strength of this process has been recognized for some time in migration studies; with the opening up of several umum settlements in Sumatera in recent years, and the development of easy bus transport from Bali and Java to Sumatera, the process of "chain migration" to Sumatera appears to be operating strongly. Indeed, the southernmost province of Sumatera (Lampung) has recently been declared "closed" to any further migration (unofficial migration is largely beyond the Government's control, and undoubtedly continues into Lampung).

12. The unassisted migrants become a pool of people in the receiving areas who want land. Some are able to buy it from the pioneers who have been given it and find they do not need their full allotment. Others wait and hope. A major land policy issue is whether to allocate MOT land to such unregistered transmigrants (these are not "lokals" as that term is ordinarily used in Indonesia) ^{3/} or to reserve all such land for new arrivals from Java and Bali. Our strong recommendation is to consider such locally-settled unofficial transmigrants as eligible for land allocations (after registration in the settlement area). This would take advantage of a common finding in migration studies, namely, that the leaders in developing satellite settlements after pioneer settlements have been established are normally people who are already living in the pioneer settlements, not new migrants who come from overpopulated sending areas far away. As noted, new migrants, those who do not yet "know the ropes", tend to move in with relatives and friends in areas that have already been established. Thus if locally-settled migrants are allowed to receive transmigration allotments near their residence, ^{4/} the } *land available*
social and economic vacancies created by their movement onto their own land }
would be filled by the same process of "chain migration" that had originally brought them. The replacement ratio might not be 100% but all evidence suggests it would be high.

^{3/} "Lokal" is used to refer to people who were living in or near a transmigration site before any transmigrants arrived.

^{4/} Under present rules such people can get land only if they return to Java or Bali and go through the registration process, and return to their area as an official TBB or DBB transmigrant.

III. ESTIMATING THE RELATIVE IMPORTANCE OF OFFICIAL
AND NON-OFFICIAL TRANSMIGRATION

13. As noted, the purpose of this study is to estimate the role of unassisted or non-official transmigration in the total program and to suggest ways in which this component might be increased. Under present arrangements, the unassisted transmigrants do not register with the Ministry before they leave their province of origin (daerah asal) and very rarely register when they arrive at their destination (daerah transmigrasi), since there has not, so far, been any advantage for them in doing so. As noted, this class of swakarsa transmigrants falls completely outside the official statistics of transmigration, which includes only those captured by the program's registration procedure.

14. The attempt to estimate the number of unassisted migrants must rely primarily on data from the 1980 census. That census included for the first time a question on the household language of each respondent: if a household's "mother tongue" was a language from another island, then it could be safely concluded that the family had migrated from the island of the "mother tongue". The number of such households can then be compared with the number of official transmigrants to see what proportion of the total is accounted for by the latter group. There are one or two additional census questions that can throw light on the subject, but the language question is the most helpful one.

15. Before turning to the census data it is worth noting that there is another potential source of migration data that does not in fact turn out to be useful. This source is the monthly and quarterly reports which each village head (the *lura* or *kepala desa*) sends forward to the camat and which the latter is supposed to aggregate and send forward to the bupati, and so on up the line to the headquarters of the Ministry of Home Affairs. In theory, each village head (who must maintain a register of village households) is supposed to know of any family that moves out of (or into) the village and would report the number of movers (but not their names) to the camat. A swakarsa liar family (unlike all other classes of transmigrants) has no need of any papers from either the village head or the camat; hence the village head, while knowing that a family has moved, has no formal way of telling where the family has gone, i.e., whether it is a migrant (moving to Jakarta for example) or a transmigrant (moving to another island). In addition, the formal reporting system for monthly and quarterly statistics, even where it is faithfully carried out, more often than not generates large numbers of forms that never get analyzed. In any event, the village statistical system, which one might think could be used to estimate non-official migration, does not in fact provide any basis for such estimates at the present time. Hence the need to rely on the census returns.

16. While the absolute number of migrants and transmigrants is large, they form a small proportion of the total population (in 1980 over 95% of the rural population were living in the province of their birth). The small mobile proportion of the population nevertheless accounts for a large share of the total population of the rapidly-growing areas to which migrants move. A useful benchmark figure is Jakarta itself: in 1980 some 40% of its residents

were either migrants or transmigrants. This figure is almost exactly the same (39%) for the population of Lampung, the southern-most province of Sumatera. In the central Sumateran provinces of Riau and Jambi the migrant percentages in 1980 were 17% and 20%, respectively, while in South and East Kalimantan they were 17% and 31%. In Central Sulawesi the figure was 12%. In all the provinces cited (except Jakarta) the overwhelming proportion of "migrants" would have been "transmigrants" - i.e., there is believed to be little internal migration from one province to another. The figures just quoted (which ranged from 12 to 39%) compare with a national average of 6.8%. Thus the relatively small stream of people who migrate are accounting for a substantial proportion of the total population in certain areas - especially those areas just cited which are known to be target areas for transmigrants.

17. In the effort to redistribute population from Java and Bali to the other Islands, there is one specific flow that dominates all others, the flow from Java to Sumatera. Of all inter-island migration during the seventies, nearly 60% went to Sumatera. More than 80% of all transmigrants leaving Java went to Sumatera; and over 90% of Sumatera's migrants came from Java. While the Java-Sumatera transmigration certainly does not account for the whole transmigration picture, it accounted for about four-fifths of the picture through 1980. When we break up the flows into official and non-official (or recorded and unrecorded) flows, the same basic picture is shown: in the official program, nearly two-thirds of all transmigrants moved to Sumatera in the seventies (209,000 out of 334,000 total). Kalimantan received 17%, Sulawesi 17%, Irian Jaya 2%, and Maluku 1% of the total. During the 1970s, in other words, Sumatera received two official transmigrants for every one who went to any of the other destinations. We do not have any similar statistics

for the non-official transmigrants; but we can be confident that the proportion of such migrants moving to Sumatera, in preference to other destinations, was considerably higher than for official transmigrants due to accessibility, ^{relatives} and the length of time the movement had persisted. We can also be reasonably certain that the number of non-official transmigrants was larger than assisted migrants. There are two dominant reasons for the larger flow of non-official transmigrants to Sumatera than to any other island. The first is the large number of assisted migrants which the official program has succeeded in settling in Sumatera; the "pulling power" of these large numbers is much stronger than that of the smaller numbers who have been settled on other islands. But equally important is the relative ease and low cost of moving from Java to Sumatera. There has been an "explosion" of bus transportation from Java to Sumatera within the past decade, using the "roll on, roll off" automotive ferries (12 of them, operating 24 hours a day today) that make the 90-minute crossing. The fare from Jakarta to Tanjung Karang (the first large town in South Sumatera) is Rp 4,500 (US\$4.50); to Bengkulu it is Rp 11,575. Travelers can go from Solo or Yogyakarta in mid-Java all the way to East Sumatera to Tanjung Karang for Rp 13,000 (there are two services daily from both cities). From Jakarta, some 27 bus companies operate services to Sumatera, some offering service all the way to Aceh at the island's northwestern tip (fare: Rp 32,725). Train service is also available from Jakarta to Sumatera (the trip is broken by the ferry crossing), but, while the fare is slightly lower than the bus, there are only two train departures per day from the south Sumatera terminal.

**Table 2: MIGRANTS IN THE OUTER ISLANDS AS A RESULT OF SPONSORED
MIGRATION BETWEEN 1950-78 AND ASSOCIATED POPULATION GROWTH**

Province	Individuals moved as sponsored migrants from 1950-78 (1)	Expected population in 1980 census based on spon- sored movement (2)	Number of Javanese, Sundanese, Madurese and Balinese speak- ers enumerated in 1980 census (3)	2 + 3, i.e., % of Javanese, Sundanese, Madurese and Balinese speakers in outer islands as a result of sponsored migration (4)	Total no. of people in each province (5)	2 + 5, i.e., % of people in the pro- vince as a result of sponsored migration (6)	3 + 5, i.e., % of people in province from the inner islands /a (7)
Aceh	7,641	8,694	175,349	5	2,610,528	0	7
North Sumatra	15,699	26,426	1,767,796	1	8,350,950	0	21
Riau	16,560	22,774	189,591	12	3,406,132	1	6
West Sumatra	26,763	38,185	56,106	68	2,163,896	2	3
Jambi	58,340	69,283	255,389	27	1,444,476	5	18
Bengkulu	29,470	36,007	134,932	27	767,988	5	18
South Sumatra	259,292	426,675	635,042	67	4,627,719	9	14
Lampung	220,489	347,958	3,400,807	10	4,624,238	8	74
Subtotal	<u>634,254</u>	<u>976,002</u>	<u>6,615,012</u>	<u>15</u>	<u>27,995,927</u>	<u>3</u>	<u>24</u>
West Kalimantan	31,381	41,832	197,624	21	2,484,901	2	8
Central Kalimantan	12,411	17,737	62,942	28	954,176	2	7
South Kalimantan	46,031	65,735	115,723	57	2,063,227	3	6
East Kalimantan	39,979	57,888	126,219	46	1,214,602	5	10
Subtotal	<u>129,802</u>	<u>183,192</u>	<u>502,508</u>	<u>36</u>	<u>6,716,906</u>	<u>3</u>	<u>7</u>
North Sulawesi	14,697	22,177	31,011	72	2,114,822	1	1
South Sulawesi	38,928	51,360	53,611	96	6,059,564	1	1
Central Sulawesi	50,639	63,104	71,623	88	1,284,528	5	6
Southeast Sulawesi	27,197	34,536	46,025	75	941,454	4	5
Subtotal	<u>131,461</u>	<u>171,177</u>	<u>202,270</u>	<u>85</u>	<u>10,400,368</u>	<u>2</u>	<u>2</u>
East Nusa Tenggara	155	257	3,248	8	2,736,988	0	0
Maluku	4,208	7,109	16,300	44	1,408,451	1	1
Irian Jaya	4,415	6,128	4,432/b	138	1,107,291	1	0
Subtotal	<u>4,363</u>	<u>13,494</u>	<u>23,980</u>	<u>56</u>	<u>5,252,730</u>	<u>0</u>	<u>0</u>
Total	<u>899,880</u>	<u>1,343,865</u>	<u>7,343,770</u>	<u>18</u>	<u>50,365,931</u>	<u>3</u>	<u>15</u>
Excluding North Sumatra and Lampung	663,692	969,481	2,175,167	45	37,390,743	3	6

/a Inner islands language speakers.

/b Error in Irian Jaya figure. Either 1980 census undercounts Javanese or migrants were actually moved after 1980 census was completed.

APPARENT TRANSMIGRATION TO SUMATERA

18. In 1980 the total recorded population of Sumatera was 27,995,927. One in every four of these residents (nearly 7 million people) listed their mother tongue as either Javanese or Sundanese, the two main languages of Java. These 7 million people are far more than can be accounted for by official transmigrants and the children born to them after their move. A few simple numbers are enough to show why this is so. There were 338,000 individual official settlers moved onto Sumatera between 1950-'72. The figure for official settlers between 1970-80 is approximately 800,000. If we make the illustrative assumption of the first group that, say, 200,000 had moved by the mid-point of the 1950-80 period, giving them 15 years of family growth by the time of the 1980 census, then that group would have expanded to 562,000 on the assumption of a 5% growth rate (that implies 50 live births per 1,000 population, with zero infant mortality!) If we make a similar rough calculation for the 800,000 or so official settlers during the decade of the seventies (taking half the total and assuming a five-year population growth at 5% p.a.) then the second group would have grown to approximately 900,000 by the time of the 1980 census. The sum of the pre-1970 and post-1970 official settlers, plus their subsequent children, comes to less than 1.5 million people. But the 1980 census revealed about 7 million people whose mother tongue came from some island other than Sumatera (most of them from Java). These crude, illustrative calculations suggest that about 80% of the Sumatera transmigrants reported in the 1980 census were non-official transmigrants.

19. The preceding rough estimates are confirmed by a more carefully-constructed Bank table using evidence from the 1980 census (Table 2). The

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What about S. Sumatera
S. Sulawesi etc.
Kalimantan

first four columns are of greatest significance, with column 4 showing the proportion of transmigrants (or their descendents) in each province who can be accounted for by the officially recorded flows between 1950 and 1978. As seen near the bottom, only 18% of total transmigration can be accounted for by the official flows, i.e., over 80% reflects unofficial or unregistered migration. *not only this.* The last line adjusts the figures to reflect the influence of Dutch-sponsored resettlement of Javanese laborers to man Sumateran plantations in North Sumatera and Lampung in the 1920s and 1930s. While those groups were not so large compared to the numbers of official transmigrants settled since the Indonesian program began in 1950, the cumulative pulling-power of "chain migration" has had much longer to operate than in the case of the post-1950 settlers. Eliminating those two provinces from the figures eliminates the influence of five or six decades of chain migration which, as column 3 shows, has been very large. But even when this factor is eliminated, over half of all post-1950 transmigration, to 1980, still originates in unofficial flows.

20. Thus, both informal and census figures show the high leverage, over time, of the official program - especially to destinations that are relatively easy to reach from Java. The challenge to the official program is to invent ways of building "chain migration" into the transmigration program to encourage its more rapid growth and so that the program can justifiably start counting unassisted settlers as officially recognized transmigrants. The single most important step the program could take to strengthen the flow of swakarsa settlers is to make it easier for them to secure land; a secondary benefit that would help some families who have difficulty raising the bus fares for their families would be to introduce a transport subsidy. Operation of a transport subsidy system would also generate much better statistics on

forest industries
railways, ports
oil & gas exploitation

Proposal for a Transport Subsidy for Swakarsa Transmigrants

The Ministry of Transmigration might experiment with a scheme for one or two years to see if it worked satisfactorily. Any system used must be relatively simple and convenient for all parties (i.e. the transmigrants, the transport companies, Ministry officials, and payment authorities). The system must also minimize opportunities for fraud on the part of travelers and cash-handlers.

The best system would be a reimbursement system, i.e. repaying the transmigrant after arrival at his destination. Thus transmigrants would still have to find their fares, but they would know they would recover this cost shortly after arrival. Reimbursement is necessary to provide a means of validating the trip. Validation could not be made on the basis of submitting bus tickets alone to the Transmigration office at the destination, however. The individual presenting such tickets must be able to prove he is a transmigrant and not merely a traveler. The transmigrant must therefore be given some document at the point of origin to certify that he is a transmigrant; this could be the same "green card" which is now given to swakarsa transmigrants who now choose to register before moving. The procedure for distributing such cards must be made simpler than it is now, however -- a swakarsa transmigrant should not have to go to four offices to get such a card (this is what official registration now requires).

The subsidy amount need not be the full amount of the transport cost; it would be wise to require transmigrants to bear a reasonable share of the cost -- say one-third. Also, reimbursement need not be made against actual ticket costs but could be based on a schedule of standard fares between representative locations. In order to prevent Transmigration officials from handling the reimbursement monies at point of destination, their function would be to stamp the "green card" (or associated voucher); the transmigrant would then present the paper to a local office of BRI or any other bank. It is possible local storekeepers or others might develop a discounting mechanism so that transmigrants could receive their money without having to make the trip to a paying bank, leaving this task to the discounting agent.

Cost of the scheme: a rough estimate of the annual cost of such a scheme is Rp. 23,000,000,000. Average cost per family would be on the order of Rp. 40,000; this is 1 percent of the cost of an unum or fully-assisted transmigrant and about 2 percent of the estimated cost of the experimental project at Paninjauan for swakarsa settlers.

Eligibility for the transport subsidy should be limited to families moving from Java or Bali to islands where additional population is wanted. People moving from the other islands to Java or Bali would not be eligible.

At least one local government (DIY) has proposed a transport subsidy scheme to the local Transmigrasi office. However, no details are known -- except that the scheme has not been implemented because of lack of funds.

swakarsa transmigrants than are now available. One suggestion for how a transport subsidy might work is outlined in the box opposite.

IV. LAND AVAILABILITY AND LAND ELIGIBILITY

Availability

21. Indonesia is remarkable for the extreme contrast in population density between the two heavily overpopulated islands of Java and Bali and the relatively empty Other Islands (Sumatera, Kalimantan, Sulawesi, and Irian, Jaya are the largest of what are a large number of eligible settlement islands). While this contrast is the basis for the transmigration program, it is anything but a simple matter to make these lands available for settlement and move people onto them. The country is not yet well mapped; land is not yet well inventoried according to forests, soils, slopes, and occupancy. And the legal system for determining land ownership and transfer is in the relatively early stages of evolution from customary or adat rights to the more formal systems, based on cadastral surveys and land registration, which are everywhere the accompaniment of national and economic development. The transmigration program has required an enormous program of land mapping and evaluation, land alienation, site planning, and land clearing - all preconditions to settlement by transmigrants. All these tasks must be completed before the "green light" can be sent to waiting officials and families in the sending areas.

22. The "empty" land which is the target for settlement by transmigrants is not owned by Government and thus does not provide a large "inventory" from which the Government may make allocations. Most land in the islands other than Sumatera is not owned by anyone, in any modern legal sense. Yet it is rarely if ever completely uninhabited, and before it can be used for transmigrants Government must acquire rights to the land, i.e., it must be "alienated" from its traditional or customary owners. Desired land is not normally purchased and paid for in an ordinary commercial transaction (since no money is paid, the Government is under no great pressure to recover financial costs from transmigrants). The quid pro quo which Government normally offers is the building of roads, schools, and health facilities in the acquired area - facilities which the local people will be entitled to use. Government may also agree to reserve a certain proportion of 2-ha plots for allocation to local people who may want to settle in the new community. Once an agreement has been reached with the lokals' leaders, the land becomes the Government's to allocate on whatever terms it wishes. In practice, the terms have been held virtually constant for the last 35 years: each umum settler is given 2 ha of land of which 1-1.25 ha is cleared and which includes 1/4 ha for a house and house garden. The size of allotment does not imply that the holding must be in a single piece: this will depend on the detailed physical planning that governs the layout of each lokasi or project site.

23. The "standard" size of each site (called an SKP) is an area large enough to accommodate 2,000 families or about 8-10,000 people. This SKP unit is divided into four or five sub-units of 500 or 400 families each (the UPTs). Since each family will have to be given the standard 2 ha allotment, and a certain amount of land will be needed for public purposes, the actual

hectarage in each SKP will depend on topography and other determinants of useable land availability. A number of SKPs may be located adjacent to each other, forming a large integrated project. Whether large or small, each SKP or project site will gradually fill up during the five-year period before the Ministry of Transmigration turns over the administration of the project to the regular provincial administration. The MOT will continue to send official transmigrants to locations that have not been filled up by the time when Home Affairs takes over the responsibility for Government. During this five-year period, and after, many sites will have drawn unregistered transmigrants, most of whom will want to acquire land if they can find a way of doing so.

24. The pace of land alienated for settlement use is driven by the transmigration targets - e.g. the estimated settlement capacity wanted in a particular area over, say, the next five years. Responsibility for going out and acquiring the needed land now rests with the Governors of the settlement provinces, i.e., in the Other Islands. Some Governors may take a strong personal role in the land-acquisition process, others doubtless pass it down to bupatis and camats, who are in a good position to suggest tracts for acquisition within their areas. The size of individual tracts acquired in each province vary greatly, with the minimum determined by the size of the standard settlement project sketched above, a size which suggests a minimum tract of around 5,000 ha. In fact many tracts are much larger and are divided up into separate projects (SKPs) for administrative reasons. The main point to bear in mind is that because the land acquisition process is tied closely to the pace of the transmigration program, the Government does not carry a large inventory of alienated land over and above its foreseeable needs for the official TM settlement program (umum and registered swakarsa) over the next

few years. Thus most Government land is earmarked for use relatively soon after alienation and is not available for people outside official flows. This raises a big problem for those who move outside the official migration streams but who also want to acquire land. These people, we have estimated, are a majority - a large majority - of all transmigrants, and could be more if such land were available.

25. The picture sketched above of a fairly tight gearing between land acquisition and the provincial settlement targets for each Repelita, with consequent low levels of non-earmarked land in inventory, may vary somewhat from province to province and from kabupaten to kabupaten. This means that local officials will have different ability to allocate land-in-inventory to swakarsa migrants. Where there is little or no land in inventory - but still some unalienated land under customary ownership by lokal - Government officials can potentially try to alienate additional tracts.^{5/} In areas where transmigration has been going on for many years, these may be small tracts, suitable for less than the 500 families normally comprising a TM unit (and which become desas after handover to the provincial administration). Such sites may provide good opportunities for sisipan settlement (lit., "fitting in"), a form of land allocation that is particularly suitable for individual or small-group swakarsa migrants.

^{5/} Land does not become available for allotment until it has been surveyed by the D.G. of Agrarian Affairs ("Agraria") in the Ministry of Home Affairs. Agraria thus becomes a key factor in making land available for settlement. Its operations are often criticized for their slowness by other government agencies involved in the Transmigration program.

Eligibility

26. In the past, land made available for transmigration has been given mainly to umum and assisted (DBB) settlers, with a small proportion reserved for lokal who wish to become settlers. No land has systematically been made available for unassisted registered transmigrants (the TBB) nor for the large numbers of unregistered, unassisted transmigrants who have followed along later as the pulls of "chain migration" began to exert their effect. Those who were not formally eligible for land allotment were sometimes able to make informal arrangements either with umum families who were willing to sell part of their allotment (although this was not legal) or with officials who could be persuaded to find them vacant allotments (e.g., land surrendered by original owners who had departed). But the point is that at many sites (especially on Sumatera) the largest stream of transmigrants - mainly those who came after the umum had been settled - were not eligible to receive land. The only approved way they could get any land that might not yet have been allotted was to return to their place of origin and go through the registration procedure, an expensive and inconvenient, procedure whose outcome was often uncertain.

27. A number of proposals have been made to broaden the land eligibility of different classes of transmigrants. Homesteading would provide automatic eligibility on a "first come, first served" basis. The sisipan formula of finding suitable areas too small for establishment of a UPT but capable of taking some smaller number has sometimes provided land to unregistered transmigrants, although there are apparently as many cases where these (infrequent) sites have been reserved for officially assisted settlers. A third approach -

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one which has received official endorsement since Repelita I but which has almost never been put into practice - is the tripartial policy. This policy formally earmarks a majority of the land available in new sites for umum but reserves minority shares for both lokal and for registered swakarsa (i.e., TBB and DBB) settlers. Unregistered migrants remain ineligible under the tripartial policy. If allotments were thrown open to unregistered swakarsa already in a transmigration site, this would relieve the internal pressure for land that builds up at sites after their initial settlement by umum. Minimum length-of-residence requirement might be established so that local officials at the receiving end could satisfy the "good character" certifications now made by sending-area officials.

28. Mrs. Harjono, who is one of the best informed observers of the program, has recently emphasized the danger of settling transmigrants with different benefit packages in the same areas. This has often led to friction. Eligibility for land in a given area should be limited to those with entitlement to similar benefits; this suggests that each new site should be designated a TBB or a DBB site, and that unregistered swakarsa migrants, when they become eligible, should be given a benefit package geared to the type of settlement they find themselves in (i.e. either a TBB or a DBB-type site). We see no reason why unregistered late-comers to a site (i.e. non-pioneers) would need as full a benefit package as that given to the pioneers.

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29. One innovation which would seem to offer opportunities for low-cost settlement would be the systematic offering of "satellite sites" on a homesteading or minimum support basis. Such sites would be intended to drain off swakarsa residents (both registered and non-registered) from already-

PROPOSAL FOR A PILOT PROJECT AT PENINJAUAN, NEAR BATUMARTA
IN BATURAJA PROVINCE, SOUTH SUMATERA

Objective: to test the thesis that families will move without assistance if guaranteed land in a settlement area and if given a minimum level of government support on arrival. Batumarta is an existing settlement area; but since the tripartial policy has not been followed, there is no land available for swakarsa settlers within the settlement. The pilot project must therefore be on newly-designated land outside, but nearby (18,000 ha. are available from land now classified as forest land). Government will leave the choice of cropping patterns to the settlers, who are expected to go for food crops, livestock, and small-scale orchards.

The project will use the "tripartial" policy, i.e. using some 10,000 ha. (55% of the total) for official (registered) swakarsa settlers but reserving migrants (murnis). All classes of settlers would receive 2 ha. of land. The nucleus would come from swakarsa settlers already in Batumarta, i.e. those living on holdings of less than 2 ha. Present residents of Batumarta will be encouraged to urge friends and relatives on Java to come to Batumarta for early re-settlement in Paninjauan. The government would provide free literature to Batumarta residents for sending to friends in Java; the government would do no direct recruitment on Java. 17

The project would start with establishment of two villages in '85-'86, settling 1,000 families. On the 2 ha. plots, 1.25 ha. would be felled and burned before allocation to families. This work would provide cash income for intending settlers. Plots would be furnished with a one-room house and latrine, with one well for every four houses. The first 1,000 settlers would also be given the standard umum rations for food (12 months of rice plus four months of non-staples); this would be reviewed to see if later settlers could be given less. Settlers would also be given the standard umum issues of seeds, fertilizer, pesticide, and household and farm implements. Total cost per family would be Rp. 2,268,900 (about half the cost for an umum family in 1984); the cost breakdown will be found in Annex I. }

Although the project was approved in mid-1984 for implementation in '85-'86, delays in making land available and in doing the necessary survey work had delayed the project so that it could not be included, as originally hoped, in the Bank assisted Trans V project (scheduled for approval in June 1985). It is hoped that the project can be included in Trans VI.

settled sites, as well as being open to homesteaders from Java and Bali. Mrs. Harjono has described plans for one of the first such satellite sites, at Paninjauan, near Batumarta in southern Sumatera. A summary of this proposal appears in the box opposite. The Bank hopes to finance this experiment as soon as the Government completes the necessary preparatory work.

V. BENEFIT PACKAGE

Present Policy

30. The types and amounts of assistance given to official (registered) transmigrants has varied somewhat from time to time and from place to place. These variations have reflected (i) varying Government estimates of what transmigrants needed in order to establish themselves under different conditions and (ii) the availability of funds. For the past few years, the benefit package has been held constant from year to year, has been uniform for all destinations, and has been almost identical for the only two classes of transmigrants who are eligible for assistance (umum and DBB). The current benefit package is summarized in the box opposite. There is no significant difference in the benefits received by umum and DBB settlers. The only apparent difference between these classes is that umum move as a family while DBB often move as head-of-household individuals. Both must go wherever the Government assigns them and at a time when Government is ready to move them. The two other main classes of transmigrants, TBB and unregistered or liar, receive no benefits at all, with one major exception. That exception is the

eligibility of TBB transmigrants for help in finding land after they arrive at their destinations. TBB have no guarantee that they will receive any land; in fact the great majority do not. Even if they do, they get no other assistance. Since there have been many more TBB than DBB transmigrants (and unregistered have been much larger than all official settlers combined), it can be said that the majority of transmigrants have not received any benefits at all. They have had the freedom to go wherever and whenever they chose but they have not received any benefits from Government either before or after arrival at their destination; whatever help they have received has come from relatives or friends - help which has often been given in exchange for labor assistance from newly-arrived transmigrants.

31. Thus today there exist two extreme benefit packages - the maximum package which is given to umum and (with only slight reduction) to DBB migrants, and the "zero package" given to all others. There is no graduated scale of benefits geared to different degrees of difficulty faced by settlers (occasionally emergency assistance is given to umum and DBB settlers when it has become clear that particular sites have not been able to yield the food output which the planners expected). The Ministry of Transmigration has been considering use of graduated assistance packages, however. For example, there seems wide agreement that transmigrants settled on sisipan sites would not need as costly a set of benefits as the pioneers originally settled in the same area - although the amount of benefits they would need would depend more on whether or not they were selected from transmigrants already living nearby or from those coming for the first time from Java or Bali and therefore having no established support-system in the area. Similarly, Mrs. Harjono's proposal for a pilot project at Paninjauan suggests some scaling down of benefits as

one way of reducing program costs; nevertheless, the main source of the 50% savings she foresees for that project, as compared to average costs per umum family, would appear to be savings in preparation and infrastructure costs, not savings in the direct production and subsistence benefits received by settlers.

32. Despite the simplicity of the present assistance packages (i.e. the lack of differentiation by class of transmigrant or site) there has sometimes been friction and misunderstanding among different classes of transmigrants within the same sites. Much the most common source of trouble has occurred when TBB transmigrants have been given land sometime after arrival at a site - and have believed, incorrectly, that they were entitled to the same benefits as DBB or umum settlers. In order to avoid such frictions, Mrs. Harjono has recommended that DBB and TBB transmigrants should be segregated by site, i.e. that certain sites be reserved for one, other sites for the other. Presumably such a rule could be implemented by (i) sending DBB only to those sites reserved for them; and (ii) telling TBB at time of registration that they would only receive assistance in finding land at their destinations if they moved to certain specific sites. (TBB are not now moved at program expenses; they are presently free to go anywhere they choose, whenever they choose).

33. Several observers today feel that the present structure of benefits is too extreme, too crude or too simplistic - consisting of a generous and costly package at the "high" end (with only a minor distinction between umum and DBB) and no benefits (except help in finding land for TBB) for anyone else. Such people point out that the present system is both unfair and un-

necessarily costly - unfair in not giving any benefits to some who should receive them and too costly by giving more benefits to some than they truly need. One solution proposed (again by Mrs. Harjono) is that there should be differential benefit packages for different sites, depending on how much assistance people would need at each site. Mrs. Harjono's suggestion is made, in very summary form, on p. 40 of her 1984 "Key Issues" paper. She does not say how the differential packages would be defined (e.g. by national or local Transmigration authorities, or perhaps with local authorities selecting one scale of benefits from a standard scale of benefits approved at the center); also, she does not discuss whether benefit differences might be geared to the stage at which different transmigrants arrive at a site (the later their arrival, the less assistance they would need - a rule that would clearly not apply to "homesteading" sites, if such were introduced into the program). The amount of assistance could also be lower for swakarsa settlers already living in an area who are assisted in getting land in sisipan or satellite sites nearby.

Three Suggestions

34. The Bank would like to contribute to the current reassessment of assistance levels by making some suggestions for consideration. There are three key points to the Bank's informal suggestions. The first is that land allotments should be considered the key benefit and that many more classes of transmigrants should be considered eligible for land on an automatic basis, just as umum and DBB transmigrants are now entitled to it. Essentially land should be made available to any qualified applicant on the basis of the time when their names are registered in the books at the daerah transmigrasi.

Cots.

Eligibility should not be defined by registration status at the daerah asal, as at present. Such a system would put swakarsa migrants on almost the same basis as fully-sponsored settlers (umum and DBB); the only difference so far as land eligibility would be that the latter would be guaranteed an allotment immediately upon arrival, whereas swakarsa transmigrants would have to take their chance according to their position on the waiting list at the point of destination (eligibility for an allotment might involve a minimum waiting period for non-TBB transmigrants, to establish a local "character reference".) This system would put more pressure on the program to develop land for settlement more rapidly than is now done - since more transmigrants would be eligible for allotments and more of the eligibles would come from swakarsa who had moved into a site in response to the "chain migration" process. Available allotment would therefore be taken up more rapidly, forcing authorities to accelerate site development both in virgin locations as well as in locations (e.g. sisipan and satellite sites) that could be easily reached from already-settled locations. This system would also require a change in the method by which transmigrants are certified as suitable for land allotments: at present this certification depends on character and health references received by people who know them at their daerah asal: by extending land eligibility to transmigrants who had not gone through the registration process until arrival at their destinations, a new certification process would be required. Perhaps it would be sufficient for relatives and friends already established in the transmigrasi area to provide the necessary references - in effect, treating swakarsa murni almost as if they were lokal. If this system were adopted, transmigrants would have much less reason to register in their daerah asal to secure TBB status, which would no longer give them any

Assistance Packages: Three Suggested Levels and
Their Application

- I. Minimum or "low" level: for all settlers on sisipan, satellite, and homestead sites standard minimum 2-ha. land allotment. On "homestead" sites (within which sisipan sites would be included) there would be no land clearing by the program. (Infrastructure standards should be varied, with certain infrastructure items - i.e. schools, health clinic, and mosque -- not promised before end of the five-year hand-over time, and construction to involve gotong royong labor contributions) all transmigrants to be eligible for a standard transport subsidy all given allotments to be eligible to borrow from BRI from standard program benefits if they so wish, i.e. allotted land to be mortgageable with BRI from a very early date.
- II. Medium: for swakarsa arrivals in pioneer sites during the last three years before handover of site to Home Affairs. Standard minimum 2-ha. land allotment. House plot and half the production hectareage cleared. Housing by self-construction but using standard materials delivered to key distribution points within the project. Standard transport subsidy. Guaranteed wage employment of 500 hors. p.a. for the first two years after registration in daerah transmigrasi. Half the production-input benefits, and half the consumption/household benefits, given to the maximum-assistance transmigrants.
- III. Maximum or "high" level: for pioneers, defined as umums plus all swakarsas arriving during the first two years after opening of a site. Same as present assistance now given DBB settlers (would mean that umums would no longer have all their allotment cleared but only one-half. Since this is now the only distinction between umums and DBBs, there would no longer be any need to distinguish between the two. All could be designated umums, or perhaps renamed "pioneers" -- a term that would apply to all transmigrants arriving at a site during its first two years of settlement).

What are
relative costs of
these?

advantage. Program statistics for swakarsa (not umum) could be based on registrations at the daerah transmigrasi: they would be far more complete than the present system.

35. The second principal suggestion is that the concept of "assistance" be revised to separate general preparation and infrastructure (P&I) costs from the cost of benefits that are directly received by individual transmigrant families, e.g. land (with various degrees of clearance); housing or housing materials; production items such as tools, seed, fertilizer, pesticides; and consumption items such as food, household utensils, kerosene. The P&I costs are more properly regarded as national costs of regional development and not as personal benefits from P&I costs would simplify thinking about both programs and their costs and would make it somewhat easier to vary each one without considering it a "trade-off" against the other.

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36. The third and final suggestion is that three standard benefit packages be established by central authorities for application in well-defined circumstances. The three suggested assistance levels are summarized in the box opposite, together with the circumstances for their application. These should be regarded as "starting points" for discussion within the Government, since we recognize that there is much room for discussion on how many standard packages should be established, what they should contain, and where they should apply. But some starting point for discussion seems useful in view of the weakness of internal planning within the Ministry, especially within the Swakarsa Directorate.

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Summary of Ms. J. Hardjono's Paper, "Key Issues In The
Expansion Of Unassisted Transmigration in Indonesia"
(November, 1984; 49 pp.) 1/

The need for a lower-cost approach to transmigration dates from about 1978. In addition to looking for ways to reduce costs of assisted transmigration, officials have recently begun to realize that unassisted settlers tend to progress faster than the assisted. It is also now widely realized that swakarsa transmigrants almost always move to areas where they have contacts, i.e. that "chain migration" is a key factor.

Land availability, and policies on acquisition, are the most important single issues confronting swakarsa transmigrants. Many swakarsa transmigrants have survived satisfactorily on plots smaller than the standard 2 ha. allotments. Unassisted settlers often secured such holdings through informal negotiations with local authorities, or with umum settlers. The time has come, however, to establish clear policies on land rights.

The term "spontaneous" transmigrants, introduced in 1957, is an inappropriate name for "partly assisted" settlers. In recent years, there have been two classes of swakarsa transmigrants, DBB and TBB ("with" and "without" financial assistance). With all three classes (umums, DBB, and TBB settlers) going to the same areas, there was understandable friction because many swakarsa or spontaneous transmigrants did not understand that they would receive lower benefits than others. The most persistent source of trouble has been the government's inattention to rules for land allocation to non-assisted settlers. The most satisfactory solution would be adoption of a tripartial policy in all settlements. First suggested in the early 'seventies, the tripartial policy would reserve agreed portions of land in all projects for umums, lokals, and swakarsas. Repelita IV endorses this concept; but to date administrators have done nothing to implement the policy.

A Directorate for Swakarsa transmigration was established in 1979, but to date the Directorate has yet to develop a clear statement of its mandate or its policies. Despite its five-year existence, the Directorate "has no program at all for 1984-85".

The government's preoccupation with "targets" focuses attention too rigidly on assisted transmigrants and blinds it to opportunities for making use of natural forces ("chain migration" and "step migration") which hold out the best hope of expanding the program at lower costs. The study recommends separation of umum and partly-assisted settlers in separate projects and the reservation of some land in all projects for completely unassisted transmigrants. The latter should be allowed to arrive in the project without prior registration in Java, apply to the project management for a holding, and stay with relatives until it was allocated (within three months, at most). To speed up this process, the procurement of new locations within reasonable distance of established settlements is a high priority. The involvement of local officials in identifying and securing such land will be essential -- recent decrees now make this possible. The exact "assistance package" to be given in each locality should vary according to local needs.

1/ A paper commissioned by the Ministry of Transmigration.

A "Homesteading" Proposal

Observers of the transmigration program have occasionally suggested that the government introduce a "homesteading" component in the program. Such a proposal would mean the designation of certain areas within which spontaneous transmigrants would be allotted standard two-ha. plots on a "first come, first served" basis. Although there might have to be a minimum "start-up" grant of food and agricultural essentials, costs could be kept significantly lower than those now required by the DBB and TBB programs. The transmigrants would have to do their own land-clearing and house-building. It would be desirable to select homesteading sites near road, rail, or river transport and, in as many cases as possible, near existing settlements that would provide temporary living quarters, some wage-earning opportunities, and psychological support. A start could be made in either sisipan or "satellite" sites (i.e. new locations either inside or just outside the boundaries of existing projects). It should also be possible to experiment with group homesteading where yayasans could provide some leadership, assistance, and mutual support for opening up tracts (the Government might even save money if it subsidized such yayasans, thus relieving the government of posting officials to the site).

There are two main advantages of a homesteading proposal. One is that it promises land for spontaneous migrants as soon as or immediately after they arrive at a destination of their own choice. The other advantage is low cost to the government -- essentially only the costs of site selection, opening up sites with minimal infrastructure, and land registration. For the transmigrants, homesteading would involve more work and greater risks than they might otherwise incur; hence the program might appeal only to the more energetic and self-confident of the transmigrant population. No one can predict what the response would be to offering such a proposal, although there is scattered experience suggesting it would work (i.e., from the Way Sekampung area of Lampung in the 1950's, and recently in the Coastal area of Central Kalimantan. It would probably be wise to start with a few small locations, relatively easily reached by existing transport routes. If the response is strong, the program could then be expanded.

The Role of Non-Governmental Organizations (NGOs)

The Directorate of Swakarsa Transmigrasi does not expect NGOs to become a significant factor in the program, although it has a general policy of wanting to use them. Indeed, in March, 1984, a KEP/MEN (No. 073) was issued providing for their assistance in the program. Shortly thereafter, the Directorate organized a "Forum Komunikasi" or one-day Workshop for NGOs (referred to as yayasans) at which several papers were read, resulting in a thick volume. There are some 18 yayasans on the Directorate's list of potential collaborators, but only a few have engaged in any activities in support of transmigration. It proved difficult to learn what guidance, if any, the Directorate had given to the yayasans at the Semarang workshop. There is no intention of providing any assistance to the NGOs to encourage them to become more active in assisting swakarsa transmigration. It is possible the Directorate may request a few NGOs to undertake pilot projects; but no plan has been prepared and no such projects have yet been identified. So the few instances where NGOs have attempted something have all been on their own initiative and at their own expense. One wonders what might happen if the Ministry adopted a policy of cash grants (perhaps fixed at 30-50% of the cost of the umum program) for any yayasan with an approved settlement program. Government would also have to help in finding suitable land -- although in some cases individual yayasans may be quite capable of finding land on their own (the mission visited one such settlement where this had been done but which was in jeopardy because neither the yayasan nor its settlers had the substantial sum which the local camat or bupati was demanding to transfer title. One would have thought such a transaction might have been eligible for BRI financing.) Without strengthening of the policy-making capacity of the Swakarsa Directorate, there seems little prospect for any significant contribution from the NGOs.

EXPECTED COSTS OF SETTLING PARTIALLY-ASSISTED TRANSMIGRANTS
AT PANINJAUAN (A SWAKARSA DEMONSTRATION PROJECT)

(1984 Rupiah)

Mrs Harsono?

	Per Family
<u>A. Survey and planning</u>	
1. Survey	14,000
2. Planning	40,000
3. Measurement of holdings	10,000
<u>B. Project preparation</u>	
4. Land clearing at Rp. 350,000 per ha	437,500
5. Road construction	420,000
6. Village roads between houses	160,000
7. Social/general facilities	70,000
8. House and latrine	400,000
9. Well (1 per 4 families)	50,000
<u>C. Mobilization and settlement</u>	
10. Publicity, postage in Batumarta	15,000
11. Registration in Batumarta + transportation to Peninjauan	5,000
12. Bedding + agricultural equipment	40,000
<u>D. Guidance and development</u>	
13. Food allowance:	
- rice for 12 months	240,000
- other food for 4 months	120,000
14. Education	900
15. Health and family planning	10,000
16. Seed for home-plot	5,000
17. Packet A - seed for food crops	70,000
18. Packet B - fertilizer, etc.	50,000
19. Communal pasture (0.25 ha per family)	104,000
20. Sprayer	7,500
	<u>2,268,900</u>

TRANS I SAR

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*also 662 for
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+ MOT overheads*

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OFFICE MEMORANDUM

DATE March 8, 1985

TO See Distribution Below

FROM G.B. Baldwin, AEPDR *ibg*

EXTENSION 72019

SUBJECT INDONESIA: Non-assisted Transmigration (Draft Informal Report)

1. The attached manuscript is the draft report produced as a result of the Davis/Baldwin mission to Indonesia last November/December to look at unassisted ("spontaneous") transmigration. The intent is to make two uses of the report: the first is to give it narrow distribution within the Government, after internal Bank review, as an informal discussion paper (and so labeled); second, to use it as the main input on unassisted transmigration to the larger sector review of the transmigration program to be conducted in FY86.

2. The draft is being circulated now for comments and clearance as an informal report from the Programs, Ag. 4, and RSI staff before distribution to Government. Ms. Davis is in Indonesia and will participate in the RSI review later this month. The two headquarters Divisions are requested to send any comments to Mr. Baldwin by c.o.b., Friday, March 22.

3. Because parts of this draft are expected to be incorporated in the FY86 sector report, we do not plan to issue this document as a formal report that has proceeded through the usual color-coded stages. The substantive review here requested will assure that the informal distribution to Government will not occur without adequate prior internal review and clearance.

Attachment

Distribution:

Messrs./Ms. Yenai, AENVP; Hussain, AEPA4; Hamilton, AEAIN; Rao, RSI

GBBaldwin/jim

THE ROLE OF UNASSISTED MIGRATION
IN REDISTRIBUTING INDONESIA'S POPULATION

(An Informal Discussion Paper)

March 8, 1985

Agriculture 4 Division
Projects Department
East Asia & Pacific Region

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

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Draft: G.B. Baldwin
March 7, 1985

SUMMARY CONCLUSIONS AND RECOMMENDATIONS

i. This informal report on the role of unassisted transmigration within the overall transmigration program was prepared by World Bank staff at the request of the Minister of Transmigration. Its two main purposes are to estimate the size of unassisted transmigration and to suggest ways in which its volume might be increased. The Ministry would like to reduce unit costs of transmigration since the target for Repelita IV has been raised 50% ^{over what Repelita IV} (from 500,000 to 750,000 families) while its budget has been increased by less than 15%. Increasing the proportion of unassisted transmigration is one of three ways unit costs might be reduced. The other two are (a) reduced benefits for assisted transmigrants and (b) improving the statistical system to include the large volume of transmigrants who are not now counted in the official figures.

ii. Estimating the volume of unassisted transmigrants requires adding the number of registered but unassisted families (TBB) and the number of unregistered families. The former group can be directly measured from official statistics. The second group can only be estimated, using indirect evidence. Much the best evidence comes from the 1980 census which, for the first time, contained a question on the "mother tongue" spoken in each household. This shows how many people in each receiving area have a mother tongue from Java or Bali, indicating that the family is, or is descended from, a transmigrant family. The total number of transmigrants can then be compared with the number of officially reported transmigrants (and their descendents) since the program began. The difference between the two figures provides an estimate of unofficial transmigration. This calculation shows that at least

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50% of all transmigrants come from this unofficial group^{1/} - a group that costs the Government nothing. If this group could be brought within the official statistics, unit costs of the program would fall by over 50% and would provide a much more accurate figure of the program costs. Present official figures seriously understate the volume of transmigration that is occurring and overstate unit costs.

iii. Two suggestions are made as to how the unofficial transmigrants might be brought within the official monitoring system. The less important of the two suggestions is that the Government might subsidize the transportation costs of the otherwise unassisted transmigrants (a specific proposal is made, together with an annual cost estimate, which we put at around Rp \$ [25,000,000,000]). The much more important suggestion concerns land policy and revised rules for land eligibility. One simple change in the land provision policy is to systematically reserve some land in or near all SKP sites specifically for unassisted transmigrants. Such a change in policy would require changing eligibility on permitting people who have moved on their own initiative to register in the receiving area. Waiting lists could be maintained by officials in the latter areas, with registration made conditional on a minimum residence period to establish a simple character reference in the new community. In addition to greatly improving the statistics on

^{1/} The estimate of unofficial, unrecorded transmigrants rises to 80% if North Sumatera and Lampung are included in the calculation, as they probably should be. The grounds for excluding these two most populous Sumateran provinces are the very early and large Dutch plantation settlement programs there in the 1920s and 1930s long before the official Transmigration Program began in 1950.

- iii -

transmigration, these two innovations should also encourage a larger volume of transmigration.

iv. We have two additional suggestions that might improve the costing and setting of settler benefits and encourage a larger volume of movement. At present, the official program offers, in effect, only one level of assistance for "assisted" transmigrants, i.e., regular and ^{who are not?} partially-assisted (DBB) settlers get almost the same benefits. We suggest the Ministry consider introducing a more differentiated scale of benefits, geared to the level of need of settlers in different circumstances. Three benefit levels are suggested - low, medium, and high (the latter being essentially that received today by regular and partially-assisted (DBB) settlers). The second suggestion for improving the benefit program is to remove the costs of site selection and preparation, and infrastructure construction, from the definition of "assistance." These costs (better regarded as Preparation and Infrastructure, or P&I costs) are too indirect to be properly considered as benefits received by transmigrants. These P&I "benefits", or costs, are the same for all official transmigrants, since they are based on national average costs. It seems more useful and accurate to limit the concept of "benefits" to those things (over and above their land allotment) given directly to settlers to help them get started on their new land.

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THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

I. BACKGROUND TO THIS REVIEW

Introduction

1. Although the policy of redistributing population from Java and Bali to the outer islands has a long history, and has multiple objectives, it is only during the last 15 years or so that the program has achieved high visibility, and obtained large resource commitments. The World Bank's involvement in the Transmigration (TM) program dates from 1976, when the first Bank loan (Trans I) was approved. ^{Five} Three additional Bank loans have been made, and a ^{Saurth} fifth has been appraised for expected approval in 1985.

2. Whenever the Bank assists any sector of a country's economy it tries to put its individual lending operations in a wider perspective, one that assesses the economic justification of investments in a sector, satisfying itself that returns to the economy will exceed costs or, if returns cannot be measured, that objectives are being pursued at the lowest reasonable cost, i.e., that the program is "cost-effective". The review of a sector's ends and means - its objectives, and its individual investments and their implementation arrangements - is done through periodic sector reviews, which result in formal reports used for discussion with Governments and for the information of Third Parties who may have an interest in a particular sector. The Bank conducted an initial review of Indonesia's Transmigration program in the mid-1970s, before making its first loan and a second review, on the progress of the program, in 1980, resulting in publication of a two-volume report in April

1981.^{1/} Now that five years have passed, the Bank feels the need for a fresh review; this will be conducted in ^{Fall} mid-1985. The Minister of Transmigration, however, requested the Bank to do a preliminary study of one particular aspect of the program before starting the larger review. That aspect is the role of unassisted, or partially assisted, migration in the total program, i.e., what is referred to loosely as swakarsa (literally "at one's own initiative") migration. This paper is our response to that request. It is intended to be used as an informal working paper for discussions with Government a year or more before the 1985 Review will become available; it will also provide the main input to the Review on this aspect of the TM program.

3. The principal significance of swakarsa transmigration is that it offers a large volume of migration at costs far lower than those necessary to move people under the fully-assisted (Umum) program. With new pressure on Government budgets, and much higher re-settlement targets, there is ~~some~~ interest in Government in making greater use of lower-cost approaches to transmigration. As we shall see, there are varying types and costs of swakarsa movement, some of it involving partial Government assistance; so not all such migration is entirely at the expense of the migrants themselves. But the Government has the option of working out different amounts of assistance for different classes of migrants; one objective of this paper is to suggest some refinements that might be introduced (some of them as experiments) to encourage more of the lower-cost types of swakarsa movement. Giving greater emphasis to such types of transmigration would of course reduce average costs

^{1/} Indonesia Transmigration Program Review, April 2, 1981 (Report No. 3170a-IND). Vol. I: Summary of Major Findings and Recommendations, (68 pp.) and Vol. II: Annexes (161 pp.).

- 3 -

of the total program; it could also improve the statistics that measure how much migration is occurring and where it is going. The Minister's call for this review seems timely, since relatively little experimentation has been attempted in recent years, the Ministry itself is newly-established, and the Directorate that oversees the swakarsa program seems open and receptive to outside views and ideas. The Directorate itself is ~~too~~ young, and perhaps inadequately staffed, to have yet engaged in much policy thinking on its program, [largely inherited from the days when responsibility for the TM program rested in a Directorate-General within the Ministry of Manpower and Transmigration.]

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4. In Repelita III the Government surprised the Bank, and perhaps itself, when it moved some 350,000 families (a family averages about 4.2 persons) and identified another ^{177,000} 150,000 which had moved spontaneously. The five-year target had been 500,000 families and, although the very large increase ^{were} reported ^{during} for the final year of the Plan ~~raises some questions about the figures~~, there is little doubt that the program moved much larger numbers than had ever been moved previously (83,000 families were moved during Repelita II, itself a much larger number than during any earlier five-year period). The target for Repelita IV has been increased by 50%, to 750,000 families. However, the program budget has been increased by only (10-15)%. This means that unit costs must come down: the numbers just cited imply that the cost per family must fall by about 25%.

Reducing Unit Costs

5. There are three ways by which unit costs might be reduced, all of which might be used:

- 4 -

i. The benefit package given to umum and partially-assisted transmigrants (who receive almost the same benefits) might be reduced, in effect transferring some costs from the Government to the transmigrants;

ii. The proportion of official migrants who cost the Government nothing, or much less than umum and partially-assisted migrants, could be increased.

iii. Unofficial settlers could be brought within the official program.

There is little scope for reducing the unit costs of umum transmigrants; however, there does seem some possibility that partially-assisted migrants, or perhaps some portion of them, might be shifted to a more economical benefit package - see below, para. 34. The third option is the simplest and quickest. There could be an immediate "increase" in the number of low-cost migrants if a way could be found to measure the volume of migrants who now fall completely outside the present data-gathering system. If these people could be brought within the monitoring system, there would be an immediate increase in the reported volume of migration without any change at all in its actual volume. Since there is strong evidence that unrecorded transmigration is larger than that which is officially reported, capture of this unrecorded stream by improvements in the monitoring system would allow Government to claim significantly higher achievements than its present recording procedure

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now permits. Indeed, the present recording system tempts officials into making occasional "estimates" that have little relation to actual flows. What we are saying is that program accomplishments can be increased, and unit costs can be reduced, simply by improving the statistical system's ability to record present flows, with little or no change in the program or the benefits it offers. Such a change would not be a "statistical trick"; it would be a much-needed improvement in the monitoring system. Instead of the new figures being suspect, it is the present figures that are suspect: they do not take enough credit for what is happening. We are not sure how the statistical improvement can be achieved: however, we have two suggestions we believe deserve careful consideration. They involve introduction of a new transport subsidy, and/or incentives for registration at daerah transmigrasi, or destination). We should also make clear that we are not interested only in improving the monitoring system; we are even more interested in increasing the actual migrant flow. The key to that, in our view, rests more on changes in land policy than on any other single factor within Government's control. By changes in "land policy" we mean changes in the Government's rules for making land available to partially-assisted and presently unassisted migrants. We believe there is a strong possibility that the introduction of some new, clear guidelines that extended land eligibility to all classes of transmigrants would lead to an increase in swakarsa transmigration, allowing the Ministry to concentrate its budget and its energies on the land problems of those being settled on entirely new sites, i.e., on umum settlers, the true pioneers among the many classes of transmigrants.

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people -*

Transmigrant Terminology

I. Umum -- A term introduced in 1952, it refers to officially sponsored transmigrants who get the maximum set of benefits (normally 2^{1/2} ha. of cleared land, a house and shared well, bedding and necessary cooking equipment, standard agricultural tools, seeds, fertilizer, a 12-month supply of rice and a 4-month supply of a few other foods, free transport to the settlement site, and a school and clinic in the community). Umums have no choice of destination; they may, however, decline an offer if willing to accept the uncertainty about when another offer may be made or where it will be.

II. Swakarsa Transmigrants -- ("at one's own initiative", i.e., spontaneous or spontan. The term spontan was introduced in 1957 but was later given up in favor of swakarsa. Benefit packages for non-umum transmigrants have varied from time to time and from place to place. Today, the following three types of swakarsa settlers are officially recognized and reported in transmigration statistics:

i. TBB (= "without official assistance"). These have registered with the program but are not given the benefits umum receive. They are free to go wherever they wish, must pay their own transport, and must support themselves on arrival at their destination (normally by moving in with relatives or friends). However, their registration entitles them to recognition as official transmigrants by program officials at their destination; this recognition consists of help in theory, in finding (usually uncleared) land, the only benefit they receive. The TBB program has been in existence for many years. In Repelita III, TBB swakarsas exceeded DBB swakarsas by more than 4:1.

ii. DBB (= "with official assistance"). These have registered at point of origin. They are free to choose their destination but are not given transportation assistance to get there. They are given land (not necessarily the usual 2 ha.) of which 1/4 ha. will be cleared with a house supplied. They also receive food and other benefits similar to the umum package. The DBB program has been in effect only a few years.

iii. PIR = these are officially registered transmigrants who elect to move onto one of the government's estates (usually a tree crop estate). Their transport is paid and they are entitled to whatever benefit package is in effect at a particular estate; however, PIR benefits are not grants but loans, all of which must be repaid.

III. Unofficial (i.e., unregistered) transmigrants: Sometimes referred to as "liars" (= wild). These get no assistance of any kind and, because they have not registered at point of origin (which would make them TBB transmigrants), are not entitled to any help from officials at their destinations. This group is believed to account for a large majority of total transmigration, especially in easy-to-reach Sumatera.

The word "spontan" has been used loosely to refer to all transmigrants other than umums. The word murni is also sometimes used: it refers to the TBB, DBB, and PIR transmigrants, i.e. official transmigrants who are free to choose their destinations. Finally, the term transmigran swakarsa famili has recently been introduced; it refers to registered transmigrants who join "free" relatives who moved earlier, thus covering most TBB and DBB transmigrants.

Sometimes these individuals will return to their original area in order to register so they can get land-acquisition help in their destination -- area (such registration would of course make them DBB or TBB settlers).

PIR are
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to use
their
destination -

II. TERMINOLOGY AND CONCEPTS OF THE TRANSMIGRATION PROGRAM

Who Are Transmigrants? (Conceptual and Definitional Problems)

6. Indonesia has migrants, transmigrants, and Transmigrants. Migrants are those who move their residence within their island of birth; they are usually, today, rural-urban migrants, part of the substantial stream of urbanization that is occurring both on Java and on the Outer Islands. Transmigrants, whether spelled with a small or capital "t", are migrants who move their residence from one island to another, so that they must cross over the sea. There is still a considerable volume of transmigration (small "t") into Java from the other islands; while this certainly affects the net flow out of Java, such transmigrants are not considered Transmigrants (capital "T"). The latter term is reserved for residents of Java or Bali who migrate to other islands. Since almost all Transmigrants are present or former farmers, their movement represents rural-rural migration. In this paper we are interested only in Transmigrants; for this reason we will not bother to capitalize the word.

7. There are three broad classes of transmigrants to distinguish. These are shown in Table I. A short explanation of these terms is necessary to subsequent discussion.

8. Umum: Regular Transmigrants. These are the fully-supported families who have applied to move under program sponsorship; these are the true pioneers. They may be sent to remote, isolated sites which have been cleared from forest and on which simple houses, ^{and social facilities} and water supplies have been constructed. Umum have no choice of location, although they may refuse a

proposal if willing to undergo another wait, often long, for a second opportunity. ^{seldom} Umum have ~~never~~ seen the area of destination; there is ^{generally} no one there who might have told them what it is like; there is no guarantee of friends or relatives to give them support. All they have is the Government's promise of 2 ha of land, a house with a water supply, ^{Some small infrastructure} a standard list of household supplies, agricultural implements, seeds and essential inputs, and enough food to live on for 12 months. For the umum, transmigration is a speculative gamble by a husband and wife, driven by the prospect of getting their own land. Despite the risks, the demand for umum space is greater than the supply, i.e., there is a waiting list of people who cannot be moved until the central authorities in the Ministry of Transmigration (MOT), in Jakarta, give the "green light". This English term is in general use among MOT officials in the sending areas of Java and Bali.

9. Swakarsas - Three Types, All of Them Official: Umum have constituted the largest component in the total flow of official transmigrants. Their dominance is expected to continue in Repelita IV, which has targets for ^{450,000} 436,350 umum families and ^{300,000} 313,650 swakarsa families. All official (= registered) transmigrants other than the fully-sponsored umum are referred to as swakarsa. The various classes of swakarsa transmigrants, and the sometimes shifting and rather loose terminology used for them, are summarized in the box opposite.

10. The Swakarsa Majority - Unregistered, Unofficial, and Uncounted: In addition to the preceding classes, there is a large stream of unofficial migrants who have not chosen to register with the MOT. There is nothing illegal about such migration, but one wonders why they do not register since

without the official papers which registration gives them they have practically zero chance of ever getting any help from MOT officials at their destination, either when they arrive or in subsequent years. It would thus seem that an intending migrant would have everything to gain and nothing to lose by registering. Some may not understand the advantage which registration might bring in the future. Some may fear they will be discouraged or prevented from going to areas where they have families and/or friends, e.g., Lampung which is now closed to in-migration. Some may not want to go to the inconvenience of securing the four separate pieces of paper that are required,^{2/} i.e., a character reference from the village headman, a separate character reference from the camat, a "clean record" report from the police, and an application form which must be secured by visiting an MOT office, the nearest of which would be in his subdistrict headquarters. Some apparently want to keep away from any formal association with a program which some high Government officials have described as a program "for the poor", which is said to embarrass some. Whatever the mixture of reasons, the volume of unregistered swakarsa is believed to be large. In earlier years, these non-registered migrants were often referred to as liar ("wild") and their unguided movement was discouraged. Today, fortunately, Government officials are taking a more positive attitude towards this group. Note that the only difference between TBB (unassisted but registered) and the unassisted and unregistered migrants is the registration. In all other respects the two groups are assumed to be very similar. Both have enough resources to cover their own

^{2/} A 1973 Presidential Decree (No. 42) requires that transmigrants be citizens, of good character, in good physical condition, know how to work, and be willing to abide by the regulations. "Registration" involves certifying he can meet these tests.

moving expenses. Both can choose to go wherever they want with limits (above). Both tend to move to areas where relatives and friends already exist. And many officials believe that the unassisted migrants contain a higher proportion of self-reliant and self-confident families than those in the assisted category (Umum and DBB).

MIGRATION SEQUENCES

11. The classes of migrants just described suggest the normal sequence of transmigration. The start in any new area is normally made by umum, followed by DBB, then, a few years later, by TBB and non-registered "spontans. Exceptions are sometimes found (e.g. the early Balinese pioneers to central Sulawesi were not umum but unassisted "spontans", with umum settlements coming later.) But the "starter group" for almost all large new settlements today are the umum. After they establish themselves, labor shortages and employment opportunities are created in successful areas and chains of family relationships and friendships pull others from the sending areas into the settlement areas. The strength of this process has been recognized for some time in migration studies; with the opening up of several umum settlements in Sumatera in recent years, and the development of easy bus transport from Bali and Java to Sumatera, the process of "chain migration" to Sumatera appears to be operating strongly. Indeed, the southernmost province of Sumatera (Lampung) has recently been declared "closed" to any further migration (unofficial migration is largely beyond the Government's control, and undoubtedly continues into Lampung).

12. The unassisted migrants become a pool of people in the receiving areas who want land. Some are able to buy it from the pioneers who have been given it and find they do not need their full allotment. Others wait and hope. A major land policy issue is whether to allocate MOT land to such unregistered transmigrants (these are not "lokals" as that term is ordinarily used in Indonesia) ^{3/} or to reserve all such land for new arrivals from Java and Bali. Our strong recommendation is to consider such locally-settled unofficial transmigrants as eligible for land allocations (after registration in the settlement area). This would take advantage of a common finding in migration studies, namely, that the leaders in developing satellite settlements after pioneer settlements have been established are normally people who are already living in the pioneer settlements, not new migrants who come from overpopulated sending areas far away. As noted, new migrants, those who do not yet "know the ropes", tend to move in with relatives and friends in areas that have already been established. Thus if locally-settled migrants are allowed to receive transmigration allotments near their residence,^{4/} the social and economic vacancies created by their movement onto their own land would be filled by the same process of "chain migration" that had originally brought them. The replacement ratio might not be 100% but all evidence suggests it would be high.

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3/ "Lokal" is used to refer to people who were living in or near a transmigration site before any transmigrants arrived.

4/ Under present rules such people can get land only if they return to Java or Bali and go through the registration process, and return to their area as an official TBB or DBB transmigrant.

III. ESTIMATING THE RELATIVE IMPORTANCE OF OFFICIAL AND NON-OFFICIAL TRANSMIGRATION

13. As noted, the purpose of this study is to estimate the role of unassisted or non-official transmigration in the total program and to suggest ways in which this component might be increased. Under present arrangements, the unassisted transmigrants do not register with the Ministry before they leave their province of origin (daerah asal) and very rarely register when they arrive at their destination (daerah transmigrasi), since there has not, so far, been any advantage for them in doing so. As noted, this class of swakarsa transmigrants falls completely outside the official statistics of transmigration, which includes only those captured by the program's registration procedure.

14. The attempt to estimate the number of unassisted migrants must rely primarily on data from the 1980 census. That census included for the first time a question on the household language of each respondent: if a household's "mother tongue" was a language from another island, then it could be safely concluded that the family had migrated from the island of the "mother tongue". The number of such households can then be compared with the number of official transmigrants to see what proportion of the total is accounted for by the latter group. There are one or two additional census questions that can throw light on the subject, but the language question is the most helpful one.

15. Before turning to the census data it is worth noting that there is another potential source of migration data that does not in fact turn out to be useful. This source is the monthly and quarterly reports which each village head (the lura or kepala desa) sends forward to the camat and which the latter is supposed to aggregate and send forward to the bupati, and so on up the line to the headquarters of the Ministry of Home Affairs. In theory, each village head (who must maintain a register of village households) is supposed to know of any family that moves out of (or into) the village and would report the number of movers (but not their names) to the camat. A swakarsa liar family (unlike all other classes of transmigrants) has no need of any papers from either the village head or the camat; hence the village head, while knowing that a family has moved, has no formal way of telling where the family has gone, i.e., whether it is a migrant (moving to Jakarta for example) or a transmigrant (moving to another island). In addition, the formal reporting system for monthly and quarterly statistics, even where it is faithfully carried out, more often than not generates large numbers of forms that never get analyzed. In any event, the village statistical system, which one might think could be used to estimate non-official migration, does not in fact provide any basis for such estimates at the present time. Hence the need to rely on the census returns.

16. While the absolute number of migrants and transmigrants is large, they form a small proportion of the total population (in 1980 over 95% of the rural population were living in the province of their birth). The small mobile proportion of the population nevertheless accounts for a large share of the total population of the rapidly-growing areas to which migrants move. A useful benchmark figure is Jakarta itself: in 1980 some 40% of its residents

were either migrants or transmigrants. This figure is almost exactly the same (39%) for the population of Lampung, the southern-most province of Sumatera. In the central Sumateran provinces of Riau and Jambi the migrant percentages in 1980 were 17% and 20%, respectively, while in South and East Kalimantan they were 17% and 31%. In Central Sulawesi the figure was 12%. In all the provinces cited (except Jakarta) the overwhelming proportion of "migrants" would have been "transmigrants" - i.e., there is believed to be little internal migration from one province to another. The figures just quoted (which ranged from 12 to 39%) compare with a national average of 6.8%. Thus the relatively small stream of people who migrate are accounting for a substantial proportion of the total population in certain areas - especially those areas just cited which are known to be target areas for transmigrants.

17. In the effort to redistribute population from Java and Bali to the other Islands, there is one specific flow that dominates all others, the flow from Java to Sumatera. Of all inter-island migration during the seventies, nearly 60% went to Sumatera. More than 80% of all transmigrants leaving Java went to Sumatera; and over 90% of Sumatera's migrants came from Java. While the Java-Sumatera transmigration certainly does not account for the whole transmigration picture, it accounted for about four-fifths of the picture through 1980. When we break up the flows into official and non-official (or recorded and unrecorded) flows, the same basic picture is shown: in the official program, nearly two-thirds of all transmigrants moved to Sumatera in the seventies (209,000 out of 334,000 total). Kalimantan received 17%, Sulawesi 17%, Irian Jaya 2%, and Maluku 1% of the total. During the 1970s, in other words, Sumatera received two official transmigrants for every one who went to any of the other destinations. We do not have any similar statistics

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for the non-official transmigrants; but we can be confident that the proportion of such migrants moving to Sumatera, in preference to other destinations, was considerably higher than for official transmigrants due to accessibility ^{relative} and the length of time the movement had persisted. We can also be reasonably certain that the number of non-official transmigrants was larger than assisted migrants. There are two dominant reasons for the larger flow of non-official transmigrants to Sumatera than to any other island. The first is the large number of assisted migrants which the official program has succeeded in settling in Sumatera; the "pulling power" of these large numbers is much stronger than that of the smaller numbers who have been settled on other islands. But equally important is the relative ease and low cost of moving from Java to Sumatera. There has been an "explosion" of bus transportation from Java to Sumatera within the past decade, using the "roll on, roll off" automotive ferries (12 of them, operating 24 hours a day today) that make the 90-minute crossing. The fare from Jakarta to Tanjung Karang (the first large town in South Sumatera) is Rp 4,500 (US\$4.50); to Bengkulu it is Rp 11,575. Travelers can go from Solo or Yogyakarta in mid-Java all the way to East Sumatera to Tanjung Karang for Rp 13,000 (there are two services daily from both cities). From Jakarta, some 27 bus companies operate services to Sumatera, some offering service all the way to Aceh at the island's northwestern tip (fare: Rp 32,725). Train service is also available from Jakarta to Sumatera (the trip is broken by the ferry crossing), but, while the fare is slightly lower than the bus, there are only two train departures per day from the south Sumatera terminal.

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Table 2: MIGRANTS IN THE OUTER ISLANDS AS A RESULT OF SPONSORED
MIGRATION BETWEEN 1950-78 AND ASSOCIATED POPULATION GROWTH

Province	Individuals moved as sponsored migrants from 1950-78 (1)	Expected population in 1980 census based on spon- sored movement (2)	Number of Javanese, Sundanese, Madurese and Balinese speak- ers enumerated in 1980 census (3)	2 + 3, i.e., % of Javanese, Sundanese, Madurese and Balinese speakers in outer islands as a result of sponsored migration (4)	Total no. of people in each province (5)	2 + 5, i.e., % of people in the pro- vince as a result of sponsored migration (6)	3 + 5, i.e., % of people in province from the inner islands /a (7)
Aceh	7,641	8,694	175,349	5	2,610,528	0	7
North Sumatra	15,699	26,426	1,767,796	1	8,350,950	0	21
Riau	16,560	22,774	189,591	12	3,406,132	1	6
West Sumatra	26,763	38,185	56,106	68	2,163,896	2	3
Jambi	58,340	69,283	255,389	27	1,444,476	5	18
Bengkulu	29,470	36,007	134,932	27	767,988	5	18
South Sumatra	259,292	426,675	635,042	67	4,627,719	9	14
Lampung	220,489	347,958	3,400,807	10	4,624,238	8	74
Subtotal	634,254	976,002	6,615,012	15	27,995,927	3	24
West Kalimantan	31,381	41,832	197,624	21	2,484,901	2	8
Central Kalimantan	12,411	17,737	62,942	28	954,176	2	7
South Kalimantan	46,031	65,735	115,723	57	2,063,227	3	6
East Kalimantan	39,979	57,888	126,219	46	1,214,602	5	10
Subtotal	129,802	183,192	502,508	36	6,716,906	3	7
North Sulawesi	14,697	22,177	31,011	72	2,114,822	1	1
South Sulawesi	38,928	51,360	53,611	96	6,059,564	1	1
Central Sulawesi	50,639	63,104	71,623	88	1,284,528	5	6
Southeast Sulawesi	27,197	34,536	46,025	75	941,454	4	5
Subtotal	131,461	171,177	202,270	85	10,400,368	2	2
East Nusa Tenggara	155	257	3,248	8	2,736,988	0	0
Maluku	4,208	7,109	16,300	44	1,408,451	1	1
Irian Jaya	4,415	6,128	4,432/b	138	1,107,291	1	0
Subtotal	4,363	13,494	23,980	56	5,252,730	0	0
Total	899,880	1,343,865	7,343,770	18	50,365,931	3	15
Excluding North Sumatra and Lampung	663,692	969,481	2,175,167	45	37,390,743	3	6

/a Inner islands language speakers.

/b Error in Irian Jaya figure. Either 1980 census undercounts Javanese or migrants were actually moved after 1980 census was completed.

APPARENT TRANSMIGRATION TO SUMATERA

18. In 1980 the total recorded population of Sumatera was 27,995,927. One in every four of these residents (nearly 7 million people) listed their mother tongue as either Javanese or Sundanese, the two main languages of Java. These 7 million people are far more than can be accounted for by official transmigrants and the children born to them after their move. A few simple numbers are enough to show why this is so. There were 338,000 individual official settlers moved onto Sumatera between 1950-'72. The figure for official settlers between 1970-80 is approximately 800,000. If we make the illustrative assumption of the first group that, say, 200,000 had moved by the mid-point of the 1950-80 period, giving them 15 years of family growth by the time of the 1980 census, then that group would have expanded to 562,000 on the assumption of a 5% growth rate (that implies 50 live births per 1,000 population, with zero infant mortality!) If we make a similar rough calculation for the 800,000 or so official settlers during the decade of the seventies (taking half the total and assuming a five-year population growth at 5% p.a.) then the second group would have grown to approximately 900,000 by the time of the 1980 census. The sum of the pre-1970 and post-1970 official settlers, plus their subsequent children, comes to less than 1.5 million people. But the 1980 census revealed about 7 million people whose mother tongue came from some island other than Sumatera (most of them from Java). These crude, illustrative calculations suggest that about 80% of the Sumatera transmigrants reported in the 1980 census were non-official transmigrants.

19. The preceding rough estimates are confirmed by a more carefully-constructed Bank table using evidence from the 1980 census (Table 2). The

first four columns are of greatest significance, with column 4 showing the proportion of transmigrants (or their descendents) in each province who can be accounted for by the officially recorded flows between 1950 and 1978. As seen near the bottom, only 18% of total transmigration can be accounted for by the official flows, i.e., over 80% reflects unofficial or unregistered migration. The last line adjusts the figures to reflect the influence of Dutch-sponsored resettlement of Javanese laborers to man Sumateran plantations in North Sumatra and Lampung in the 1920s and 1930s. While those groups were not so large compared to the numbers of official transmigrants settled since the Indonesian program began in 1950, the cumulative pulling-power of "chain migration" has had much longer to operate than in the case of the post-1950 settlers. Eliminating those two provinces from the figures eliminates the influence of five or six decades of chain migration which, as column 3 shows, has been very large. But even when this factor is eliminated, over half of all post-1950 transmigration, to 1980, still originates in unofficial flows.

20. Thus, both informal and census figures show the high leverage, over time, of the official program - especially to destinations that are relatively easy to reach from Java. The challenge to the official program is to invent ways of building "chain migration" into the transmigration program to encourage its more rapid growth and so that the program can justifiably start counting unassisted settlers as officially recognized transmigrants. The single most important step the program could take to strengthen the flow of swakarsa settlers is to make it easier for them to secure land; a secondary benefit that would help some families who have difficulty raising the bus fares for their families would be to introduce a transport subsidy. Operation of a transport subsidy system would also generate much better statistics on

Proposal for a Transport Subsidy for Swakarsa Transmigrants

The Ministry of Transmigration might experiment with a scheme for one or two years to see if it worked satisfactorily. Any system used must be relatively simple and convenient for all parties (i.e. the transmigrants, the transport companies, Ministry officials, and payment authorities). The system must also minimize opportunities for fraud on the part of travelers and cash-handlers.

The best system would be a reimbursement system, i.e. repaying the transmigrant after arrival at his destination. Thus transmigrants would still have to find their fares, but they would know they would recover this cost shortly after arrival. Reimbursement is necessary to provide a means of validating the trip. Validation could not be made on the basis of submitting bus tickets alone to the Transmigration office at the destination, however. The individual presenting such tickets must be able to prove he is a transmigrant and not merely a traveler. The transmigrant must therefore be given some document at the point of origin to certify that he is a transmigrant; this could be the same "green card" which is now given to swakarsa transmigrants who now choose to register before moving. The procedure for distributing such cards must be made simpler than it is now, however -- a swakarsa transmigrant should not have to go to four offices to get such a card (this is what official registration now requires).

The subsidy amount need not be the full amount of the transport cost; it would be wise to require transmigrants to bear a reasonable share of the cost -- say one-third. Also, reimbursement need not be made against actual ticket costs but could be based on a schedule of standard fares between representative locations. In order to prevent Transmigration officials from handling the reimbursement monies at point of destination, their function would be to stamp the "green card" (or associated voucher); the transmigrant would then present the paper to a local office of BRI or any other bank. It is possible local storekeepers or others might develop a discounting mechanism so that transmigrants could receive their money without having to make the trip to a paying bank, leaving this task to the discounting agent.

Cost of the scheme: a rough estimate of the annual cost of such a scheme is Rp. 23,000,000,000. Average cost per family would be on the order of Rp. 40,000; this is 1 percent of the cost of an unum or fully-assisted transmigrant and about 2 percent of the estimated cost of the experimental project at Paninjauan for swakarsa settlers.

Eligibility for the transport subsidy should be limited to families moving from Java or Bali to islands where additional population is wanted. People moving from the other islands to Java or Bali would not be eligible.

At least one local government (DIY) has proposed a transport subsidy scheme to the local Transmigrasi office. However, no details are known -- except that the scheme has not been implemented because of lack of funds.

swakarsa transmigrants than are now available. One suggestion for how a transport subsidy might work is outlined in the box opposite.

IV. LAND AVAILABILITY AND LAND ELIGIBILITY

Availability

21. Indonesia is remarkable for the extreme contrast in population density between the two heavily overpopulated islands of Java and Bali and the relatively empty Other Islands (Sumatera, Kalimantan, Sulawesi, and Irian, Jaya are the largest of what are a large number of eligible settlement islands). While this contrast is the basis for the transmigration program, it is anything but a simple matter to make these lands available for settlement and move people onto them. The country is not yet well mapped; land is not yet well inventoried according to forests, soils, slopes, and occupancy. And the legal system for determining land ownership and transfer is in the relatively early stages of evolution from customary or adat rights to the more formal systems, based on cadastral surveys and land registration, which are everywhere the accompaniment of national and economic development. The transmigration program has required an enormous program of land mapping and evaluation, land alienation, site planning, and land clearing - all preconditions to settlement by transmigrants. All these tasks must be completed before the "green light" can be sent to waiting officials and families in the sending areas.

22. The "empty" land which is the target for settlement by transmigrants is not owned by Government and thus does not provide a large "inventory" from which the Government may make allocations. Most land in the islands other than Sumatera is not owned by anyone, in any modern legal sense. Yet it is rarely if ever completely uninhabited, and before it can be used for transmigrants Government must acquire rights to the land, i.e., it must be "alienated" from its traditional or customary owners. Desired land is not normally purchased and paid for in an ordinary commercial transaction (since no money is paid, the Government is under no great pressure to recover financial costs from transmigrants). The quid pro quo which Government normally offers is the building of roads, schools, and health facilities in the acquired area - facilities which the local people will be entitled to use. Government may also agree to reserve a certain proportion of 2-ha plots for allocation to local people who may want to settle in the new community. Once an agreement has been reached with the lokals' leaders, the land becomes the Government's to allocate on whatever terms it wishes. In practice, the terms have been held virtually constant for the last 35 years: each umum settler is given 2 ha of land of which 1-1.25 ha is cleared and which includes 1/4 ha for a house and house garden. The size of allotment does not imply that the holding must be in a single piece: this will depend on the detailed physical planning that governs the layout of each lokasi or project site.

23. The "standard" size of each site (called an SKP) is an area large enough to accommodate 2,000 families or about 8-10,000 people. This SKP unit is divided into four or five sub-units of 500 or 400 families each (the UPTs). Since each family will have to be given the standard 2 ha allotment, and a certain amount of land will be needed for public purposes, the actual

hectarage in each SKP will depend on topography and other determinants of useable land availability. A number of SKPs may be located adjacent to each other, forming a large integrated project. Whether large or small, each SKP or project site will gradually fill up during the five-year period before the Ministry of Transmigration turns over the administration of the project to the regular provincial administration. The MOT will continue to send official transmigrants to locations that have not been filled up by the time when Home Affairs takes over the responsibility for Government. During this five-year period, and after, many sites will have drawn unregistered transmigrants, most of whom will want to acquire land if they can find a way of doing so.

24. The pace of land alienated for settlement use is driven by the transmigration targets - e.g. the estimated settlement capacity wanted in a particular area over, say, the next five years. Responsibility for going out and acquiring the needed land now rests with the Governors of the settlement provinces, i.e., in the Other Islands. Some Governors may take a strong personal role in the land-acquisition process, others doubtless pass it down to bupatis and camats, who are in a good position to suggest tracts for acquisition within their areas. The size of individual tracts acquired in each province vary greatly, with the minimum determined by the size of the standard settlement project sketched above, a size which suggests a minimum tract of around 5,000 ha. In fact many tracts are much larger and are divided up into separate projects (SKPs) for administrative reasons. The main point to bear in mind is that because the land acquisition process is tied closely to the pace of the transmigration program, the Government does not carry a large inventory of alienated land over and above its foreseeable needs for the official TM settlement program (umum and registered swakarsa) over the next

few years. Thus most Government land is earmarked for use relatively soon after alienation and is not available for people outside official flows. This raises a big problem for those who move outside the official migration streams but who also want to acquire land. These people, we have estimated, are a majority - a large majority - of all transmigrants, and could be more if such land were available.

25. The picture sketched above of a fairly tight gearing between land acquisition and the provincial settlement targets for each Repelita, with consequent low levels of non-earmarked land in inventory, may vary somewhat from province to province and from kabupaten to kabupaten. This means that local officials will have different ability to allocate land-in-inventory to swakarsa migrants. Where there is little or no land in inventory - but still some unalienated land under customary ownership by lokal - Government officials can potentially try to alienate additional tracts.^{5/} In areas where transmigration has been going on for many years, these may be small tracts, suitable for less than the 500 families normally comprising a TM unit (and which become desas ^(villages) after handover to the provincial administration). Such sites may provide good opportunities for sisipan settlement (lit., "fitting in"), a form of land allocation that is particularly suitable for individual or small-group swakarsa migrants.

^{5/} Land does not become available for allotment until it has been surveyed by the D.G. of Agrarian Affairs ("Agraria") in the Ministry of Home Affairs. Agraria thus becomes a key factor in making land available for settlement. Its operations are often criticized for their slowness by other government agencies involved in the Transmigration program.

Eligibility

26. In the past, land made available for transmigration has been given mainly to umum and assisted (DBB) settlers, with a small proportion reserved for lokal who wish to become settlers. No land has systematically been made available for unassisted registered transmigrants (the TBB) nor for the large numbers of unregistered, unassisted transmigrants who have followed along later as the pulls of "chain migration" began to exert their effect. Those who were not formally eligible for land allotment were sometimes able to make informal arrangements either with umum families who were willing to sell part of their allotment (although this was not legal) or with officials who could be persuaded to find them vacant allotments (e.g., land surrendered by original owners who had departed). But the point is that at many sites (especially on Sumatera) the largest stream of transmigrants - mainly those who came after the umum had been settled - were not eligible to receive land. The only approved way they could get any land that might not yet have been allotted was to return to their place of origin and go through the registration procedure, an expensive and inconvenient, procedure whose outcome was often uncertain.

27. A number of proposals have been made to broaden the land eligibility of different classes of transmigrants. Homesteading would provide automatic eligibility on a "first come, first served" basis. The sisipan formula of finding suitable areas too small for establishment of a UPT but capable of taking some smaller number has sometimes provided land to unregistered transmigrants, although there are apparently as many cases where these (infrequent) sites have been reserved for officially assisted settlers. A third approach -

one which has received official endorsement since Repelita I but which has almost never been put into practice - is the tripartial policy. This policy formally earmarks a majority of the land available in new sites for umum but reserves minority shares for both lokal and for registered swakarsa (i.e., TBB and DBB) settlers. Unregistered migrants remain ineligible under the tripartial policy. If allotments were thrown open to unregistered swakarsa already in a transmigration site, this would relieve the internal pressure for land that builds up at sites after their initial settlement by umum. Minimum length-of-residence requirement might be established so that local officials at the receiving end could satisfy the "good character" certifications now made by sending-area officials.

28. Mrs. Harjono, who is one of the best informed observers of the program, has recently emphasized the danger of settling transmigrants with different benefit packages in the same areas. This has often led to friction. Eligibility for land in a given area should be limited to those with entitlement to similar benefits; this suggests that each new site should be designated a TBB or a DBB site, and that unregistered swakarsa migrants, when they become eligible, should be given a benefit package geared to the type of settlement they find themselves in (i.e. either a TBB or a DBB-type site). We see no reason why unregistered late-comers to a site (i.e. non-pioneers) would need as full a benefit package as that given to the pioneers.

29. One innovation which would seem to offer opportunities for low-cost settlement would be the systematic offering of "satellite sites" on a homesteading or minimum support basis. Such sites would be intended to drain off swakarsa residents (both registered and non-registered) from already-

LI who is she — ?

PROPOSAL FOR A PILOT PROJECT AT PENINJAUAN, NEAR BATUMARTA
IN BATURAJA PROVINCE, SOUTH SUMATERA

Objective: to test the thesis that families will move without assistance if guaranteed land in a settlement area and if given a minimum level of government support on arrival. Batumarta is an existing settlement area; but since the tripartial policy has not been followed, there is no land available for swakarsa settlers within the settlement. The pilot project must therefore be on newly-designated land outside, but nearby (18,000 ha. are available from land now classified as forest land). Government will leave the choice of cropping patterns to the settlers, who are expected to go for food crops, livestock, and small-scale orchards.

The project will use the "tripartial" policy, i.e. using some 10,000 ha. (55% of the total) for official (registered) swakarsa settlers but reserving migrants (murnis). All classes of settlers would receive 2 ha. of land. The nucleus would come from swakarsa settlers already in Batumarta, i.e. those living on holdings of less than 2 ha. Present residents of Batumarta will be encouraged to urge friends and relatives on Java to come to Batumarta for early re-settlement in Paninjauan. The government would provide free literature to Batumarta residents for sending to friends in Java; the government would do no direct recruitment on Java.

The project would start with establishment of two villages in '85-'86, settling 1,000 families. On the 2 ha. plots, 1.25 ha. would be felled and burned before allocation to families. This work would provide cash income for intending settlers. Plots would be furnished with a one-room house and latrine, with one well for every four houses. The first 1,000 settlers would also be given the standard umum rations for food (12 months of rice plus four months of non-staples); this would be reviewed to see if later settlers could be given less. Settlers would also be given the standard umum issues of seeds, fertilizer, pesticide, and household and farm implements. Total cost per family would be Rp. 2,268,900 (about half the cost for an umum family in 1984); the cost breakdown will be found in Annex I. PR update

Although the project was approved in mid-1984 for implementation in '85-'86, delays in making land available and in doing the necessary survey work had delayed the project so that it could not be included, as originally hoped, in the Bank assisted Trans V project (scheduled for approval in June 1985). It is hoped that the project can be included in ~~Trans VI~~. *one of the next operations.*

settled sites, as well as being open to homesteaders from Java and Bali. Mrs. Harjono has described plans for one of the first such satellite sites, at Paninjauan, near Batumarta in southern Sumatera. A summary of this proposal appears in the box opposite. The Bank ^{will consider} ~~hopes to~~ finance this experiment as soon as the Government completes the necessary preparatory work.

V. BENEFIT PACKAGE

Present Policy

30. The types and amounts of assistance given to official (registered) transmigrants has varied somewhat from time to time and from place to place. These variations have reflected (i) varying Government estimates of what transmigrants needed in order to establish themselves under different conditions and (ii) the availability of funds. For the past few years, the benefit package has been held constant from year to year, has been uniform for all destinations, and has been almost identical for the only two classes of transmigrants who are eligible for assistance (umum and DBB). The current benefit package is summarized in the box opposite. There is no significant difference in the benefits received by umum and DBB settlers. The only apparent difference between these classes is that umum move as a family while DBB often move as head-of-household individuals. Both must go wherever the Government assigns them and at a time when Government is ready to move them. The two other main classes of transmigrants, TBB and unregistered or liar, receive no benefits at all, with one major exception. That exception is the

eligibility of TBB transmigrants for help in finding land after they arrive at their destinations. TBB have no guarantee that they will receive any land; in fact the great majority do not. Even if they do, they get no other assistance. Since there have been many more TBB than DBB transmigrants (and unregistered have been much larger than all official settlers combined), it can be said that the majority of transmigrants have not received any benefits at all. They have had the freedom to go wherever and whenever they chose but they have not received any benefits from Government either before or after arrival at their destination; whatever help they have received has come from relatives or friends - help which has often been given in exchange for labor assistance from newly-arrived transmigrants.

31. Thus today there exist two extreme benefit packages - the maximum package which is given to umum and (with only slight reduction) to DBB migrants, and the "zero package" given to all others. There is no graduated scale of benefits geared to different degrees of difficulty faced by settlers (occasionally emergency assistance is given to umum and DBB settlers when it has become clear that particular sites have not been able to yield the food output which the planners expected). The Ministry of Transmigration has been considering use of graduated assistance packages, however. For example, there seems wide agreement that transmigrants settled on sisipan sites would not need as costly a set of benefits as the pioneers originally settled in the same area - although the amount of benefits they would need would depend more on whether or not they were selected from transmigrants already living nearby or from those coming for the first time from Java or Bali and therefore having no established support-system in the area. Similarly, Mrs. Harjono's proposal for a pilot project at Paninjauan suggests some scaling down of benefits as

one way of reducing program costs; nevertheless, the main source of the 50% savings she foresees for that project, as compared to average costs per umum family, would appear to be savings in preparation and infrastructure costs, not savings in the direct production and subsistence benefits received by settlers.

32. Despite the simplicity of the present assistance packages (i.e. the lack of differentiation by class of transmigrant or site) there has sometimes been friction and misunderstanding among different classes of transmigrants within the same sites. Much the most common source of trouble has occurred when TBB transmigrants have been given land sometime after arrival at a site - and have believed, incorrectly, that they were entitled to the same benefits as DBB or umum settlers. In order to avoid such frictions, Mrs. Harjono has recommended that DBB and TBB transmigrants should be segregated by site, i.e. that certain sites be reserved for one, other sites for the other. Presumably such a rule could be implemented by (i) sending DBB only to those sites reserved for them; and (ii) telling TBB at time of registration that they would only receive assistance in finding land at their destinations if they moved to certain specific sites. (TBB are not now moved at program expenses; they are presently free to go anywhere they choose, whenever they choose).

33. Several observers today feel that the present structure of benefits is too extreme, too crude or too simplistic - consisting of a generous and costly package at the "high" end (with only a minor distinction between umum and DBB) and no benefits (except help in finding land for TBB) for anyone else. Such people point out that the present system is both unfair and un-

necessarily costly - unfair in not giving any benefits to some who should receive them and too costly by giving more benefits to some than they truly need. One solution proposed (again by Mrs. Harjono) is that there should be differential benefit packages for different sites, depending on how much assistance people would need at each site. Mrs. Harjono's suggestion is made, in very summary form, on p. 40 of her 1984 "Key Issues" paper. She does not say how the differential packages would be defined (e.g. by national or local Transmigration authorities, or perhaps with local authorities selecting one scale of benefits from a standard scale of benefits approved at the center); also, she does not discuss whether benefit differences might be geared to the stage at which different transmigrants arrive at a site (the later their arrival, the less assistance they would need - a rule that would clearly not apply to "homesteading" sites, if such were introduced into the program). The amount of assistance could also be lower for swakarsa settlers already living in an area who are assisted in getting land in sisipan or satellite sites nearby.

Cost & each
Three Suggestions

34. The Bank would like to contribute to the current reassessment of assistance levels by making some suggestions for consideration. There are three key points to the Bank's informal suggestions. The first is that land allotments should be considered the key benefit and that many more classes of transmigrants should be considered eligible for land on an automatic basis, just as umum and DBB transmigrants are now entitled to it. Essentially land should be made available to any qualified applicant on the basis of the time when their names are registered in the books at the daerah transmigrasi.

Eligibility should not be defined by registration status at the daerah asal,
as at present. Such a system would put swakarsa migrants on almost the same
basis as fully-sponsored settlers (umum and DBB); the only difference so far
as land eligibility would be that the latter would be guaranteed an allotment
immediately upon arrival, whereas swakarsa transmigrants would have to take
their chance according to their position on the waiting list at the point of
destination (eligibility for an allotment might involve a minimum waiting
period for non-TBB transmigrants, to establish a local "character refer-
ence".) This system would put more pressure on the program to develop land
for settlement more rapidly than is now done - since more transmigrants would
be eligible for allotments and more of the eligibles would come from swakarsa
who had moved into a site in response to the "chain migration" process.
Available allotment would therefore be taken up more rapidly, forcing authori-
ties to accelerate site development both in virgin locations as well as in
locations (e.g. sisipan and satellite sites) that could be easily reached from
already-settled locations. This system would also require a change in the
method by which transmigrants are certified as suitable for land allotments:
at present this certification depends on character and health references
received by people who know them at their daerah asal: by extending land
eligibility to transmigrants who had not gone through the registration process
until arrival at their destinations, a new certification process would be
required. Perhaps it would be sufficient for relatives and friends already
established in the transmigrasi area to provide the necessary references - in
effect, treating swakarsa murni almost as if they were lokal. If this system
were adopted, transmigrants would have much less reason to register in their
daerah asal to secure TBB status, which would no longer give them any

when get
preference?

Assistance Packages: Three Suggested Levels and
Their Application

- I. Minimum or "low" level: for all settlers on sisipan, satellite, and homestead sites standard minimum 2-ha. land allotment. On "homestead" sites (within which sisipan sites would be included) there would be no land clearing by the program. (Infrastructure standards should be varied, with certain infrastructure items - i.e. schools, health clinic, and mosque -- not promised before end of the five-year hand-over time, and construction to involve gotong royong labor contributions) all transmigrants to be eligible for a standard transport subsidy all given allotments to be eligible to borrow from BRI from standard program benefits if they so wish, i.e. allotted land to be mortgageable with BRI from a very early date.
- II. Medium: for swakarsa arrivals in pioneer sites during the last three years before handover of site to Home Affairs. Standard minimum 2-ha. land allotment. House plot and half the production hectareage cleared. Housing by self-construction but using standard materials delivered to key distribution points within the project. Standard transport subsidy. Guaranteed wage employment of 500 hors. p.a. for the first two years after registration in daerah transmigrasi. Half the production-input benefits, and half the consumption/household benefits, given to the maximum-assistance transmigrants.
- III. Maximum or "high" level: for pioneers, defined as umums plus all swakarsas arriving during the first two years after opening of a site. Same as present assistance now given DBB settlers (would mean that umums would no longer have all their allotment cleared but only one-half. Since this is now the only distinction between umums and DBBs, there would no longer be any need to distinguish between the two. All could be designated umums, or perhaps renamed "pioneers" -- a term that would apply to all transmigrants arriving at a site during its first two years of settlement).

Impact on
increases in
initial years

advantage. Program statistics for swakarsa (not umum) could be based on registrations at the daerah transmigrasi: they would be far more complete than the present system.

35. The second principal suggestion is that the concept of "assistance" be revised to separate general preparation and infrastructure (P&I) costs from the cost of benefits that are directly received by individual transmigrant families, e.g. land (with various degrees of clearance); housing or housing materials; production items such as tools, seed, fertilizer, pesticides; and consumption items such as food, household utensils, kerosene. The P&I costs are more properly regarded as national costs of regional development and not as personal benefits from P&I costs would simplify thinking about both programs and their costs and would make it somewhat easier to vary each one without considering it a "trade-off" against the other.

36. The third and final suggestion is that three standard benefit packages be established by central authorities for application in well-defined circumstances. The three suggested assistance levels are summarized in the box opposite, together with the circumstances for their application. These should be regarded as "starting points" for discussion within the Government, since we recognize that there is much room for discussion on how many standard packages should be established, what they should contain, and where they should apply. But some starting point for discussion seems useful in view of the weakness of internal planning within the Ministry, especially within the Swakarsa Directorate.

Summary of Ms. J. Hardjono's Paper, "Key Issues In The
Expansion Of Unassisted Transmigration in Indonesia"
(November, 1984; 49 pp.) 1/

The need for a lower-cost approach to transmigration dates from about 1978. In addition to looking for ways to reduce costs of assisted transmigration, officials have recently begun to realize that unassisted settlers tend to progress faster than the assisted. It is also now widely realized that swakarsa transmigrants almost always move to areas where they have contacts, i.e. that "chain migration" is a key factor.

Land availability, and policies on acquisition, are the most important single issues confronting swakarsa transmigrants. Many swakarsa transmigrants have survived satisfactorily on plots smaller than the standard 2 ha. allotments. Unassisted settlers often secured such holdings through informal negotiations with local authorities, or with umum settlers. The time has come, however, to establish clear policies on land rights.

The term "spontaneous" transmigrants, introduced in 1957, is an inappropriate name for "partly assisted" settlers. In recent years, there have been two classes of swakarsa transmigrants, DBB and TBB ("with" and "without" financial assistance). With all three classes (umums, DBB, and TBB settlers) going to the same areas, there was understandable friction because many swakarsa or spontaneous transmigrants did not understand that they would receive lower benefits than others. The most persistent source of trouble has been the government's inattention to rules for land allocation to non-assisted settlers. The most satisfactory solution would be adoption of a tripartial policy in all settlements. First suggested in the early 'seventies, the tripartial policy would reserve agreed portions of land in all projects for umums, lokals, and swakarsas. Repelita IV endorses this concept; but to date administrators have done nothing to implement the policy.

A Directorate for Swakarsa transmigration was established in 1979, but to date the Directorate has yet to develop a clear statement of its mandate or its policies. Despite its five-year existence, the Directorate "has no program at all for 1984-85".

The government's preoccupation with "targets" focuses attention too rigidly on assisted transmigrants and blinds it to opportunities for making use of natural forces ("chain migration" and "step migration") which hold out the best hope of expanding the program at lower costs. The study recommends separation of umum and partly-assisted settlers in separate projects and the reservation of some land in all projects for completely unassisted transmigrants. The latter should be allowed to arrive in the project without prior registration in Java, apply to the project management for a holding, and stay with relatives until it was allocated (within three months, at most). To speed up this process, the procurement of new locations within reasonable distance of established settlements is a high priority. The involvement of local officials in identifying and securing such land will be essential -- recent decrees now make this possible. The exact "assistance package" to be given in each locality should vary according to local needs.

1/ A paper commissioned by the Ministry of Transmigration.

A "Homesteading" Proposal

Observers of the transmigration program have occasionally suggested that the government introduce a "homesteading" component in the program. Such a proposal would mean the designation of certain areas within which spontaneous transmigrants would be allotted standard two-ha. plots on a "first come, first served" basis. Although there might have to be a minimum "start-up" grant of food and agricultural essentials, costs could be kept significantly lower than those now required by the DBB and TBB programs. The transmigrants would have to do their own land-clearing and house-building. It would be desirable to select homesteading sites near road, rail, or river transport and, in as many cases as possible, near existing settlements that would provide temporary living quarters, some wage-earning opportunities, and psychological support. A start could be made in either sisipan or "satellite" sites (i.e. new locations either inside or just outside the boundaries of existing projects). It should also be possible to experiment with group homesteading where yayasans could provide some leadership, assistance, and mutual support for opening up tracts (the Government might even save money if it subsidized such yayasans, thus relieving the government of posting officials to the site).

There are two main advantages of a homesteading proposal. One is that it promises land for spontaneous migrants as soon as or immediately after they arrive at a destination of their own choice. The other advantage is low cost to the government -- essentially only the costs of site selection, opening up sites with minimal infrastructure, and land registration. For the transmigrants, homesteading would involve more work and greater risks than they might otherwise incur; hence the program might appeal only to the more energetic and self-confident of the transmigrant population. No one can predict what the response would be to offering such a proposal, although there is scattered experience suggesting it would work (i.e., from the Way Sekampung area of Lampung in the 1950's, and recently in the Coastal area of Central Kalimantan. It would probably be wise to start with a few small locations, relatively easily reached by existing transport routes. If the response is strong, the program could then be expanded.

The Role of Non-Governmental Organizations (NGOs)

The Directorate of Swakarsa Transmigrasi does not expect NGOs to become a significant factor in the program, although it has a general policy of wanting to use them. Indeed, in March, 1984, a KEP/MEN (No. 073) was issued providing for their assistance in the program. Shortly thereafter, the Directorate organized a "Forum Komunikasi" or one-day Workshop for NGOs (referred to as yayasans) at which several papers were read, resulting in a thick volume. There are some 18 yayasans on the Directorate's list of potential collaborators, but only a few have engaged in any activities in support of transmigration. It proved difficult to learn what guidance, if any, the Directorate had given to the yayasans at the Semarang workshop. There is no intention of providing any assistance to the NGOs to encourage them to become more active in assisting swakarsa transmigration. It is possible the Directorate may request a few NGOs to undertake pilot projects; but no plan has been prepared and no such projects have yet been identified. So the few instances where NGOs have attempted something have all been on their own initiative and at their own expense. One wonders what might happen if the Ministry adopted a policy of cash grants (perhaps fixed at 30-50% of the cost of the umum program) for any yayasan with an approved settlement program. Government would also have to help in finding suitable land -- although in some cases individual yayasans may be quite capable of finding land on their own (the mission visited one such settlement where this had been done but which was in jeopardy because neither the yayasan nor its settlers had the substantial sum which the local camat or bupati was demanding to transfer title. One would have thought such a transaction might have been eligible for BRI financing.) Without strengthening of the policy-making capacity of the Swakarsa Directorate, there seems little prospect for any significant contribution from the NGOs.

EXPECTED COSTS OF SETTLING PARTIALLY-ASSISTED TRANSMIGRANTS
AT PANINJAUAN (A SWAKARSA DEMONSTRATION PROJECT)
(1984 Rupiah)

	Per Family
<u>A. Survey and planning</u>	
1. Survey	14,000
2. Planning	40,000
3. Measurement of holdings	10,000
<u>B. Project preparation</u>	
4. Land clearing at Rp. 350,000 per ha	437,500
5. Road construction	420,000
6. Village roads between houses	160,000
7. Social/general facilities	70,000
8. House and latrine	400,000
9. Well (1 per 4 families)	50,000
<u>C. Mobilization and settlement</u>	
10. Publicity, postage in Batumarta	15,000
11. Registration in Batumarta + transportation to Peninjauan	5,000
12. Bedding + agricultural equipment	40,000
<u>D. Guidance and development</u>	
13. Food allowance:	
- rice for 12 months	240,000
- other food for 4 months	120,000
14. Education	900
15. Health and family planning	10,000
16. Seed for home-lot	5,000
17. Packet A - seed for food crops	70,000
18. Packet B - fertilizer, etc.	50,000
19. Communal pasture (0.25 ha per family)	104,000
20. Sprayer	7,500
	<u>2,268,900</u>

OFFICE MEMORANDUM

RC - your copy, MW

DATE March 8, 1985

TO See Distribution Below

FROM G.B. Baldwin, AEPDR -169

EXTENSION 72019

SUBJECT INDONESIA: Non-assisted Transmigration (Draft Informal Report)

1. The attached manuscript is the draft report produced as a result of the Davis/Baldwin mission to Indonesia last November/December to look at unassisted ("spontaneous") transmigration. The intent is to make two uses of the report: the first is to give it narrow distribution within the Government, after internal Bank review, as an informal discussion paper (and so labeled); second, to use it as the main input on unassisted transmigration to the larger sector review of the transmigration program to be conducted in FY86.
2. The draft is being circulated now for comments and clearance as an informal report from the Programs, Ag. 4, and RSI staff before distribution to Government. Ms. Davis is in Indonesia and will participate in the RSI review later this month. The two headquarters Divisions are requested to send any comments to Mr. Baldwin by c.o.b., Friday, March 22.
3. Because parts of this draft are expected to be incorporated in the FY86 sector report, we do not plan to issue this document as a formal report that has proceeded through the usual color-coded stages. The substantive review here requested will assure that the informal distribution to Government will not occur without adequate prior internal review and clearance.

Attachment

Distribution:

Messrs./Ms. Yenai, AENVP; Hussain, AEPA4; Hamilton, AEAIN; Rao, RSI

GBBaldwin/jim

THE ROLE OF UNASSISTED MIGRATION
IN REDISTRIBUTING INDONESIA'S POPULATION

(An Informal Discussion Paper)

March 8, 1985

Agriculture 4 Division
Projects Department
East Asia & Pacific Region

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

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Draft: G.B. Baldwin
March 7, 1985

SUMMARY CONCLUSIONS AND RECOMMENDATIONS

i. This informal report on the role of unassisted transmigration within the overall transmigration program was prepared by World Bank staff at the request of the Minister of Transmigration. Its two main purposes are to estimate the size of unassisted transmigration and to suggest ways in which its volume might be increased. The Ministry would like to reduce unit costs of transmigration since the target for Repelita IV has been raised 50% (from 500,000 to 750,000 families) while its budget has been increased by less than 15%. Increasing the proportion of unassisted transmigration is one of three ways unit costs might be reduced. The other two are (a) reduced benefits for assisted transmigrants and (b) improving the statistical system to include the large volume of transmigrants who are not now counted in the official figures.

ii. Estimating the volume of unassisted transmigrants requires adding the number of registered but unassisted families (TBB) and the number of unregistered families. The former group can be directly measured from official statistics. The second group can only be estimated, using indirect evidence. Much the best evidence comes from the 1980 census which, for the first time, contained a question on the "mother tongue" spoken in each household. This shows how many people in each receiving area have a mother tongue from Java or Bali, indicating that the family is, or is descended from, a transmigrant family. The total number of transmigrants can then be compared with the number of officially reported transmigrants (and their descendents) since the program began. The difference between the two figures provides an estimate of unofficial transmigration. This calculation shows that at least

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50% of all transmigrants come from this unofficial group^{1/} - a group that costs the Government nothing. If this group could be brought within the official statistics, unit costs of the program would fall by over 50% and would provide a much more accurate figure of the program costs. Present official figures seriously understate the volume of transmigration that is occurring and overstate unit costs.

iii. Two suggestions are made as to how the unofficial transmigrants might be brought within the official monitoring system. The less important of the two suggestions is that the Government might subsidize the transportation costs of the otherwise unassisted transmigrants (a specific proposal is made, together with an annual cost estimate, which we put at around Rp 25,000,000,000). The much more important suggestion concerns land policy and revised rules for land eligibility. One simple change in the land provision policy is to systematically reserve some land in or near all SKP sites specifically for unassisted transmigrants. Such a change in policy would require changing eligibility on permitting people who have moved on their own initiative to register in the receiving area. Waiting lists could be maintained by officials in the latter areas, with registration made conditional on a minimum residence period to establish a simple character reference in the new community. In addition to greatly improving the statistics on

^{1/} The estimate of unofficial, unrecorded transmigrants rises to 80% if North Sumatera and Lampung are included in the calculation, as they probably should be. The grounds for excluding these two most populous Sumateran provinces are the very early and large Dutch plantation settlement programs there in the 1920s and 1930s long before the official Transmigration Program began in 1950.

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transmigration, these two innovations should also encourage a larger volume of transmigration.

iv. We have two additional suggestions that might improve the costing and setting of settler benefits and encourage a larger volume of movement. At present, the official program offers, in effect, only one level of assistance for "assisted" transmigrants, i.e., regular and partially-assisted (DBB) settlers get almost the same benefits. We suggest the Ministry consider introducing a more differentiated scale of benefits, geared to the level of need of settlers in different circumstances. Three benefit levels are suggested - low, medium, and high (the latter being essentially that received today by regular and partially-assisted (DBB) settlers). The second suggestion for improving the benefit program is to remove the costs of site selection and preparation, and infrastructure construction, from the definition of "assistance." These costs (better regarded as Preparation and Infrastructure, or P&I costs) are too indirect to be properly considered as benefits received by transmigrants. These P&I "benefits", or costs, are the same for all official transmigrants, since they are based on national average costs. It seems more useful and accurate to limit the concept of "benefits" to those things (over and above their land allotment) given directly to settlers to help them get started on their new land.

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

I. BACKGROUND TO THIS REVIEW

Introduction

1. Although the policy of redistributing population from Java and Bali to the outer islands has a long history, and has multiple objectives, it is only during the last 15 years or so that the program has achieved high visibility, and obtained large resource commitments. The World Bank's involvement in the Transmigration (TM) program dates from 1976, when the first Bank loan (Trans I) was approved. Three additional Bank loans have been made, and a fifth has been appraised for expected approval in 1985.

2. Whenever the Bank assists any sector of a country's economy it tries to put its individual lending operations in a wider perspective, one that assesses the economic justification of investments in a sector, satisfying itself that returns to the economy will exceed costs or, if returns cannot be measured, that objectives are being pursued at the lowest reasonable cost, i.e., that the program is "cost-effective". The review of a sector's ends and means - its objectives, and its individual investments and their implementation arrangements - is done through periodic sector reviews, which result in formal reports used for discussion with Governments and for the information of Third Parties who may have an interest in a particular sector. The Bank conducted an initial review of Indonesia's Transmigration program in the mid-1970s, before making its first loan and a second review, on the progress of the program, in 1980, resulting in publication of a two-volume report in April

1981.^{1/} Now that five years have passed, the Bank feels the need for a fresh review; this will be conducted in mid-1985. The Minister of Transmigration, however, requested the Bank to do a preliminary study of one particular aspect of the program before starting the larger review. That aspect is the role of unassisted, or partially assisted, migration in the total program, i.e., what is referred to loosely as swakarsa (literally "at one's own initiative") migration. This paper is our response to that request. It is intended to be used as an informal working paper for discussions with Government a year or more before the 1985 Review will become available; it will also provide the main input to the Review on this aspect of the TM program.

3. The principal significance of swakarsa transmigration is that it offers a large volume of migration at costs far lower than those necessary to move people under the fully-assisted (Umum) program. With new pressure on Government budgets, and much higher re-settlement targets, there is some interest in Government in making greater use of lower-cost approaches to transmigration. As we shall see, there are varying types and costs of swakarsa movement, some of it involving partial Government assistance; so not all such migration is entirely at the expense of the migrants themselves. But the Government has the option of working out different amounts of assistance for different classes of migrants; one objective of this paper is to suggest some refinements that might be introduced (some of them as experiments) to encourage more of the lower-cost types of swakarsa movement. Giving greater emphasis to such types of transmigration would of course reduce average costs

^{1/} Indonesia Transmigration Program Review, April 2, 1981 (Report No. 3170a-IND). Vol. I: Summary of Major Findings and Recommendations, (68 pp.) and Vol. II: Annexes (161 pp.).

of the total program; it could also improve the statistics that measure how much migration is occurring and where it is going. The Minister's call for this review seems timely, since relatively little experimentation has been attempted in recent years, the Ministry itself is newly-established, and the Directorate that oversees the swakarsa program seems open and receptive to outside views and ideas. The Directorate itself is too young, and perhaps inadequately staffed, to have yet engaged in much policy thinking on its program, largely inherited from the days when responsibility for the TM program rested in a Directorate-General within the Ministry of Manpower and Transmigration.

4. In Repelita III the Government surprised the Bank, and perhaps itself, when it moved some 350,000 families (a family averages about 4.2 persons) and identified another 150,000 which had moved spontaneously. The five-year target had been 500,000 families and, although the very large increase reported for the final year of the Plan raises some questions about the figures, there is little doubt that the program moved much larger numbers than had ever been moved previously (83,000 families were moved during Repelita II, itself a much larger number than during any earlier five-year period). The target for Repelita IV has been increased by 50%, to 750,000 families. However, the program budget has been increased by only (10-15)%. This means that unit costs must come down: the numbers just cited imply that the cost per family must fall by about 25%.

Reducing Unit Costs

5. There are three ways by which unit costs might be reduced, all of which might be used:

- i. The benefit package given to umum and partially-assisted transmigrants (who receive almost the same benefits) might be reduced, in effect transferring some costs from the Government to the transmigrants;
- ii. The proportion of official migrants who cost the Government nothing, or much less than umum and partially-assisted migrants, could be increased.
- iii. Unofficial settlers could be brought within the official program.

There is little scope for reducing the unit costs of umum transmigrants; however, there does seem some possibility that partially-assisted migrants, or perhaps some portion of them, might be shifted to a more economical benefit package - see below, para. 34. The third option is the simplest and quickest. There could be an immediate "increase" in the number of low-cost migrants if a way could be found to measure the volume of migrants who now fall completely outside the present data-gathering system. If these people could be brought within the monitoring system, there would be an immediate increase in the reported volume of migration without any change at all in its actual volume. Since there is strong evidence that unrecorded transmigration is larger than that which is officially reported, capture of this unrecorded stream by improvements in the monitoring system would allow Government to claim significantly higher achievements than its present recording procedure

now permits. Indeed, the present recording system tempts officials into making occasional "estimates" that have little relation to actual flows. What we are saying is that program accomplishments can be increased, and unit costs can be reduced, simply by improving the statistical system's ability to record present flows, with little or no change in the program or the benefits it offers. Such a change would not be a "statistical trick"; it would be a much-needed improvement in the monitoring system. Instead of the new figures being suspect, it is the present figures that are suspect: they do not take enough credit for what is happening. We are not sure how the statistical improvement can be achieved: however, we have two suggestions we believe deserve careful consideration. They involve introduction of a new transport subsidy, and/or incentives for registration at daerah transmigrasi, or destination). We should also make clear that we are not interested only in improving the monitoring system; we are even more interested in increasing the actual migrant flow. The key to that, in our view, rests more on changes in land policy than on any other single factor within Government's control. By changes in "land policy" we mean changes in the Government's rules for making land available to partially-assisted and presently unassisted migrants. We believe there is a strong possibility that the introduction of some new, clear guidelines that extended land eligibility to all classes of transmigrants would lead to an increase in swakarsa transmigration, allowing the Ministry to concentrate its budget and its energies on the land problems of those being settled on entirely new sites, i.e., on umum settlers, the true pioneers among the many classes of transmigrants.

Transmigrant Terminology

- I. Umum -- A term introduced in 1952, it refers to officially sponsored transmigrants who get the maximum set of benefits (normally 2 ha. of cleared land, a house and shared well, bedding and necessary cooking equipment, standard agricultural tools, seeds, fertilizer, a 12-month supply of rice and a 4-month supply of a few other foods, free transport to the settlement site, and a school and clinic in the community). Umums have no choice of destination; they may, however, decline an offer if willing to accept the uncertainty about when another offer may be made or where it will be.
- II. Swakarsa Transmigrants -- ("at one's own initiative", i.e., spontaneous or spontan. The term spontan was introduced in 1957 but was later given up in favor of swakarsa. Benefit packages for non-umum transmigrants have varied from time to time and from place to place. Today, the following three types of swakarsa settlers are officially recognized and reported in transmigration statistics:
- i. TBB (= "without official assistance"). These have registered with the program but are not given the benefits umum receive. They are free to go wherever they wish, must pay their own transport, and must support themselves on arrival at their destination (normally by moving in with relatives or friends). However, their registration entitles them to recognition as official transmigrants by program officials at their destination; this recognition consists of help in theory, in finding (usually uncleared) land, the only benefit they receive. The TBB program has been in existence for many years. In Repelita III, TBB swakarsas exceeded DBB swakarsas by more than 4:1.
 - ii. DBB (= "with official assistance"). These have registered at point of origin. They are free to choose their destination but are not given transportation assistance to get there. They are given land (not necessarily the usual 2 ha.) of which 1/4 ha. will be cleared with a house supplied. They also receive food and other benefits similar to the umum package. The DBB program has been in effect only a few years.
 - iii. PIR = these are officially registered transmigrants who elect to move onto one of the government's estates (usually a tree crop estate). Their transport is paid and they are entitled to whatever benefit package is in effect at a particular estate; however, PIR benefits are not grants but loans, all of which must be repaid.

III. Unofficial (i.e., unregistered) transmigrants: Sometimes referred to as "liars" (= wild). These get no assistance of any kind and, because they have not registered at point of origin (which would make them TBB transmigrants), are not entitled to any help from officials at their destinations. This group is believed to account for a large majority of total transmigration, especially in easy-to-reach Sumatera.

The word "spontan" has been used loosely to refer to all transmigrants other than umums. The word murni is also sometimes used: it refers to the TBB, DBB, and PIR transmigrants, i.e. official transmigrants who are free to choose their destinations. Finally, the term transmigran swakarsa famili has recently been introduced; it refers to registered transmigrants who join "free" relatives who moved earlier, thus covering most TBB and DBB transmigrants.

Sometimes these individuals will return to their original area in order to register so they can get land-acquisition help in their destination -- area (such registration would of course make them DBB or TBB settlers).

II. TERMINOLOGY AND CONCEPTS OF THE TRANSMIGRATION PROGRAMWho Are Transmigrants? (Conceptual and Definitional Problems)

6. Indonesia has migrants, transmigrants, and Transmigrants. Migrants are those who move their residence within their island of birth; they are usually, today, rural-urban migrants, part of the substantial stream of urbanization that is occurring both on Java and on the Outer Islands. Transmigrants, whether spelled with a small or capital "t", are migrants who move their residence from one island to another, so that they must cross over the sea. There is still a considerable volume of transmigration (small "t") into Java from the other islands; while this certainly affects the net flow out of Java, such transmigrants are not considered Transmigrants (capital "T"). The latter term is reserved for residents of Java or Bali who migrate to other islands. Since almost all Transmigrants are present or former farmers, their movement represents rural-rural migration. In this paper we are interested only in Transmigrants; for this reason we will not bother to capitalize the word.

7. There are three broad classes of transmigrants to distinguish. These are shown in Table I. A short explanation of these terms is necessary to subsequent discussion.

8. Umum: Regular Transmigrants. These are the fully-supported families who have applied to move under program sponsorship; these are the true pioneers. They may be sent to remote, isolated sites which have been cleared from forest and on which simple houses and water supplies have been constructed. Umum have no choice of location, although they may refuse a

proposal if willing to undergo another wait, often long, for a second opportunity. Umum have never seen the area of destination; there is no one there who might have told them what it is like; there is no guarantee of friends or relatives to give them support. All they have is the Government's promise of 2 ha of land, a house with a water supply, a standard list of household supplies, agricultural implements, seeds and essential inputs, and enough food to live on for 12 months. For the umum, transmigration is a speculative gamble by a husband and wife, driven by the prospect of getting their own land. Despite the risks, the demand for umum space is greater than the supply, i.e., there is a waiting list of people who cannot be moved until the central authorities in the Ministry of Transmigration (MOT), in Jakarta, give the "green light". This English term is in general use among MOT officials in the sending areas of Java and Bali.

9. Swakarsas - Three Types, All of Them Official: Umum have constituted the largest component in the total flow of official transmigrants. Their dominance is expected to continue in Repelita IV, which has targets for 436,350 umum families and 313,650 swakarsa families. All official (= registered) transmigrants other than the fully-sponsored umum are referred to as swakarsa. The various classes of swakarsa transmigrants, and the sometimes shifting and rather loose terminology used for them, are summarized in the box opposite.

10. The Swakarsa Majority - Unregistered, Unofficial, and Uncounted: In addition to the preceding classes, there is a large stream of unofficial migrants who have not chosen to register with the MOT. There is nothing illegal about such migration, but one wonders why they do not register since

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without the official papers which registration gives them they have practically zero chance of ever getting any help from MOT officials at their destination, either when they arrive or in subsequent years. It would thus seem that an intending migrant would have everything to gain and nothing to lose by registering. Some may not understand the advantage which registration might bring in the future. Some may fear they will be discouraged or prevented from going to areas where they have families and/or friends, e.g., Lampung which is now closed to in-migration. Some may not want to go to the inconvenience of securing the four separate pieces of paper that are required,^{2/} i.e., a character reference from the village headman, a separate character reference from the camat, a "clean record" report from the police, and an application form which must be secured by visiting an MOT office, the nearest of which would be in his subdistrict headquarters. Some apparently want to keep away from any formal association with a program which some high Government officials have described as a program "for the poor", which is said to embarrass some. Whatever the mixture of reasons, the volume of unregistered swakarsa is believed to be large. In earlier years, these non-registered migrants were often referred to as liar ("wild") and their unguided movement was discouraged. Today, fortunately, Government officials are taking a more positive attitude towards this group. Note that the only difference between TBB (unassisted but registered) and the unassisted and unregistered migrants is the registration. In all other respects the two groups are assumed to be very similar. Both have enough resources to cover their own

^{2/} A 1973 Presidential Decree (No. 42) requires that transmigrants be citizens, of good character, in good physical condition, know how to work, and be willing to abide by the regulations. "Registration" involves certifying he can meet these tests.

moving expenses. Both can choose to go wherever they want with limits (above). Both tend to move to areas where relatives and friends already exist. And many officials believe that the unassisted migrants contain a higher proportion of self-reliant and self-confident families than those in the assisted category (Umum and DBB).

MIGRATION SEQUENCES

11. The classes of migrants just described suggest the normal sequence of transmigration. The start in any new area is normally made by umum, followed by DBB, then, a few years later, by TBB and non-registered "spontans. Exceptions are sometimes found (e.g. the early Balinese pioneers to central Sulawesi were not umum but unassisted "spontans", with umum settlements coming later.) But the "starter group" for almost all large new settlements today are the umum. After they establish themselves, labor shortages and employment opportunities are created in successful areas and chains of family relationships and friendships pull others from the sending areas into the settlement areas. The strength of this process has been recognized for some time in migration studies; with the opening up of several umum settlements in Sumatera in recent years, and the development of easy bus transport from Bali and Java to Sumatera, the process of "chain migration" to Sumatera appears to be operating strongly. Indeed, the southernmost province of Sumatera (Lampung) has recently been declared "closed" to any further migration (unofficial migration is largely beyond the Government's control, and undoubtedly continues into Lampung).

12. The unassisted migrants become a pool of people in the receiving areas who want land. Some are able to buy it from the pioneers who have been given it and find they do not need their full allotment. Others wait and hope. A major land policy issue is whether to allocate MOT land to such unregistered transmigrants (these are not "lokals" as that term is ordinarily used in Indonesia) ^{3/} or to reserve all such land for new arrivals from Java and Bali. Our strong recommendation is to consider such locally-settled unofficial transmigrants as eligible for land allocations (after registration in the settlement area). This would take advantage of a common finding in migration studies, namely, that the leaders in developing satellite settlements after pioneer settlements have been established are normally people who are already living in the pioneer settlements, not new migrants who come from overpopulated sending areas far away. As noted, new migrants, those who do not yet "know the ropes", tend to move in with relatives and friends in areas that have already been established. Thus if locally-settled migrants are allowed to receive transmigration allotments near their residence,^{4/} the social and economic vacancies created by their movement onto their own land would be filled by the same process of "chain migration" that had originally brought them. The replacement ratio might not be 100% but all evidence suggests it would be high.

^{3/} "Lokal" is used to refer to people who were living in or near a transmigration site before any transmigrants arrived.

^{4/} Under present rules such people can get land only if they return to Java or Bali and go through the registration process, and return to their area as an official TBB or DBB transmigrant.

III. ESTIMATING THE RELATIVE IMPORTANCE OF OFFICIAL
AND NON-OFFICIAL TRANSMIGRATION

13. As noted, the purpose of this study is to estimate the role of unassisted or non-official transmigration in the total program and to suggest ways in which this component might be increased. Under present arrangements, the unassisted transmigrants do not register with the Ministry before they leave their province of origin (daerah asal) and very rarely register when they arrive at their destination (daerah transmigrasi), since there has not, so far, been any advantage for them in doing so. As noted, this class of swakarsa transmigrants falls completely outside the official statistics of transmigration, which includes only those captured by the program's registration procedure.

14. The attempt to estimate the number of unassisted migrants must rely primarily on data from the 1980 census. That census included for the first time a question on the household language of each respondent: if a household's "mother tongue" was a language from another island, then it could be safely concluded that the family had migrated from the island of the "mother tongue". The number of such households can then be compared with the number of official transmigrants to see what proportion of the total is accounted for by the latter group. There are one or two additional census questions that can throw light on the subject, but the language question is the most helpful one.

15. Before turning to the census data it is worth noting that there is another potential source of migration data that does not in fact turn out to be useful. This source is the monthly and quarterly reports which each village head (the *lura* or *kepala desa*) sends forward to the camat and which the latter is supposed to aggregate and send forward to the bupati, and so on up the line to the headquarters of the Ministry of Home Affairs. In theory, each village head (who must maintain a register of village households) is supposed to know of any family that moves out of (or into) the village and would report the number of movers (but not their names) to the camat. A swakarsa liar family (unlike all other classes of transmigrants) has no need of any papers from either the village head or the camat; hence the village head, while knowing that a family has moved, has no formal way of telling where the family has gone, i.e., whether it is a migrant (moving to Jakarta for example) or a transmigrant (moving to another island). In addition, the formal reporting system for monthly and quarterly statistics, even where it is faithfully carried out, more often than not generates large numbers of forms that never get analyzed. In any event, the village statistical system, which one might think could be used to estimate non-official migration, does not in fact provide any basis for such estimates at the present time. Hence the need to rely on the census returns.

16. While the absolute number of migrants and transmigrants is large, they form a small proportion of the total population (in 1980 over 95% of the rural population were living in the province of their birth). The small mobile proportion of the population nevertheless accounts for a large share of the total population of the rapidly-growing areas to which migrants move. A useful benchmark figure is Jakarta itself: in 1980 some 40% of its residents

were either migrants or transmigrants. This figure is almost exactly the same (39%) for the population of Lampung, the southern-most province of Sumatera. In the central Sumateran provinces of Riau and Jambi the migrant percentages in 1980 were 17% and 20%, respectively, while in South and East Kalimantan they were 17% and 31%. In Central Sulawesi the figure was 12%. In all the provinces cited (except Jakarta) the overwhelming proportion of "migrants" would have been "transmigrants" - i.e., there is believed to be little internal migration from one province to another. The figures just quoted (which ranged from 12 to 39%) compare with a national average of 6.8%. Thus the relatively small stream of people who migrate are accounting for a substantial proportion of the total population in certain areas - especially those areas just cited which are known to be target areas for transmigrants.

17. In the effort to redistribute population from Java and Bali to the other Islands, there is one specific flow that dominates all others, the flow from Java to Sumatera. Of all inter-island migration during the seventies, nearly 60% went to Sumatera. More than 80% of all transmigrants leaving Java went to Sumatera; and over 90% of Sumatera's migrants came from Java. While the Java-Sumatera transmigration certainly does not account for the whole transmigration picture, it accounted for about four-fifths of the picture through 1980. When we break up the flows into official and non-official (or recorded and unrecorded) flows, the same basic picture is shown: in the official program, nearly two-thirds of all transmigrants moved to Sumatera in the seventies (209,000 out of 334,000 total). Kalimantan received 17%, Sulawesi 17%, Irian Jaya 2%, and Maluku 1% of the total. During the 1970s, in other words, Sumatera received two official transmigrants for every one who went to any of the other destinations. We do not have any similar statistics

for the non-official transmigrants; but we can be confident that the proportion of such migrants moving to Sumatera, in preference to other destinations, was considerably higher than for official transmigrants due to accessibility and the length of time the movement had persisted. We can also be reasonably certain that the number of non-official transmigrants was larger than assisted migrants. There are two dominant reasons for the larger flow of non-official transmigrants to Sumatera than to any other island. The first is the large number of assisted migrants which the official program has succeeded in settling in Sumatera; the "pulling power" of these large numbers is much stronger than that of the smaller numbers who have been settled on other islands. But equally important is the relative ease and low cost of moving from Java to Sumatera. There has been an "explosion" of bus transportation from Java to Sumatera within the past decade, using the "roll on, roll off" automotive ferries (12 of them, operating 24 hours a day today) that make the 90-minute crossing. The fare from Jakarta to Tanjung Karang (the first large town in South Sumatera) is Rp 4,500 (US\$4.50); to Bengkulu it is Rp 11,575. Travelers can go from Solo or Yogyakarta in mid-Java all the way to East Sumatera to Tanjung Karang for Rp 13,000 (there are two services daily from both cities). From Jakarta, some 27 bus companies operate services to Sumatera, some offering service all the way to Aceh at the island's northwestern tip (fare: Rp 32,725). Train service is also available from Jakarta to Sumatera (the trip is broken by the ferry crossing), but, while the fare is slightly lower than the bus, there are only two train departures per day from the south Sumatera terminal.

**Table 2: MIGRANTS IN THE OUTER ISLANDS AS A RESULT OF SPONSORED
MIGRATION BETWEEN 1950-78 AND ASSOCIATED POPULATION GROWTH**

Province	Individuals moved as sponsored migrants from 1950-78 (1)	Expected population in 1980 census based on spon- sored movement (2)	Number of Javanese, Sundanese, Madurese and Balinese speak- ers enumerated in 1980 census (3)	2 + 3, i.e., % of Javanese, Sundanese, Madurese and Balinese speakers in outer islands as a result of sponsored migration (4)	Total no. of people in each province (5)	2 + 5, i.e., % of people in the pro- vince as a result of sponsored migration (6)	3 + 5, i.e., % of people in province from the inner islands /a (7)
Aceh	7,641	8,694	175,349	5	2,610,528	0	7
North Sumatra	15,699	26,426	1,767,796	1	8,350,950	0	21
Riau	16,560	22,774	189,591	12	3,406,132	1	6
West Sumatra	26,763	38,185	56,106	68	2,163,896	2	3
Jambi	58,340	69,283	255,389	27	1,444,476	5	18
Bengkulu	29,470	36,007	134,932	27	767,988	5	18
South Sumatra	259,292	426,675	635,042	67	4,627,719	9	14
Lampung	220,489	347,958	3,400,807	10	4,624,238	8	74
Subtotal	<u>634,254</u>	<u>976,002</u>	<u>6,615,012</u>	<u>15</u>	<u>27,995,927</u>	<u>3</u>	<u>24</u>
West Kalimantan	31,381	41,832	197,624	21	2,484,901	2	8
Central Kalimantan	12,411	17,737	62,942	28	954,176	2	7
South Kalimantan	46,031	65,735	115,723	57	2,063,227	3	6
East Kalimantan	39,979	57,888	126,219	46	1,214,602	5	10
Subtotal	<u>129,802</u>	<u>183,192</u>	<u>502,508</u>	<u>36</u>	<u>6,716,906</u>	<u>3</u>	<u>7</u>
North Sulawesi	14,697	22,177	31,011	72	2,114,822	1	1
South Sulawesi	38,928	51,360	53,611	96	6,059,564	1	1
Central Sulawesi	50,639	63,104	71,623	88	1,284,528	5	6
Southeast Sulawesi	27,197	34,536	46,025	75	941,454	4	5
Subtotal	<u>131,461</u>	<u>171,177</u>	<u>202,270</u>	<u>85</u>	<u>10,400,368</u>	<u>2</u>	<u>2</u>
East Nusa Tenggara	155	257	3,248	8	2,736,988	0	0
Maluku	4,208	7,109	16,300	44	1,408,451	1	1
Irian Jaya	4,415	6,128	4,432/b	138	1,107,291	1	0
Subtotal	<u>4,363</u>	<u>13,494</u>	<u>23,980</u>	<u>56</u>	<u>5,252,730</u>	<u>0</u>	<u>0</u>
Total	<u>899,880</u>	<u>1,343,865</u>	<u>7,343,770</u>	<u>18</u>	<u>50,365,931</u>	<u>3</u>	<u>15</u>
Excluding North Sumatra and Lampung	663,692	969,481	2,175,167	45	37,390,743	3	6

/a Inner islands language speakers.

/b Error in Irian Jaya figure. Either 1980 census undercounts Javanese or migrants were actually moved after 1980 census was completed.

APPARENT TRANSMIGRATION TO SUMATERA

18. In 1980 the total recorded population of Sumatera was 27,995,927. One in every four of these residents (nearly 7 million people) listed their mother tongue as either Javanese or Sundanese, the two main languages of Java. These 7 million people are far more than can be accounted for by official transmigrants and the children born to them after their move. A few simple numbers are enough to show why this is so. There were 338,000 individual official settlers moved onto Sumatera between 1950-'72. The figure for official settlers between 1970-80 is approximately 800,000. If we make the illustrative assumption of the first group that, say, 200,000 had moved by the mid-point of the 1950-80 period, giving them 15 years of family growth by the time of the 1980 census, then that group would have expanded to 562,000 on the assumption of a 5% growth rate (that implies 50 live births per 1,000 population, with zero infant mortality!) If we make a similar rough calculation for the 800,000 or so official settlers during the decade of the seventies (taking half the total and assuming a five-year population growth at 5% p.a.) then the second group would have grown to approximately 900,000 by the time of the 1980 census. The sum of the pre-1970 and post-1970 official settlers, plus their subsequent children, comes to less than 1.5 million people. But the 1980 census revealed about 7 million people whose mother tongue came from some island other than Sumatera (most of them from Java). These crude, illustrative calculations suggest that about 80% of the Sumatera transmigrants reported in the 1980 census were non-official transmigrants.

19. The preceding rough estimates are confirmed by a more carefully-constructed Bank table using evidence from the 1980 census (Table 2). The

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first four columns are of greatest significance, with column 4 showing the proportion of transmigrants (or their descendents) in each province who can be accounted for by the officially recorded flows between 1950 and 1978. As seen near the bottom, only 18% of total transmigration can be accounted for by the official flows, i.e., over 80% reflects unofficial or unregistered migration. The last line adjusts the figures to reflect the influence of Dutch-sponsored resettlement of Javanese laborers to man Sumateran plantations in North Sumatra and Lampung in the 1920s and 1930s. While those groups were not so large compared to the numbers of official transmigrants settled since the Indonesian program began in 1950, the cumulative pulling-power of "chain migration" has had much longer to operate than in the case of the post-1950 settlers. Eliminating those two provinces from the figures eliminates the influence of five or six decades of chain migration which, as column 3 shows, has been very large. But even when this factor is eliminated, over half of all post-1950 transmigration, to 1980, still originates in unofficial flows.

20. Thus, both informal and census figures show the high leverage, over time, of the official program - especially to destinations that are relatively easy to reach from Java. The challenge to the official program is to invent ways of building "chain migration" into the transmigration program to encourage its more rapid growth and so that the program can justifiably start counting unassisted settlers as officially recognized transmigrants. The single most important step the program could take to strengthen the flow of swakarsa settlers is to make it easier for them to secure land; a secondary benefit that would help some families who have difficulty raising the bus fares for their families would be to introduce a transport subsidy. Operation of a transport subsidy system would also generate much better statistics on

Proposal for a Transport Subsidy for Swakarsa Transmigrants

The Ministry of Transmigration might experiment with a scheme for one or two years to see if it worked satisfactorily. Any system used must be relatively simple and convenient for all parties (i.e. the transmigrants, the transport companies, Ministry officials, and payment authorities). The system must also minimize opportunities for fraud on the part of travelers and cash-handlers.

The best system would be a reimbursement system, i.e. repaying the transmigrant after arrival at his destination. Thus transmigrants would still have to find their fares, but they would know they would recover this cost shortly after arrival. Reimbursement is necessary to provide a means of validating the trip. Validation could not be made on the basis of submitting bus tickets alone to the Transmigration office at the destination, however. The individual presenting such tickets must be able to prove he is a transmigrant and not merely a traveler. The transmigrant must therefore be given some document at the point of origin to certify that he is a transmigrant; this could be the same "green card" which is now given to swakarsa transmigrants who now choose to register before moving. The procedure for distributing such cards must be made simpler than it is now, however -- a swakarsa transmigrant should not have to go to four offices to get such a card (this is what official registration now requires).

The subsidy amount need not be the full amount of the transport cost; it would be wise to require transmigrants to bear a reasonable share of the cost -- say one-third. Also, reimbursement need not be made against actual ticket costs but could be based on a schedule of standard fares between representative locations. In order to prevent Transmigration officials from handling the reimbursement monies at point of destination, their function would be to stamp the "green card" (or associated voucher); the transmigrant would then present the paper to a local office of BRI or any other bank. It is possible local storekeepers or others might develop a discounting mechanism so that transmigrants could receive their money without having to make the trip to a paying bank, leaving this task to the discounting agent.

Cost of the scheme: a rough estimate of the annual cost of such a scheme is Rp. 23,000,000,000. Average cost per family would be on the order of Rp. 40,000; this is 1 percent of the cost of an umum or fully-assisted transmigrant and about 2 percent of the estimated cost of the experimental project at Paninjauan for swakarsa settlers.

Eligibility for the transport subsidy should be limited to families moving from Java or Bali to islands where additional population is wanted. People moving from the other islands to Java or Bali would not be eligible.

At least one local government (DIY) has proposed a transport subsidy scheme to the local Transmigrasi office. However, no details are known -- except that the scheme has not been implemented because of lack of funds.

swakarsa transmigrants than are now available. One suggestion for how a transport subsidy might work is outlined in the box opposite.

IV. LAND AVAILABILITY AND LAND ELIGIBILITY

Availability

21. Indonesia is remarkable for the extreme contrast in population density between the two heavily overpopulated islands of Java and Bali and the relatively empty Other Islands (Sumatera, Kalimantan, Sulawesi, and Irian, Jaya are the largest of what are a large number of eligible settlement islands). While this contrast is the basis for the transmigration program, it is anything but a simple matter to make these lands available for settlement and move people onto them. The country is not yet well mapped; land is not yet well inventoried according to forests, soils, slopes, and occupancy. And the legal system for determining land ownership and transfer is in the relatively early stages of evolution from customary or adat rights to the more formal systems, based on cadastral surveys and land registration, which are everywhere the accompaniment of national and economic development. The transmigration program has required an enormous program of land mapping and evaluation, land alienation, site planning, and land clearing - all preconditions to settlement by transmigrants. All these tasks must be completed before the "green light" can be sent to waiting officials and families in the sending areas.

22. The "empty" land which is the target for settlement by transmigrants is not owned by Government and thus does not provide a large "inventory" from which the Government may make allocations. Most land in the islands other than Sumatera is not owned by anyone, in any modern legal sense. Yet it is rarely if ever completely uninhabited, and before it can be used for transmigrants Government must acquire rights to the land, i.e., it must be "alienated" from its traditional or customary owners. Desired land is not normally purchased and paid for in an ordinary commercial transaction (since no money is paid, the Government is under no great pressure to recover financial costs from transmigrants). The quid pro quo which Government normally offers is the building of roads, schools, and health facilities in the acquired area - facilities which the local people will be entitled to use. Government may also agree to reserve a certain proportion of 2-ha plots for allocation to local people who may want to settle in the new community. Once an agreement has been reached with the lokals' leaders, the land becomes the Government's to allocate on whatever terms it wishes. In practice, the terms have been held virtually constant for the last 35 years: each umum settler is given 2 ha of land of which 1-1.25 ha is cleared and which includes 1/4 ha for a house and house garden. The size of allotment does not imply that the holding must be in a single piece: this will depend on the detailed physical planning that governs the layout of each lokasi or project site.

23. The "standard" size of each site (called an SKP) is an area large enough to accommodate 2,000 families or about 8-10,000 people. This SKP unit is divided into four or five sub-units of 500 or 400 families each (the UPTs). Since each family will have to be given the standard 2 ha allotment, and a certain amount of land will be needed for public purposes, the actual

hectarage in each SKP will depend on topography and other determinants of useable land availability. A number of SKPs may be located adjacent to each other, forming a large integrated project. Whether large or small, each SKP or project site will gradually fill up during the five-year period before the Ministry of Transmigration turns over the administration of the project to the regular provincial administration. The MOT will continue to send official transmigrants to locations that have not been filled up by the time when Home Affairs takes over the responsibility for Government. During this five-year period, and after, many sites will have drawn unregistered transmigrants, most of whom will want to acquire land if they can find a way of doing so.

24. The pace of land alienated for settlement use is driven by the transmigration targets - e.g. the estimated settlement capacity wanted in a particular area over, say, the next five years. Responsibility for going out and acquiring the needed land now rests with the Governors of the settlement provinces, i.e., in the Other Islands. Some Governors may take a strong personal role in the land-acquisition process, others doubtless pass it down to bupatis and camats, who are in a good position to suggest tracts for acquisition within their areas. The size of individual tracts acquired in each province vary greatly, with the minimum determined by the size of the standard settlement project sketched above, a size which suggests a minimum tract of around 5,000 ha. In fact many tracts are much larger and are divided up into separate projects (SKPs) for administrative reasons. The main point to bear in mind is that because the land acquisition process is tied closely to the pace of the transmigration program, the Government does not carry a large inventory of alienated land over and above its foreseeable needs for the official TM settlement program (umum and registered swakarsa) over the next

few years. Thus most Government land is earmarked for use relatively soon after alienation and is not available for people outside official flows. This raises a big problem for those who move outside the official migration streams but who also want to acquire land. These people, we have estimated, are a majority - a large majority - of all transmigrants, and could be more if such land were available.

25. The picture sketched above of a fairly tight gearing between land acquisition and the provincial settlement targets for each Repelita, with consequent low levels of non-earmarked land in inventory, may vary somewhat from province to province and from kabupaten to kabupaten. This means that local officials will have different ability to allocate land-in-inventory to swakarsa migrants. Where there is little or no land in inventory - but still some unalienated land under customary ownership by lokal - Government officials can potentially try to alienate additional tracts.^{5/} In areas where transmigration has been going on for many years, these may be small tracts, suitable for less than the 500 families normally comprising a TM unit (and which become desas after handover to the provincial administration). Such sites may provide good opportunities for sisipan settlement (lit., "fitting in"), a form of land allocation that is particularly suitable for individual or small-group swakarsa migrants.

^{5/} Land does not become available for allotment until it has been surveyed by the D.G. of Agrarian Affairs ("Agraria") in the Ministry of Home Affairs. Agraria thus becomes a key factor in making land available for settlement. Its operations are often criticized for their slowness by other government agencies involved in the Transmigration program.

Eligibility

26. In the past, land made available for transmigration has been given mainly to umum and assisted (DBB) settlers, with a small proportion reserved for lokal who wish to become settlers. No land has systematically been made available for unassisted registered transmigrants (the TBB) nor for the large numbers of unregistered, unassisted transmigrants who have followed along later as the pulls of "chain migration" began to exert their effect. Those who were not formally eligible for land allotment were sometimes able to make informal arrangements either with umum families who were willing to sell part of their allotment (although this was not legal) or with officials who could be persuaded to find them vacant allotments (e.g., land surrendered by original owners who had departed). But the point is that at many sites (especially on Sumatera) the largest stream of transmigrants - mainly those who came after the umum had been settled - were not eligible to receive land. The only approved way they could get any land that might not yet have been allotted was to return to their place of origin and go through the registration procedure, an expensive and inconvenient, procedure whose outcome was often uncertain.

27. A number of proposals have been made to broaden the land eligibility of different classes of transmigrants. Homesteading would provide automatic eligibility on a "first come, first served" basis. The sisipan formula of finding suitable areas too small for establishment of a UPT but capable of taking some smaller number has sometimes provided land to unregistered transmigrants, although there are apparently as many cases where these (infrequent) sites have been reserved for officially assisted settlers. A third approach -

one which has received official endorsement since Repelita I but which has almost never been put into practice - is the tripartial policy. This policy formally earmarks a majority of the land available in new sites for umum but reserves minority shares for both lokal and for registered swakarsa (i.e., TBB and DBB) settlers. Unregistered migrants remain ineligible under the tripartial policy. If allotments were thrown open to unregistered swakarsa already in a transmigration site, this would relieve the internal pressure for land that builds up at sites after their initial settlement by umum. Minimum length-of-residence requirement might be established so that local officials at the receiving end could satisfy the "good character" certifications now made by sending-area officials.

28. Mrs. Harjono, who is one of the best informed observers of the program, has recently emphasized the danger of settling transmigrants with different benefit packages in the same areas. This has often led to friction. Eligibility for land in a given area should be limited to those with entitlement to similar benefits; this suggests that each new site should be designated a TBB or a DBB site, and that unregistered swakarsa migrants, when they become eligible, should be given a benefit package geared to the type of settlement they find themselves in (i.e. either a TBB or a DBB-type site). We see no reason why unregistered late-comers to a site (i.e. non-pioneers) would need as full a benefit package as that given to the pioneers.

29. One innovation which would seem to offer opportunities for low-cost settlement would be the systematic offering of "satellite sites" on a homesteading or minimum support basis. Such sites would be intended to drain off swakarsa residents (both registered and non-registered) from already-

PROPOSAL FOR A PILOT PROJECT AT PENINJAUAN, NEAR BATUMARTA
IN BATURAJA PROVINCE, SOUTH SUMATERA

Objective: to test the thesis that families will move without assistance if guaranteed land in a settlement area and if given a minimum level of government support on arrival. Batumarta is an existing settlement area; but since the tripartial policy has not been followed, there is no land available for swakarsa settlers within the settlement. The pilot project must therefore be on newly-designated land outside, but nearby (18,000 ha. are available from land now classified as forest land). Government will leave the choice of cropping patterns to the settlers, who are expected to go for food crops, livestock, and small-scale orchards.

The project will use the "tripartial" policy, i.e. using some 10,000 ha. (55% of the total) for official (registered) swakarsa settlers but reserving migrants (murnis). All classes of settlers would receive 2 ha. of land. The nucleus would come from swakarsa settlers already in Batumarta, i.e. those living on holdings of less than 2 ha. Present residents of Batumarta will be encouraged to urge friends and relatives on Java to come to Batumarta for early re-settlement in Paninjauan. The government would provide free literature to Batumarta residents for sending to friends in Java; the government would do no direct recruitment on Java.

The project would start with establishment of two villages in '85-'86, settling 1,000 families. On the 2 ha. plots, 1.25 ha. would be felled and burned before allocation to families. This work would provide cash income for intending settlers. Plots would be furnished with a one-room house and latrine, with one well for every four houses. The first 1,000 settlers would also be given the standard umum rations for food (12 months of rice plus four months of non-staples); this would be reviewed to see if later settlers could be given less. Settlers would also be given the standard umum issues of seeds, fertilizer, pesticide, and household and farm implements. Total cost per family would be Rp. 2,268,900 (about half the cost for an umum family in 1984); the cost breakdown will be found in Annex I.

Although the project was approved in mid-1984 for implementation in '85-'86, delays in making land available and in doing the necessary survey work had delayed the project so that it could not be included, as originally hoped, in the Bank assisted Trans V project (scheduled for approval in June 1985). It is hoped that the project can be included in Trans VI.

settled sites, as well as being open to homesteaders from Java and Bali. Mrs. Harjono has described plans for one of the first such satellite sites, at Paninjauan, near Batumarta in southern Sumatera. A summary of this proposal appears in the box opposite. The Bank hopes to finance this experiment as soon as the Government completes the necessary preparatory work.

V. BENEFIT PACKAGE

Present Policy

30. The types and amounts of assistance given to official (registered) transmigrants has varied somewhat from time to time and from place to place. These variations have reflected (i) varying Government estimates of what transmigrants needed in order to establish themselves under different conditions and (ii) the availability of funds. For the past few years, the benefit package has been held constant from year to year, has been uniform for all destinations, and has been almost identical for the only two classes of transmigrants who are eligible for assistance (umum and DBB). The current benefit package is summarized in the box opposite. There is no significant difference in the benefits received by umum and DBB settlers. The only apparent difference between these classes is that umum move as a family while DBB often move as head-of-household individuals. Both must go wherever the Government assigns them and at a time when Government is ready to move them. The two other main classes of transmigrants, TBB and unregistered or liar, receive no benefits at all, with one major exception. That exception is the

eligibility of TBB transmigrants for help in finding land after they arrive at their destinations. TBB have no guarantee that they will receive any land; in fact the great majority do not. Even if they do, they get no other assistance. Since there have been many more TBB than DBB transmigrants (and unregistered have been much larger than all official settlers combined), it can be said that the majority of transmigrants have not received any benefits at all. They have had the freedom to go wherever and whenever they chose but they have not received any benefits from Government either before or after arrival at their destination; whatever help they have received has come from relatives or friends - help which has often been given in exchange for labor assistance from newly-arrived transmigrants.

31. Thus today there exist two extreme benefit packages - the maximum package which is given to umum and (with only slight reduction) to DBB migrants, and the "zero package" given to all others. There is no graduated scale of benefits geared to different degrees of difficulty faced by settlers (occasionally emergency assistance is given to umum and DBB settlers when it has become clear that particular sites have not been able to yield the food output which the planners expected). The Ministry of Transmigration has been considering use of graduated assistance packages, however. For example, there seems wide agreement that transmigrants settled on sisipan sites would not need as costly a set of benefits as the pioneers originally settled in the same area - although the amount of benefits they would need would depend more on whether or not they were selected from transmigrants already living nearby or from those coming for the first time from Java or Bali and therefore having no established support-system in the area. Similarly, Mrs. Harjono's proposal for a pilot project at Paninjauan suggests some scaling down of benefits as

one way of reducing program costs; nevertheless, the main source of the 50% savings she foresees for that project, as compared to average costs per umum family, would appear to be savings in preparation and infrastructure costs, not savings in the direct production and subsistence benefits received by settlers.

32. Despite the simplicity of the present assistance packages (i.e. the lack of differentiation by class of transmigrant or site) there has sometimes been friction and misunderstanding among different classes of transmigrants within the same sites. Much the most common source of trouble has occurred when TBB transmigrants have been given land sometime after arrival at a site - and have believed, incorrectly, that they were entitled to the same benefits as DBB or umum settlers. In order to avoid such frictions, Mrs. Harjono has recommended that DBB and TBB transmigrants should be segregated by site, i.e. that certain sites be reserved for one, other sites for the other. Presumably such a rule could be implemented by (i) sending DBB only to those sites reserved for them; and (ii) telling TBB at time of registration that they would only receive assistance in finding land at their destinations if they moved to certain specific sites. (TBB are not now moved at program expenses; they are presently free to go anywhere they choose, whenever they choose).

33. Several observers today feel that the present structure of benefits is too extreme, too crude or too simplistic - consisting of a generous and costly package at the "high" end (with only a minor distinction between umum and DBB) and no benefits (except help in finding land for TBB) for anyone else. Such people point out that the present system is both unfair and un-

necessarily costly - unfair in not giving any benefits to some who should receive them and too costly by giving more benefits to some than they truly need. One solution proposed (again by Mrs. Harjono) is that there should be differential benefit packages for different sites, depending on how much assistance people would need at each site. Mrs. Harjono's suggestion is made, in very summary form, on p. 40 of her 1984 "Key Issues" paper. She does not say how the differential packages would be defined (e.g. by national or local Transmigration authorities, or perhaps with local authorities selecting one scale of benefits from a standard scale of benefits approved at the center); also, she does not discuss whether benefit differences might be geared to the stage at which different transmigrants arrive at a site (the later their arrival, the less assistance they would need - a rule that would clearly not apply to "homesteading" sites, if such were introduced into the program). The amount of assistance could also be lower for swakarsa settlers already living in an area who are assisted in getting land in sisipan or satellite sites nearby.

Three Suggestions

34. The Bank would like to contribute to the current reassessment of assistance levels by making some suggestions for consideration. There are three key points to the Bank's informal suggestions. The first is that land allotments should be considered the key benefit and that many more classes of transmigrants should be considered eligible for land on an automatic basis, just as umum and DBB transmigrants are now entitled to it. Essentially land should be made available to any qualified applicant on the basis of the time when their names are registered in the books at the daerah transmigrasi.

Eligibility should not be defined by registration status at the daerah asal, as at present. Such a system would put swakarsa migrants on almost the same basis as fully-sponsored settlers (umum and DBB); the only difference so far as land eligibility would be that the latter would be guaranteed an allotment immediately upon arrival, whereas swakarsa transmigrants would have to take their chance according to their position on the waiting list at the point of destination (eligibility for an allotment might involve a minimum waiting period for non-TBB transmigrants, to establish a local "character reference".) This system would put more pressure on the program to develop land for settlement more rapidly than is now done - since more transmigrants would be eligible for allotments and more of the eligibles would come from swakarsa who had moved into a site in response to the "chain migration" process. Available allotment would therefore be taken up more rapidly, forcing authorities to accelerate site development both in virgin locations as well as in locations (e.g. sisipan and satellite sites) that could be easily reached from already-settled locations. This system would also require a change in the method by which transmigrants are certified as suitable for land allotments: at present this certification depends on character and health references received by people who know them at their daerah asal: by extending land eligibility to transmigrants who had not gone through the registration process until arrival at their destinations, a new certification process would be required. Perhaps it would be sufficient for relatives and friends already established in the transmigrasi area to provide the necessary references - in effect, treating swakarsa murni almost as if they were lokal. If this system were adopted, transmigrants would have much less reason to register in their daerah asal to secure TBB status, which would no longer give them any

Assistance Packages: Three Suggested Levels and
Their Application

- I. Minimum or "low" level: for all settlers on sisipan, satellite, and homestead sites standard minimum 2-ha. land allotment. On "homestead" sites (within which sisipan sites would be included) there would be no land clearing by the program. (Infrastructure standards should be varied, with certain infrastructure items - i.e. schools, health clinic, and mosque -- not promised before end of the five-year hand-over time, and construction to involve gotong royong labor contributions) all transmigrants to be eligible for a standard transport subsidy all given allotments to be eligible to borrow from BRI from standard program benefits if they so wish, i.e. allotted land to be mortgageable with BRI from a very early date.
- II. Medium: for swakarsa arrivals in pioneer sites during the last three years before handover of site to Home Affairs. Standard minimum 2-ha. land allotment. House plot and half the production hectareage cleared. Housing by self-construction but using standard materials delivered to key distribution points within the project. Standard transport subsidy. Guaranteed wage employment of 500 hors. p.a. for the first two years after registration in daerah transmigrasi. Half the production-input benefits, and half the consumption/household benefits, given to the maximum-assistance transmigrants.
- III. Maximum or "high" level: for pioneers, defined as umums plus all swakarsas arriving during the first two years after opening of a site. Same as present assistance now given DBB settlers (would mean that umums would no longer have all their allotment cleared but only one-half. Since this is now the only distinction between umums and DBBs, there would no longer be any need to distinguish between the two. All could be designated umums, or perhaps renamed "pioneers" -- a term that would apply to all transmigrants arriving at a site during its first two years of settlement).

advantage. Program statistics for swakarsa (not umum) could be based on registrations at the daerah transmigrasi: they would be far more complete than the present system.

35. The second principal suggestion is that the concept of "assistance" be revised to separate general preparation and infrastructure (P&I) costs from the cost of benefits that are directly received by individual transmigrant families, e.g. land (with various degrees of clearance); housing or housing materials; production items such as tools, seed, fertilizer, pesticides; and consumption items such as food, household utensils, kerosene. The P&I costs are more properly regarded as national costs of regional development and not as personal benefits from P&I costs would simplify thinking about both programs and their costs and would make it somewhat easier to vary each one without considering it a "trade-off" against the other.

36. The third and final suggestion is that three standard benefit packages be established by central authorities for application in well-defined circumstances. The three suggested assistance levels are summarized in the box opposite, together with the circumstances for their application. These should be regarded as "starting points" for discussion within the Government, since we recognize that there is much room for discussion on how many standard packages should be established, what they should contain, and where they should apply. But some starting point for discussion seems useful in view of the weakness of internal planning within the Ministry, especially within the Swakarsa Directorate.

Summary of Ms. J. Hardjono's Paper, "Key Issues In The
Expansion Of Unassisted Transmigration in Indonesia"
(November, 1984; 49 pp.) 1/

The need for a lower-cost approach to transmigration dates from about 1978. In addition to looking for ways to reduce costs of assisted transmigration, officials have recently begun to realize that unassisted settlers tend to progress faster than the assisted. It is also now widely realized that swakarsa transmigrants almost always move to areas where they have contacts, i.e. that "chain migration" is a key factor.

Land availability, and policies on acquisition, are the most important single issues confronting swakarsa transmigrants. Many swakarsa transmigrants have survived satisfactorily on plots smaller than the standard 2 ha. allotments. Unassisted settlers often secured such holdings through informal negotiations with local authorities, or with umum settlers. The time has come, however, to establish clear policies on land rights.

The term "spontaneous" transmigrants, introduced in 1957, is an inappropriate name for "partly assisted" settlers. In recent years, there have been two classes of swakarsa transmigrants, DBB and TBB ("with" and "without" financial assistance). With all three classes (umums, DBB, and TBB settlers) going to the same areas, there was understandable friction because many swakarsa or spontaneous transmigrants did not understand that they would receive lower benefits than others. The most persistent source of trouble has been the government's inattention to rules for land allocation to non-assisted settlers. The most satisfactory solution would be adoption of a tripartial policy in all settlements. First suggested in the early 'seventies, the tripartial policy would reserve agreed portions of land in all projects for umums, lokals, and swakarsas. Repelita IV endorses this concept; but to date administrators have done nothing to implement the policy.

A Directorate for Swakarsa transmigration was established in 1979, but to date the Directorate has yet to develop a clear statement of its mandate or its policies. Despite its five-year existence, the Directorate "has no program at all for 1984-85".

The government's preoccupation with "targets" focuses attention too rigidly on assisted transmigrants and blinds it to opportunities for making use of natural forces ("chain migration" and "step migration") which hold out the best hope of expanding the program at lower costs. The study recommends separation of umum and partly-assisted settlers in separate projects and the reservation of some land in all projects for completely unassisted transmigrants. The latter should be allowed to arrive in the project without prior registration in Java, apply to the project management for a holding, and stay with relatives until it was allocated (within three months, at most). To speed up this process, the procurement of new locations within reasonable distance of established settlements is a high priority. The involvement of local officials in identifying and securing such land will be essential -- recent decrees now make this possible. The exact "assistance package" to be given in each locality should vary according to local needs.

1/ A paper commissioned by the Ministry of Transmigration.

A "Homesteading" Proposal

Observers of the transmigration program have occasionally suggested that the government introduce a "homesteading" component in the program. Such a proposal would mean the designation of certain areas within which spontaneous transmigrants would be allotted standard two-ha. plots on a "first come, first served" basis. Although there might have to be a minimum "start-up" grant of food and agricultural essentials, costs could be kept significantly lower than those now required by the DBB and TBB programs. The transmigrants would have to do their own land-clearing and house-building. It would be desirable to select homesteading sites near road, rail, or river transport and, in as many cases as possible, near existing settlements that would provide temporary living quarters, some wage-earning opportunities, and psychological support. A start could be made in either sisipan or "satellite" sites (i.e. new locations either inside or just outside the boundaries of existing projects). It should also be possible to experiment with group homesteading where yayasans could provide some leadership, assistance, and mutual support for opening up tracts (the Government might even save money if it subsidized such yayasans, thus relieving the government of posting officials to the site).

There are two main advantages of a homesteading proposal. One is that it promises land for spontaneous migrants as soon as or immediately after they arrive at a destination of their own choice. The other advantage is low cost to the government -- essentially only the costs of site selection, opening up sites with minimal infrastructure, and land registration. For the transmigrants, homesteading would involve more work and greater risks than they might otherwise incur; hence the program might appeal only to the more energetic and self-confident of the transmigrant population. No one can predict what the response would be to offering such a proposal, although there is scattered experience suggesting it would work (i.e., from the Way Sekampung area of Lampung in the 1950's, and recently in the Coastal area of Central Kalimantan. It would probably be wise to start with a few small locations, relatively easily reached by existing transport routes. If the response is strong, the program could then be expanded.

The Role of Non-Governmental Organizations (NGOs)

The Directorate of Swakarsa Transmigrasi does not expect NGOs to become a significant factor in the program, although it has a general policy of wanting to use them. Indeed, in March, 1984, a KEP/MEN (No. 073) was issued providing for their assistance in the program. Shortly thereafter, the Directorate organized a "Forum Komunikasi" or one-day Workshop for NGOs (referred to as yayasans) at which several papers were read, resulting in a thick volume. There are some 18 yayasans on the Directorate's list of potential collaborators, but only a few have engaged in any activities in support of transmigration. It proved difficult to learn what guidance, if any, the Directorate had given to the yayasans at the Semarang workshop. There is no intention of providing any assistance to the NGOs to encourage them to become more active in assisting swakarsa transmigration. It is possible the Directorate may request a few NGOs to undertake pilot projects; but no plan has been prepared and no such projects have yet been identified. So the few instances where NGOs have attempted something have all been on their own initiative and at their own expense. One wonders what might happen if the Ministry adopted a policy of cash grants (perhaps fixed at 30-50% of the cost of the umum program) for any yayasan with an approved settlement program. Government would also have to help in finding suitable land -- although in some cases individual yayasans may be quite capable of finding land on their own (the mission visited one such settlement where this had been done but which was in jeopardy because neither the yayasan nor its settlers had the substantial sum which the local camat or bupati was demanding to transfer title. One would have thought such a transaction might have been eligible for BRI financing.) Without strengthening of the policy-making capacity of the Swakarsa Directorate, there seems little prospect for any significant contribution from the NGOs.

EXPECTED COSTS OF SETTLING PARTIALLY-ASSISTED TRANSMIGRANTS
AT PANINJAUAN (A SWAKARSA DEMONSTRATION PROJECT)

(1984 Rupiah)

	Per Family
<u>A. Survey and planning</u>	
1. Survey	14,000
2. Planning	40,000
3. Measurement of holdings	10,000
<u>B. Project preparation</u>	
4. Land clearing at Rp. 350,000 per ha	437,500
5. Road construction	420,000
6. Village roads between houses	160,000
7. Social/general facilities	70,000
8. House and latrine	400,000
9. Well (1 per 4 families)	50,000
<u>C. Mobilization and settlement</u>	
10. Publicity, postage in Batumarta	15,000
11. Registration in Batumarta + transportation to Peninjauan	5,000
12. Bedding + agricultural equipment	40,000
<u>D. Guidance and development</u>	
13. Food allowance:	
- rice for 12 months	240,000
- other food for 4 months	120,000
14. Education	900
15. Health and family planning	10,000
16. Seed for home-lot	5,000
17. Packet A - seed for food crops	70,000
18. Packet B - fertilizer, etc.	50,000
19. Communal pasture (0.25 ha per family)	104,000
20. Sprayer	7,500
	<u>2,268,900</u>

OFFICE MEMORANDUM

DATE April 5, 1985

TO Mr. Jim Baldwin, AEPDR

FROM Michael Walton, AEAIN *MW*

EXTENSION 74557

SUBJECT INDONESIA: Draft Report on Non-assisted Transmigration

Overall we are in broad agreement with this report. In particular we feel comfortable with the three main areas of policy recommendation: that land policy needs to be changed so as facilitate allocations to all swakarsa (spontaneous) transmigrants; that there is a case for an intermediate level of benefits, with cutoffs between benefit levels clearly defined by the age of the site; and that a transport subsidy should be introduced on an experimental basis.

The following are some specific comments.

- (1) Despite the disclaimer on p.5, the presentation of improved statistics as a means of reducing unit costs is very odd - it does look like numbers-fiddling. However, we agree with the substance of the recommendation that there should be an effort to cover all transmigration in the statistics.
- (2) There appears to be a weakness in micro evidence on the process of non-assisted transmigration; if this is so, there is a strong case for introducing broader monitoring mechanisms into transmigration settlements.
- (3) It is not clear from the figures that the rate (as opposed to the cumulative effect) of unrecorded transmigration exceeds the rate of reported migration (p.4 and many other places). The data in Table 2 (p. 14A) shows the cumulative effect of non-assisted transmigration exceeded sponsored movement up to 1980, but our impression is that the share of sponsored in total movement in the 1970s, and even more so in the early 1980s, was much larger than this. This is important to an overall assessment of the role of the sponsored program. The relationship between sponsored movement, language spoken in the home, and recorded migration flows in the 1980 census (both lifetime and between 1971 and 1980) should be discussed.
- (4) The specific examples on the effects of transmigration on population growth on p.15 are useful to the reader, but the demographic assumptions and results should be consistent with the analysis underlying Table 2.

#14 enough?

why? only illustrative

- (5) There should be some discussion on the uncertainty over the pace of future non-assisted transmigration to the more distant and possibly less attractive sites in Kalimantan in Irian Jaya. The case for a transport subsidy experiment may apply with greater force in these cases, but it would be essential that it be linked to adequate provision of land and agricultural infrastructure in the receiving areas.

cc: Messrs. Yenai (AENVP), Rao (RSI), Hussain (AEPA4), Baird,
Calderisi (AEAIN),
Mss. Hamilton, Choksi (AEAIN), Davis (AEPA4)

MWalton:hea(117)

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OFFICIAL DEPT DIV
ABBREVIATION

AEAIN

MESSAGE NUMBER

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(FOR CASHIER'S USE ONLY)

START
HERE

ADDRESSED HIS EXCELLENCY RADIUS PRAWIRO, COPIES TO MESSRS.
SOEGITO SASTROMIDJOJO, MINISTRY OF FINANCE; MUCHTARUDIN SIREGAR,
BAPPENAS; SULAEMAN SUMARDI, BAPPENAS; WARDIMAN DJOJONEGORO, BPPT;
AND RAO, ZENICK AND ROOSKANDAR, INTBAFRAD.

RE. SCIENCE AND TECHNOLOGY TRAINING PROJECT.

EYE AM PLEASED TO INVITE THE GOVERNMENT OF INDONESIA TO PARTICI-
PATE IN NEGOTIATIONS IN WASHINGTON, BEGINNING APRIL 29, 1985, OF
THE PROPOSED SCIENCE AND TECHNOLOGY TRAINING PROJECT. COPIES OF
THE DRAFT APPRAISAL REPORT AND THE DRAFT LOAN AGREEMENT HAVE BEEN
PROVIDED TO YOU BY MR. ZENICK OF OUR JAKARTA OFFICE.

(AAA) THE PROPOSED LOAN AMOUNT, WHICH WAS PREVIOUSLY ESTIMATED
AT USDOLLARS 97.5 MILLION, HAS BEEN REDUCED TO USDOLLARS 93.0
MILLION AS A RESULT OF UPDATED EXCHANGE RATE AND PRICE
CONTINGENCY ASSUMPTIONS.

(BBB) IN ADDITION TO CONFIRMING OUR AGREEMENT ON THE OBJECTIVES
AND ACTIVITIES TO BE SUPPORTED UNDER THE PROJECT, WE SHALL BE
SEEKING AGREEMENT DURING NEGOTIATIONS THAT THE GOVERNMENT WOULD:

(I) SELECT CANDIDATES FOR THE OVERSEAS FELLOWSHIP PROGRAM IN
ACCORDANCE WITH SATISFACTORY CRITERIA AND PROCEDURES;

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INFORMATION BELOW NOT TO BE TRANSMITTED

CLASS OF SERVICE TELEX

BOOK OF THREE

DATE 4/22/85

SUBJECT Science and Technology Training

DRAFTED BY
RCalderisi:hea

EXTENSION
72509

CLEARANCES AND COPY DISTRIBUTION.

c/w & cc: Ms. Li (AEPED)
Messrs. Fisher (AEPTA), Mead (LEG)
Quintos (LOA)

AUTHORIZED BY (Name and Signature)
Gautam S. Kail Director
DEPARTMENT AEA

cc: Messrs. Davar, Burmester, Maas
Mss. Hamilton, Egan, Div. BB

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(II) PREPARE EACH YEAR, BEGINNING JANUARY 1, 1986, AND
FURNISH TO THE BANK FOR REVIEW AND COMMENT, A DETAILED
FELLOWSHIP PROGRAM FOR THE FOLLOWING FISCAL YEAR;
(III) FURNISH TO THE BANK BY JULY 1, 1987, DETAILS OF A
REINTEGRATION PROGRAM FOR RETURNING GRADUATES; AND
ESTABLISH A SATISFACTORY MONITORING AND EVALUATION
SYSTEM FOR THE ENTIRE PROGRAM BY DECEMBER 31, 1985. (IN
THIS CONNECTION, WE WOULD NOW ALSO SUGGEST THAT THE MID-
TERM EVALUATION FORESEEN FOR THE PROGRAM BE COMPLETED BY
DECEMBER 31, 1987. SUPPLEMENTARY LANGUAGE FOR THE DRAFT
LOAN AGREEMENT TO THIS EFFECT WILL BE TABLED AT THE
START OF NEGOTIATIONS.)

(CCC) DURING NEGOTIATIONS, WE WOULD ALSO EXPECT TO REVIEW WITH
YOU THE STATUS OF THE FIRST YEAR FELLOWSHIP PROGRAM, CONTRACTUAL
ARRANGEMENTS FOR EEOS AND CONSULTANTS, THE ELIGIBILITY OF NON-
CIVIL SERVICE CANDIDATES, PLANS FOR ESTABLISHING A MONITORING
SYSTEM, AND OTHER MATTERS.

(DDD) THE BANK NEGOTIATING TEAM WILL CONSIST OF MESSRS. ROBERT
CALDERISI (SENIOR LOAN OFFICER), MS. VERONICA LI (APPRAISAL TEAM
LEADER), BENJAMIN FISHER (SENIOR PLANNING ADVISORY OFFICER),

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DAVID MEAD (SENIOR COUNSEL), AND MIGUEL QUINTOS (DISBURSEMENT
OFFICER).
(EEE) WE WOULD BE GRATEFUL IF YOU WOULD ADVISE US WHETHER THE
ABOVE ARRANGEMENTS ARE CONVENIENT TO YOU AND WHO YOU EXPECT TO
REPRESENT THE GOVERNMENT IN NEGOTIATIONS. AS THIS WOULD BE THE
FIRST BANK PROJECT UNDER THE RESPONSIBILITY OF THE MINISTRY OF
STATE FOR RESEARCH AND TECHNOLOGY, WE BELIEVE THAT IT WOULD BE
DESIRABLE TO INCLUDE IN THE GOVERNMENT DELEGATION AN APPROPRIATE
INDIVIDUAL WHO WILL BE RESPONSIBLE FOR FINANCIAL ARRANGEMENTS
WITHIN THE OFPIU AND WHO WOULD BE ABLE TO REVIEW LOAN WITHDRAWAL
PROCEDURES AND FINANCIAL REPORTING PROCEDURES WITH BANK STAFF FOR
TWO TO THREE DAYS FOLLOWING NEGOTIATIONS.
(FFF) WE LOOK FORWARD TO HAVING VERY FRUITFUL DISCUSSIONS.
REGARDS, GAUTAM S. KAJI, DIRECTOR, COUNTRY PROGRAMS DEPARTMENT,
EAST ASIA AND PACIFIC REGIONAL OFFICE, INTBAFRAD.

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BOOK OF SIX

1. HIS EXCELLENCY RADIUS PRAWIRO
MINISTER OF FINANCE
MINISTRY OF FINANCE
JAKARTA, INDONESIA TELEX 46415
2. MR. SOEGITO SASTROMIDJOJO
DIRECTOR GENERAL FOR INTERNATIONAL
MONETARY AFFAIRS
MINISTRY OF FINANCE
JAKARTA, INDONESIA TELEX 45799
3. MR. MUCHTARUDIN SIREGAR
DEPUTY CHAIRMAN OF ECONOMIC AFFAIRS
(BAPPENAS)
JAKARTA, INDONESIA TELEX 46233
4. MR. SULAEMAN SUMARDI
NATIONAL DEVELOPMENT PLANNING AGENCY
(BAPPENAS)
JAKARTA, INDONESIA TELEX 46233
5. MR. WARDIMAN DJOJONEGORO
BPPT
JAKARTA, INDONESIA TELEX 45321
6. INTBAFRAD
JAKARTA, INDONESIA
RAO, ZENICK AND ROOSKANDAR TELEX 44456

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SAMPLE

ADDRESSED TO HIS EXCELLENCY RADIUS PRAWIRO, MINISTER OF FINANCE; INFORMATION COPIES TO MESSRS. SOEGITO SASTROMIDJOJO, MINISTRY OF FINANCE; MUCHTARUDIN SIREGAR, BAPPENAS; SYARIFFUDIN BAHARSYAH, SECRETARY GENERAL, MINISTRY OF AGRICULTURE; SALMON PADMANEGARA, DIRECTOR GENERAL, AAETE, SUHAEDI WIRATMADJA, DIRECTOR GENERAL, DGFC, RACHMAT SOEBIAPRADJA, DIRECTOR GENERAL, DGE, DAMAN DANUWIDJAJA, DIRECTOR GENERAL, DGLS; , ABDURACHMAN, DIRECTOR GENERAL, DGF, DUDUNG MADJID, SECRETARY, BIMAS, MINISTRY OF AGRICULTURE; AND INTBAFRAD FOR MESSRS. ZENICK AND PRICE.

RE. THIRD NATIONAL AGRICULTURAL EXTENSION PROJECT (NAEP III). AT GOVERNMENT'S REQUEST THE BANK CONFIRMS THAT NEGOTIATIONS FOR THE PROPOSED THIRD NATIONAL AGRICULTURAL EXTENSION PROJECT CAN START IN WASHINGTON ON MAY 5, 1986. SINCE CHANGES HAVE BEEN MADE IN THE PROJECT IT WOULD BE DESIRABLE TO INCLUDE STAFF ON THE NEGOTIATING TEAM WHO ARE FAMILIAR WITH THE TECHNICAL DETAILS OF THE PROJECT AND AUTHORIZED TO MAKE NECESSARY CHANGES. AT NEGOTIATIONS WE WILL NEED TO DISCUSS AND AGREE ON: (1) THE SCOPE OF THE PROPOSED PROJECT AND THE IMPLICATIONS FOR INCREMENTAL STAFF AND RECURRENT COSTS; (2) THE LOCATION OF PROPOSED RECS AND AHPS; (3) COORDINATING MECHANISMS AT THE NATIONAL, PROVINCIAL AND DISTRICT LEVELS; (4) PROVISIONS FOR ADEQUATE TECHNICAL ASSISTANCE. IT WOULD BE HELPFUL IF THE FOLLOWING MATERIALS COULD BE SENT TO US IN ADVANCE OR BROUGHT TO NEGOTIATIONS: (1) A LIST OF THE PROPOSED FACILITIES AND MAPS OF THEIR LOCATION; (2) DIAGRAMS OF PROPOSED ORGANIZATION ARRANGEMENTS; AND (3) A VEHICLE PROCUREMENT SCHEDULE AGREED BY BAPPENAS AND MINFIN. FINALLY, WE HAVE RESERVATIONS ABOUT INCLUDING AN AGRO-INDUSTRIES TRAINING

CENTER IN THE PROJECT AT THIS LATE STAGE. IF SUCH A FACILITY IS TO BE PROPOSED WE WOULD NEED FULL JUSTIFICATION AND COSTS, AND A CLEAR INDICATION OF ITS ACCEPTABILITY TO BAPPENAS. IN LIGHT OF THE DELAYS IN NEGOTIATION FOR THIS PROJECT, I WOULD APPRECIATE, AT YOUR EARLIEST CONVENIENCE, CONFIRMATION OF GOVERNMENT'S INTENTION TO NEGOTIATE THIS PROJECT AND THE COMPOSITION OF THE NEGOTIATING TEAM. REGARDS, ANN O. HAMILTON, CHIEF, INDONESIA DIVISION, COUNTRY PROGRAMS DEPARTMENT, EAST ASIA AND PACIFIC REGIONAL OFFICE, INTBAFRAD.

BOOK OF SIX

1. HIS EXCELLENCY RADIUS PRAWIRO
MINISTRY OF FINANCE
JAKARTA, INDONESIA
TELEX 46415
2. MR. SOEGITO SASTROMIDJOJO
MINISTRY OF FINANCE
JAKARTA, INDONESIA
TELEX 45799
3. DRS. MUCHTARUDIN SIREGAR
BAPPENAS
JAKARTA, INDONESIA
TELEX 61623
4. MR. SYARIFFUDIN BAHARSYAH
SECRETARY GENERAL
MINISTRY OF AGRICULTURE
JAKARTA, INDONESIA
TELEX 44246
5. MR. SALMON PADMANEGARA
DIRECTOR GENERAL, AAETE,
MR. SUHAEDI WIRATMADJA
DIRECTOR GENERAL, DGFC, A,
MR. RACHMAT SOEBIAPRADJA
DIRECTOR GENERAL, DGE,
MR. DAMAN DANUWIDJAJA
DIRECTOR GENERAL, LIVESTOCK,
MR. ABDURACHMAN
DIRECTOR GENERAL, FISHERIES,
MR. DUDUNG MADJID
SECRETARY, BIMAS,
MINISTRY OF AGRICULTURE
JAKARTA, INDONESIA
TELEX 44246
6. INTBAFRAD
JAKARTA, INDONESIA
FOR MESSRS. ZENICK AND PRICE
TELEX 44456

SAMPLE

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ADDRESSED TO HIS EXCELLENCY RADIUS PRAWIRO, MINISTER OF FINANCE;
INFORMATION COPIES TO MESSRS. SOEGITO SASTROMIDJOJO, MINISTRY OF
FINANCE; SAYUTI HASIBUAN, BAPPENAS; HUMALA TAMBUNAN, MINISTRY OF
MANPOWER; AND INTBAFRAD FOR MESSRS. RAO AND ZENICK.

RE. MANPOWER DEVELOPMENT AND TRAINING PROJECT.

EYE AM PLEASED TO INVITE THE GOVERNMENT OF INDONESIA TO
PARTICIPATE IN NEGOTIATIONS IN WASHINGTON OF AN IBRD LOAN OF US
DOLLARS FIFTY-FOUR (54.0) MILLION EQUIVALENT FOR THE PROPOSED
MANPOWER DEVELOPMENT TRAINING PROJECT. NEGOTIATIONS ARE
TENTATIVELY SCHEDULED TO COMMENCE JANUARY TWENTY-SEVENTH. WE
WOULD PROPOSE TO HAVE TECHNICAL DISCUSSIONS FOR TWO DAYS
COMMENCING JANUARY TWENTY-THIRD.

(AAA) BEFORE LOAN NEGOTIATIONS WE WOULD APPRECIATE RECEIVING
CONFIRMATION THAT: (I) THE NECESSARY LEGAL STEPS HAVE BEEN TAKEN
TO ESTABLISH THE PROJECT MANAGEMENT OFFICE BY APRIL 1, 1986;
(II) THE PROJECT DIRECTOR AND PROJECT MANAGER HAVE BEEN SELECTED;
(III) THE PROPOSED 1986/87 BUDGET ALLOCATION PROVIDES FOR ALREADY
AGREED PROJECT ACTIVITIES FOR THE FIRST YEAR; (IV) CLEARANCE BY
ALL CONCERNED AGENCIES OF SCHEDULES AND TERMS OF REFERENCE FOR
TRAINING AND CONSULTANTS' SERVICES; (V) IDENTIFICATION OF KEY

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BOOK OF FIVE

1/15/86

Manpower Deveopment & Training

EEabson:ca

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c/w & cc: Messrs. Hunting (AEPED),
Mead (LEG), Quintos (LOA)

Bradley O. Babson, Acting Chief,

cc: Ms. Egan (AEAIN)(o/r)

AEAIN

Div. BB

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PROJECT STAFF AND COMPOSITION OF COUNTERPART TEAMS TO WORK FULL-TIME WITH CONSULTANTS; (VI) FIRST YEAR FELLOWSHIPS HAVE BEEN IDENTIFIED AND ARRANGEMENTS FINALIZED FOR LANGUAGE TRAINING AND PLACEMENTS; AND (VII) THE GOVERNMENT INTENDS TO FUND THE PROGRAM OF EXPANSION FOR THE UNDP/ILO EAST JAVA PROJECT.

(BBB) IN ADDITION TO CONFIRMING OUR AGREEMENT ON THE OBJECTIVES AND ACTIVITIES TO BE SUPPORTED UNDER THE PROJECT, WE WOULD LIKE TO DISCUSS DURING NEGOTIATIONS THE FOLLOWING SUBJECTS:

(I) IMPLEMENTATION SCHEDULE; (II) ANNUAL REVIEW OF PLANS FOR INSTITUTIONAL AND STAFF DEVELOPMENT PROGRAMS; (III) PROJECT STAFFING AND ORGANIZATIONAL ARRANGEMENTS; (IV) STATUS OF TRAINING ACT; (V) COST RECOVERY; AND (VI) RECURRENT COST FUNDING.

(CCC) APPOINTMENT OF KEY STAFF IN THE PROJECT MANAGEMENT OFFICE AND ESTABLISHMENT OF A STEERING COMMITTEE AND TECHNICAL COMMITTEE WOULD BE CONDITIONS OF EFFECTIVENESS OF THE PROPOSED LOAN. THE BANK NEGOTIATING TEAM WILL CONSIST OF MESSRS. GORDON HUNTING, APPRAISAL TEAM LEADER, BRADLEY BABSON (SENIOR LOAN OFFICER), DAVID MEAD (SENIOR COUNSEL) AND MIGUEL QUINTOS (DISBURSEMENT OFFICER). WE WOULD BE GRATEFUL IF YOU WOULD ADVISE US WHO YOU EXPECT TO REPRESENT THE GOVERNMENT IN NEGOTIATIONS AND WHETHER

TELEX

BOOK OF FIVE

1/15/86

Manpower Dev. & Trg. Project

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THE PROPOSED TIMING IS ACCEPTABLE. REGARDS, ANN O. HAMILTON,
CHIEF, INDONESIA DIVISION, COUNTRY PROGRAMS DEPARTMENT, EAST ASIA
AND PACIFIC REGIONAL OFFICE, INTBAFRAD.

TELEX

BOOK OF FIVE

1/15/86

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BOOK OF FIVE

1. HIS EXCELLENCY RADIUS PRAWIRO
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TELEX 45799
3. DR. SAYUTI HASIBUAN
BAPPENAS
JAKARTA, INDONESIA
TELEX 61623
4. MR. HUMALA TAMBUNAN
MINISTRY OF MANPOWER
JAKARTA, INDONESIA
TELEX
5. INTBAFRAD
JAKARTA, INDONESIA
FOR MESSRS. RAO, ZENICK AND FORD
TELEX 44456

TELEX

BOOK OF FIVE

1/15/86

Manpower Dev. & Trg. Project

BBabson:hea

AEAIN

DARI M. Sri Carolus Sutrisnati



STOFMAT FOLIO

POLA - POLA
PENEMPATAN TRANSMIGRAN APPDT
MENUJU DESA PANCASILA

[Handwritten signature]
23-10-85

Disusun oleh :

SULASMAN

Staf Ditjen Pengerahan dan Pembinaan
Jakarta

Tulisan ini sengaja saya sajikan dengan harapan dapat menjadi contoh untuk lokasi-lokasi penempatan transmigrasi yang belum berhasil dalam menempatkan transmigran APPDT berbaur dengan transmigran umum lainnya. Sehingga salah satu sasaran transmigrasi yakni tercapainya kesatuan dan persatuan bangsa lebih nyata terwujud.

Tulisan ini adalah hasil TUGAS saya pada bulan September 1985 dalam rangka monitoring dan penilaian proyek di Kabupaten Manokwari, Propinsi Irian Jaya : Saya sampaikan ucapan terima kasih kepada Bapak Kakandep Transmigrasi Tingkat II Manokwari beserta stafnya, serta para Kepala UPT yang telah banyak andilnya di dalam mencoba dan menerapkan pola-pola penempatan transmigran APPDT dengan transmigran umum lainnya, sehingga mencapai hasil yang diinginkan yaitu terlaksananya pembauran secara menyeluruh antara pendatang dengan putera-putera Irian Jaya khususnya di Kabupaten Manokwari.

Pola penempatan APPDT untuk Kabupaten Manokwari telah dirintis di Kecamatan Warmare Desa Dendy sejumlah 97 KK, sedang dari Transmigran Umum sejumlah 30 KK asal Wonosari Desa Karang Rejek, maupun di lokasi-lokasi lain di Kabupaten Manokwari.

Sistem yang diterapkan di lokasi ini ada beberapa cara yang digunakan antara lain :

1.

1. Sistem mengelompok : Sistem ini menempatkan transmigran APPDT dikelompokkan menjadi satu.
2. Sistem selang-seling
3. Sistem memanjang dalam satu jalur.

Dari sistem-sistem penempatan transmigran APPDT tersebut berdasarkan hasil evaluasi dan pengamatan langsung adalah sebagai berikut :

1. Sistem mengelompok

Dengan sistem ini diambil kesimpulan tidak berhasil, hal ini disebabkan : Hubungan transmigran APPDT dengan transmigran pendatang tidak dapat akrab dan akan terjadi pengelompokan-pengelompokan antar mereka.

2. Sistem Selang Seling

Dengan sistem ini hubungan antar mereka dapat berlangsung, tetapi transmigran APPDT merasa minder, karena melihat langsung pekerjaan dari transmigran pendatang lebih baik dan lebih bersih, sedangkan transmigran APPDT belum memikirkan untuk meniru keadaan pekerjaan dari pendatang. Secara tidak langsung transmigran APPDT masih dalam taraf penyesuaian, tapi agak malu/takut untuk menanyakan kepada pendatang. Berdasarkan pengamatan, sistem/pola penempatan ini dinilai kurang berhasil.

3. Sistem memanjang dalam satu jalur

Dengan sistem ini transmigran APPDT menganggap bahwa Kepala Suku karena pengaruhnya masih kuat dinilai oleh mereka andaikata diperintah oleh pendatang secara langsung tidak mau, tetapi kalau melalui Kepala Suku, mereka mau melaksanakan.

Jadi

Jadi dengan Kepala Suku melihat langsung cara-cara Saudara Saudara pendatang baru dalam menerapkan cara bercocok tanam, memperindah pekarangan dan lain sebagainya secara tidak langsung Kepala Suku ikut-ikutan menerapkan cara-cara bercocok tanam tersebut untuk selanjutnya warga APPDT mengikutinya.

Disamping itu dengan pola ini keakraban/pergaulan antar mereka sehari-hari lebih intim dengan sering mengadakan pertemuan baik dalam gotong royong mengerjakan ladang. Dengan akrabnya pergaulan antar mereka berpengaruh langsung terhadap putera-puteri mereka mau menggunakan bahasa pendatang, maupun sebaliknya.

Dengan sistem ini dinilai paling berhasil baik, sehingga lokasi-lokasi lainnya meniru pola/sistem ini. Meskipun hal ini dituntut partisipasi aktif Kepala UPT dan stafnya, dalam membina Unit Pemukiman tersebut.

Penilaian dan pengamatan petugas dengan sistem ini dikatakan berhasil antara lain :

1. Cara-cara bertani mudah diserap bagi transmigran APPDT.
2. Cara kerja gotong royong yang hasilnya nyata dapat dinikmati, sehingga mereka ikut terlibat di dalamnya.
3. Putera-puteri antar mereka sering berkumpul baik di sekolah maupun di tempat-tempat bermain.
4. Penggunaan bahasa mereka saling mengenal dan mencoba mengucap/mempraktekkan.
5. Kebiasaan lama transmigran APPDT yaitu membuat rumah dengan menggunakan kulit sebagai dinding, dengan melihat transmigran pendatang mereka dapat berlatih menggunakan gergaji, untuk membuat papan kayu sebagai dinding rumah.

6.

6. Dengan melihat kebiasaan pendatang, transmigran APPDT dapat menumbuk padi dan makan nasi, yang tadinya makanan pokok adalah hasil kebun yaitu pisang, keladi dan ubi kayu, ubi jalar. Bagi ibu-ibu APPDT dapat menampi beras.
7. Kebiasaan mereka beternak babi dengan adanya pendatang baru mereka menerapkan beternak kambing dan sapi.
8. Transmigran APPDT telah banyak yang telah membeli sepeda dan menaikinya untuk mengangkut hasil tanaman.
9. Telah berlangsung pembauran dengan perkawinan antara sesama mereka meliputi :
 - UPT Warmare = 2 KK
 - UPT Prafi A1 = 3 KK
 - UPT Prafi A2 = 3 KK
 - UPT Prafi A3 = 5 KK
 - UPT Prafi A4 = 11 KK
10. Pendidikan transmigran APPDT mengikuti jejak pendatang dengan menyekolahkan anak-anak mereka.
11. Dalam bidang kesehatan mereka kalau sakit sudah berobat ke Mantri Kesehatan di Balai Pengobatan, juga transmigran APPDT ikut mensukseskan Program Keluarga Berencana dengan banyak menggunakan alat suntikan.
12. Kegotong-royongan antar mereka terjalin baik, yaitu gotong royong di mesjid maupun di gereja saling bantu membantu.
13. Kesenian transmigran APPDT sudah banyak belajar kesenian kuda lumping dan orkes dangdut.
14. Olah raga telah menyatu antar mereka yaitu bola kaki dan volley ball.

Dari

Dari hasil tulisan tersebut saya mencoba mengambil kesimpulan bahwa pola/sistem penempatan memanjang dalam satu jalur adalah paling berhasil, meskipun dituntut partisipasi aktif Kepala UPT dan stafnya dalam membina unit pemukimannya, sehingga terwujud sebagai desa Pancasila.

Dengan demikian andaikata pola ini dapat diterapkan pada unit unit pemukiman lainnya, rasa kesatuan dan persatuan bangsa Indonesia akan lebih nyata terwujud melalui program transmigrasi.

Sekali lagi saya ucapkan terima kasih kepada rekan-rekan Kepala UPT di Kabupaten Manokwari Propinsi Irian Jaya dengan ucapan selamat bertugas.

GAMBAR

1. Sistem Mengelompok

TRANSMIGRAN UMUM

TRANSMIGRAN APPDT

2. Sistem Selang Seling

TRANS UMUM

TRANS APPDT

TRANS UMUM

TRANS APPDT

TRANS APPDT

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TRANS APPDT

3. Sistem Memanjang dalam satu jalur

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TRANS UMUM

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TRANS UMUM

TRANS UMUM

TRANS UMUM



KEPUTUSAN BERSAMA

MENTERI TRANSMIGRASI R.I. DAN MENTERI SOSIAL R.I.

NOMOR : SKB / 053 / MEN / 1984.

NOMOR : K/B-26/III-84/MS.

TENTANG

PENYELENGGARAAN TRANSMIGRASI PENYANDANG MASALAH KESEJAHTERAAN SOSIAL

MENTERI TRANSMIGRASI DAN MENTERI SOSIAL

- Menimbang :
- a. bahwa penyelenggaraan transmigrasi merupakan Program Nasional yang bersifat lintas sektoral, oleh karena itu perlu ada dukungan oleh semua pihak yang terlibat secara timbal balik;
 - b. bahwa untuk lebih menjamin perbaikan dan peningkatan taraf kesejahteraan sosial bagi para penyandang masalah kesejahteraan sosial dipandang perlu kelompok tersebut mendapatkan perhatian khusus dalam keterpaduan dengan program transmigrasi;
 - c. bahwa untuk itu perlu diatur dalam Keputusan Bersama Menteri Transmigrasi dan Menteri Sosial.
- Meringat :
- 1. Undang-Undang Nomor 3 Tahun 1972 tentang Ketentuan-Ketentuan Pokok Transmigrasi.
 - 2. Undang-Undang Nomor 5 Tahun 1974 tentang Pokok-Pokok Pemerintahan di Daerah.
 - 3. Undang-Undang Nomor 5 Tahun 1974 tentang Ketentuan-Ketentuan Pokok Kesejahteraan Sosial.
 - 4. Undang-Undang Nomor 5 Tahun 1979 tentang Pemerintahan Desa.
 - 5. Peraturan Pemerintah Republik Indonesia Nomor 42 Tahun 1973 tentang Penyelenggaraan Transmigrasi.
 - 6. Peraturan Pemerintah Republik Indonesia Nomor 31 Tahun 1980 tentang Penanggulangan Gelandangan dan Pengemis.
 - 7. Peraturan Pemerintah Republik Indonesia Nomor 42 Tahun 1981 tentang Pelayanan Kesejahteraan Sosial Bagi Fakir Miskin.
 - 8. Keputusan Presiden Republik Indonesia Nomor 44 Tahun 1974 tentang Pokok-Pokok Organisasi Departemen.
 - 9. Keputusan Presiden Republik Indonesia Nomor 26 Tahun 1978 tentang Badan Koordinasi Penyelenggaraan Transmigrasi.
 - 10. Keputusan Presiden Republik Indonesia Nomor 28 Tahun 1979 tentang Badan Koordinasi Nasional Penanggulangan Bencana Alam.

11. Keputusan Presiden Republik Indonesia Nomor 40 Tahun 1980 tentang Koordinasi Penanggulangan Gelandangan dan Pengemis.
12. Keputusan Presiden Republik Indonesia Nomor 45/M Tahun 1983 tentang Pembentukan Kabinet Pembangunan IV.
13. Keputusan Presiden Republik Indonesia Nomor 15 Tahun 1984 tentang Susunan Organisasi Departemen.
14. Keputusan Menteri Transmigrasi Nomor : Kep - 055 A/MEN/1983 tentang Organisasi dan Tata Kerja Departemen Transmigrasi.
15. Keputusan Menteri Sosial Republik Indonesia Nomor 15 Tahun 1983 tentang Organisasi dan Tata Kerja Departemen Sosial.
16. Keputusan Menteri Sosial Republik Indonesia Nomor 16 Tahun 1984 tentang Organisasi dan Tata Kerja Kantor Wilayah Departemen Sosial di Propinsi dan Kantor Departemen Sosial Kabupaten/Kotamadya.

MEMUTUSKAN

Menetapkan

: KEPUTUSAN BERSAMA MENTERI TRANSMIGRASI DAN MENTERI SOSIAL TENTANG PENYELENGGARAAN TRANSMIGRASI PENYANDANG MASALAH KESEJAHTERAAN SOSIAL

Pasal 1

Ketentuan Umum

Dalam Surat Keputusan Bersama ini yang dimaksud dengan :

- a. Transmigrasi adalah pemindahan dan/atau perpindahan penduduk dari satu daerah untuk menetap ke daerah lain yang ditetapkan di dalam Wilayah Republik Indonesia guna kepentingan Pembangunan Negara atau atas alasan-alasan yang dipandang perlu oleh Pemerintah berdasarkan ketentuan-ketentuan yang berlaku;
- b. Transmigrasi Penyandang Masalah Kesejahteraan Sosial adalah pemindahan dan/atau perpindahan penduduk penyandang masalah kesejahteraan sosial dari satu daerah untuk menetap ke daerah lain yang ditetapkan di Wilayah Republik Indonesia dalam keterpaduan dengan program transmigrasi;
- c. Penyandang Masalah Kesejahteraan Sosial adalah perseorangan, keluarga atau kelompok masyarakat yang karena berbagai faktor penyebab tidak dapat melaksanakan fungsi sosialnya dalam kehidupan masyarakat.

Pasal 2

Tujuan

Tujuan kerjasama dalam penyelenggaraan transmigrasi penyandang masalah kesejahteraan sosial adalah pemantapan keterpaduan penyelenggaraan transmigrasi penyandang masalah kesejahteraan sosial untuk meningkatkan taraf kesejahteraan sosial mereka dalam rangka program transmigrasi.

Pasal 3

Ruang Lingkup

- (1) Ruang lingkup kerjasama ini ialah :
 - a. Meningkatkan dan mengembangkan Pembinaan Transmigrasi yang di kaitkan dengan program kesejahteraan sosial.
 - b. Memperlancar pelaksanaan program transmigrasi penyandang masalah kesejahteraan sosial.
- (2) Kegiatan tersebut pada ayat (1) pasal ini dilaksanakan sejak perencanaan sampai dengan tahap penyerahan kepada Pemerintah Daerah.

Pasal 4

Tugas dan Tanggung Jawab Bersama

- (1) Merencanakan dan memprogramkan calon transmigran penyandang masalah kesejahteraan sosial.
- (2) Melaksanakan pembinaan transmigrasi di proyek pemukiman transmigrasi.
- (3) Melaksanakan monitoring, pelaporan dan evaluasi penyelenggaraan transmigrasi penyandang masalah kesejahteraan sosial.

Pasal 5

Tugas dan Tanggung Jawab Departemen Transmigrasi

- (1) Merencanakan, memprogramkan dan mempersiapkan pemukiman calon transmigran penyandang masalah kesejahteraan sosial.
- (2) Melaksanakan pemindahan transmigran penyandang masalah kesejahteraan sosial.

Pasal 6

Tugas dan Tanggung Jawab Departemen Sosial

- (1) Merencanakan, memprogramkan dan mempersiapkan kelompok penyandang masalah kesejahteraan sosial untuk menjadi calon transmigran penyandang masalah kesejahteraan sosial.
- (2) Memberikan bantuan kebutuhan pangan, bagi pemukiman transmigrasi yang terkena bencana.

Pasal 7

Penelitian dan Pengembangan

Merencanakan, memprogramkan, mempersiapkan dan melaksanakan bersama penelitian dan pengembangan dalam rangka keterpaduan kebijaksanaan dan pelaksanaan transmigrasi penyandang masalah kesejahteraan sosial.

Pasal 8

Pembiayaan

Pembiayaan yang timbul sebagai akibat ditetapkannya Keputusan Bersama ini dibebankan kepada anggaran masing-masing Departemen.

Pasal 9

Penutup

- (1) Petunjuk Pelaksanaan Keputusan Bersama ini akan diatur lebih lanjut secara bersama oleh pejabat yang ditunjuk oleh masing-masing Departemen.
- (2) Keputusan Bersama ini mulai berlaku sejak tanggal ditetapkan.

DITETAPKAN DI : J A K A R T A
PADA TANGGAL : 10 Maret 1984



EAST ASIA & PACIFIC INFORMATION CENTER		DATE: MAY 15 1985	
COUNTRY PROGRAMS		PROJECTS	
Australia/N.Z.	C-607	AGRICULTURE	
China	F-618	THAILAND	D-645
Dem. Kampuchea	C615	Philippines	F-610
Fiji	C607	China/Korea	A-642
Hong Kong	C611	IND./Pac Isl.	E-624
Indonesia	A638	LAOS/VIETNAM	D-645
Japan	C611	EDUCATION	C-402
Korea	C611	TRANSPORT (1)	
Lao P.D.R.	C615	China/Korea	B-608
Malaysia /PNG	C607	TRANSPORT (2)	F-402
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Singapore	C607		
Solomon Islands	C607		
Thailand	C615		
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Western Samoa	C-607	EAPIC	F-745

REMARKS:

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 	لجنة سياسات المعونة الفنية وبرامجها	Distribution: LIMITED WFP/CFA: 19/16 Add.C3 Released by WFP: 15 March 1985
	WFP COMMITTEE ON FOOD AID POLICIES AND PROGRAMMES	
	PAM COMITE DES POLITIQUES ET PROGRAMMES D'AIDE ALIMENTAIRE	
	PMA COMITE DE POLITICAS Y PROGRAMAS DE AYUDA ALIMENTARIA	

RETURN TO EAST ASIA AND

Nineteenth Session -- Rome, 20 - 31 May 1985

Agenda item: 16 -- Interim evaluation and terminal reports

Interim evaluation review report

	PROJECT INDONESIA 2597 Regional development through transmigration in South Sumatra and South-east Sulawesi provinces	INDONESIA 2623 Regional development through transmigration in Riau province
Cost of food only	27,425,400 dollars ¹	17,510,000 dollars
Total cost to WFP	32,907,500 dollars	20,827,000 dollars
Date of approval of project	29 October 1981	29 April 1982
Plan of operations signed	17 April 1982	30 June 1982
Date of first distribution	December 1982	1 May 1983
Duration of project	Five years	Five years
Date of evaluation	October 1984	
Composition of mission	WFP/FAO/ILO	

No WFP food has been used to replace food items usually provided by the Government to settlers during their first year of settlement. WFP assistance has so far mainly been utilized for infrastructure development and to some extent, for land development. However, the latter, for which the bulk of the food aid was intended, has made little progress. There is lack of technical guidance and farm inputs. No adequate budgetary provisions have been made, and no detailed plans for achieving major development objectives have been developed. The basic objectives of the project cannot be achieved unless corrective action is taken.

¹ All dollar values are expressed in United States dollars, unless otherwise stated.

ASSESSMENT

1. One of the main objectives of the two projects, namely to partially replace food items usually provided by the Government, thereby generating savings for development purposes, could not be achieved, mainly because most of the settlers had arrived before WFP food was available. The bulk of the food used until now has been in support of community infrastructure development and, to some extent, of land development. However, commodity utilization has been below expectation mainly because of delays in allocation and demarcation of settlers' second lots for which the major part of the food assistance was envisaged.

2. In some sites food aid has helped to speed up land development, to deter the transmigrants from searching for off-farm employment at the expense of farm development, to strengthen the community institutions and to encourage settlers to remain on the sites. But, in most cases, the situation regarding agricultural development was not found to be encouraging, because of physical and institutional constraints and lack of technical guidance and farm inputs. Many of these could have been overcome if the recommendations of the appraisal mission, which were incorporated in the plan of operations for both projects, had been implemented.

3. The mission expressed concern that the basic objectives of the WFP-assisted projects may not be achieved unless corrective measures are taken. Action is required in the following fields: demarcation of the settlers' second lots and preparation of detailed plans for their development; provision of required farm inputs and technical guidance; and strengthening of the management, monitoring and coordination of food distribution and agricultural development.

4. Role of WFP food aid. WFP assistance, although initially intended for various purposes, has so far played only a limited role. Most of it has been used as an incentive to mobilize the labour force required for community infrastructural works, and some as an incentive for land development. WFP food aid could not play its intended role as an incentive in developing the second lot owing to delays in the necessary preparatory works, nor was it used to help in tiding the settlers over the first year of settlement by substituting for government food. The mission concluded that generally the incentive value of the WFP ration as well as the cost effectiveness of this assistance could be increased through a change in the composition of the commodity package, taking into account settlers' food habits and substituting foodstuffs with a higher economic value to transmigrants.

BACKGROUND

5. Indonesia, the fifth largest nation in the world, has a population of 161 million people (1984), 99 million of whom reside in Java, an island with about seven percent of the country's land. While about 70 percent of Java's total area is cultivated and population density reaches 747 persons per square kilometre, vast areas of low fertility soil lie uncultivated in the outer islands, and low population densities in some of these areas impede regional development and economic growth. This has stimulated the Government to give increasing priority to "transmigration" of settlers on a large scale to the underpopulated islands of Sumatra, Kalimantan, Sulawesi and Irian Jaya. While in the past transmigration was principally seen as a means of reducing overcrowding in Java and providing land and employment to the poor, more recently transmigration has also been seen as a means of increasing national food production

and reducing Indonesia's dependence on imports, stimulating development in remote and underpopulated provinces and exploiting underutilized natural resources.

6. The Government's transmigration programme. Almost 130,000 families have been moved under the government-assisted transmigration programme over the 10 years of the first two five-year development plans (1969/70-1978/79). The target for the third five-year plan (1979/80-1983/84), though set at a considerably higher level (500,000 families corresponding to 2.5 million individuals), has even been exceeded, as during this period 429,546 fully sponsored transmigrant families were settled together with an additional 154,630 families who had settled on their own initiative (spontaneous transmigration). Over the current five-year plan (1984/85-1988/89) it is planned to move another 750,000 families.

7. Each family is provided with a house and two hectares of land, of which 1.25 (home plot and first lot of land) is cleared prior to the arrival of the settlers, while the "second plot" (0.75 hectares) has to be cleared by the settlers themselves. Settlements are provided with the necessary infrastructure and facilities, including schools and health centres. The majority of the population in new settlements consist of government-sponsored transmigrants, but a portion of the land is reserved for spontaneous migrants as well as the local population. Food rations from government resources are provided during the initial 12 to 18 months to sponsored and for six months to spontaneous transmigrants.

8. While the quantitative achievements under the Government's transmigration programme have been quite impressive, certain shortcomings and constraints encountered in implementation still need to be overcome. During the last five-year plan period, land preparation and construction of settlement facilities and infrastructure were sometimes done before completion of site selection and planning, thus resulting frequently in the development of unsuitable sites where flooding, sandy soil, steep slopes or thick peat formed serious obstacles. Also, problems frequently arose with populations practising shifting agriculture, and with settlement locations overlapping with areas of forests either for soil conservation or productive purposes. In addition, land that had been cleared was often not ready for planting. Large stumps and felled trees remained, forming a heavy burden for settlers to deal with. Furthermore, the allocation of the second agricultural plot in certain areas was delayed, or far-off locations had been chosen for this purpose. The use of heavy equipment for land clearance resulted in topsoil being removed or compacted, thereby destroying soil fertility. Finally, the lack of skilled personnel at the field level was another obstacle towards smooth implementation of the vast transmigration scheme.

9. The Government is fully aware of the above shortcomings and is determined to implement the fourth five-year plan on the basis of the lessons learned.

THE WFP-ASSISTED PROJECTS

10. According to the respective plans of operations, WFP assistance is to be provided:

- a) to tide settler families over the first year of settlement by partially replacing food usually provided by the Government, thereby releasing funds to be used for the purchase of essential non-food inputs;

b) as an incentive to settlers during their second and subsequent years to perform certain works, namely, land clearance and development of the "second lot", of land for cooperatives, and communal works for the improvement of the infrastructure; and

c) to cooperative managers and instructors in vocational training.

11. Under project No. 2597, WFP food rations were also to be used in support of 780,000 workdays to be performed under the UNDP/FAO project INS/78/012- "Incorporation of improved agricultural techniques" in Rimbo Bujang.

IMPLEMENTATION AND ACHIEVEMENTS

12. Overall responsibility for project execution rests with the Department for Transmigration, which was established in March 1983 as a result of progressive evolution in the institutional arrangements for the implementation of the complex transmigration programme. Detailed matters of operation are entrusted to the Directorate-General of Mobilization and Development of the Ministry of Transmigration with staff in the provinces concerned.

13. Achievements under project No. 2597 (for details see Annexes I and II). Of the 10,600 settlers to be assisted by WFP during their first year of settlement, none benefitted from WFP food aid, since the Government had already provided the required rations. As regards land clearing and infrastructural works, 91 percent of the targetted workdays had been utilized up to June 1984. However, more emphasis was placed on community works than on the development of the second lot since there were delays in the allocation of the latter, as well as lack of the necessary technical and financial inputs. It should also be noted that transmigrants still had to spend considerable time on the development of their first lot. The disproportionately high number of workdays utilized in South-east Sulawesi (158 percent of target) is a consequence of the fact that, during the first year, the number of families assisted in the area considerably exceeded that target.

14. Of the 780,000 workdays allocated over three years for activities related to improving agricultural techniques and community development in support of the above-mentioned UNDP/FAO project, 102 percent of the pro-rated target of man-days has been achieved. However, the proportion of workdays utilized for activities supported by FAO was only 35 percent of the target, while community works reached 116 percent of the target.

15. The mission found that the technical guidance provided by the FAO/UNDP project on a limited scale in selected farms and villages of Rimbo Bujang has now been widely adopted by many farmers not only in the project area, but also in adjacent settlements.

16. Since no food was distributed to settlers during their first year, nor to cooperative managers and vocational trainers, the overall rate of implementation was only 53 percent of the pro-rated target. It should be noted, however, that the commencement of project operations was delayed in South-east Sulawesi.

17. Achievements under project No. 2623 (for details see Annex III). While most of the transmigrants expected to have been settled had arrived on the sites, the implementation of the WFP-assisted project encountered a number of

difficulties. As in project No. 2597, no WFP rations were distributed to the settlers during their first year, since the Government had provided the necessary food. As regards the provision of food as an incentive for land development and communal works, 93 percent of the number of settlers expected to participate were being assisted, but they concentrated on infrastructure works and worked only about one third of the targetted number of workdays, owing to delays in the allocation of the second lot. No food rations were issued to cooperative managers or instructors for vocational training. In total, the rations utilized during the first year of the project represented only 13 percent of the pro-rated commitment.

Actual use of WFP assistance under the two projects

18. Replacement of food provided by the Government during the first year. Although the Government had requested WFP assistance, only government food was used to tide settlers over their first year. Accordingly, no arrangements had been made in the Ministry of Finance to ensure that savings would be generated. The major reason for this is that, when the projects became operational and WFP assistance available, the majority of the settlers to be assisted with WFP food in lieu of government food had already been on the sites for more than one year. However, no WFP food was distributed to settlers during their first year even in the case of transmigrants who were moved to the sites when WFP assistance was available. Apparently it was found difficult to synchronize the arrival of settlers with the arrival of WFP shipments, and the project authorities preferred to avoid overlapping and to distribute only from government resources. However, the WFP office in Jakarta had never been informed of the change in the Government's position and therefore requested the shipment of commodities according to the original plans. As a result, the central warehouses in Riau province (project No. 2623) received stocks considerably beyond the actual project requirements. This situation however, does not apply to project No. 2597, since from the beginning of WFP assistance the project authorities compensated for the non-utilization of the rations for first-year assistance by proportionally increasing the number of settlers benefitting from WFP incentive rations.

19. Land clearing and development of the "second lot". As stated above, no man-days were reported to have been utilized under project No. 2623 on this activity, and on all sites visited by the mission it was confirmed that operations had not yet started. The reasons for this delay may be summarized as follows:

- a) Except for a few settlers, the second lots have not yet been allocated and therefore are not yet cleared. In some settlements visited by the mission, the allocation - but not yet demarcation - was either under way or due to start soon.
- b) Settlers were still busy with "clean clearing" operations on their first lots, hence overall only about 75 percent of that area was cultivated. Also, the successful establishment of the first lot is still far from being achieved, since several constraints require the settlers' full attention on the first lot and leave little time for the second. Such bottlenecks are: low soil fertility; occasional unavailability of seedlings, fertilizers and other inputs; low yields due to insufficient use of fertilizers; harvest losses on the first lot due to wild boars and rodents. Also, off-farm employment opportunities, while providing transmigrants with additional income, reduce time and need for development of the second lot.

- c) In most cases no plans have been made for the cultivation of the second lot (type of tree crops to be raised, establishment of nurseries, etc.). Clearance without subsequent cultivation would result in waste of resources. Furthermore, for a number of reasons the development of the second lot has to be done collectively. As a result it does not depend on the initiative of the individual farmer.

20. As to project No. 2597, some land clearance of the second lot has already been done because the project started earlier. In addition, in one project area part of the second lot was being collectively cleared as the boundaries had already been demarcated.

21. In both projects five-hectare plots have been allocated to many village cooperatives, and most have been cleared by settlers receiving WFP incentive rations. In some cases, crops have already been harvested and funds generated for the cooperatives.

22. Communal works. Most of the man-days utilized so far under the two projects have been spent on infrastructural activities, such as the construction of access roads, culverts, bridges, markets, fish ponds, community halls, etc. There is usually an annual programme of work for each site, which has been prepared in consultation with the provincial authorities. The mission concluded that generally food aid has been used for the intended purposes, and that the assets created did improve on-site infrastructure and facilities. However, the mission noted the following constraints which hampered the efficiency and effectiveness of the communal works programme:

- a) There is no budget for the provision of necessary inputs such as construction materials. Therefore, the settlers have to contribute both materials and cash.
- b) The construction materials used were not always adequate, thereby reducing the lifetime of the facilities and increasing the need for maintenance.
- c) Adequate supervision of the work groups and technical advice are not available owing to shortage of staff. As a consequence, the quality of the work suffers and workers' productivity falls below desirable standards.

23. Cooperative managers and vocational training instructors. Very few managers have been appointed, and no WFP rations have been provided for them. There was no evidence of vocational instructors being appointed. Since there is a salary provision for such personnel, when they are available, WFP assistance is no longer needed for this purpose.

24. Other uses of WFP commodities. In view of the considerable stocks of WFP food available in Riau province (project No. 2623) as well as the numerous problems transmigrants are still facing in the cultivation of the first lot, the authorities decided to allocate, from August 1984, 50 man-days for one year per settler family for "intensification work" on this land. From the field visits and discussions with settlers, it appeared that no special criteria had been developed for works to be carried out which would qualify for food assistance. This allocation has apparently been given to all the settlers, even if they did

only routine agricultural work. The mission concluded that the recently established practice of distributing food for routine agricultural work on the home lot and first lot of land did not contribute towards an improvement of these areas.

Additional benefits of WFP assistance

25. Though overall progress of the two projects has been slow and, as far as development of the second lot is concerned, even disappointing, the mission concluded that the availability of food assistance had nevertheless also had beneficial effects that would otherwise not have materialized.

26. It has enabled some settlers in project No. 2597 to speed up their land development activities, especially to "clean clear" the first part of their holdings for crop cultivation, and to open and prepare the second part for farming operations. In some settlements it has deterred the transmigrants from seeking wage employment that would have been at the expense of developing their own farms. WFP assistance has served as a catalyst to prompt project authorities to demarcate the area for the second hectare. This has occurred infrequently in other settlements. Food aid enabled settlements to establish community farms for the cultivation of fodder and cash crops and to use the yields for support of common needs. It provided an incentive to settlers and has thus facilitated the widespread adoption of the technical package recommended by FAO/UNDP agricultural experts for improved upland agricultural practices in the Rimbo Bujang pilot project area. Food aid enabled transmigrant farmers to organize themselves into neighbourhood groups for the undertaking of specific tasks. In addition, food assistance helped to foster and strengthen informal institutions and community spirit among the settlers.

Women's activities

27. In addition to their normal household work, a large number of transmigrant women were found to be participating in farm development operations and undertaking small trading activities. In certain settlement sites, associations for the promotion of women's welfare (PKK) have been formed. These associations provide training in health, hygiene and family planning measures. They also undertake certain handicrafts, such as the making of batik and baskets and processing of agricultural produce (soybean cake) for sale in the local markets. However, these groups have not received any WFP food aid. FAO has provided assistance to selected numbers of women transmigrants in health education and related activities. Proposals have also been made by ILO for assistance to women transmigrants. Local informal training is envisaged and might be linked to food aid.

Technical aspects of project implementation

28. Soils. Settlements are located both in uplands and lowlands. Generally speaking the upland soils are rather poor chemically and in terms of organic matter and nutrient content, but they are physically well suited for food crops and tree crops if proper tillage practices are adopted and fertilizers and green manure are used. For soils on undulating or rolling land, soil conservation measures are needed.

29. In the lowlands there are mineral soils and peat soils. The mineral soils are reasonably good for crop production, but are poor in nutrient content and have low pH values. Peat soils, which are dominant in the tidal areas, require proper control of the soil water level if high-yielding crop production is to be

achieved. Only soils with a peat layer of less than 1.2 metres are considered suitable for agricultural production. However, soils are still not very suitable for food-crop production if the thickness of the peat layer exceeds 50 centimetres, as is demonstrated by the failure of food-crop production experienced by settlers. Such soils should be used only for tree crops.

30. In the uplands the mission observed the need for soil conservation measures on undulating or rolling topography, while in the lowlands there was scope for drainage works and water control measures. As to "alang alang", a perennial grass weed which in most of the transmigration settlement areas invades the cleared but not yet cultivated land, the mission felt that it should be controlled through the introduction of an aggressive leguminous cover crop, since manual control takes up much of the farmers' available work time.

31. Crop yields. Crop yields are generally low and declining each year owing to low soil fertility, a low rate of fertilizer application and, in particular, heavy damage caused by wild boars, rodents and other pests. During the first three years the Government provides inputs of seeds, seedlings, fertilizers, pesticides and tools. After this assistance is over, settlers do not usually have the resources to purchase these and other inputs; in many instances they are not easily available because few cooperatives are functioning as yet.

32. The settlers interviewed by the mission reported yields of paddy varying from complete failure to around one ton per hectare in the uplands and as much as three tons per hectare in the tidal areas. Without the use of fertilizers and depending on soil conditions, pest problems and length of cultivation, 0.6 - 0.8 ton per hectare for upland paddy and about two tons per hectare for wet paddy (in tidal areas) may be taken as average yields.

33. Yields of other crops are also low. Settlers generally reported obtaining average yields of 250 - 350 kilograms per hectare for soybeans and ground-nuts, 500 - 800 kilograms for maize and six to seven tons for cassava.

34. Settlers' income. Average family income varied from settler to settler, site to site and year to year. Estimated average family income in 1982/83 in one area, for example, was around 120,000 rupiahs, consisting of 80,000 from crops and poultry (value of production) and about 40,000 from off-farm employment. In a more advanced site, average family income was around 460,000 rupiahs, consisting of 430,000 from crops and livestock (value of production) and 30,000 from off-farm employment. Although the extent of off-farm employment is not known, it was reported to the mission that about 30 percent of the settlers in one settlement area were able to find seasonal employment of about 60 days a year at a daily wage of 2,000 rupiahs. Less than 10 percent of the settlers in another settlement area found any off-farm employment.

35. Livestock. The target set by the Ministry of Transmigration for the provision of cattle, including water buffaloes for tidal areas, is one animal for every two transmigrant families. Although this target has not yet been reached at every site, large numbers of cows and bulls have been provided as draught animals both by the Department of Animal Husbandry and through an IFAD-financed project. Cattle have made a visible difference in the speed of planting and amount of land planted by the transmigrants. They will greatly assist clearing activities on the transmigrants' land. However, the shortage of

¹ One United States dollar = 1,050 rupiahs (October 1984)

ploughs, which are being made locally, and limited training of the cattle still hinder expansion of the use of animal power.

36. Cooperatives (KUD). In most of the settlement units progress has been made in establishing KUDs. A large number of settlers have been enrolled as KUD members. However, at the time of the mission's visit, only a small number of cooperatives were found to be operational, and few were of good standard. The main activities cover the supply of consumer goods and farm inputs, and operation of a rice mill in some selected KUDs. While it may have been wise to initiate a KUD in each settlement unit (500 families), there may be a case for better management by forming only one KUD in each settlement area, with branches in each unit. This would remedy some of the major problems of weak management. Such a structure would facilitate better training of managers, directors and members. To date there have been no plans for on-site training. In one settlement area a federal type of cooperative was found to be functioning well. It provided management support to more than 20 settlement village cooperatives and a rice milling unit. However, such types of successful cooperatives are few in number. The cooperatives in most of the transmigration areas have made a limited contribution to improvement of the economic and social welfare of the settlers. The reasons for this are the lack of good management practices, inadequate training and weak supporting services by the Cooperative Department.

37. Vocational training. There appear to be adequate numbers of rural artisans such as carpenters, blacksmiths, pipe-fitters, tailors and mechanics in the settlement areas. Transmigrants have undergone special training in agricultural skills organized by the Training Division of the Department of Transmigration. However, no arrangements existed to intensify rural vocational training. There is a need for training in entrepreneurship and business management for trained mechanics and small traders. This may involve the setting up of a business advisory service. In order to maintain the roads at project sites, settlers may need training in road repair and maintenance. Food aid has so far not played a role in vocational training in the two transmigration projects.

FOOD MANAGEMENT

38. Project No. 2597. WFP committed a total of 44,970 tons of rice, canned fish, pulses and dried skim milk. As of 30 June 1984, 9,117 tons had been utilized, representing 20 percent of the commitment and about 42 percent of the amount expected to have been utilized by that date. The major reasons for this underutilization have already been stated. Post-c.i.f. losses reported were one percent of receipts and occurred mainly during handling and transport.

39. The mission observed¹ significant differences in the rates of utilization by provinces and a corresponding stock situation in the warehouses. While in Jambi province the central warehouse was overloaded with WFP commodities, in South Sumatra province stores were relatively empty. Particularly striking was the imbalance in distribution of commodities. Some warehouses had a relatively large proportion of one or two commodities on hand, while others had a limited supply of the same foodstuffs, or, in some cases, none at all. Major reasons for uneven stock position and distribution were delays in arrival of certain

¹ Since the mission's visits had to be selective, only South Sumatra could be visited, to which the observations below refer. However, the mission was fully briefed on the situation in South-east Sulawesi.

commodities at the port (Palembang) and delays in approval at the provincial level of man-days worked to be compensated with rations.

40. Normally, WFP rations were to be distributed on a fortnightly or monthly basis. However, in many cases beneficiaries reported that they received only part of the family ration at one time. The warehouse records showed that for some months, for example, no pulses or canned fish were distributed because large enough amounts were not in stock at the central warehouse. This resulted in settlers being owed back payments of these commodities.

41. In some instances the mission found that there were considerable time lags between the point when settlers had completed the works and when they received the WFP rations. This could partly be attributed to the Ministry of Transmigration's procedures for food distribution, which call for works completed to be inspected and then reported to the provincial office in Palembang for release of commodities. Only then would the appropriate amount of commodities be released from the Palembang central warehouse for transport to the settlements.

42. From visual inspection, the mission found the storage condition of the WFP commodities to be satisfactory in South Sumatra. There were no obvious signs of rodent or pest problems and the physical structure of the warehouses was generally good. The bags were appropriately stacked. Records were also up to date.

43. Project No. 2623. WFP committed a total of 37,677 tons of rice, canned fish, pulses and dried skim milk. As of 30 June 1984, 1,730 tons had been utilized, representing 4.6 percent of the commitment and 13.2 percent of the amount expected to have been utilized by that date. The major reasons for this underutilization have already been stated.

44. The central warehouses visited were in good condition. Many of the local godowns at the sites were found to be adequate and reasonably well maintained. However, at some sites storage conditions were found to be completely inadequate. Rodents were numerous and there was considerable scope for improvement in cleanliness and need for repair.

45. While most of the central stores were used to their maximum, the capacity of local godowns was being underutilized. Apparently this was because commodities were ordered according to works carried out and not according to local storage capacity. In all stores visited, damaged stock and sweepings were being kept for several months awaiting disposal.

46. Commodities were generally still in good condition. However, stocks in the central stores had already been fumigated three times in the last 12 months to combat infestation. Because of the overstocking and the low rate of utilization, there is a risk of increased losses due to infestation. The rate of utilization is expected to increase as a result of the project authorities' decision to allocate an additional 50 man-days per settler family in 1984 for "intensification" activities on their first lot. There is need for a comprehensive short-term development programme to allow distribution of existing stocks within the next six months.

47. Commodities are carried by truck from the provincial capital Pekanbaru to the project sites. The mission was informed that certain settlements were not supplied during the rainy season when roads were not passable. Also, because of the bad condition of the roads leading to the sites, only trucks with a five-ton capacity are used. The mission concluded that, while local transport was

adequate under present conditions where the utilization rate was modest, the project would face serious logistic constraints if activities increased in pace and absorbed the planned 150 man-days per settler family a year, and if the number of families assisted reached the level of 22,000. The transport fleet would have to be strengthened and access roads would have to be adequately maintained.

48. Losses reported represent 1.1 percent of receipts. However, the mission noted contradictory figures for cumulative losses in successive quarterly reports and was informed that the quantity in question (more than 90 tons), which had earlier been reported as losses, had, in fact, been delivered to the project godowns. The mission concluded that a physical inventory of the stock holdings would have to be taken to determine the exact quantity of foodstuffs lost. In this context, the mission observed in Pekanbaru sales on the local market of WFP-supplied fish. While it was not clear for which project this commodity had been shipped, there was evidence that dealers were supplied from sources other than transmigrants.

Appropriateness of commodities

49. Rice is an indispensable, and fish an integral part of the Indonesian diet. Pulses do not appear to be a usual part of the settlers' meals and dried skim milk is the least preferred commodity in this package. Settlers do not normally buy milk and are not used to consuming it. Pulses and dried skim milk are therefore commodities with little economic value to the transmigrants. Edible oil, on the other hand, would be a desirable commodity, as settlers purchase it regularly, and even though it is subsidized by the Government, its price is high. A replacement of pulses and dried skim milk by oil would increase the incentive value and the cost effectiveness of the commodity package.

Merging of WFP supplies with supplies of the National Food Logistics Agency (BULOG)

50. The mission discussed the possibility of supplying commodities through the national distribution system, BULOG, which controls the movement of grain and some other commodities in Indonesia. WFP would deliver rice to Jakarta and BULOG would release government rice where it was needed through its provincial outlets. Alternatively, WFP could provide wheat and BULOG would exchange it for rice at a rate to be agreed upon. Both ideas were acceptable to BULOG. The advantages are the following: a) reduced costs of both external and internal transport, storage and handling; b) WFP rice would not interfere with the marketing potential of rice in surplus areas; and c) since Indonesia is becoming a rice self-sufficient but wheat-importing nation, wheat would provide the additional advantage of balance-of-payments' support to the Government.

RECOMMENDATIONS

51. The main recommendations of the mission may be summarized as follows:

- a) During a test period of six months, settlers should continuously receive monthly rations corresponding to a total of 75 man-days. Thus, food would be distributed not as payment for work done, but as an incentive for work to be carried out.

- b) WFP grain shipments should be merged with BULOG's supplies. BULOG would release the required quantities of rice in the areas concerned.
- c) Settlers should receive incentive rations for "clean clearing" their first lot and taking soil conservation measures. Where possible, clearance of the second lot should commence, provided the first had already been "clean cleared". Land development should have priority over community infrastructural works.
- d) The Ministry of Transmigration should make an immediate inventory of (i) the availability of land for the second lot, (ii) the status of allocations, and (iii) the state of demarcation. Detailed plans should be worked out for clearing and subsequent planting of the second lot. Funds required should be reflected in the 1985/86 budgets of the ministries concerned.
- e) Upland soils in areas with an undulating to rolling topography should be protected with adequate soil conservation measures. Lowland soils should have adequate drainage and/or irrigation systems which would help in securing higher and more secure crop yields.
- f) To ensure more effective project implementation and management, monitoring should be strengthened. Detailed check-lists for monitoring progress should be developed. Project sites should be regularly visited by staff from the local, provincial and central levels of the Ministry of Transmigration. The WFP staff in Jakarta should visit settlement sites at least twice a year.
- g) Vacant posts of agricultural extension agents should be filled as a matter of urgency. If possible, the services of the two United Nations volunteers in Jambi province should be retained for a period of at least 18 months to promote the adoption of improved agricultural practices in other upland sites covered by the WFP-assisted settlement projects.
- h) The government programme to supply settlers with fertilizers, seeds and other essential inputs should be considerably expanded.
- i) Clear policies and common management practices should be established for all village cooperative activities, including farm inputs, institutional credit and marketing.
- j) Pulses and dried skim milk should be replaced by vegetable oil in the WFP ration.
- k) The quantities of WFP commodities which were to have been utilized to tide settlers over the first year in the new settlements should be de-earmarked or re-allocated.
- l) In order to ensure timely availability of commodities and to avoid retroactive distribution, requisitioning of shipments should be based on a lead time of nine rather than six months. No WFP foodstuffs should be transported to warehouses which do not meet the required standards.

- m) To determine the actual quantity of commodities lost under project No. 2623, a physical inventory of the stocks at Pekanbaru central store should be taken. The Government should make investigations into the unauthorized sales of WFP commodities to identify at which point of the distribution chain commodities are diverted and the extent of such misuse.

52. The mission made a number of other detailed recommendations, which have been submitted to the Government. All recommendations have been endorsed by the Executive Director and accepted by the Government.

ANNEX I

PROJECT 2597 - TARGETS AND ACHIEVEMENTS (MAN-DAYS/RATIONS)
(November 1982 - 30 June 1984)

Province	Settlement site	Target	Utilized	Percent
A. <u>Land preparation, infrastructure and community works</u> 1/	1. South Sumatra			
	a. Telang I		1 138 199	
	b. Telang II		783 561	
	c. Sekayu I		353 842	
	d. Betung I		393 844	
	e. Betung II A		188 448	
	f. Betung II B		179 665	
	Sub-total	4 091 250	3 037 559	74
	2. South-east Sulawesi			
	a. Lahumbuti		446 287	
	b. Toari		232 854	
	c. Tinanggea I		327 694	
	d. Tinanggea II		560 155	
	Sub-total	993 750	1 566 990	158
Total		5 085 000	4 604 549	91
B. <u>Rations for first year of settlement</u>		3 869 000	-	-
C. <u>Rations for cooperative managers and trainers</u>		19 800	-	-
D. <u>FAO projects INS/78/012 (Rimbo Bujang and Alai Ilir) 1/</u>		390 000	398 172	102
Grand total		9 363 800	5 002 721	53

1/ For detailed targets and achievements see next page.

ANNEX II

DETAILS ON TARGETS AND ACHIEVEMENTS OF PROJECT NO. 2597

1. In reference to point A. 1 of Annex I:

	<u>Sub-targets as percentage of overall target</u>		<u>Works completed %</u>	
	<u>Year 1</u>	<u>Year 2</u>	<u>South Sumatra</u>	<u>South-east Sulawesi</u>
- Second lot development (Land clearance, planting, protection against soil erosion, maintenance)	68	76	64	38
- Infrastructure works	26	14	34	61
- Cooperatives (communal gardens)	6	10	2	1
	100	100	100	100

2. In reference to point D of Annex I:

	<u>Man-days</u>	
	<u>Targets</u>	<u>Achievements</u>
- Integrated farm unit development (13 model farmers)	5 000	3 993 (80%)
- Demonstration of specific agricultural technologies	64 800	22 867 (35%)
- Community development	320 200	371 312 (116%)
	390 000	398 172 (102%)

NUMBER OF FAMILIES RECEIVING WFP ASSISTANCE

<u>Type of settlers</u>	<u>1st year target</u>	<u>Achievement 1/</u>	<u>2nd year target</u>	<u>Achievement</u>
First-year settlers	10 600	-	-	-
Settlers receiving (SS 2/ 17 250 incentive rations (SES 3/ 2 750 (Total 20 000	17 515	10 785	20 050	17 515
	28 300	27 800	7 750	11 666
Cooperative managers	60	-	60	-
Vocational trainers	60	-	60	-

1/ Excluding FAO-assisted project areas of Rimbo Bujang and Alai Ilir, since exact number of beneficiaries not available.

2/ South Sumatra.

3/ South-east Sulawesi.

ANNEX III

TARGETS AND ACHIEVEMENTS OF PROJECT NO. 2623
(First year, situation as at 30.6.84)

Settlements	Number of settler families			Targets	Achievements
	Overall target	On site	Assisted by WFP with incentive rations		
<u>Belilas</u>	I	2 000	1 784	1 784	No. of settlers to receive incentive rations 15 200 No. of food rations 2 283 000
	II	2 000	1/	-	
	III	1 600	2 280	-	
<u>Taluk</u> <u>Kuantan</u>	I	2 000	2 087	2 087	No. of settlers to receive 1st year assistance 10 030
	II	1 300	1 318	1 318	
	III	700	709	709	
<u>Siak</u>	I	2 000	1 632	-	No. of food rations 3 660 950
	II	1 550	262 2/	262	
<u>Pasir</u> <u>Pangarayan</u>	I	2 000	2 033	2 033	Cooperative Managers 50 Food rations 18 250 Vocational trainers 50 Food rations 6 600
	II	5 700	5 933	5 933	
	III	4 400	3 904	-	
Total	25 250	21 942	14 126		

1/ Abandoned due to quartz soil, moved to Belilas III.

2/ Still on site. Majority of settlers moved to other sites due to floods.

ANNEX IV

LEVEL OF WFP ASSISTANCE TO INDONESIA (as at 31 December 1984)

Proj. No.	Project title	Total WFP cost (\$)	Totals (\$)
DEVELOPMENT AND QUICK-ACTION PROJECTS COMPLETED (25)			66 568 115
CURRENT DEVELOPMENT AND QUICK-ACTION PROJECTS (7)			
2260(Exp.)	Agric. devel. through transmigration in S. Sumatra	2 408 000	
2340	Volcanic debris control	13 175 200	
2343	Social and econom. devel. in Java forest activities	10 059 100	
2574	Dev.train.and income-generating activities for women	1 558 700	
2597	Region.transm.S.Sumatra and S.E.Sulawesi provinces	32 907 500	
2621	Watershed management	1 610 200	
2623	Region.dev.through transmigration in Riau province	20 827 000	
Sub-total			82 545 700
Total			149 113 815
EMERGENCY OPERATIONS COMPLETED (13)			13 766 410
CURRENT EMERGENCY OPERATIONS IN OPERATION (1)			
1397EM/IEFR	Assistance for refugees from Indochina	665 200	
Sub-total			665 200
Total			14 431 610

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Dakar (ID)
Dpt. State / USAID
Washington DC 20520
26 May 1985

Dear Gloria,

I've now wended my way home to Vermont, which is idyllic. While it's nice to have nothing to do (except some shopping), I'm glad it's only for a few days. Thursday it's back to Dakar and the OMVGs -- and work.

By contrast, Washington was a whirlwind, what with hosting my boss, AID, the museums and stores, the dinners. On that last, know that I was delighted to see you -- first, on the street near the Bank; later at home. But I am still bothered that you paid out so much for that meal at Germaines. (Shame on them.) So this time I won't ask -- I insist that we split the bill.

By the way, I enclose a copy of my resumé done up on the government's 171 form (which gets all the information but presents it in a dense, ugly format). The blurb on my current job strikes me as incomplete (too close to it, I guess), but it covers for now. In any case, it's for your information, and use, as you see fit.

Bon, stay well, work hard, and enjoy. Good luck on the "too small" project. And keep in touch.

As ever,

Gordon

Master

THE ROLE OF UNASSISTED MIGRATION
IN REDISTRIBUTING INDONESIA'S POPULATION

(An Informal Discussion Paper)

June 1, 1985

Agriculture 4 Division
Projects Department
East Asia & Pacific Region

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

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SUMMARY CONCLUSIONS AND RECOMMENDATIONS

i. This informal report on the role of unassisted transmigration within the overall transmigration program was prepared by World Bank staff at the request of the Minister of Transmigration. Its two main purposes are to estimate the size of unassisted transmigration and to suggest ways in which its volume might be increased. The Ministry would like to reduce unit costs of transmigration since the target for Repelita IV has been raised 50% over the Repelita III figure (from 500,000 to 750,000 families) while the budget has been increased by less than 15%. Increasing the proportion of unassisted transmigration or reducing support for assisted transmigrants are two of the ways costs can be reduced. Improving the statistical system to reflect the large volume of transmigrants who are not now counted in the official figures would also permit Government to reach its targets while limiting costs.

ii. To estimate the scale of "spontaneous" transmigration the number of registered but unassisted families and the number of un-registered families must be added. The former group can be directly measured from official statistics. The second group can only be estimated, using indirect evidence. Much the best evidence comes from the 1980 census which, for the first time, contained a question on the "mother tongue" spoken in each Indonesian household. This shows how many people in each receiving area have a mother tongue from Java or Bali, indicating that the family is, or is descended from, a family which has moved from these areas. The total number of transmigrants can then be compared with the number of officially reported transmigrants and their descendants since the program began. The difference between the two figures provides an estimate of unofficial transmigration. This calculation shows that at least 50% of all transmigrants have moved spontaneously. The estimate of unofficial, unrecorded transmigrants rises to 80% if North Sumatra and Lampung are included in the calculation. They have been excluded because we are uncertain of the exact number of laborers moved to these provinces in the 1920s and 1930s. Since spontaneous migrants impose no moving or support costs on the Government, unit costs of the (redefined) program would fall by at least 50% if this group were included within the official statistics, i.e., official figures seriously understate the volume of movement that is occurring and therefore overstate unit costs.

iii. Two suggestions are made as to how the unofficial transmigrants might be brought within the official monitoring system. The first is that the Government might subsidize the transportation costs of the otherwise unassisted transmigrants and record those taking advantage of the subsidy. The more important suggestion is to provide incentives for migrants to register by permitting people who have moved on their own initiative to register for land in the receiving areas. Waiting lists could be maintained by officials in the receiving areas, with registration made conditional on a minimum residence period to establish a character reference in the new community. In addition to greatly improving the statistics on transmigration, these two innovations should also encourage a larger volume of transmigration.

iv. Two additional suggestions might also reduce costs while encouraging a larger volume of movement. At present, the official program offers, in

- ii -

effect, only one level of assistance for transmigrants, i.e., fully sponsored and partially-assisted settlers get almost the same benefits. The Ministry should consider introducing a more differentiated scale of benefits, geared to needs of settlers in different circumstances. Three benefit levels are suggested - low, medium, and high (the latter being essentially that received today by regular and partially-assisted settlers). The second suggestion for improving the benefit program is to remove the costs of site selection and preparation, and infrastructure construction, from the definition of "assistance." These costs (better regarded as Preparation and Infrastructure, or P&I costs) are too indirect to be properly considered as benefits received by transmigrants. These P&I "benefits", or costs, are the same for all official transmigrants, since they are based on national average costs. It seems more useful and accurate to limit the concept of "benefits" to those things (over and above their land allotment) given directly to settlers to help them get started on their new land.

THE ROLE OF UNASSISTED MIGRATION IN
REDISTRIBUTING INDONESIA'S POPULATION

I. BACKGROUND TO THIS REVIEW

Introduction

1. Although the policy of redistributing population from Java and Bali to the outer islands has a long history, and has multiple objectives, it is only during the last decade that the program has achieved high visibility and obtained large resource commitments. The World Bank's involvement in the Transmigration (TM) program dates from 1976, when the first Bank loan was approved. Since then four additional Bank loans have been made.

2. Whenever the Bank assists any sector of a country's economy it tries to put its individual lending operations in a wider perspective, one that assesses the economic justification of investments in a sector and satisfies itself that returns to the economy will exceed costs or, if returns cannot be measured, that objectives are being pursued at the lowest reasonable cost, i.e., that the program is "cost-effective". The Bank conducted an initial review of Indonesia's Transmigration program in the mid-1970s, before making its first loan, and carried out a major sector review, on the progress of the program, in 1980. This resulted in publication of a two-volume report in April 1981.^{1/} Now that five years have passed, the Bank feels the need for a fresh review which will be conducted in the fall of 1985. To support this review the Bank has carried out a preliminary study of the role of unassisted, or partially assisted, migration i.e., what is referred to loosely as swakarsa (literally "at one's own initiative") migration.

3. The principal significance of swakarsa transmigration is that it potentially offers a large volume of migration at costs far lower than those necessary to move people under the fully-assisted (umum) program. With new pressure on Government budgets, and much higher re-settlement targets, there is interest in Government in making greater use of lower cost approaches to transmigration. As we shall see, there are varying types and costs of swakarsa movement, some of it involving partial Government assistance so not all such migration is entirely at the expense of the migrants themselves; but the Government has options and one objective of this paper is to suggest some refinements that might be introduced (some of them as experiments) to encourage more of the lower-cost types of swakarsa movement. Giving greater emphasis to such types of transmigration would reduce average costs and improve the statistics that measure how much migration is occurring and where it is going. This review seems timely, since relatively little

1/ Indonesia Transmigration Program Review, April 2, 1981 (Report No. 3170a-IND). Vol. I: Summary of Major Findings and Recommendations, (68 pp.) and Vol. II: Annexes (161 pp.).

experimentation has been attempted in recent years, the Ministry itself is newly-established, and the Directorate that oversees the swakarsa program seems open and receptive to outside views and ideas.

Reducing Unit Costs

4. In Repelita III the Government surprised the Bank, and perhaps itself, when it moved some 350,000 families (a family averages about 4.2 persons) and identified another 177,000 which had moved spontaneously. The five-year target had been 500,000 families and, although the very large increase reported for the final year of the Plan is puzzling, there is little doubt that the program moved much larger numbers than had ever been moved previously (83,000 families were moved during Repelita II, itself a much larger number than during any earlier five-year period). The target for Repelita IV has been increased by 50%, to 750,000 families. However, the program budget has been increased by only 10-15%. This means that unit costs must come down and the numbers cited imply that the cost per family must fall by about 25%.

5. There are three ways by which unit costs might be reduced:

- i. The benefit package given to umum and partially-assisted transmigrants (who receive almost the same benefits) might be reduced, in effect transferring some costs from the Government to the transmigrants;
- ii. The proportion of official migrants who cost the Government nothing, or much less than umum and partially-assisted migrants, could be increased.
- iii. Spontaneous settlement could be brought within the official program and partially supported.

There is little scope for reducing the unit costs of umum transmigrants. However, there does seem some possibility that partially-assisted migrants, or perhaps some portion of them, might be shifted to a more economical benefit package. The third option is the simplest and quickest. There could be an immediate "increase" in the number of low-cost migrants if a way could be found to measure the volume of migrants who now fall completely outside the present data-gathering system. If these people could be brought within the monitoring system, there would be an immediate increase in the reported volume of migration without any change at all in its actual volume. Since there is strong evidence that unrecorded transmigration is larger than that which is officially reported, capture of this unrecorded stream by improvements in the monitoring system would allow Government to claim significantly higher achievements than its present recording procedure now permits. Indeed, the present recording system tempts officials into making "estimates" that have little relation to actual flows. What we are saying is that reported program accomplishments can be increased, and reported unit costs can be reduced, simply by improving the statistical system's ability to record present flows, with little or no change in the program or the benefits it offers. Such a change would not be a "statistical trick"; it would be a much-needed improve-

ment in the monitoring system. Instead of the new figures being suspect, it is the present figures that are suspect: they do not take enough credit for what is happening.

6. We are not sure how the statistical improvement can be achieved: however, we have two suggestions we believe deserve consideration. They involve introduction of a new transport subsidy, and/or incentives for registration at the destination point. We should also make clear that we are not interested only in improving the monitoring system; we are even more interested in increasing the actual migrant flow. The key to that, in our view, rests more on changes in land policy than on any other single factor within Government's control. By changes in land policy we mean changes in the Government's rules for making land available to partially-assisted and presently unassisted migrants. We believe there is a strong possibility that the introduction of new, clear guidelines that extended land eligibility to all classes of transmigrants would lead to an increase in swakarsa transmigration, allowing the Ministry to concentrate its budget and its energies on the land problems of those being settled on entirely new sites, i.e., on umum settlers, the true pioneers among the many classes of transmigrants, and the people of local origin for whom about 10% of the allotments are normally reserved.

II. TERMINOLOGY AND CONCEPTS OF THE TRANSMIGRATION PROGRAM

Who Are Transmigrants? (Conceptual and Definitional Problems)

7. There are three broad classes of transmigrants to distinguish. These are shown in Table I. A short explanation of these terms is necessary to subsequent discussion.

8. Umum: Regular Transmigrants. These are the fully-supported families who have applied to move under program sponsorship; they are the true pioneers. They may be sent to remote, isolated sites which have been cleared from forest and on which simple houses and water supplies and social facilities have been constructed. Umum have no choice of location, although they may refuse a proposal if willing to undergo another wait, often long, for a second opportunity. Umum have almost never seen the area of destination and there is no guarantee of friends or relatives to give them support. All they have is the Government's promise of 2 ha of land, a house with a water supply, essential infrastructure, a standard list of household supplies, agricultural implements, seeds and essential inputs, and enough food to live on for 12 months. For the typical umum, transmigration is a speculative gamble by a husband and wife, driven by the prospect of getting their own land. Some are forced off their land by natural disasters or dam construction. Despite the risks, the demand for umum space is greater than the supply, i.e., there is a waiting list of people who cannot be moved until the central authorities in the Ministry of Transmigration (MOT), in Jakarta, give the "green light".

9. Swakarsa - Three Types, All of Them Official: Regular transmigrants have constituted the largest component in the total flow of official transmigrants. Their dominance is expected to continue in Repelita IV, which has

I. Transmigrant Terminology

A. Umum

This refers to officially sponsored transmigrants who get the maximum set of benefits (normally 2 ha of which 1.25 ha. is cleared, a house and shared well, bedding and necessary cooking equipment, standard agricultural tools, a two-year supply of seeds, fertilizer, a 12-month supply of rice and a 4-month supply of other foods, free transport to the settlement site, and a school, mosque, and clinic in the community). Umums have no choice of destination; they may, however, decline an offer if willing to accept the uncertainty about when another offer may be made or where it will be.

B. Swakarsa Transmigrants

"At one's own initiative". The term spontan was introduced in 1957 but was later given up in favor of swakarsa. Benefit packages for nonumum transmigrants here varied from time to time and from place to place. Today, the following three types of swakarsa settlers are officially recognized and reported in transmigration statistics:

- (a) TBB (without official assistance). These have registered with the program but are not given the usual benefits. They are free to go wherever they wish, must pay their own transport, and must support themselves on arrival at their destination (normally by moving in with relatives or friends). However, their registration entitles them to recognition as official transmigrants by program officials at their destination; this recognition may consist of help, in theory, in finding (usually uncleared) land.
- (b) DBB (with official assistance). These have registered at point of origin. They are free to choose their destination but are not given transportation assistance to get there. They are given land (not necessarily the usual 2 ha) of which 1/4 ha will be cleared with a house supplied. They also receive food and other benefits similar to the umum package. The DBB program has been in effect only a few years. In Repelita III, TBB swakarsas exceeded DBB swakarsas by more than 4:1.
- (c) PIR. These are officially registered transmigrants who are settled in one of the government's nucleus estates and smallholder projects. Their transport is paid and they are entitled to whatever benefit package is in effect; however, the bulk of PIR benefits are not grants but loans, and must be repaid. They are included under swarkarsa simply because they do not get the standard program, they are neither self initiated, nor self supporting.

C. Unofficial (unregistered) transmigrants

Sometimes referred to as liar (wild). These get no assistance of any kind and, because they have not registered at point of origin (which would make the TBB transmigrants), are not entitled to any help from officials at their destinations. This group is believed to account for a large majority of total transmigration, especially in easy-to-reach Sumatra. Sometimes these individuals will return to their original area in order to register so they can get land-acquisition help in their destination-area.

targets for 450,000 sponsored families and 300,000 spontaneous families. All registered transmigrants other than the fully-sponsored umum are referred to as swakarsa. The various classes of swakarsa transmigrants, and the sometimes shifting and rather loose terminology used for them, are summarized in Box I.

10. The Spontaneous Majority - Unregistered, Unofficial, and Uncounted: In addition to the preceding classes, there is a large stream of unofficial migrants who have not chosen to register with the MOT. There is nothing illegal about such migration, but one wonders why they do not register since without official registration papers they have practically zero chance of ever getting any help from MOT officials at their destination, either when they arrive or in subsequent years. It would thus seem that an intending migrant would have everything to gain and nothing to lose by registering. Some may not understand the advantage which registration might bring in the future. Some may fear they will be discouraged or prevented from going to areas where they have families and/or friends, e.g., to Lampung which is now officially closed to in-migration. Some may not want to go to the inconvenience and expense of securing the separate pieces of paper that are required,^{2/} i.e., a character reference from the village headman, a separate character reference from the camat, a "clean record" report from the police, and an application form which must be secured by visiting an MOT office, the nearest of which would be in his subdistrict headquarters. Some apparently want to keep away from any formal association with a program which some high Government officials have described as a program "for the poor". Whatever the mixture of reasons, the volume of unregistered spontaneous migrants is believed to be large. In earlier years, these nonregistered migrants were often referred to as liar ("wild") and their unguided movement was discouraged. Today, fortunately, Government officials are taking a more positive attitude towards this group. Note that the only difference between unassisted but registered (TBB) and the unassisted and unregistered (spontaneous) migrants is the registration. In all other respects the two groups are very similar. Both have enough resources to cover their own moving expenses. Both can choose to go wherever they want, within limits (above). Both tend to move to areas where relatives and friends already exist. And many officials believe that the unassisted migrants contain a higher proportion of self-reliant and self-confident families than those in the assisted category.

MIGRATION SEQUENCES

11. The classes of migrants just described suggest the normal sequence of transmigration. The start in any new area is normally made by fully assisted migrants (umum) sometimes followed by partially assisted (DBB), then, a few years later, by TBB and non-registered "spontaneous migrants. Exceptions are sometimes found (e.g. the early Balinese pioneers to central

^{2/} A 1973 Presidential Decree (No. 42) requires that transmigrants be citizens, of good character, in good physical condition, know how to work, and be willing to abide by the regulations. "Registration" involves certifying he can meet these tests.

Sulawesi were mainly unassisted "spontans", with umum settlements coming later.) But the "starter group" for almost all large new settlements today are the umum. After they establish themselves, labor shortages and employment opportunities are created in successful areas and chains of family relationships and friendships pull others from the sending areas into the settlement areas. The strength of this process has been recognized for some time in migration studies; with the opening up of several umum settlements in Sumatra in recent years, and the development of easy bus transport from Bali and Java to Sumatra, the process of "chain migration" to Sumatra appears to be operating strongly. Indeed, the southernmost province of Sumatra (Lampung) has recently been declared "closed" to any further migration (unofficial migration is largely beyond the Government's control, and undoubtedly continues into Lampung).

12. The unassisted migrants become a pool of people in the receiving areas who want land. Some are able to buy it from the pioneers who have been given it and find they either do not need their full allotment or want to move. Others wait and hope. A major land policy issue is whether to allocate land to unregistered transmigrants or to reserve all such land for new arrivals from Java and Bali. Our strong recommendation is to provide land to such unofficial transmigrants after registration in the settlement area. This would take advantage of a common finding in migration studies, namely, that the leaders in developing satellite settlements after pioneer settlements have been established are normally people who are already living in the pioneer settlements, not new migrants who come from overpopulated sending areas far away. As noted, new migrants, those who do not yet "know the ropes", tend to move in with relatives and friends in areas that have already been established. Thus if locally-settled migrants are allowed to receive transmigration allotments near their residence,^{3/} the social and economic vacancies created by their movement onto their own land would be filled by the same process of "chain migration" that originally brought them. The replacement ratio might not be 100% but all evidence suggests it would be high. At some locations no land would be available to give effect to such a policy - but many places do offer this opportunity.

III. ESTIMATING THE RELATIVE IMPORTANCE OF OFFICIAL AND NON-OFFICIAL TRANSMIGRATION

13. As noted, one purpose of this study is to estimate the role of unassisted or non-official transmigration in the total program and to suggest ways in which this component might be increased. Under present arrangements, most unassisted transmigrants do not register with the Ministry before they leave their province of origin and very rarely register when they arrive at their destination since there has not, so far, been much advantage for them to

^{3/} Under present rules such people can get land only if they return to Java or Bali and go through the registration process, and return to their area as an official TBB or DBB transmigrant.

do so. As noted, this class of transmigrants falls completely outside the official statistics of transmigration, which includes only those captured by the program's registration procedure.

14. The attempt to estimate the number of unassisted migrants must rely primarily on data from the 1980 census. That census included for the first time a question on the household language of each respondent: if a household's "mother tongue" was a language from another island, then it could be safely concluded that the family (or its parents or grandparents) had migrated from the island of the "mother tongue". The number of such households can then be compared with the number of official transmigrants to see what proportion of the total is accounted for by the latter group. There are one or two additional census questions that can throw light on the subject, but the language question is the most helpful one.

15. Before turning to the census data it is worth noting that there is another potential source of migration data that does not in fact turn out to be useful. This source is the monthly and quarterly reports which each village head (the lurah or kepala desa) sends forward to the subdistrict head (camat and which the latter is supposed to aggregate and send forward to the district head (bupati), and so on up the line to the headquarters of the Ministry of Home Affairs. In theory, each village head (who must maintain a register of village households) is supposed to know of any family that moves out of (or into) the village and would report the number of movers (but not their names) to the camat. A spontaneous family (unlike all other classes of transmigrants) has no papers from either the village head or the camat; hence the village head, while knowing that a family has moved, may not have a formal way of telling where the family has gone, i.e., whether it is a migrant (moving to Jakarta for example) or a transmigrant (moving to another island). In addition, the formal reporting system for monthly and quarterly statistics, even where it is faithfully carried out, more often than not generates large numbers of forms that never get analyzed. In any event, the village statistical system, which one might think could be used to estimate non-official migration, does not in fact provide any basis for such estimates at the present time. Hence the need to rely on the census returns.

16. While the absolute number of migrants and transmigrants is large, they form a small proportion of the total population (in 1980 over 95% of the rural population were living in the province of their birth). The small mobile part of the population nevertheless accounts for a large share of the total population of the rapidly-growing areas to which migrants move. A useful benchmark figure is Jakarta itself: in 1980 some 40% of its residents were either migrants or transmigrants. This figure is almost exactly the same (39%) for the population of Lampung, the southern-most province of Sumatra. In the central Sumatran provinces of Riau and Jambi the migrant percentages in 1980 were 17% and 20%, respectively, while in South and East Kalimantan they were 17% and 31%. In Central Sulawesi the figure was 12%. In all the provinces cited (except Jakarta) most "migrants" would have been "transmigrants". The figures just quoted (which ranged from 12 to 39%) compare with a national average of 6.8%. Thus the relatively small stream of people who

Table 1: MIGRANTS IN THE OUTER ISLANDS AS A RESULT OF SPONSORED
MIGRATION BETWEEN 1950-78 AND ASSOCIATED POPULATION GROWTH

Province	Individuals moved as sponsored migrants from 1950-78 (1)	Expected population in 1980 census based on spon- sored movement (2)	Number of Javanese, Sundanese, Madurese and Balinese speak- ers enumerated in 1980 census (3)	2 + 3, i.e., % of Javanese, Sundanese, Madurese and Balinese speakers in outer islands as a result of sponsored migration (4)	Total no. of people in each province (5)	2 + 5, i.e., % of people in the pro- vince as a result of sponsored migration (6)	3 + 5, i.e., % of people in province from the inner islands /a (7)
Aceh	7,641	8,694	175,349	5	2,610,528	0	7
North Sumatra	15,699	26,426	1,767,796	1	8,350,950	0	21
Riau	16,560	22,774	189,591	12	3,406,132	1	6
West Sumatra	26,763	38,185	56,106	68	2,163,896	2	3
Jambi	58,340	69,283	255,389	27	1,444,476	5	18
Bengkulu	29,470	36,007	134,932	27	767,988	5	18
South Sumatra	259,292	426,675	635,042	67	4,627,719	9	14
Lampung	220,489	347,958	3,400,807	10	4,624,238	8	74
Subtotal	634,254	976,002	6,615,012	15	27,995,927	3	24
West Kalimantan	31,381	41,832	197,624	21	2,484,901	2	8
Central Kalimantan	12,411	17,737	62,942	28	954,176	2	7
South Kalimantan	46,031	65,735	115,723	57	2,063,227	3	6
East Kalimantan	39,979	57,888	126,219	46	1,214,602	5	10
Subtotal	129,802	183,192	502,508	36	6,716,906	3	7
North Sulawesi	14,697	22,177	31,011	72	2,114,822	1	1
South Sulawesi	38,928	51,360	53,611	96	6,059,564	1	1
Central Sulawesi	50,639	63,104	71,623	88	1,284,528	5	6
Southeast Sulawesi	27,197	34,536	46,025	75	941,454	4	5
Subtotal	131,461	171,177	202,270	85	10,400,368	2	2
East Nusa Tenggara	155	257	3,248	8	2,736,988	0	0
Maluku	4,208	7,109	16,300	44	1,408,451	1	1
Irian Jaya	4,415	6,128	4,432/b	138	1,107,291	1	0
Subtotal	4,363	13,494	23,980	56	5,252,730	0	0
Total	899,880	1,343,865	7,343,770	18	50,365,931	3	15
Excluding North Sumatra and Lampung	663,692	969,481	2,175,167	45	37,390,743	3	6

/a Inner islands language speakers.

/b Error in Irian Jaya figure. Either 1980 census undercounts Javanese or migrants were actually moved after 1980 census was completed.

migrate are accounting for a substantial proportion of the total population in certain areas - especially those areas known to be target areas for transmigrants.

17. In the effort to redistribute population from Java and Bali to the other Islands, there is one specific flow that dominates all others, the flow from Java to Sumatra. Of all inter-island migrants during the seventies, nearly 60% went to Sumatra. More than 80% of all transmigrants leaving Java went to Sumatra; and over 90% of Sumatra's migrants came from Java. While the Java-Sumatra transmigration certainly does not account for the whole transmigration picture, it accounted for about four-fifths of the picture through 1980. When we break up the flows into official and non-official (or recorded and unrecorded) flows, the same basic picture is shown: in the official program, nearly two-thirds of all transmigrants moved to Sumatra in the seventies (209,000 out of 334,000 total). Kalimantan received 17%, Sulawesi 15%, Irian Jaya 2%, and Maluku 1% of the total. During the 1970s, in other words, Sumatra received two official transmigrants for every one who went to any of the other destinations. We do not have any similar statistics for the non-official transmigrants; but we can be confident that the proportion of such migrants moving to Sumatra, in preference to other destinations, was considerably higher than for official transmigrants due to accessibility and the length of time the movement had persisted. We can also be reasonably certain that, on Sumatra, the number of non-official transmigrants was larger than assisted migrants. There are two dominant reasons for the larger flow of non-official transmigrants to Sumatra than to any other island. The first is the large number of assisted migrants which the official program has succeeded in settling in Sumatra; the "pulling power" of these large numbers is much stronger than that of the smaller numbers who have been settled on other islands. But equally important is the relative ease and low cost of moving from Java to Sumatra. There has been an "explosion" of bus transportation from Java to Sumatra within the past decade, using the "roll on, roll off" automotive ferries (12 of them, operating 24 hours a day today) that make the 90-minute crossing. The fare from Jakarta to Tanjung Karang (the first large town in South Sumatra) is Rp 4,500 (US\$4.50); to Bengkulu it is Rp 11,575 (US\$11.50). Travelers can go from Solo or Yogyakarta in mid-Java all the way to East Sumatra to Tanjung Karang for Rp 13,000 (there are two services daily from both cities). From Jakarta, some 27 bus companies operate services to Sumatra, some offering service all the way to Aceh at the island's northwestern tip (fare: Rp 32,725). Train service is also available from Jakarta to Sumatra (the trip is broken by the ferry crossing), but, while the fare is slightly lower than the bus, there are only two train departures per day from the south Sumatra terminal.

APPARENT TRANSMIGRATION TO SUMATRA

18. In 1980 the total recorded population of Sumatra was 27,995,927. One in every four of these residents (nearly 7 million people) listed their mother tongue as either Javanese or Sundanese, the two main languages of Java. These 7 million people are far more than can be accounted for by official transmigrants and the children born to them after their move. A few simple numbers are enough to show why this is so. There were 338,000 individual official settlers moved onto Sumatra between 1950-1972. The figure

for official settlers between 1970-80 is approximately 800,000. If we make the illustrative assumption of the first group that, say, 200,000 had moved by 1965, giving them 15 years of family growth by the time of the 1980 census, then that group would have expanded to 562,000 on the assumption of a 5% growth rate (that implies 50 live births per 1,000 population, with zero infant mortality!) If we make a similar rough calculation for the 800,000 or so official settlers during the decade of the seventies (taking half the total and assuming a five-year population growth at 5% p.a.) then the second group would have grown to approximately 900,000 by the time of the 1980 census. The sum of the pre-1970 and post-1970 official settlers, plus their subsequent children, comes to less than 1.5 million people. But the 1980 census revealed about 7 million people whose mother tongue came from some island other than Sumatra (most of them from Java).

19. The preceding rough estimates are confirmed by a more carefully-constructed Bank table using evidence from the 1980 census (Table 1). The first four columns are of greatest significance, with column 4 showing the proportion of transmigrants (or their descendents) in each province who can be accounted for by the officially recorded flows between 1950 and 1978. As seen near the bottom, only 18% of total transmigration can be accounted for by the official flows, i.e., over 80% reflects unofficial or unregistered migration or migration preceding 1950. The last line adjusts the figures to reflect the influence of Dutch-sponsored resettlement of Javanese laborers to man Sumatran plantations in North Sumatra and Lampung in the 1920s and 1930s, plus other labor migration to man logging operations, railway and port construction, and petroleum exploration. While those groups were not so large compared to the numbers of official transmigrants settled since the Indonesian program began in 1950, the cumulative pulling-power of "chain migration" has had much longer to operate than in the case of the post-1950 settlers. Eliminating those two provinces from the figures eliminates the influence of five or six decades of chain migration which, as column 3 shows, has been very large. But even when this factor is eliminated, over half of all 1950-1980 transmigration, still originates in unofficial flows.

20. Thus, both informal and census figures show the high leverage, over time, of the official program - especially to destinations that are relatively easy to reach from Java. The challenge to the official program is to invent ways of building "chain migration" into the transmigration program to encourage its more rapid growth and so that the program can justifiably start counting unassisted settlers as officially recognized transmigrants. The single most important step the program could take to strengthen the flow of spontaneous settlers is to make it easier for them to secure land; a secondary benefit that would help some families who have difficulty raising the bus fares for their families would be to introduce a transport subsidy. Operation of a transport subsidy system would also generate much better statistics on spontaneous movement than are now available. One suggestion for how a transport subsidy might work is outlined in Box II.

II. Proposal for a Transport Subsidy for Swakarsa Transmigrants

The Ministry of Transmigration might experiment with a transport subsidy scheme for one or two years to see if it worked satisfactorily. Any system used must be relatively simple and convenient for all parties (i.e. the transmigrants, the transport companies, ministry officials, and payment authorities). The system must also minimize opportunities for fraud on the part of travelers and cash-handlers.

The best system would be a reimbursement system, i.e. repaying the transmigrant after arrival at his destination. Thus transmigrants would still have to find their fares, but they would know they would recover this cost shortly after arrival. Reimbursement is necessary to provide a means of validating the trip. Validation could not be made on the basis of submitting bus tickets alone to the Transmigration office at the destination, however, as the individual presenting such tickets must be able to prove he is a transmigrant and not merely a traveler. The transmigrant must therefore be given some document at the point of origin to certify that he is a transmigrant; this could be the same "green card" which is now given to swakarsa transmigrants who now choose to register before moving. The procedure for distributing such cards must be made simpler than it is now, however - a swakarsa transmigrant should not have to go to four offices to get such a card (this is what official registration now requires).

The subsidy amount need not be the full amount of the transport cost; it would be wise to require transmigrants to bear a reasonable share of the cost - say one-third. Also, reimbursement need not be made against actual ticket costs but could be based on a schedule of standard fares between representative locations. In order to prevent Transmigration officials from handling the reimbursement monies at point of destination, their function would then present the paper to a local office of BRI or any other bank.

Cost of the scheme: a rough estimate of the annual cost of such a scheme is Rp. 23,000.000,000. Average cost per family would be on the order of Rp. 40,000; this is 1% of the cost of an umum or fully-assisted transmigrant and about 2% of the estimated cost of the experimental project at Paninjauan for swakarsa settlers.

Eligibility for the transport subsidy should be limited to families moving from Java or Bali to islands where additional population is wanted. People moving from the other islands to Java or Bali would not be eligible.

At least one local government has proposed a transport subsidy scheme to the local Transmigrasi office. However, no details are known - except that the scheme has not been implemented because of lack of funds.

IV. LAND AVAILABILITY AND LAND ELIGIBILITY

Availability

21. Indonesia is remarkable for the extreme contrast in population density between the two heavily overpopulated islands of Java and Bali and the relatively empty Other Islands (Sumatra, Kalimantan, Sulawesi, and Irian Jaya are the largest of settlement islands). While this contrast is the basis for the transmigration program, it is anything but a simple matter to make these lands available for settlement and move people onto them. The country is not yet well mapped; land is not yet well inventoried according to forests, soils, slopes, and occupancy. And the legal system for determining land ownership and transfer is in the relatively early stages of evolution from customary or adat rights and communal land holding to systems based on cadastral surveys and individual land ownership, which are everywhere the accompaniment of national and economic development. The transmigration program has required an enormous program of land mapping and evaluation, land alienation, site planning, and land clearing - all preconditions to settlement by transmigrants. All these tasks must be completed before the "green light" can be sent to waiting officials and families in the sending areas.

22. The "empty" land which is the target for settlement by transmigrants is not owned by Government and thus does not provide a large "inventory" from which the Government may make allocations. Most land in the islands other than Sumatra is not "owned" by anyone, in the modern legal sense. Yet it is rarely if ever completely uninhabited, and before it can be used for transmigrants Government must acquire rights to the land, i.e., it must be "alienated" from its traditional or customary owners. Desired land is not normally purchased and paid for in an ordinary commercial transaction. The quid pro quo which Government normally offers is the building of roads, schools, and health facilities in the acquired area - facilities which the local people will be entitled to use. Government may also agree to reserve a certain proportion of 2-ha plots for allocation to local people who may want to settle in the new community. Once an agreement has been reached with the local leaders, the land becomes the Government's to allocate on whatever terms it wishes. In practice, the terms have been held virtually constant for the last 35 years: each umum settler is given 2 ha of land of which 1-1.25 ha is cleared and which includes 1/4 ha for a house and house garden. The size of allotment does not imply that the holding must be in a single piece: this will depend on the detailed physical planning that governs the layout of each project site.

23. The "standard" size of each recent site (called an SKP) is an area large enough to accommodate 2,000 families or about 8-10,000 people. This SKP unit is divided into four or five subunits of 500 or 400 families each. Since each family will have to be given the standard 2 ha allotment, and a certain amount of land will be needed for public purposes, the actual hectareage in each SKP will depend on topography and other determinants of land availability. A number of SKPs may be located adjacent to each other, forming a large integrated project. Whether large or small, each SKP or project site will gradually fill up during the five-year period before the Ministry of Transmi-

gration turns over the administration of the project to the regular provincial administration. The MOT will continue to send official transmigrants to locations that have not been filled up by the time when Home Affairs takes over the responsibility for Government. During this five-year period, and after, many sites will have drawn unregistered transmigrants, most of whom will want to acquire land if they can find a way of doing so.

24. The pace of land alienated for settlement use is driven by the transmigration targets - e.g. the estimated settlement capacity wanted in a particular area over, say, the next five years. Responsibility for going out and acquiring the needed land now rests with the Governors of the settlement provinces. Some Governors may take a strong personal role in the land-acquisition process, others doubtless pass it down to bupatis and camats, who are in a good position to suggest tracts for acquisition within their areas. The size of individual tracts acquired in each province vary greatly, with the minimum determined by the size of the standard settlement project sketched above, a size which suggests a minimum tract of around 5,000 ha. In fact many tracts are much larger and are divided up into separate projects (SKPs) for administrative reasons. The main point to bear in mind is that because the land acquisition process is tied closely to the pace of the transmigration program, the Government does not carry a large inventory of alienated land over and above its foreseeable needs for the official TM settlement program. Thus most Government land is earmarked for use relatively soon after alienation and is not available for people outside official flows. This raises a big problem for those who move outside the official migration streams but who also want to acquire land. These people, we have estimated, are a majority of all transmigrants, and could be more if such land were available.

25. The picture sketched above of a fairly tight gearing between land acquisition and the provincial settlement targets for each Repelita, with consequent low levels of non-earmarked land in inventory, may vary somewhat from province to province and from kabupaten to kabupaten. This means that local officials will have different ability to allocate land-in-inventory to spontaneous migrants. Where there is little or no land in inventory - but still some unalienated land under customary ownership, Government officials can potentially try to alienate additional tracts. In areas where transmigration has been going on for many years, these may be small tracts, suitable for less than the 500 families normally comprising a TM unit. Such sites may provide good opportunities for sisipan settlement (lit., "fitting in"), a form of land allocation that is particularly suitable for individual or small-group spontaneous migrants.

Eligibility

26. In the past, land made available for transmigration has been given mainly to umum and assisted settlers, with a small proportion reserved for local people who wish to become settlers. No land has systematically been made available for unassisted registered transmigrants (the TBB) nor for the large numbers of unregistered, unassisted transmigrants who have followed along later as the pulls of "chain migration" began to exert their effect. Those who were not formally eligible for land allotment were sometimes able to make informal arrangements either with regular transmigrants who were willing

to sell or share part of their allotment (although this was not legal) or with officials who could be persuaded to find them vacant allotments (e.g., land surrendered by original owners who had departed). But the point is that at many sites (especially on Sumatra) the largest stream of transmigrants - mainly those who came after the umum had been settled - were not eligible to receive land. The only approved way they could get any land that might not yet have been allotted was to return to their place of origin and go through the registration procedure, an expensive and inconvenient procedure whose outcome was often uncertain.

27. A number of proposals have been made to broaden the land eligibility of different classes of transmigrants. Homesteading would provide automatic eligibility on a "first come, first served" basis and is described in Box III using non-governmental organizations (NGOs) to identify areas and settle families could also reduce the cost at the benefit packages to Government and reduce managerial requirements (Box III). The sisipan formula of finding suitable areas too small for establishment of a 500 family size but capable of taking some smaller number has sometimes provided land to unregistered transmigrants, although there are apparently as many cases where these (infrequent) sites have been reserved for officially assisted settlers. A third approach - one which has received official endorsement since Repelita I, but which has almost never been put into practice, is the tripartial policy. This policy formally earmarks about one-third of the land available in new sites for umum and reserves thirds for both local and for registered swakarsa (i.e., TBB and DBB) settlers. Unregistered migrants remain ineligible under the tripartial policy. If allotments were open to unregistered migrants already in a transmigration site, this would relieve the internal pressure for land that builds up at sites after their initial settlement by umum. Minimum length-of-residence requirement might be established so that local officials at the receiving end could satisfy the "good character" certifications now made by sending-area officials.

28. Mrs. J.M. Hardjono,^{4/} a well informed observer of the program, has recently emphasized the danger of settling transmigrants with different benefit packages in the same areas as this has led to friction in the past. She suggests that eligibility for land in a given area be limited to those with entitlement to similar benefits. This suggests that each new site should be designated a TBB or a DBB site, and that unregistered migrants, when they become eligible, should be given a benefit package geared to the type of settlement they find themselves in (i.e. either a TBB or a DBB type site). We see no reason why unregistered late-comers to a site would need the full benefit package given to the pioneers.

29. One innovation which would seem to offer opportunities for low-cost settlement would be the systematic offering of "satellite sites" on a homesteading or minimum support basis. Such sites would be intended to drain off unofficial residents (both registered and non-registered) from already-settled sites, as well as being open to homesteaders from Java and Bali.

4/ Author of Transmigration in Indonesia (Oxford University Press, 1977).

IIIA. A "Homesteading" Proposal

Observers of the transmigration program have suggested that the government introduce a "homesteading" component. This would mean designating certain areas where spontaneous transmigrants would be allotted standard two hectare plots on a "first come, first served" basis. Although there might have to be a minimum "start-up" grant of food and agricultural essentials, costs could be kept significantly lower than those now required by the umum and DBB programs. The transmigrants would have to do their own land-clearing and house-building. It would be desirable to select homesteading sites near road, rail, or river transport and, in as many cases as possible, near existing settlements that would provide temporary living quarters, some wage-earning opportunities, and psychological support. A start could be made in either sisipan or "satellite" sites (i.e. new locations either inside or just outside the boundaries of existing projects).

There are two main advantages of a homesteading proposal. One is that it promises land for spontaneous migrants as soon as or immediately after they arrive at a destination of their own choice. The other advantage is low cost to the government - essentially only the costs of site selection, opening up sites with minimal infrastructure, and land registration. For the transmigrants, homesteading would involve more work and greater risks than they might otherwise incur; hence the program might appeal only to the more energetic and self-confident of the transmigrant population. No one can predict what the response would be to offering such a proposal, although there is scattered experience suggesting it would work (i.e., from the Way Sekampung area of Lampung in the 1950's, and recently in the Coastal area of Central Kalimantan. It would probably be wise to start with a few small locations, relatively easily reached by existing transport routes. If the response is strong, the program could then be expanded.

IIIB. The Role of Nongovernmental Organizations (NGOs)

The Directorate of Swakarsa Transmigrasi does not expect NGOs to become a significant factor in the program, although it has a general policy to use them. Indeed, in March, 1984, a KEP/MEN (No. 073) was issued providing for their assistance in the program. Shortly thereafter, the Directorate organized a "Forum Komunikasi" or one-day Workshop for NGOs (referred to as yayasans) at which several papers were read, resulting in a thick volume. There are 18 NGOS on the Directorate's list of potential collaborators, but only a few have engaged in any activities in support of transmigration. There is no intention of providing any assistance to the NGOs to encourage them to become more active in assisting transmigration. It is possible the Directorate may request a few NGOs to undertake pilot projects; but no plan has been prepared and no such projects have yet been identified. So the few instances where NGOs have attempted something have all been on their own initiative and at their own expense. If the Ministry adopted a policy of cash grants (perhaps fixed at 30-50% of the cost of the umum program) for NGOS with an approved settlement program. This could potentially expand the program and reduce cost.

IV. Proposal For A Pilot Project At Peninjauan, Near Baturmarta In Baturaja Province, South Sumatra

Objective: to test the thesis that families will move without assistance if guaranteed land in a settlement area and if given a minimum level of government support on arrival. Baturmarta is an existing settlement area; but since the tripartial policy has not been followed, there is no land available for swakarsa settlers within the settlement. The pilot project must therefore be on newly-designated land outside, but nearby (18,000 ha. are available from land now classified as forest land). Government will leave the choice of cropping patterns to the settlers, who are expected to go for food crops, livestock, and small-scale orchards.

The project will use the "tripartial" policy, i.e. using some 10,000 ha (55% of the total) for official (registered) swakarsa settlers but reserving migrants (murnis). All classes of settlers would receive 2 ha of land. The nucleus would come from spontaneous settlers already in Baturmarta, i.e. those living on holdings of less than 2 ha. Present residents of Baturmarta will be encouraged to urge friends and relatives on Java to come to Baturmarta for early re-settlement in Paninjauan. The government would provide free literature to Baturmarta residents for sending to friends in Java; the government would do no direct recruitment on Java.

The project would start with establishment of two villages in 1985-86, settling 1,000 families. On the 2 ha. plots, 1.25 ha. would be felled and burned before allocation to families. This work would provide cash income for intending settlers. Plots would be furnished with a one-room house and latrine, with one well for every four houses. The first 1,000 settlers would also be given the standard umum rations for food (12 months of rice plus four months of non-staples); this would be reviewed to see if later settlers could be given less. Settlers would also be given the standard umum issues of seeds, fertilizer, pesticide, and household and farm implements. Total cost per family would be Rp. 2,268,900 (about half the cost for an umum family in 1984).

Although the project was approved in mid-1984 for implementation in 1985-86, delays in making land available and in doing the necessary survey work had delayed the project so that it could not be included, as originally hoped, in the Bank assisted Trans V project (scheduled for approval in June 1985). It is hoped that the project can be included in a future Transmigration project.

Mrs. Hardjono has described plans for one of the first such satellite sites, at Paninjauan, near Baturanta in southern Sumatra. A summary of this proposal appears in Box IV.

V. BENEFIT PACKAGE

Present Policy

30. The types and amounts of assistance given to official (registered) transmigrants has varied somewhat from time to time and from place to place. These variations have reflected (i) Government estimates of what transmigrants needed in order to establish themselves under different conditions and (ii) the availability of funds. For the past few years, the benefit package has been held constant from year to year, has been uniform for all destinations, and has been almost identical for the only two classes of transmigrants who are eligible for assistance (umum and DBB). As noted earlier, there is no significant difference in the benefits received by umum and DBB settlers. Both must go wherever the Government assigns them and at a time when Government is ready to move them. The two other main classes of transmigrants, TBB and unregistereds or liar, receive no benefits at all, with one major exception. That exception is that TBB transmigrants may be eligible for help in finding land after they arrive at their destinations. TBB have no guarantee that they will receive any land in fact the great majority do not. Even if they do, they usually get no other assistance. Since there have been many more TBB than DBB transmigrants (and unregistereds have been much larger than all official settlers combined), it can be said that the majority of transmigrants have not received any benefits at all. Whatever help they have received has come from relatives or friends - help which has often been given in exchange for labor assistance from newly-arrived transmigrants.

31. Thus today there exist two extreme benefit packages - the maximum package which is given to umum and, with only slight reduction, to DBB migrants, and the "zero package" given to all others. There is no graduated scale of benefits geared to different degrees of difficulty faced by settlers although occasionally emergency assistance is given to umum and DBB settlers when it has become clear that particular sites have not been able to yield the food output which the planners expected. The Ministry of Transmigration has been considering use of graduated assistance packages, however. For example, there seems wide agreement that transmigrants settled on sisipan sites would not need as costly a set of benefits as the pioneers originally settled in the same area - although the amount of benefits they would need would depend more on whether or not they were selected from transmigrants already living nearby or from those coming for the first time from Java or Bali and therefore having no established support system in the area. Similarly, Mrs. Harjono's proposal for a pilot project at Paninjauan suggests some scaling down of benefits as one way of reducing program costs; nevertheless, the main source of the 50% savings she foresees for that project, as compared to average costs per umum family, would appear to be savings in preparation and infrastructure costs, not savings in the direct production and subsistence benefits received by

V. Assistance Packages: Three Suggested Levels and Their Application

- I. Minimum or "low" level: for all settlers on sisipan, satellite, and homestead sites standard minimum 2 hectare land allotment. On "homestead" sites (within which sisipan sites would be included) there would be no land clearing by the program. (Infrastructure standards should be varied, with certain infrastructure items - i.e. schools, health clinic, and mosque - not promised before end of the five-year hand-over time, and construction to involve mutual help labor contributions) all transmigrants to be eligible for a standard transport subsidy. All given allotments to be eligible to borrow from BRI or standard program benefits if they so wish, i.e. allotted land to be mortgageable with BRI from a very early date.
- II. Medium: for swakarsa arrivals in pioneer sites during the last three years before handover of site to Home Affairs. Standard minimum 2 hectare land allotment. House plot and half the production hectareage cleared. Housing by selfconstruction but using standard materials delivered to key distribution points within the project. Standard transport subsidy. Guaranteed wage employment of 500 hours. p.a. for the first two years after registration in the transmigration area. Half the production input benefits, and half the consumption/household benefits, given to the maximum-assistance transmigrants.
- III. Maximum or "high" level: for pioneers, defined as umums plus all spontaneous arriving during the first two years after opening of a site. Same as present assistance now given DBB settlers (would mean that umums would no longer have all their allotment cleared but only one-half. Since this is now the only distinction between umums and DBBs, there would no longer be any need to distinguish between the two. All could be designated umums, or perhaps renamed "pioneers" - a term that would apply to all transmigrants arriving at a site during its first two years of settlement).

settlers.

32. Several observers today feel that the present structure of benefits is too extreme or too simplistic - consisting of a generous and costly package at the "high" end (with only a minor distinction between umum and DBB) and no benefits (except help in finding land for TBB) for anyone else. Such people point out that the present system is both unfair and unnecessarily costly - unfair in not giving any benefits to some who should receive them and too costly by giving more benefits to some than they truly need. One solution proposed (again by Mrs. Hardjono) is that there should be differential benefit packages for different sites, depending on how much assistance people would need at each site. Mrs. Hardjono's suggestion is made, in very summary form, on p. 40 of her 1984 "Key Issues" paper and summarized in Annex 1.

Three Suggestions

33. The Bank would like to contribute to the current reassessment of assistance levels by making some suggestions for consideration. There are three key points to the Bank's informal suggestions. The first is that land allotments should be considered the key benefit and that many more classes of transmigrants should be considered eligible for land on an automatic basis, just as umum and DBB transmigrants are now entitled to it. Essentially land should be made available to any qualified applicant on the basis of the time when their names are registered in the books at the transmigration sites - but of course giving priority to umum and DBB settlers. Eligibility should not be defined solely by registration status at the originating area as at present. Such a system would put spontaneous migrants on almost the same basis as fully-sponsored settlers (umum and DBB); the only difference so far as land eligibility would be that the latter would be guaranteed an allotment immediately upon arrival, whereas spontaneous transmigrants would have to take their chance according to their position on the waiting list at the point of destination (eligibility for an allotment might involve a minimum waiting period for non-TBB transmigrants, to establish a local "character reference".) This system would put more pressure on the program to develop land for settlement more rapidly than is now done - since more transmigrants would be eligible for allotments. Available allotment would therefore be taken up more rapidly, forcing authorities to accelerate site development both in virgin locations as well as in locations (e.g. sisipan and satellite sites) that could be easily reached from already-settled locations. This system would also require a change in the method by which transmigrants are certified as suitable for land allotments: at present this certification depends on character and health references received by people who know them at their area of origin, by extending land eligibility to transmigrants who had not gone through the registration process until arrival at their destinations, a new certification process would be required. Perhaps it would be sufficient for relatives and friends already established in the transmigrasi area to provide the necessary references. If this system were adopted, transmigrants would have much less reason to register in their originating area to secure TBB status, which would no longer give them any advantage. Program statistics for swakarsa (not umum) could be based on registrations at the transmigration area: they would be far more complete than the present system.

34. The second principal suggestion is that the concept of "assistance" be revised to separate general preparation and infrastructure (P&I) costs from the cost of benefits that are directly received by individual transmigrant families, e.g. land (with various degrees of clearance); housing or housing materials; production items such as tools, seed, fertilizer, pesticides; and consumption items such as food, household utensils, kerosene. The P&I costs are more properly regarded as national costs of regional development and not as personal benefits from P&I costs would simplify thinking about both programs and their costs and would make it somewhat easier to vary each one without considering it a "trade-off" against the other.

35. The third and final suggestion is that three standard benefit packages be established by central authorities for application in well-defined circumstances. The three suggested assistance levels are summarized in the Box V, together with the circumstances for their application. These should be regarded as "starting points" for discussion within the Government, since we recognize that there is much room for discussion on how many standard packages should be established, what they should contain, and where they should apply.

INDONESIATRANSMIGRATION SECTOR REVIEWSummary of Ms. J. Hardjono's Paper, "Key Issues In The
Expansion Of Unassisted Transmigration in Indonesia"

In addition to looking for ways to reduce costs of assisted transmigration, officials have recently begun to realize that unassisted settlers tend to progress faster than the assisted. It is also now widely realized that swakarsa transmigrants almost always move to areas where they have contacts, i.e. that "chain migration" is a key factor.

Land availability, and policies on acquisition, are the most important single issues confronting swakarsa transmigrants. Many swakarsa transmigrants have survived satisfactorily on plots smaller than the standard 2 ha allotments. Unassisted settlers often secured such holdings through informal negotiations with local authorities, or with umum settlers. The time has come, however, to establish clear policies on land rights.

The term "spontaneous" transmigrants, introduced in 1957, is an inappropriate name for "partly assisted" settlers. In recent years, there have been two classes of swakarsa transmigrants, DBB and TBB ("with" and "without" financial assistance). With all three classes (umums, DBB, and TBB settlers) going to the same areas, there was understandable friction because many swakarsa or spontaneous transmigrants did not understand that they would receive lower benefits than others. The most persistent source of trouble has been the government's inattention to rules for land allocation to nonassisted settlers. The most satisfactory solution would be adoption of a tripartial policy in all settlements. First suggested in the early 'seventies, the tripartial policy would reserve agreed portions of land in all projects for umums, lokals, and swakarsas. Repelita IV endorses this concept; but to date administrators have not implemented the policy. A Directorate for Swakarsa Transmigration was established in 1979, but to date the Directorate has yet to develop a clear statement of its mandate or its policies. Despite its five-year existence, the Directorate has no program for 1984-85.

The government's preoccupation with "targets" focuses attention too rigidly on assisted transmigrants and limits opportunities for making use of natural forces ("chain migration" and "step migration") which hold out the best hope of expanding the program at lower costs. The study recommends separation of umum and partly-assisted settlers in separate projects and the reservation of some land in all projects for completely unassisted transmigrants. The latter should be allowed to arrive in the project without prior registration in Java, apply to the project management for a holding, and stay with relatives until it was allocated (within three months, at most). To speed up this process, the procurement of new locations within reasonable distance of established settlements is a high priority. The involvement of local officials in identifying and securing such land will be essential - recent decrees now make this possible. The exact "assistance package" to be given in each locality should vary according to local needs.

INDONESIATRANSMIGRATION SECTOR REVIEW

Expected Costs of Settling Partially-Assisted Transmigrants
at Paninjauan (A Swakarsa Demonstration Project) /a
 (1984 Rupiah)

	Per family
<u>Survey and Planning</u>	
Survey	14,000
Planning	40,000
Measurement of holdings	10,000
<u>Project Preparation</u>	
Land clearing at Rp. 350,000 per ha	437,500
Road construction	420,000
Village roads between houses	160,000
Social/general facilities	70,000
House and latrine	400,000
Well (1 per 4 families)	50,000
<u>Mobilization and Settlement</u>	
Publicity, postage in Batumarta	15,000
Registration in Batumarta + transportation to Peninjauan	5,000
Bedding + agricultural equipment	40,000
<u>Guidance and Development</u>	
Food allowance:	
- rice for 12 months	240,000
- other food for 4 months	120,000
Education	900
Health and family planning	10,000
Seed for home-lot	5,000
Packet A - seed for food crops	70,000
Packet B - fertilizer, etc.	50,000
Communal pasture (0.25 ha per family)	104,000
Sprayer	7,500
<u> Total</u>	<u>2,268,900</u>

/a These costs, which are lower than those experienced in other areas, are believed specific to the Paninjauan site.

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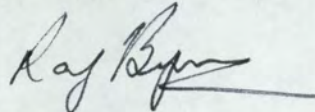
Dr.G.Davis
Indonesian Projects Section
World Bank
1818 H Street
Washington D.C. 20433
U.S.A.

Dear Gloria,

I assume you recieved my telex responding in the affirmative to your letter of May 17th. I am writing to ask if you would be interested in giving an "informal" lunchtime seminar on the transmigration program to the Indonesian specialists and development economists here. I spoke to Anne Booth and Peter MacAulay and they both know of your work and are very enthusiastic about the prospect of you giving a talk. How about it?

That's all for now!

Best wishes

A handwritten signature in dark ink, appearing to read 'Ray Byron', with a stylized flourish at the end.

Ray Byron

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P.O. Box 4
ACT 2601
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Dr. G. Davis
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World Bank
1919
Washington D.C. 20433
USA

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[REDACTED]

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