

intersections online

Volume 10, Number 2 (Spring 2009)

Elizabeth Adams Parciany, "Golden Beaches & Adventuresome Wilderness: The Neocolonial Timeshare in Indonesia," *intersections* 10, no. 2 (2009): 177-197.

ABSTRACT

The last few decades have been witness to a flood of information about destructive resource extraction projects around the world. However, the tourism industry has been curiously absent from many conversations about harmful extraction. The purpose of this paper is to bridge the two industries together, revealing their similarities and exposing the tourism industry's reliance on, and contribution to, destructive extraction processes. Exploring the coordinated rise of both "hard" and "soft" development in Indonesia over the last century, I argue resource extraction and tourism are closely related manifestations of a colonial relationship between Indonesia and the "developed" West. Pressured and persuaded by the rhetoric of free market ideologues, the Indonesian government has embraced a position of colonial subordination whereby their resources and goods serve to benefit the developed world at a near total expense of the ecological and social wellbeing of Indonesia.

http://depts.washington.edu/chid/intersections_Spring_2009/Elizabeth_Adams_Parciany_The_Neocolonial_Timeshare_in_Indonesia.pdf

© 2009 *intersections*, Elizabeth Adams Parciany. This article may not be reposted, reprinted, or included in any print or online publication, website, or blog, without the expressed written consent of *intersections* and the author

Golden Beaches & Adventuresome Wilderness The Neocolonial Timeshare in Indonesia

By Elizabeth Adams Parciany
University of Washington, Seattle

The last few decades have been witness to a flood of information about destructive resource extraction projects around the world. From documentaries about oil drilling in Ecuador to gold mine mercury spills in Peru,¹ deforestation in Costa Rica to the decimation of fisheries in India,² dialogue about extractive industry has been brewing. However, the tourism industry has been curiously absent from many conversations about destructive extraction.³ The purpose of this paper is to bridge the two industries together, revealing the similarities between them and showing how tourism relies upon destructive extraction processes in order to function successfully. Following a brief exploration of neocolonial globalization I will argue that resource extraction projects and tourism in Indonesia are closely related as manifestations of a neocolonial relationship in which Indonesia's resources are extracted and exploited for the near exclusive benefit of other countries. The relocation of resources for the benefit of political elites and foreigners at the expense of both Indonesia's citizens and environmental integrity is classically colonial in nature. However, in the present situation, Indonesia's subjugation to colonial exploitation is disguised and the colonizing countries are free from responsibility to the land and people they control.

¹ *Trinkets and beads*, a 1996 documentary by Christopher Walker and Tony Avirgan (New York: Faction Films), documents oil drilling and pollution in the forests of Ecuador; *Choropampa the price of gold = el precio del oro*, by Ernesto Cabellos and Stephanie Boyd (Brooklyn, NY: First Run/Icarus Films), is a documentary about a horrendous mercury spill on June 2nd, 2000 at the Yanacocha goldmine in the Peruvian Andes.

² *Hamburger* is a 1986 film by Peter Heller (Bornheim, Germany: Filmkraft Produktion) that documents the deforestation in Costa Rica for the sake of flourishing fast food companies; *Fishing in the sea of greed*, is a 1998 documentary by Anand Patwardhan (New York, N.Y.: First Run/Icarus Films) about the decimation of India's fisheries.

³ In the 1970's and 80's anthropology departments nourished a wave of critical literature on tourism. While current research on the tourism industry critically engages the politics of performance, few connections are made to the violence of extractive projects or broader regimes of neocolonial destruction.

(Neo)Colonial Globalization

“We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas. The old imperialism – exploitation for foreign profit – has no place in our plans. What we envisage is a program of development based on the concepts of democratic fair dealing.”

President Harry S. Truman

Ne-o-co-lo-ni-al-ism: the policy of a strong nation in seeking political and economic hegemony over an independent nation or extended geographical area without necessarily reducing the subordinate nation or area to the legal status of a colony.

Random House Dictionary, 2009

“We need the children of Indonesia and the Philippines to manufacture our freedom of choice.”

Marc Maron, an American comedian

It has been suggested that the world is in a process of transformation. No longer are international relations marked by colonial conquests, colonial savagery, or colonial wars. Foreign invasions and occupations in the name of empire or material enrichment have ceased to be seen as acceptable practices in the international sphere, human rights are being championed worldwide, and international cooperation is privileged. Essentially, it is said, the current climate is one of postcolonial regeneration. The god of the free market has replaced the god of civilization and the “white man’s burden”, leveling the playing field around the values of competition, deregulation, and economic progress.

While the purpose of this paper is not to analyze and contest the various minutia of postcolonial discourse, it begins with a challenge to this notion that colonialism should be accompanied by the prefix “post” and dismissed as a practice of the past. There has been a great deal of scholarship within literary and postcolonial studies concerned with questions of postcolonial identity, or the ways in which colonial history shapes a landscape long after the colonial power is physically gone. However, the challenge to postcolonialism presented in this paper is not focused on psychosocial traces of a colonial past. Instead, the concern here is with a violent, exploitative continuation of colonial domination under the guise of free market international capitalism. As such, this paper will not be dealing with the Dutch colonization of Indonesia or its aftermath *per se*, but rather will focus on the continuation of characteristically colonial policies

facilitated by international organizations under neoliberal ideologies for the furthering of first world ends.⁴

Neoliberal globalization is generally understood as an effort to open trade and investment between countries in order to allow for increased global connections across a leveled playing field. When everyone is allowed to enter into competition, bringing their best products and services to the market, the diversity of skills and offerings will result in increased prosperity for all and a more balanced distribution of wealth.⁵ This term, however is misleading for it makes wealth seem dispersed rather than consolidated in its ultimate ends. Neoliberal policies have been characteristically marked by increased corporate freedom, increased privatization (often of basic goods and services that were formerly managed somewhat communally), and the minimization, if not elimination, of social welfare projects for populations. As a result of these policies, the divide between rich and poor is reinforced and amplified on a global scale.⁶ Thus, despite Thomas Friedman's iconic suggestion, the world is not flat and neoliberal efforts have failed to create a beneficially unbounded marketplace.

In actuality, neoliberal efforts are colonial efforts in disguise. Neoliberalism does not work to liberalize populations or international regimes of hierarchy. Rather, neoliberalism functions as an expression of first world desires for hegemonic control over nations and populations. Free market policies effectively subordinate developing countries to the dependent status of a colony and are then exploited ruthlessly for the benefit of developed nations. The fact that developing countries are not represented or referred to as colonies in media and legal discourse is what technically frames the practices *neocolonial*, but for scholars familiar with the lived history of these practices, such technical determinations are merely matters of semantics. Throughout the course of this paper it will become evident that Indonesia's exploitation is not illusory or fantastical; neocolonialism and the widening global gap between the rich and the poor is an open secret. For this reason, I will refer to "neoliberalism" and "neoliberal globalization" with a more intuitive phrase as an "apparatus of capture" that facilitates and justifies the relocation of resources, natural and cultural, from the periphery for consumption in the developed, first world

⁴ The ultimate benefactors of neoliberal globalization tend to be Western countries. However, in the case of Indonesia, Japan and China have generally functioned as an intermediary, thereby benefiting with Western powers from the exploitation of the Indonesian landscape.

⁵ Elizabeth Fuller Collins, *Indonesia betrayed: how development fails* (Honolulu: University of Hawaii Press, 2007), 12.

⁶ *Ibid.*, 186-187.

nations.⁷ The apparatus of capture lives and thrives “vampirically” off of the lives and livelihood of others.⁸

An exploration of the socio-political reality and history of Indonesia necessitates an understanding of how the neocolonial apparatus of capture has functioned axiomatically to sustain and perpetuate neoliberal ideologies as the only economically feasible strategy, even when there has been little proof that this ideology works for Indonesian benefit.⁹ My critique then is not so much about capitalism *sine qua non*, but rather is about inadequacies in management, delineations of control (usually in the hands of wealthy foreigners), and the fact that neocolonial capitalism has been accepted as a singular truth for the improvement of Indonesia despite persistent and increasing affronts to environmental and social integrity.

Importantly, the neocolonial apparatus of capture does not simply seek to incorporate developing nations into a global capitalist economy. It also actively conditions the terms of such inclusion and participation in ways that cement hierarchies of power and ensure various levels of dependency. Further, it works to confine developing nations to a particular code of conduct while simultaneously laying the groundwork for selective evasion of rules and/or international standards on the part of elite capitalists.

On a practical level, organizations such as the World Bank and the International Monetary Fund (IMF) are *agents* of the neocolonial apparatus of capture and “Development Plans” are among their favorite *tools*. Somewhat like neoliberalism, the theory behind development is not necessarily problematic. Indeed, much of the literature produced by the World Bank, IMF, the United Nations, etc. . . on the issues and goals of development are highly encouraging. Generally, the eradication of poverty is among the first of reasons mentioned for supporting development programs. Other often cited objectives are improved

⁷ The “Apparatus of Capture” concept employed here is inspired by Gilles Deleuze and Felix Guattari’s development and use of the phrase in *A thousand plateaus: capitalism and schizophrenia* (Minneapolis: University of Minnesota Press, 1985), chapter thirteen. While I owe my understanding of the term completely to their work, my use of the concept in this paper differs somewhat from their understanding in their book.

⁸ Daniel Smith and John Protevi, “Gilles Deleuze,” *The Stanford Encyclopedia of Philosophy*, May 23, 2008, <http://plato.stanford.edu/archives/fall2008/entries/deleuze/> (accessed March 12, 2009).

⁹ Deleuze and Guattari explore what they call the capitalist axiomatic at great length in *A thousand plateaus* and I owe my use of the term to an engagement with their work. However, their formulation is slightly different than the one I utilize and much more complex. For the purposes of this paper I am primarily concerned with capitalism as a type of logical, or mathematical, axiomatic whereby capitalism is not necessarily ‘self-evident’ but it is commonly accepted as truth without proof to support the contention.

education, health care, environmental sustainability, and gender equality.¹⁰ However, there is a stark divide between stated development objectives and the ground-level experience of development planning in action.

Although development plans vary slightly from country to country and include numerous strategies, there are two main types of development strategies in Indonesia that will be explored in this paper: extractive industry and tourism. In the popular imagination, where tourism often conjures images of pristine beaches and filth is associated with extraction, these strategies could hardly be more disconnected. However, from a neoliberal development framework, extraction and tourism are two sides of the same coin. The only difference is that tourism is considered “soft” development in contradistinction to resource extraction projects that are “hard”.¹¹ The remainder of this essay will explore Indonesia’s extractive and tourism industries in greater detail in order to expose the similarities between the two, not just on the level of development planning but also in terms of existential and experiential tools of neocolonial destruction.

Extractive Industry

A new landscape had developed in resource extraction areas: Quiet scenes of forests, fields, and houses had become wild terrains of danger, urgency, and destruction. The mad rush for gold joined and stimulated mad rushes for logs, birds’ nests, incense woods, marble, and even sand.¹²

Anna Lowenhaupt Tsing

“There is virtually no overlap between the set of countries with large natural resource endowments – and the set of countries that have high levels of GDP... resource intensity tends to correlate with slow economic growth.”¹³

Sachs and Warner

Resource extraction projects are often among the most immediate associations conjured by the term colonial. Indeed, colonial relationships throughout history have been characterized by the relocation of resources from a periphery (the colony) to the center (the colonizer’s homeland). Presently,

¹⁰ See United Nations Development Programme: Indonesia, “The Millennium Development Goals Report 2005,” <http://www.undp.or.id/pubs/imdg2005/index.asp>, (accessed, March 3, 2009).

¹¹ Unsurprisingly, soft development is understood to have fewer technological requirements and is more readily, and easily, accessible than extractive industry. See Michael Hitchcock, Victor T. King, and Mike Parnwell, *Tourism in South-East Asia* (London: Routledge, 1993), 16-17.

¹² Anna Lowenhaupt Tsing, *Friction: an ethnography of global connection* (Princeton: Princeton University Press, 2005), 67.

¹³ J. & A. Warner Sachs, “Natural Resources and Economic Development: The Curse of Natural Resources,” *European Economic Review* 45, no. 4-6 (2001): 828.

neocolonialism does the same thing – only now, the apparatus of capture works by sustaining a fiction of mutual profit while developed countries enjoy a cheap supply of resources independent of social or political obligations. Once resource-rich countries are captured by the ideology of the capitalist axiomatic, which claims GDP indicators to be supreme gauges of national prosperity, a steady and unsustainable flow of resources away from developing locals to the developed center begins.

In Indonesia the start of neocolonial influence and activity can be marked clearly with the rise of President Soeharto and his “New Order”. President Sukarno, Soeharto’s predecessor and Indonesia’s first president from 1945-1966, ran an explicitly “anti-Western, often xenophobic” regime that discouraged development assistance as well as tourism.¹⁴ However, among President Soeharto’s first moves was to begin working with the World Bank and other international organizations to create a Five Year Plan for Indonesia in accord with neoliberal strategies for economic development.¹⁵ Extractive development projects were central to the first few Plans and have continued to be central to Indonesian economies even as more democratic political leadership has replaced Soeharto’s authoritative regime.

Indonesia is home to a dizzying array of natural resources and, as the World Bank assisted Soeharto in spearheading national development, not one was left out of the New Order’s regime of exploitation. Oil, gas, copper, gold, coal, tin, nickel, fisheries and rainforests have been the most seriously developed among the country’s 33+ natural resources.¹⁶ While they each have their own significant histories of exploitation, I will restrict my attention here to how the logging and gold mining industries tie Indonesia into the neocolonial apparatus

¹⁴ Eric Crystal, “Tourism in Toraja (Sulawesi, Indonesia),” in *Hosts and guests: the anthropology of tourism*, ed. Valene L. Smith (Philadelphia: University of Pennsylvania Press, 1977), 109.

¹⁵ Although the planning process began soon after his ascension to power, the first Five Year Plan was not officially published until a bit later. My sources conflict to some degree about the exact year of publication for the first Plan, some suggesting 1968 and others 1969. As the majority of sources date the First Plan to 1969, and because chronologically the date fits with the known publications of the Second and Third plans, I assume 1969 is the appropriate date. See Raymond Noronha, “Paradise Reviewed: Tourism in Bali,” in *Tourism--passport to development?: perspectives on the social and cultural effects of tourism in developing countries*, Joint Unesco-World Bank Seminar on the Social and Cultural Impacts of Tourism and Emanuel Jehuda De Kadt (New York: Oxford University Press, 1979), 180.

¹⁶ The twenty-nine mineral extraction projects are broadly divided into two groups: Industrial Minerals (Apatite, Asbestos, Collophanite, Crandallite, Graphite, Marble, Mica, Opal, Phosphate, Quartz-albite rock, and Tale) and Ore Minerals (Aluminum, Bismuth, Chromium, Cobalt, Copper, Gold, Iron, Lead, Manganese, Mercury, Nickel, Platinum, Rare earths, Silver, Thorium, Tin, Tungsten, and Zinc). See Eriako Associates, *Irian Jaya, a new frontier for trade, investment, and tourism* (Jayapura, Irian Jaya, Indonesia: Provincial Government of Irian Jaya, 1993), 124.

and keep both the state and its citizens in an exploitative relation to developed countries.

Deforestation

The logging industry in Indonesia is an exceptionally significant example of hard economic development because it has been important to the Indonesian economy and because it has been especially controversial. Indonesia is home to over 10 percent of the world's rainforests¹⁷ and over 50 percent of the forests in Southeast Asia.¹⁸ For a President interested in making money quickly, it is perhaps unsurprising then that one of Soeharto's first legislative acts upon taking office was Law 5/1967, which put all forests under the control of the state.¹⁹ Although oil was initially the largest generator of income, by the 1980s timber exports were on the rise. By the 1990s "Indonesia had become the world's largest exporter of...hardwood plywood" in addition to exporting significant quantities of other forest products.²⁰ The controversy that has surrounded timber extraction in Indonesia over the last few decades, however, has centered less on unsustainability of government development plans and more on illegal logging and the net consequences of rapid deforestation.

With an estimated deforestation rate of 1.8 to four million hectares per year (the world record) and little change in extraction or enforcement practices, Indonesia is in a state of environmental crisis.²¹ The principle causes of the country's alarming rate of deforestation have mostly been illegal logging practices, but also fires caused by changes in traditional agricultural practices.²²

¹⁷ Ann Bowen and John Pallister, *AS level geography: for AQA specification A* (Oxford: Heinemann Educational, 2000), 112.

¹⁸ Budy P. Resosudarmo, "Introduction," in *The politics and economics of Indonesia's natural resources*, ed. Budy P. Resosudarmo (Indonesia update series. Singapore: Institute of Southeast Asian Studies, 2005), 2.

¹⁹ A. M. Balisacan and Hal Hill, *The dynamics of regional development: the Philippines in East Asia* (Quezon City: Ateneo de Manila University Press, 2007), 139.

²⁰ Resosudarmo, 3.

²¹ Krystof Obidzinski, "Illegal Logging in Indonesia: Myth and Reality," in *The politics and economics of Indonesia's natural resources*, ed. Budy P. Resosudarmo (Singapore: Institute of Southeast Asian Studies, 2005), 201; See also Craig Glenday, *Guinness world records 2009* (London: Guinness World Records, 2008).

In trying to verify Obidzinski's data and ascertain the current estimated rate of deforestation for the region I found conflicting figures for extraction over the last decade. The highest rate I found from any source other than Obidzinski was 2.8 million hectares from 1998-2000, a rise sandwiched between a rate of 1.8 million hectares between 1987-1997 and 2000-2006, information that is consistent with the Indonesian Forestry Ministry. Further, at 1.8 million hectares per year Indonesia maintains the world record.

²² The World Bank Group, *Indonesia: environment and natural resource management in a time of transition*, (Washington, D.C.: World Bank, 2000), ii; See also David Glover and Timothy Jessup, *Indonesia's fires and haze: the cost of catastrophe* (Ottawa: International Development Research Centre, 2006), 4-5,

Under Soeharto, deforestation was largely critiqued by environmental activists and commentators outside of the country. After the fall of the New Order and the rise of free elections, the matter was discussed more openly and some were hopeful that the situation would be managed better.²³ Unfortunately, illegal logging has steadily increased.²⁴

Although concern over the disappearance of Indonesia's forests is well founded, the framing of the problem by the media has been deceptive. In covering the issue of illegal logging, media commentators have tended to imply that illegal logging is wholly disconnected from the government's development practices – or at least, the problem is only connected to the government in so far as it has failed to enforce the law.²⁵ However, there is scant evidence to believe rogue loggers running small-scale operations could extract, sell, and/or smuggle forty to fifty million cubic meters of timber per year.²⁶ The only plausible explanation for such rapid deforestation is a pattern of illegal practices from large-scale foreign operators who have legal contracts with and permits from the government.²⁷ Following the production of “The Final Cut”, a documentary exposing large-scale commercial illegal logging practices (and their attempts to abscond liability by hiring natives to do illegal work), the World Bank was compelled to acknowledge the problem of multinational companies' involvement.²⁸ However, the popular press has continued to paint a portrait of illegal logging featuring a poor group of Indonesians just trying to make a buck. As I'll show in the next section, similar representations abound in media coverage of illegal mining.

The media representation of illegal logging as the work of small-scale Indonesian operations is important to note. Not only does it distort the reality of the situation and shift blame for direct physical destruction away from the government, whose developmental goals created the space for the problem of illegal logging to emerge in first place, it obscures the depth of the current neocolonial relationship between the developed and the developing worlds.

http://epe.lacbac.gc.ca.offcampus.lib.washington.edu/100/200/301/idrccrdi/indonesia_fire_haze-e/index.html (accessed March 4, 2009).

Interestingly, Glover points out that fires are not new to Indonesia or its forests. However, “the fact that Sumatra and Kalimantan remained forested until recent decades indicates that neither naturally caused fires nor human use of fire caused significant deforestation in the past”.

²³ Obidzinski, 193.

²⁴ *Ibid.*, 193-201.

²⁵ *Ibid.*

²⁶ *Ibid.*, 201.

²⁷ *Ibid.*

²⁸ The World Bank Group, 21.

There is no denying the movement of raw materials out of the country, away from local peoples and local needs. Indeed, more trees have been felled and exported since the adoption of neocolonial policies than throughout the whole Dutch colonial occupation.²⁹ Yet the image given by the media is one of local peoples enthusiastically contributing to the flow of resources. The natives are represented as taking part in the process, selling goods, making money! Oh, if only they understood how to extract resources responsibly and sustainably...

Crucially, the media representations are not coincidental. Conceptually, everything about Indonesia's logging practices fits within the normal functioning of the neoliberal apparatus of capture. Basically, multinational logging corporations are issued permits to clear-cut forests as a result of Indonesia's adoption of the neoliberal ideologies – their surrender to the game of global capitalist development. The companies sign contracts honoring Indonesia's development plans and commitments to sustainability. But, because foreign interest in Indonesian development was always motivated by self-interest, the legal logging allowances are unsatisfactory. As they overstep their legal bounds by cutting and smuggling excess timber out of the Indonesian periphery, multinational companies draw attention to the small bands of rogue loggers illegally supplementing local markets with cheap goods. While the media regurgitates tales of stolen profits and pressures Indonesian officials to police local criminals, the corporations are free to continue their extraction efforts unabated. Indonesia is therefore captured in the form of resources but never fully in a colonial sense; small allowances are made, diversions created, and illusions fostered to ensure the capturers are never held responsible for the wellbeing of Indonesian natives or ecology. Indonesia is captured only to the extent that it is useful and convenient for the neocolonialist.

Gold Mining

Although deforestation is arguably the most severe of Indonesia's development strategies in terms of harm to the environment and number of living beings affected, gold mining has been the most notorious of the country's industries since the 1980s. While gold mining had been common in Indonesia since the first Development Plan, it was never anywhere close to the top of the country's export list. However, following 1980, when the standard price of gold per ounce increased by nearly 2500 percent, mining became especially prolific.³⁰ By

²⁹ Obidzinski, 194-197.

³⁰ Following years of a standard, fixed rate of \$35 per ounce of gold, in 1980 it unexpectedly topped out at \$850 per ounce. For the next two decades the price fluctuated drastically with an inverse

the early 1990s, however, the international price of gold dropped again and many companies that had experienced little success in Indonesia were trying to get their investments out of the country.³¹ By 1994, just as the international media had largely lost interest in topic of gold mining, a Canadian company called Bre-X struck gold in Borneo, Indonesia. The mine, Busang, was claimed to be the most profitable mine in the world and for the next three years the stock market (and interest in Indonesia) was ablaze.³² In 1997, one of the most scandalous headlines of the decade flooded news agencies world over: Busang was a scam! The consequences were dire – not just for stock traders who lost millions or Michael de Guzman, the face of Bre-X pushed out of a helicopter over the Kalimantan forests, but for extractive development in Indonesia broadly.³³ The Busang gold scam destroyed international confidence in the area and left companies cautious to invest.³⁴ John McBeth reported in 2002, “spending on exploration in Indonesia dropped from \$160 million in 1996 to \$67 million in 2000 and an estimated \$22 million last year [2001]”.³⁵ Investment continued to decline steadily until 2004 and has since only slowly improved.³⁶

One of the motivating and mobilizing forces behind President Soeharto’s fall from power was his unashamed cronyism and the corruption that had come to mark extractive industry across the country.³⁷ Although there was a transition period in which little changed, the new political organization of the country was explicitly geared toward increasing local control of resources and ensuring natives would profit from development. In essence, Indonesia would disrupt the neoliberal process, the apparatus of capture, and would no longer allow companies to easily and cheaply exploit physical and cultural resources. Consequently, at least for the first part of the twenty-first century, Indonesia only got around one percent of the world’s exploration investments.³⁸ Despite the country’s abundance of extractive potential, Australia and Argentina had lower taxes and production costs and investors were keen on getting a “good deal”.³⁹ Furthermore, with partial transfers of resource control to local

relationship to inflation. Peter L. Bernstein, *The power of gold: the history of an obsession* (New York: Wiley, 2000), 361. Tsing, 60.

³¹ Tsing, 61.

³² *Ibid.*

³³ *Ibid.*, 62-63.

³⁴ John McBeth, “Indonesia’s Wasted Opportunity,” *Far Eastern Economic Review*, July 18, 2002, 39.

³⁵ *Ibid.*

³⁶ *Ibid.*; Jason Goulden, “Exploration Record,” *Mining Journal PDAC*, special publication, Feb. 2009, 9-12.

³⁷ Resosudarmo, 3-5.

³⁸ McBeth, “Indonesia’s Wasted Opportunity,” 39.

³⁹ *Ibid.*

communities, native Indonesians finally had an avenue through which they could challenge the neocolonial façade. But as communities began making social demands for potential exploration companies, investments dropped further as multinational firms were uninterested in providing social services for local communities.⁴⁰ From the perspective of the companies, as one senior executive of a mining outfit in Jakarta explained to McBeth, “In effect, they’re asking us to take the place of the government”.⁴¹

Although some of the social demands by locals have been in the interest of community infrastructure not directly related to the actual mining processes, social health concerns and demands for safer working conditions have been heavily featured in local draft legislation.⁴² Mercury, necessary for separating gold from ore, is incredibly toxic and dangerous even in small amounts.⁴³ Workers at Indonesian mining sites, however, are regularly exposed to radically toxic levels of mercury and studies have documented numerous native workers with “25 – 30 times the normal levels of mercury”.⁴⁴ Worse still, mercury has been routinely dumped into the environment after use in mining facilities, contaminating crops, killing animals, and increasing the risk of native health problems.⁴⁵ In 2000, “samples from the Talawaan River – used by residents for domestic purposes and fish-ponds – show[ed] mercury levels 70 times higher than the internationally accepted limit for drinking water”.⁴⁶ Yet mining companies have accepted no responsibility for this “mercury timebomb”.⁴⁷ According to them, and corroborated by journalists who were granted pre-scheduled tours of select mining facilities, the irresponsible use of mercury has been at the hands of illegal miners.⁴⁸

In 2000, the Indonesian government estimated that for every legal miner there were at least two illegal entrepreneurs.⁴⁹ With such extraordinary competition, it is no surprise that mining companies have flooded the press with stories of corporate loss and diverted attention away from working conditions at legal

⁴⁰ Ibid., 40.

⁴¹ Ibid.

⁴² Ibid.

⁴³ Luiz Drude de Lacerda and W. Salomons, *Mercury from gold and silver mining: a chemical time bomb?* (Berlin: Springer, 1998), 1-2; See also Steven G. Gilbert, *A small dose of toxicology: the health effects of common chemicals* (Boca Raton: CRC Press, 2004), 98.

⁴⁴ Elegant and Montealegre quoted in de Lacerda and Salomons, 52.

⁴⁵ John McBeth, “Undercut,” *Far Eastern Economic Review*, July 13, 2000, 29.

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid., 27.

mines. However, as with popular representations of illegal loggers, the image of small-scale indigenous dreamers set on striking gold is misleading. While small-scale mining operations do exist, large operations – usually backed by military officials, governmental high-ups, and a slew of powerful regional and international interests - do the majority of illegal mining.⁵⁰ Annually, large-scale illegal miners enjoy the proceeds from approximately 30 tons of gold, quietly selling it at competitive rates to international buyers.⁵¹ Interestingly, despite knowledge of military involvement with illegal extraction, most media outlets continue to employ the image of illegal mining as an indigenous enterprise and, as a result, lack of enforcement is justified as a sensitivity to indigenous struggles. This leaves natives doubly disenfranchised by the neocolonial apparatus and the ideology of free market capitalism.⁵²

The standpoint of multinationals distressed by burdensome social responsibilities, along with governmental distortion of illegal activity even after the fall of Soeharto, reveals and reinforces the ideology behind the apparatus of capture. Indonesia's inclusion into the global capitalist market is said to be necessary for the country to prosper but, underlying the rhetoric of mutuality, there is an insistence on unbridled corporate freedom at the expense of local affairs. Indonesia is to be included in the international neoliberal community only insofar as it can ensure the transfer of goods to the developed center. By making countries like Indonesia believe in the inherent goodness of the free market ideology, developed countries gain the benefits of colonial exploitation without any responsibilities to the colonized. No longer is it necessary for the colonizer to bring civilization or see to the wellbeing of indigenous peoples by dealing directly with them through occupation. This concern with wellbeing is subsumed within a macrocosmic economic ideology that justifies turning a blind eye toward individual exploitation in the holy name of the GDP. Indeed, this neocolonialism is more beneficial than traditional colonial efforts because the apparent autonomy of the colonized state justifies shifting the burden of social obligations to the Indonesian government. Unfortunately for natives, government officials also serve the master of global capital and instead of challenging the capitalist axiomatic they have decided to fend for themselves at the expense of the country. This situation establishes both extractive industry *and* the Indonesian government as appendages to the apparatus, facilitating the flow of resources away from the Indonesian periphery.

⁵⁰ Ibid.; Tsing, 70.

⁵¹ McBeth, "Undercut," 27.

⁵² Ibid., 27-29.

The role of the Indonesian government in assisting exploitative neocolonial enterprises is especially significant to note because it is a point of intersection between extractive industry and the tourism industry. Crucially, while governmental elites may personally profit from their involvement in illegal extraction operations or successful tourism campaigns, their profits are nonetheless a testament to the flow of resources away from the local environment – their buyers are foreigners. In the next section I will explore the government’s role in tourism to show the practical and conceptual connections between extraction and tourism, as well as the ways in which tourism allows the neoliberal apparatus of capture to take hold of immovable resources and redirect the flow towards foreign interests.

Tourism Industry – Culture Industry

Tourism is a basic and most desirable human activity deserving praise and encouragement of all peoples and governments.⁵³
UN General Assembly, 1967

The clicking of cameras does not disturb the Balinese, who apparently love audiences.
Raymond Noronha, Cultural Advisor to The Bali Tourism Development Board

Tourism is like fire. It can cook your food or burn your house down.⁵⁴
William Patterson

For the past several decades tourism has been the fastest growing industry worldwide. In this respect, Indonesia is certainly no exception.⁵⁵ With a targeted 6.8 million tourists to the region for 2009, it has become one of the most important elements of Indonesia’s economy.⁵⁶ In fact, by 1990, a mere 21 years since it had been adopted as an official economic strategy, tourism had

⁵³ This statement was issued as a part of the UN General Assembly’s unanimous resolution for International Tourist Year of 1967.

⁵⁴ Quoted in Morris Fox, “The Social Impact of Tourism: A Challenge to Researchers and Planners,” in *A new kind of sugar: tourism in the pacific*, eds. Ben Finney and Karen Ann Watson (Honolulu: East-West Center Press, 1976), 44. William D. Patterson was recently announced Senior Vice President of Corporate and Business Development for American Water Works Company, Inc. in 2009.

⁵⁵ Ross K. Dowling, “Ecotourism in Southeast Asia: A Golden Opportunity for Local Communities,” in *Tourism in Southeast Asia: a new direction*, ed. K. S. Chon (New York: Haworth Hospitality Press, 2000), 1.

⁵⁶ Bali News, “Indonesia targets 6.8 million tourists for 2009,” <http://www.balidiscovery.com/messages/message.asp?Id=4937> (accessed March 10, 2009).

become the fourth most important attracter of foreign exchange.⁵⁷ Now it is considered the “prima donna” of the nation’s hard currency generators.⁵⁸

The history of the tourism industry in Indonesia and its inclusion as an official economic strategy is almost wholly connected to the influence of neoliberal globalization efforts and the rise of President Soeharto’s Development Plans. Although the first two plans focused most heavily on hard development, they each stressed tourism for specific areas – first Java and later some of Indonesia’s outer islands.⁵⁹ By the third plan in 1979, tourism was among the top priorities for the country as a whole.

That tourism is and was an explicit and official strategy for national economic prosperity is significant because it means that tourism, like extractive industry, is an appendage of the apparatus of capture in Indonesia. In order to encourage tourists to an area and generate high yield returns, the state must ensure that its territory is internationally appealing, advertise it as such, and, most importantly, maintain it. Tourism therefore necessitates the controlled construction and manipulation of local landscapes.⁶⁰ Put differently, the state has developed a very particular and invested interest in shaping and modifying its territory and the lives of its citizens in accordance with a specific commodified image.

Because the tourism industry diverts the flow of cultural benefits away from locals, it becomes an appendage to the apparatus of capture in any state that adopts it as an official economic strategy. However, its role as a mechanism of capture is even more severe in Indonesia because of the way that the New Order chose to frame its tourism campaign. Like many advertising efforts, Indonesia is marketed first and foremost as exotic.⁶¹ However, the basis of its international appeal extends well beyond the usual “Four S’s” (sun, sex, sea, and sand).⁶² Indonesia is touted as a cultural epicenter, an oasis of cultural depth in a world flooded with the sterile superficialities of modernity.⁶³ As Michel Picard has

⁵⁷ Michel Picard, “‘Cultural Tourism’ in Bali: National Integration and Regional Differentiation,” in *Tourism in South-East Asia*, eds. Michael Hitchcock, Victor T. King, and Mike Parnwell (London: Routledge, 1993), 79; Hitchcock, King, and Parnwell, 1.

⁵⁸ Bali News, “Indonesia targets 6.8 million tourists for 2009”.

⁵⁹ King, “Tourism and Culture in Malaysia”, 109-112.

⁶⁰ Unless specified otherwise, my use of the terms “territory” and “landscape” refer to both physical land mass but also the people, plants, and animals occupying the space.

⁶¹ Hitchcock, King, and Parnwell, 2-3.

⁶² *Ibid.*; Harry G. Matthews, *International tourism: a political and social analysis* (Cambridge, MA: Schenkman Pub. Co, 1978), 25.

⁶³ There are numerous examples of Indonesia being represented as a cultural time capsule. These representations started with anthropologists long before tourism was true Indonesian reality or concern. While recent discourse has increasingly called representations of Indonesian cultural

noted with special reference to Bali, the country is seen as “*the living museum*” and a land of the Gods “whose bearers, endowed with exceptional artistic talents, devote an outstanding amount of time and wealth staging sumptuous ceremonies for their own pleasure and that of their gods – and now in addition for the delight of tourists”.⁶⁴ Because of the barrage of cultural images incorporated into tourism brochures and the accompanying emphasis on live cultural performances for tourists – often within the walls of luxury hotels and resorts – the tourism industry in Indonesia is referred to as cultural, or ethnic, tourism.⁶⁵

Ironically, the very notion of “Indonesian culture” is paradoxical because the geographical expanse demarcated “Indonesia” is home to approximately 350 ethnic groups each with different cultural pasts and traditions and many with their own languages.⁶⁶ Yet because cultural tourism demands a singular identity (an identity that doesn’t truly exist) the government must create an Indonesian culture through a synthesis of the more analogous ethnic practices and curtail performance of cultural traditions that fall outside the manufactured ideal sponsored by the state. For the sake of development it is imperative that the citizens be captured by the government’s imagined Indonesian identity and align their practices accordingly. At the same time, the apparatus of capture must not be too successful lest it become self-defeating. In other words, it is important for the people of Indonesia to resist the ideological perspective of the state to some degree because the state, with its adoption of a globalized image and neoliberal policies, is aspiring for inclusion in an international economic system that demands a “modern” sensibility at odds with the romantic image advertised by tourism agencies.

The state-sponsored manufacturing of culture and Indonesian identity should not be misunderstood as a process of homogenization in which there can only be one expression of “Indonesia”. However, culture and identity do become commodities of the state and its international affiliates. As a result, there may be diversity within the country so long as it complements the overall image propped by the state. There is perhaps no scholar more familiar with this fact of Indonesian cultural politics than Greg Acciaoli, who explains:

timelessness into question, the idea of Indonesia as a sort of cultural time capsule persists in the country’s tourism campaigns.

⁶⁴ Picard, 75-76, emphasis added.

⁶⁵ Hitchcock, King, and Parnwell, 2-3.

⁶⁶ Resosudarmo, 1; See also Bernard Arps, *Performance in Java and Bali: studies of narrative, theatre, music, and dance* (London: School of Oriental and African Studies, University of London, 1993), 88-91.

Regional diversity is valued, honoured, even apotheosized, but only as long as it remains at the level of display, not belief, performance, not enactment...Most groups may dance their way to the national goals, each with its own ethnic steps, as long as the underlying ideology, the tune to which the dance is called, is what the state has ratified.⁶⁷

Acciaioli's work exposes the precarious position of the Indonesian state in trying to balance between maintaining the meaningfulness of cultural practices (so that they will continue to be enthusiastically performed) and ensuring that they are not so meaningful as to prevent significant changes in traditional performance for the sake of tourist satisfaction.⁶⁸

This state-level anxiety about performance and belief is irreconcilable and has its roots in a larger problem: successful tourism means increased contact with foreigners. Contact between groups, however, leads to changes within both groups and the state has an interest in preventing too much change within the practices of its citizens. Importantly, this is not just a theoretical issue. Fear of cultural change, moreover fear that the culture will die as a result of successful tourism, is a documented concern among anthropologists, social commentators, and government officials. A deep understanding of the contradictory nature of cultural tourism as a national economic strategy eventually led Indonesian officials to embrace alternative forms of tourism, the most important being eco-tourism. Indeed, Indonesia is said to be responsible for having brought "eco-awareness" to the Southeast Asian region.⁶⁹

Unfortunately, academic research on tourism, along with literature concerning Indonesia's eco-history, suggests that eco-tourism as a strategy is just as contradictory as cultural tourism. To start, by definition eco-tourism is a "niche" market. As a result, if tourism is to be a stimulus for the economy, non-specialized tourism (tourism that isn't constrained by socio-environmental concerns) must be a "megatrend".⁷⁰ More importantly, eco-tourism falls victim to a similar trap as Indonesia's more general cultural tourism. Eco-tourism requires the destruction or denigration of the very environment on which it

⁶⁷ Greg Acciaioli, "Culture as Art: From Practice to Spectacle in Indonesia," *Canberra Anthropology* 8, no. 1-2 (1985): 161-162.

⁶⁸ Taksina Nimmonratana, "Impacts of Tourism on a Local Community: A Case Study of Chiang Mai," in *Tourism in Southeast Asia: a new direction*, ed. K. S. Chon (New York: Haworth Hospitality Press, 2000), 73.

⁶⁹ Ross K. Dowling, "Ecotourism in Southeast Asia: A Golden Opportunity for Local Communities," in *Tourism in Southeast Asia: a new direction*, ed. K. S. Chon (New York: Haworth Hospitality Press, 2000), 3.

⁷⁰ *Ibid.*, 15.

depends.⁷¹ Finally, eco-tourism isn't always practiced responsibly.⁷² Many multinational tourism operators, or agencies, actively exploit the eco-market by "repackag[ing] forms of 'mainstream tourism'" so that it seems environmentally responsible – an unabashed deception.⁷³ Anita Pleumarom refers to these schemes as "pseudo-alternatives" within an "eco-façade".⁷⁴ Importantly, while the destructive failures of eco-tourism are most often due directly to foreign multinational companies running tourist operations within the country, the Indonesian government has failed to effect sufficient legislation, much less enforcement, to protect society and the environment from developmental practices.

While the exact extent to which the government is responsible for social and environmental degradation is somewhat debatable, it is important to be clear about what degradation entails. As early as 1979 Raymond Noronha, then Cultural Adviser to the Bali Tourism Development Board, was reporting rising prices for land (and a corollary decrease in local/native ownership), increasing land speculation, and a significant shift in land use practices whereby many of the best agricultural lands in Bali (rice paddy fields in particular) were being redirected towards non-agricultural uses (usually for tourist shops but eventually ending up as private residences).⁷⁵ Further, he reported increased pollution, prostitution, "pervasive" beach vendors and beggars, and a fantastic "mushrooming" of billboards, mainly advertising beer, in tourist hot spots and along popular routes.⁷⁶ Interestingly, the article was written *in support* of tourism development and, perhaps unsurprisingly, commissioned by Unesco and the World Bank. Although Noronha's report concerned Bali specifically and was not intended to be read as a commentary on Indonesia at large, other commentators have reported similar changes across the country. By 1993 there was a rising concern by journalists and academics that the increasing prices of food in local markets during tourist season was placing considerable stress on native populations and by the year 2000 increased "drug trading, crimes, and...high-rise buildings" were also being identified as significant effects of tourism development.⁷⁷

⁷¹ The most serious and publicized example from the Southeast Asia region is actually from Thailand, not Indonesia, where their eco-tourism in forested areas (of which only 15-20 percent remain) have required intrusions into "unopened" territory. But, overall eco-tourism across Southeast Asia has followed a similar pattern. *Ibid.*, 14-15.

⁷² *Ibid.*, 4.

⁷³ Hitchcock, King, and Parnwell, 25-26.

⁷⁴ Anita Pleumarom, "Alternative Tourism: A Viable Solution?," *Contours* 4, no. 8 (1990): 15.

⁷⁵ Noronha, 183-193.

⁷⁶ *Ibid.*

⁷⁷ Hitchcock, King, and Parnwell, 18-19; See also Nimmonratana, 65.

Of course, tourism development is not a purely exogenous force and the fact that physical, social, and cultural landscapes change does not necessarily mean that everyone identifies change with unqualified degradation or deterioration.⁷⁸ The development of the tourism industry in Indonesia *has* increased the number of jobs available, even if natives are regulated to the lowest, most menial ones, and some writers have commented on a seemingly pervasive belief that tourism is, despite its faults, an economic necessity – an extension of the capitalist axiomatic.⁷⁹ Given the diversity of Indonesia’s geographic, political, and social landscape, it is unsurprising to find a diversity of responses to changes taking place. David Wilson’s analysis of “perceptual time zones” is helpful in understanding the Indonesian situation. He writes:

[The problem] is not so much that circumstances change over time, but rather that several different situations may simultaneously co-exist at any given moment in time. Tourism might be perceived by the local people themselves as having quite a different impact than that suggested by supposedly dispassionate outside observers and experts. In addition, local opinion may vary between communities – and social groups within them....⁸⁰

Wilson’s idea is actually rather intuitive: people have different experiences, which lead to different outlooks on given situations. In the governmental manufacturing of a sell-able “Indonesian culture”, certain groups were inevitably favored over others and the profits from tourism have been distributed unevenly. Cities have been polluted in varying degrees, drug trading, crime, and prostitution have flourished in varying degrees, and the negative consequences of successful tourism do not generally engulf an entire city but are often concentrated in particular districts. As a result, political entities and local communities have had qualitatively different experiences over the last four decades, not only from each other but from within as well.

⁷⁸ Hitchcock, King, and Parnwell, 9-13; See also Annette Sanger, “Blessing or Blight? The Effects of Touristic Dance-Drama on Village Life in Singapau, Bali,” in *Come mek me hol' yu han': the impact of tourism on traditional music*, papers presented at ICTM Colloquim in Jamaica, 1986 (Kingston: Jamaica Memory Bank, 1988).

⁷⁹ Noronha, 185.

⁸⁰ Wilson, “Time and Tides in the Anthropology of Tourism”, 32-47, 40.

Conclusion

The diversity of experience with tourism in Indonesia and the complexity of its enactment have inspired a growing body of literature calling the usefulness of the “normative problematic” into question.⁸¹ To some degree I am sympathetic with such critiques, which is why this project has largely ignored the debates about cultural authenticity – an issue that would far exceed the confines of this project if it were given the respectful engagement it requires. However, while it may not be helpful to make sweeping normative judgments about socio-cultural changes in landscape as a result of tourism development, Indonesian development strategies are themselves normative schemes from the start. Development arose within a normative framework that asserted the importance of trade at any cost. Therefore, it *is* important to identify some of the lived realities of the present Indonesian situation: what is happening, who is most benefited, who is most harmed, and under what control? What is clear about tourism in Indonesia is that foreigners and government elites have always controlled the industry. Further, while the net gain from the industry overall may currently be indeterminate, net losses for natives are a documented fact. Tourism, in short, is at best a form of paternalistic (neo)colonization facilitated by apparatuses of capture, and at worst unashamed, poorly disguised colonial exploitation effort meant to drain the Indonesian landscape of all value for the sole benefit of the developed world.

When viewed comparatively, it becomes apparent that the tourism industry in Indonesia effectively accomplishes the same ends as extractive endeavors but at a slightly slower pace. Although the exact products differ between types of extraction projects and types of tourism, the common denominators are environmental destruction and the relocation, or redirection, of goods, services, and energy away from local needs. In the case of resource extraction the destruction and redirection is openly visible.

Tourism, however, functions under a veil as the goods and services seem to remain within the local landscape while, in reality, the landscape is actively distanced from the locals. The continued degradation of local landscapes combined with unrelenting flows of resources away from local needs expose Indonesia as a captured country... a modern colony.

⁸¹ The “normative problematic” is the tendency in tourism studies to rally around one of two poles (i.e. “tourism is good” versus “tourism is bad”) with the ultimate claim being normatively absolute (i.e., therefore tourism “ought” or “ought not” be given continued support).

Elizabeth Adams Parciany is a senior at the University of Washington, studying History, the Comparative History of Ideas, and Human Rights. She is interested in food ethics, French feminism, continental philosophy, international law, and the intersections between biotechnology and popular culture.