

Free Trade and Globalization: The Impact of Global Trade on Human Rights in Traditional Communities in Indonesia

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Abstract

As countries around the globe get more and more connected to one another, many aspects of our life have become possible that were unthinkable before. This transformation has made the world so connected that it has become referred to as a global community. However, besides all its positive aspects and elements, globalization has made it possible for the violation or disregard of the basic rights including human rights in traditional communities as countries open their borders and welcome new systems and ideas. Globalization, therefore, has a considerable influence on the reality of traditional communities and has marked consequences in almost all areas.

This study discusses the issue of globalization, especially free trade, and its impacts on human rights in traditional communities in contemporary Indonesia. It uses both text-based and people-based research methods. A text-based approach is used to identify, discuss, and interpret legal materials used in this study. It also uses survey of applicable laws, policies, and precedents related to free trade and human rights in Indonesia. Participatory research, on the other hand, is used to draw systematic inquiry in direct collaboration with those affected by the issue being studied for action or change.

The study reveals that free trade and human rights regimes can work hand in hand in traditional settlements as long as the trade agreements are interpreted and applied in a manner consistent with the customary laws. It is undeniable that the way of life of the members of traditional communities gives rise to the notion of communal rights instead of individual rights.

Keywords: Traditional communities, globalization, global trade, free trade, human rights, and World Trade Organization.

Introduction

Since the end of the Second World War II, the world has experienced the expansion of globalization, a process primarily concerned with the rapid integration of the world's economy. The term globalization refers to the acceleration of movements and exchanges of people, goods and services, capital, technologies, or cultural practices all over the planet. Globalization leads to an increasing level of interaction between different regions and populations of the world. Indeed, it has led to new challenges and opportunities for the protection and promotion of human rights.

Although global trading and human rights appeared on the world stage relatively at the same time, they have developed separate, and sometimes inconsistent tracks (the original GATT Agreement).

If it is true that free trade is conducive to economic dynamism and increased world production, it should also promote respect for economic and social human rights, and the 'right to work' (Article 23 of the Universal Declaration of Human Rights) and the 'right to a standard of living adequate for the health, well-being, and well-being of his family' (Article 25). Despite this shared view on the free trade, the broad consensus among the economists is that it provides a net gain for society (Friedman, 1993; Fuller, 2003; Fairbrother, 2014). However, more than a century after the proclamation of the Universal Declaration of Human Rights by the General Assembly of the United Nations, this is hardly the case in many parts of the world, especially in the traditional communities characterized by communal rights instead of individual rights.

This paper examines the role of human rights in global trade and its impact on the traditional communities (*masyarakat adat*) in Indonesia. It also explores the challenges that foreign trade poses to labor abuses and income inequality especially with globalized supply chains. As technologies and international cooperations boom, the world is more connected than ever. However, the main concern of this paper is how much the rise of trade, and the modern global economy has helped or hurt the traditional communities in developing countries such as Indonesia. The paper argues that free trade and human rights regimes can work hand in hand so long as the trade regime is interpreted and applied in a manner consistent with both the national and international laws, and more importantly the fundamental rights and dignity of the communities, especially the traditional communities as outlined in the United Nations Declaration on the Rights of Indigenous People (UNDRIP) adopted by the General Assembly on September 13, 2007, by a majority of 144 states.

Globalization: Theoretical Framework

Advent of globalization has urged and continues to urge countries, especially the developing countries, to open their borders to other countries to allow for the free flow of goods and services. This is often referred to as free trade or *laissez-faire*. This has raised human rights issues for not only consumers and workers but also and more importantly farmers in the traditional communities as human rights are often, if not always, imposed on developing nations by powerful industrialized nations as a prerequisite for trade (Dommen, 2005). These human rights abuses are often attributable to free trade, with relocations, corporate closures, and massive imports from low-income countries. Similarly, the uncontrolled opening of poor countries to international trade leads to the replacement of food crops with export crops that reduces food security and drive farmers out of their lands, and impedes the development of local industrial productions.

Globalization generates a logic of economic wars with many victims, which is a major obstacle to an effective fight against unemployment. With the exacerbation of international competition, companies are forced to make modernization investments that reduce the need for manpower, without reducing the hours of work for fear of weakening competitiveness. Similarly, wages are perceived less and less as income and increasingly as production costs that must be curbed or even reduced; hence the problems of purchasing power, the overall level of consumption, and therefore employment. As for relocations, they have become a gear: when companies in a sector of activity begin to relocate part of their production to a country with lower labor costs, other companies in the same sector are forced to do the same to preserve their competitiveness and, sometimes, their very existence. As a result, we are moving away from the Universal Declaration of Human Rights, which presents itself as "the common ideal to be achieved by all peoples and nations" and which states in article 28, that "Everyone has the right to a social and international order in which the rights and freedoms outlined in this Declaration can be fully realized".

This problem of compatibility between international competition and social progress is, however, far from new since it was at the origin of the creation of the International Labor Organization (ILO) in 1919. However, the agreements relating to trade international law do not contain any provision on working conditions or respect for human rights, and while the WTO may decide to punish countries that do not respect the rules contained in these agreements, no sanction

can be pressed against those nations that disregard international labor standards adopted by the ILO.

In recent years, there have been many studies about whether trade liberalization undermines human rights. Kaur (2022) claims that global trade profoundly impacts people and the planet. Trade agreements typically catalyze deregulation resulting in greater employment opportunities and lifting millions out of poverty. However, economic growth has yet to lead to equitable and sustainable outcomes. Evidence indicates that when market forces reign, corporate interests are often prioritized over inclusive developments, and human rights are often undermined. Kaur goes on to say that the policy of non-discrimination that laid the bedrock for the future era of multilateral free trade, in the 19th century encouraged anti-slave trade agreements, yet forced labor and slavery persisted in many forms worldwide. As bilateral trade agreements and regionalism opened economic opportunities in the 20th century, so too it offered room for exploitative labor practices.

Furthermore, Tanner-Rosati (2010) observes that even the North American Free Trade Agreement (NAFTA), for example, created one of the largest trade blocs in the world by gross domestic product, also exposed them to low wages and appalling working conditions. However, many of these studies argue that these abuses and mistreatments can be remedied through transparency in trade negotiations (Dommen, 2005), protecting the environment (Tanner-Rosati, 2010), and most importantly, the respect and enforcement of human rights laws. Even though this study agrees with this position, it argues that it is the same free trade backed by the human rights principles that enabled the industrialized and powerful countries to often force upon the underdeveloped countries in such a way that has made life miserable for many traditional communities around the globe including Indonesia.

This study argues that approaches to sustainability and dignity should be generated holistically from within rather than from the outside. Sometimes, these human rights laws set the stage for the subordination of customary laws to state laws as is the case in Indonesia (Bujang, 2014; Badruzzaman, 2015; Basa, 2014). This study aims to promote a type of globalization that is attentive and respectful of the fundamental rights of traditional communities in Indonesia.

Its objectives are:

1. To examine the relations between free trade and communities.
2. To discuss the impact of globalization on the fundamental rights of traditional communities in Indonesia.

Literature Review

The topic of free trade and human rights has been at the center of many studies and heated debates for many decades now and despite the shared views on free trade, the broad consensus among economists (Poole, 2004; Krueger, 2020) is that it provides a net gain for the society (Friedman, 1993; Fuller, 2003; Fairbrother, 2014). Many well-known economists firmly believe that free trade improves the economy and the living conditions of the people (Friedman, 1993; Krugman, 1993; Eaton and Kortum, 2002; Fuller et al., 2003; Mankiv, 2006; Perla et al., 2021). Dommen (2005) argues that trade policies are infamous for being untransparent and undemocratic. While others oppose free trade because it would lower prices for imported goods, and reduce profits and the market share (Baumol and Blinder, 2006; Brakman et al., 2006). Socialists, on the other hand, oppose free trade on the ground that it allows maximum exploitation of workers by capital (Marx, 1848). Opposing free trade are proponents of protectionism, a theory they define as the economic policy of restricting imports from other countries through methods such as tariffs on imported goods, import quotas, and a variety of other government regulations. Proponents argue that protectionist policies shield the producers, businesses, and workers of the import-competing sector in the country from the foreign competitors (Irwin, 2017).

It is undeniable that the lack of transparency and participation often leads to human rights-harmful outcomes and stands in direct contrast to the human rights principles. Dommen (2005) points this out by advocating for the enforcement of human rights in global trade while Tanner-Rosati (2010) argues that to ensure global trade is not at odds with the human rights for all and that negotiations of trade agreements must be rooted in transparency and public consultation. However,

what Dommen, Tanner-Rosati, and many others seem to overlook is the fact that sometimes, it is not global trade that is at odds with human rights but instead, it is the greed and disregard/ignorance of the basic needs of the communities by the governments that implement these globalization policies that sometimes contradicts the traditions, values and beliefs of the traditional communities resulting in the deterioration of their fundamental rights.

Consequently, this study agrees with the previous studies discussed above on the idea that globalization brings about development and freedom. However, while these studies highlight the benefits of globalization on a more general or national stage, they tend to ignore or overlook its negative impacts on small traditional communities.

Research Methods

This is socio-legal research relying on the text-based research method (Minkler et al., 2010; Friendship et al, 2012). The textual research-based method is used in this study to describe, discuss, and interpret laws, regulations, and legal materials used. The text-based research method is also used to survey applicable laws, policies, and precedents related to free trade, globalization, human rights, and traditional communities in Indonesia.

The study also draws on the people-based research method (Vaughn, 2011) to collect data. This was done through interviews and group discussions with key players such as company spokespersons and leaders of traditional organizations/groups such as the Lembaga Kerapatan Adat Alam Minangkabau (LKAAM) in West Sumatra Province, the Lembaga Musyarawatan Adat Suku Amungme in West Papua Province, and Jaringan Komunitas Masyarakat Adat Aceh (JKMA Aceh) and Majelis Adat Aceh (MAA) in Aceh Province.

To support its thesis, this study draws on four case studies: namely the conflict between Freeport in Mimika, West Papua, the conflict between PT Semen Padang and the Minangkabau traditional community (Masyarakat Adat Minangkabau) in Nagari Lubuk Kilangan, in Padang, West Sumatra, the conflict between Kutai traditional community and two palm oil plantation companies in Eastern Kalimantan and the conflict between PT Medco, a gas company, and the Gampong Pantan Rayeuk traditional community in the Banda Alam District in Aceh Province where land is scarce given that a huge portion of the province is made of islands.

The data involved in this study thus consist of primary, secondary, and tertiary sources that analyze and interpret primary sources. Secondary sources include journal articles and periodicals published in peer review scientific journals, web sources, textbooks, histories, criticisms, commentaries, dictionaries/encyclopedias, indexing, and abstracting sources.

Findings and Analysis

Understanding Traditional Communities in Indonesia

Law Insider defines a traditional community as an indigenous homogeneous, endogamous social grouping of persons consisting of families derived from exogamous clans which share a common ancestry, language, cultural heritage, customs, and traditions, who recognize a common traditional authority and inhabits a common communal area and may include the members of that community living outside the common communal area. According to Chandler and Lalonde (1998), traditional is a term used to characterize those communities or people that maintain livelihoods, beliefs and values, knowledge, languages, and institutions in some continuity with the past. A traditional community is viewed as symbolically close to the past. It can refer to all sorts of aspects of social, cultural, spiritual, or economic practices such as customs, ceremonies, and customary laws (*hukum adat*) (Hazairin, 1970). It is a community often found in the traditional vernacular settlements which Dayaratne (2018) describes as being formed by the people living and working in them by employing the wisdom, knowledge, and practices handed down from generation to generation. Dayaratne claims that they are often well-adapted to the geographical terrain, the society inhabiting the land, and their environmental contexts.

In Indonesia, the term traditional community is referred to after the amendments to the 1945 Constitution in its Article 18B section 23 on Regional Government, and Article 28 section 3 on Human Rights. However, there is an inconsistency in the wording in both articles as the former

uses the term “customary law community” while the latter uses the term “traditional community”. Many Indonesian scholars accept that traditional communities in Indonesia do not have the constitutional protection they deserve and as a result, they are taken advantage of by both the government and the corporate world (Yulaindri, 2023, Mulyani, 2022, Haba, 2010, Tegnan, 2015, Warman, 2014).

Unfortunately, the advent of modernism, industrialization, and large-scale housing and planning have marginalized these as primitive, irrelevant, and incompatible with modern ways of living. Most indigenous communities facing “developments” of the modern world have found themselves marginalized and reduced to recipients of subsidies. They are often told that the ideas they possess are inadequate and their methods old-fashioned and ill-suited to the sophisticated new society. They are asked to “learn” anew, undergo training to use modern gadgetries and systems, and give up their traditional lifestyles. Despite having a rich culture originating from more than 1,340 distinct native ethnic groups, much of the Indonesian legal system including its human rights law is still built on foreign and colonial principles (Yuliandri et al. 2023). Following are the vernacular settlements of the traditional communities discussed in this study.



Rumoh Aceh of the Aceh Ethnic group (Source: Office of Tourism).



Rumah Gadang of Minangkabau Ethnic in West Sumatra (Source Office Tourism).



Honai House of the Amungme Ethnic in West Papua (Source: Office of Tourism)



Rumah Bateng of Ngaju Ethnic in Central Kalimantan (Source Office Tourism).

Free Trade and Protectionism

Many economists believe that trade should be made as easy as possible for goods and services to move between countries (Krueger, 2020). This approach is based on the argument that more trade makes us wealthier and is therefore it is a good thing. It is known as *free trade*. Another approach says that we should restrict trade. We might do this to protect certain jobs. We might think that we need certain industries – such as food production or steel-making – just in case things go wrong in the wider world. We might want to restrict imports from countries with lower labor or environmental standards so that they can’t undercut our industries. This approach is known as *protectionism*. Many economists agree that some restrictions on trade are desirable to protect the local economy. For example, limits on agricultural imports may be good to protect traditional communities, especially the local farmers (Fairbrother. 2014).

There are several key arguments in favor of free trade. Proponents of free trade argue that it increases the size of the economy as a whole. They also claim that it allows goods and services to be produced more efficiently. According to them, this is because free trade encourages goods or services to be produced where natural resources, infrastructure, or skills and expertise are best

suitable to them. It increases productivity, which can lead to higher wages in the long term. There is widespread agreement that rising global trade in recent decades has increased economic growth. Furthermore, supporters of free trade believe that it is good for the consumers. They argue that reducing non-tariff barriers can remove red tape, thus reducing the cost of trading. If companies that trade in several countries must work with only one set of regulations, their costs of 'compliance' come down. In principle, this will make goods and services cheaper.

Protectionism, on the other hand, can result in destructive trade wars that increase costs and uncertainty as each side attempts to protect its own economy (Fajgelbaum, 2016). Protectionist rules can tend to favor big businesses and vested interests, as they have the resources to lobby most effectively. While free trade increases the size of the economy as a whole, it isn't always good for everyone, especially the traditional communities. As more countries experience industrial developments, traditional domestic industries can decline. Protectionism can also help build up new local industries and protect the environment that is so vital to the traditional communities in Indonesia. In sectors with high start-up costs, new firms might find it difficult to compete if there is no support from the government in the form of tariffs or subsidies. Once they have become competitive, such barriers can be removed. Protectionism can be used to safeguard 'strategic' industries such as energy, water, steel, armaments, and food. For example, 'food security' may be seen as important so that we can feed ourselves if something terrible happens to disrupt the system of world trade. Some people worry that free trade deals can lead to a lowering of standards. Such deals might require a country to let in goods and services even though they don't meet its standards, which might then be cheaper than those made by the domestic industries.

Legal Instruments for Human Rights in Trade

States are obligated to act in certain ways to protect, respect, and advance human rights. These obligations are delineated in the Universal Declaration on Human Rights (UDHR), which was approved by the members of the United Nations in 1948 and spells out more than 30 rights that member states are supposed to promote and protect. However, the declaration does not legally bind the member states (Petersmann, 2000). To ensure that human rights would be binding obligations, policymakers developed two covenants that included all the UDHR rights: the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Economic, Social and Cultural Rights (ICESCR) (Petersmann, 2000). The ICCPR enumerates the rights that a state may not take away from its citizens, such as freedom of speech and freedom of movement. In contrast, the ICESCR generally defines rights that a state should provide for its citizens, such as basic education or health care (Petersmann, 2000). The signatories of the ICESCR recognize that governments need expertise and funds to provide all their citizens with rights such as access to education, jobs, and health care. However, it is difficult for governments to advance, respect, and realize human rights; it takes considerable governance expertise, funds, and will. Accordingly, a government is only obligated to provide these cultural, economic, and social rights as far as it can (Petersmann, 2000).

The draft treaty for International Trade Organization (ITO) was the first trade agreement to include explicit human rights language (Wilcox, 1949). ITO was designed to ensure that signatories to the agreement did not export their unemployment and thereby undermine the ability of workers to provide for their families (Wilcox, 1949). In addition, the draft ITO allowed signatories to breach its rules through an "exception" for domestic policies "necessary to protect public morals" or to protect human or plant life and health. (It also included a national security exception.) But the ITO was abandoned after the U.S. Congress failed to vote on implementing legislation (Wilcox, 1949). The following is a table summary of the texts used in this study.

Table 1: Summary of Legal Instruments and material used in this study.

Source: Author

No	Legal Instrument/Material	Implication
1	The 1945 Constitution of the Republic of the Republic of Indonesia.	Article 28 of the 1945 Constitution of the Republic of Indonesia prescribes that the state guarantees human rights including the right to life, the right to form a family, the right to receive protection

		from violence and discrimination, the right to develop oneself through the fulfillment of basic needs, equal treatment before the law, the right to embrace a religion and worship.
2	The Universal Declaration on Human Rights (UDHR).	The Universal Declaration of Human Rights (UDHR) enshrines the rights and freedoms of all human beings. It details a person's basic rights and fundamental freedoms and affirms their universal character as inherent, inalienable, and applicable to all human beings.
3	The International Covenant on Civil and Political Rights (ICCPR).	The International Covenant on Civil and Political Rights (ICCPR) is a multilateral treaty that commits nations to respect the civil and political rights of individuals, including the right to life, freedom of religion, freedom of speech, freedom of assembly, electoral rights, and rights to due process and a fair trial.
4	United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).	This declaration is the most comprehensive international instrument on the rights of indigenous peoples. It establishes a universal framework of minimum standards for their survival, dignity, and well-being.

Some Problems in Global Trading and Human Rights

There have been calls for strict enforcement of human rights in free trade by many human rights advocates. Some human rights proponents have called for the inclusion of the words "human rights" in World Trade Organization texts. This is a dangerous route for human rights, for two reasons. First, the "no explicit reference" starting point in the WTO/human rights debate has been used to support fundamentally opposing views (Dommen, 2005). Those who do not want to see human rights discussed in the World Trade Organization declare that since the legal texts are silent on the issue, the WTO has no human rights-related mandate or obligations. Those who want to see the WTO held accountable to human rights standards say that explicit rights language should be brought into its text (Dommen, 2005). Both seem to assume that the only way that the World Trade Organization could be held accountable to human rights standards would be if human rights were explicitly mentioned. The implication is that until the words "human rights" are explicitly included in WTO texts, the World Trade Organization will have no human rights mandate (Dommen, 2005).

Second, the universal declaration of human rights is viewed by many critics as a tool for Western domination. Among these critics is the American Anthropological Association (AAA) which claims that by declaring that human rights are universal, we ignore and undermine the cultural differences that exist between societies in different parts of the world (O'Connor, 2014). They ask the question of how one single document can claim to represent every single person in the world when our experiences are so different. In the Universal Declaration of Human, the emphasis is on individual rights as opposed to communal rights, which tends to be more heavily emphasized in the non-Western world (O'Connor, 2014).

World Trade Organization and the Developing Countries

However, even in the World Trade Organization, where broad developing country membership does help the economically weaker participants to negotiate together and resist pressures, developing countries have difficulty in having their interests considered. The World Trade Organization (WTO) is in theory democratic as each member has an equal vote. However, developing countries have difficulty participating as equals (Michalopoulos, 1998). One reason for this is a lack of capacity. Many of the poorest countries are not even able to have World Trade Organization representatives in Geneva. Others only have one part-time delegate to cover the whole breadth of the WTO issues, and only a handful of trade policy staff in their capital. In contrast, Japan has 23 World Trade Organization delegates in its Geneva mission, and the USA has 14, as well as large and well-resourced trade offices in Tokyo and Washington DC respectively (Jawara & Kwa, 2003).

Added to this, poor countries are often obliged to make concessions to trade with richer countries. Thus, in practice, new trade rules are weighed in favor of the rich and do not necessarily reflect the long-term interests of the poorest countries and their inhabitants (Schott, 1998). Even

staunch World Trade Organization supporters agree that, during the negotiations for creating the WTO, developing countries agreed to substantially more obligations than developed countries did (Schott, 1998). Subsequently, developed countries have demonstrated little political will to address issues dear to developing countries. This is exacerbated by the fact that the World Trade Organization Secretariat, supposed to be neutral, often acts in a way supportive of what the industrialized countries ask for, against the wishes of the developing countries. In June 2005, for instance, both the World Trade Organization Secretariat and the Chair of the Services negotiations took strong positions against the proposals advocated by many developing countries (Srickner & Smaller, 2005).

Human Rights Promotion Through Trade

Many economists and political commentators agree that trade promotes human rights (Dommen 2005; Tanner-Rosati, 2010). Paul Hunt, UN Special Rapporteur on the Right to Health, has for instance pointed to ways that human rights can play a positive role in defining national trade policies that are equitable, attentive to the needs of the most vulnerable, and respectful of human rights. He has demonstrated how a right-to-health analysis can help to identify practical and precise policy interventions to ensure the enjoyment of the medicines element of the right to health.

The High Commissioner for Human Rights has also drawn attention to ways human rights can be applied in the trade context. The 2002 report on trade in services, for example, says that the human rights approach to the assessment of services trade liberalization introduces a methodology for assessments that promotes popular participation and consultation of those affected by liberalization – the poor, people dependent on public services, small businesses, industry groups, as well as social, trade and finance Ministries. The report adds that a human rights approach to assessments emphasizes transparency and accountability so that the outcomes of assessments and negotiation processes in trade fora are open to public scrutiny (Dommen, 2005; Tanner-Rosati, 2010)

Impact of Globalization on Human Rights in Traditional Communities

As argued at the outset of this paper, many observers and scholars firmly believe that globalization has helped further human rights and economies in many parts of the world. This was in part made possible through the spread of democracy, the rule of law, gender equality, and sustainable development. There seems to be a wide agreement that globalization also promotes the openness of societies and greater interaction between them. However, this paragraph focuses on the harm caused by globalization to the fundamental rights of traditional communities in Indonesia. These rights include the right to live in a healthy and safe environment, the right to land for cultivation and construction, and the right to preserve their identity and culture as stipulated in the 1945 Constitution of the Republic of Indonesia and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). However, the advent of globalization has contributed to the degradation of these rights for traditional communities in Indonesia.

Many Indonesian scholars believe that development has contributed to the marginalization of traditional communities in Indonesia and that this marginalization has been amplified by globalization (Haba et al., 2003, Haba, 2009) when there is increasing demand for natural resources so vital to the survival of these communities. global, regional, and domestic market needs for raw materials will continue to grow, and these resources are widely available in areas claimed by indigenous people throughout Indonesia.

The Case of the Amungwe People in West Papua Province

In 2010, a conflict erupted between the *Amungme* people and other tribes with Freeport McMoRan Cooper & Goal Inc, an American Mining company based in the Freeport McMoRan Center in Phoenix, Arizona). This case was not only related to material compensation, but also to non-material factors (values, religion, identity, and self-esteem) which are at stake (Vittorio, 2022). The land dispute between the *Amungme* indigenous people and the Freeport company in *Mimika* has resulted in a lack of land for farming. This was reported by the head of the *Amungme* Traditional

Consensus Agency or the *Lembaga Musyawarah Adat Suku Amungme* (LEMASA) (Godai, 2022). As a result, the *Amungme* had to live without land, a basic human right (Suhenda & Winarni, 1998). This situation not only violates their dignity and basic rights but has also made them foreigners on their own land, as John Godai (2022), a traditional community leader put it during an interview. Godai also argues that presidents and regional leaders come and go, but the community will always remain and live on land taken away and destroyed by greed and power (Godai, 2022). He claims that there is a crucial lack of transparency and the ignorance/absence of traditional community leaders in contract negotiations between global investors and the government. The same complaint was raised by traditional community leaders in Aceh (Arma, 2021), Kalimantan, and West Sumatra (Tegnan, 2015).

The Case of the *Minangkabau* People in West Sumatra Province

In the case of West Sumatra, it is not uncommon to see conflicts arise between traditional communities and big corporations (Tegnan, 2015). One example of such conflict is the one that took place between the *Minangkabau* community of the *Kilangan* Village and the PT. Semen Padang is one of the largest semen companies in Indonesia. This conflict was caused by the encroachment on communal land (known as *tanah ulayat*) by the company and the replacement of local labor with foreign labor. All of this is the result of corruption in the issuance of natural resources exploitation permits by the local officials (Husin & Tegnan, 2017) the disregard of the *Minangkabau* customary law with unkept promises made by the company to the traditional community (Tegnan, 2015).

The Case of the *Panton Rayeuk* People in Banda Aceh Province

On April 9, 2021, as many as 20 residents of Panton Rayeuk T. Village, Banda Alam District, East Aceh Regency had to undergo treatment due to poison gas from the Alue Siwah (AS) 11 well owned by PT Medco EP Malaka. The victims were treated in several hospitals in East Aceh and Banda Aceh. Meanwhile, as many as 302 villagers were forced to flee to the Banda Alam sub-district office in Panton Rayeuk Village to avoid gas poisoning (Rinaldi, 2021). This caused anger and frustration among the community members who took it to local authorities to demand answers and accountability.

The Case of *Kutai* People in Eastern Kalimantan

Unlike the cases discussed above, this case is interesting and unique as it shows how globalization has contributed to tearing down traditional values by turning members of one tribe against each other. The population of *Kutai* people mostly consists of the *Dayak* ethnic group that heavily relies on its waters and forests as sources of livelihood, medicine, and identity (Arifin, 2022). To allow Munte Waniq Jaya Perkasa Company and Borneo Surya Mining Jaya Company to operate, five villages were cleared including *Kenyanyan*, *Rikong*, *Kiaq*, *Tendiq*, and *Muara Ponaq*. On the border between one of the villages that were cleared i.e. *Muara Ponak* and another village named *Muara Tae*, there is a disputed forest named *Utaq Melinau* Customary Forest that spreads over 638 hectares (Arifin, 2022). Despite being cultivated for generations by the *Muara Tae* people as owners by custom, the land was sold unilaterally by the *Muara Ponaq* community to a palm oil plantation company. This resulted in a horizontal conflict first between *Muara Tae* and the buying company and eventually between *Muara Tae* and *Muara Ponaq*, two villages of the same lineage i.e. the *Benuaq Dayak* family (Indani, 2022).

Similarly, of the many cases of infringement on the basic rights of traditional communities in Kalimantan Province, deforestation and forest fire by powerful companies are the most common. The Coordinating Ministry for Political, Legal, and Security Affairs stated that in early 2021 alone there were 137 forest and land fire incidents in 10 provinces. These incidents were spread across various regions in Indonesia, such as 9 in North Sumatra, 29 in Riau, 52 in West Kalimantan, 12 in Central Kalimantan, 20 in Southeast Sulawesi, and 1 in Papua (Kompas, 2021). Of this figure, almost 40 percent of forest and land fires occurred in Kalimantan, a province with one of the largest forest areas in Indonesia, especially Central Kalimantan with an area of 7.1 million hectares of natural forest (Kompas, 2021).

Global market demand from developed countries such as Australia, Japan, the USA, and European countries for wood, rattan, and oil puts pressure on natural resources in West Papua, Kalimantan, Sumatra, Sulawesi, etc. for unlimited exploitation. It is undeniable that globalization is a necessity for the world community, including indigenous people, greed must be limited if not avoided. While the local and central government's alignment is more on development that requires the exploration of natural resources on a large scale, new realities have emerged. Traditional communities are now faced with two painful choices: either yield to the government's global development plans to exploit their natural resources or continue resisting.

Conclusion

It is important to note that despite the positive aspects of globalization which include improving economies through trade with a lower cost of products, access to new markets and talents, and the spread of technology and innovation, it has also contributed to a negative impact on traditional livelihoods in agriculture, altered the traditional social security system, values and identities, and increased mistrust. There are more and more conflicts between their communities and mining companies because of the liberalization of investments in this sector. The four cases discussed in this study i.e., the conflict between Freeport in Mimika, West Papua, the conflict between PT Semen Padang and the *Minangkabau* traditional community (*Masyarakat Adat Minangkabau*) in Nagari Lubuk Kilangan, in Padang, West Sumatra, the conflict between *Kutai* traditional community and two palm oil plantation companies in Eastern Kalimantan and the conflict between PT Medco, a gas company, and the *Gampong Pantan Rayeuk* traditional community in the Banda Alam District in Aceh Province show some of the negative aspects of globalization.

Although globalization does not erode values such as democracy and social justice, it has encouraged greed and corruption by the government officials and their unaccountable transnational entities. This paper has argued that although free trade must be implemented with respect to human rights, trade agreements must be consistent with traditional laws and the way of life of communities in vernacular settlements in Indonesia. Globalization and trade agreements should promote rather than undermine communal rights to land, water, and forest. However, the type of human advocate here is not one that powerful industrialized nations have often been forcing weak developing countries to accept for economic growth and stability. This has proven to be harmful to traditional communities who are already suffering lack of proper recognition and legal protection from their government as is the case in Indonesia. In so doing, this study does not promote protectionism as an alternative to free trade. but instead, it argues that human rights should adjust to customary laws to improve free trade in developing nations, including Indonesia.

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