

Development and the environment

Killing fields in Bali

Marian Carroll looks into the island's unabated building of resorts and villas, and the local community's bid to halt the steady obliteration of its famed rice farms ▶



PRAVING FOR A REPRIEVE: Environmentalist Asana Viebeke Lengkong leads a community prayer at the *Loloan* site in Canggu which, though zoned for conservation and considered sacred to Balinese Hindus, is under threat from reclamation to make way for a hotel project. The developer belongs to one of Indonesia's most powerful families with links to former president Suharto and the military. Lengkong claims she has received death threats and been branded a communist, but she refuses to back down.

Photo: Lukman Bintoro

When Anak Agung Rai opened a resort and museum in Ubud a decade ago, he was so perturbed by the breakneck speed at which rice fields were vanishing that he bought four hectares of surrounding land and gave it back to farmers.

It was a wise insurance move. Rai's Arma resort is one of the few remaining places where guests can watch farmers with buffalo and scythes work in the emerald terraces tripping down the valley. Alarming, the views for which Bali is famous are becoming a rarity.

"What people see inside the museum should be what they see outside," says Rai, the son of a rice farmer who built his resort from scratch. "It is not just art by painting, but art by cultivation. These are living traditions that have been around since 300BC."

THE BIG DIG: Daily laborers wait to get hired beside a street in Nusa Dua on Bali. The island's buoyant property market has attracted workers from other parts of Indonesia, further putting pressure on already stretched infrastructure and scarce resources.

These traditions are under threat as rampant development swallows up large swathes of Bali's landscape, fuelled by foreigners wanting a holiday house cum residence who are willing to pay up to US\$3 million off the plan.

The building frenzy has been most aggressive north of Kuta, turning ocean-front Seminyak and Canggu into upmarket expatriate enclaves. It has continued across south Bali all the way to Ubud in the mountainous interior and shows no signs of slowing.

Another hotelier, Gede Rai, knows it is only a matter of time before his rice field views disappear. The only reason they have survived this long is that the hotel he manages, the Bali Masari Villas & Spa, is obscurely located in Sukawati, well off the tourist trail. Occupancy is minimal, yet a Jakarta investor has bought the land opposite to build another hotel.

Gross mismanagement

Gede Rai, a career hotelier of 40 years and former chairman of the Bali Tourism Development Corp, a government enterprise responsible for the Nusa Dua resort area, says this project is just one example

"We are ready for war. Everyone is willing to die for this. This is about standing up and knowing our rights and responsibilities. It is time for Bali to wake up."

of the provincial government's gross mismanagement of tourism development.

"I'm not anti-development, but what I'm truly sad about is the lack of serious calculation between supply and demand. To me, Bali is far, far, far overbuilt," he says.

"The decision-makers have given no reference to how many hotels, golf courses, restaurants and other tourism-related businesses Bali needs, and where, by when, and whether the natural resources can cope."

He cited a 1980s World Bank report that recommended hotel rooms be capped at 9,500 by 1993. There were already 23,000 by 1995, and today there

are more than 54,000 – not to mention thousands of villa rooms.

For tourists, the intense competition is good news. For the Balinese, the environmental upheaval and seismic shift in social and economic foundations are prompting calls for a ban on further rice field development.

Tourism riches

Thanks to tourism, Bali is one of Indonesia's richest provinces. Even as the 1997-1998 Asian financial crisis saw the country's gross domestic product (GDP) shrink by 13%, tourism softened Bali's fall at a comparatively moderate 4%. Per capita income is among the top 10 nationally, with better-educated and longer-living citizens than in many other provinces. Immigration is high as Indonesians from poorer islands come seeking work.

However, economists warn Bali has become dangerously dependent on tourism revenue, which contributes 50% to 80% of its local GDP. Agriculture, once the economy's primary engine, contributes just about 21%.

This imbalance was starkly evident after the 2002 and 2005 bombings that prompted mass cancellations by travelers. Thousands of Balinese lost their jobs and poverty levels rose sharply, with economic growth slowing to 3% in 2003 from as high as 8% in preceding years.

Government figures show tourism numbers have since recovered, but the economy's real savior in this dark period has been foreign investment – particularly in villa developments – which helped the island's GDP growth recover to 5.2% last year.

Villa boom

While foreigners are technically not allowed to own land, developers have contrived complex legal structures to get around the laws. Money has poured in. Land values in Seminyak have risen

fivefold over the past decade, with one *are* (100 square meters) leasing for about five million rupiah (about US\$550) a year over a typical 50-year agreement. Many Balinese unable to afford the associated rise in land tax are divesting family plots.

The government is still unsure exactly how many foreign-funded villas there are, but it estimates well over 1,000 that do provide jobs and other economic benefits. The government expects new villa taxes to boost tourism tax revenue to 375 billion rupiah this year from 325 billion rupiah last year.

Legislator I Made Arjaya said the government plans to release more "greenbelt" areas – wet farms banned from being developed – for residential housing in south Bali. The northern regencies will remain mostly agricultural and industrial zones.

"Poverty and unemployment are rising while many Balinese are becoming servants, not masters, of their own land. When the money runs out, what will the Balinese do? Beg?"



Photo: Lukman Bintoro

NATURAL ESTATE: Thanks to conservation efforts by Anak Agung Rai, right, his Arma resort in Ubud is one of the few places on the island where guests can still watch the daily cycle of traditional farming life and the untrammelled beauty of Bali's famed rice fields.



Photo: Sonny Tumbelaka/AFP/Getty Images



► A losing battle

Despite acknowledging community opposition to further rice field diminution, Arjaya says it is a losing battle.

The government has provided grants, subsidies, tax breaks and modern equipment as incentives to farmers, but the proportion of agriculture workers has fallen to 40% of Bali's labor force from 65% in 1970, while the average plot size has dropped to 20 *are* from 80 *are*, Arjaya says. These inefficiencies of scale mean most rice farmers can make much more by selling or leasing their land to a foreigner than toiling in it all day.

"We don't have the financial strength or power to help the farmers," says Arjaya. "They are better off selling their land and putting the money in the bank."

Observers say this is a nice idea, but most Balinese have little concept of investment, says I Nyoman Erawan, dean of Udayana University's postgraduate economics program and adviser to the Badung regency government that covers south Bali's main tourist centers. The funds these farmers receive are usually gone in a flash, leaving them not only landless but also penniless.

"In the short term, selling their land enables them to put their children

through school, pay for health care and buy themselves a motorcycle or even a car," Erawan says. "But the growth is of poor quality because poverty and unemployment are rising while many Balinese are becoming servants, not masters, of their own land. We have no long-term vision. When the money runs out, then what will the Balinese do? Beg?"

Traditional backbone

Rice farming has traditionally been the backbone of Bali's rich Hindu traditions and ecosystem. Under a centuries-old practice interlocking religious rituals with modern technical advancements, more than 1,200 associations known as *subak* oversee the democratic supply of water to each paddy field from the island's four mountain lakes and its crisscrossing rivers. Headed by elected farmers, the *subak* form the many *banjar* (hamlets) of each village.

Professor I Nyoman Darma Putra, co-author of the book *Tourism, Development and Terrorism in Bali*, says the reduction in agriculture threatens the social structure underpinning the island's religious rituals, particularly the dance, music and arts that lure tourists.

FIELD OF DREAMS: Balinese farmers re-enact centuries-old traditions on rice terraces during the planting season. Unless the property development onslaught on the island's rice fields is stopped or curbed, such living traditions may soon die out.

"The Balinese have been very strong in preserving traditional society as tourism has developed," Putra says. "But as the rice fields diminish and the *subak* system weakens, this flows through to Balinese daily life. The very assets that attract tourists are under threat."

Bane of urbanization

Environmentally, depletion of wet farms has affected the water table, and infrastructure has not kept pace with development, resulting in poor water quality, escalating pollution and horrendous traffic.

Environmentalist Asana Viebeke Lengkong has been fighting ecologically damaging developments for years. Two years ago, she lost a battle against a shopping mall on Kuta beach because the community was too scared to defy the developer, one of Indonesia's most powerful families with links to former president Suharto and the military.

The same developer has started reclaiming an estuary in Canggu for a

hotel project. The so-called *Loloan* site, zoned as conservation and considered sacred to Balinese Hindus, was "given" to the developer 16 years ago by the former provincial government. This time, Lengkong says the government has gone too far and the surrounding villages are united in their protest.

"We are ready for war," she says. "Everyone is willing to die for this. I'm serious. This is about standing up and knowing our rights and responsibilities. It is time for Bali to wake up."

Stakes are high. Lengkong claims she has received death threats and been branded a communist, but she refuses to back down. The government has been forced to ease tensions by halting construction, but Lengkong wants the developer's building license revoked all together.

The dispute is shaping up as a landmark case in Bali's broader fight against destructive developments and the official corruption that allows them to go ahead.

The government actually has very clear zoning and land use regulations, as well as architectural guidelines to ensure buildings adhere to traditional design principles. But Badung legislator

"I want to make a living without destroying the Balinese way of life. We have to take personal responsibility, and if that makes me an 'ageing hippy', then so be it."

I Wayan Puspa Negara acknowledges weak enforcement of these laws.

"Our rules and regulations are fantastic, but the application has been bombastic. Law enforcement means nothing here. People can pay authorities to look the other way. *Loloan* is just one case in the public eye, there are many others."

Without strong law enforcement and government will to halt further rice field development, Bali's preservation may depend on personal responsibility. One property developer is leading by example.

Personal responsibility

Nils Wetterlind is no saint. He admits this quite freely at Tropical Homes' Bali headquarters, surrounded by sketches of multimillion-dollar villa developments he is promoting.

But some time last year, Wetterlind suffered an attack of conscience after involvement in yet another development of one of Seminyak's last remaining pockets of rice-farming land.

"It had nothing to do with altruism," says the straight-talking Brit. "It was purely

selfish. You see, I quite like Bali and I want Bali to still be around for my kids.

"I know I come across as sanctimonious, but I just want to be able to sleep at night. I want to make a living without destroying the Balinese way of life. We have to take personal responsibility, and if that makes me an 'ageing hippy', then so be it."

In an edition of his property magazine, Wetterlind publicly vowed no further involvement in developing rice fields. His villas are now all on the Bukit, an arid expanse of cliffs stretching from Jimbaran to Uluwatu, and he is looking at uncultivable areas on the east coast, home to some of Bali's poorest communities.

He also promised to use only ecologically sustainable materials and renewable energy wherever possible.

"We will ensure that the villas we build are both stunningly beautiful, practical to live in, light on the pocket and in harmony with this beautiful island and its people," he wrote. "So this is our pledge to you ... and to Bali. It's time to grow up, and it's time to do the right thing."

Such a bold statement has brought jeers from fellow developers, but Balinese community leaders endorse the idea of sustainable development.

No one is calling for a veto on development all together – tourism has given generations of Balinese valuable economic opportunities – but if it focuses on dry areas and the renovation of derelict sections of Kuta, it may just safeguard the ecosystem and culture for generations to come. In turn, that will ensure tourists keep coming back.

"If we don't act now, I am afraid that by the time we Balinese wake up to the alarm bell, it will be too late," says Gede Rai. ✪

LAND REFORM: After years of burying rice fields under villas, British developer Nils Wetterlind of Tropical Homes has vowed to focus on arid, uncultivable and poor areas on the island for new projects. "It's time to grow up, and it's time to do the right thing," he says.



Photo: Thomas Humeau/Dreamstime.com

Photo: Lukman Bintoro