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The Dialectics of the Illegal Conversion of Agricultural Land: Lessons from Indonesia

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Land availability is an essential factor in ensuring the production of food and a place to carry out other economic activities. Therefore the issue of allocation of use and control of land has always been a strategic problem to be resolved fairly, in line with the goals of social welfare. The phenomenon of the shrinking of agricultural land in Sukoharjo and other big cities shows that there are dynamics of changes in land use, in line with the growing economy of the region. The question is, how the illegal conversion affects the welfare of the people in Sukoharjo? The objective of this paper is therefore, to determine the impact of illegal conversion in welfare of the people. In order to achieve the objective of this paper, two methods of data collection were adopted. The first method was doctrinal legal research which mainly concerned statutory provisions under Law 41of 2009 on Protection of Agricultural Land. The second method of data collection consisted of observation in agricultural land in three Sub-Districts in Sukoharjo Regency: Sukoharjo, Baki, and Tawangsari. The results showed that the rate of land conversion is 0.014%, out of which 5 Ha or approximately 0.34% of the total land conversion is illegal conversion. This conversion affects people's welfare since many farmers switch from farming to other unskilled labour. The illegal conversion is primarily due to a lack of law enforcement as a critical factor in the context of why illegal land conversion still occurs. Therefore, it is recommended that tightening the agricultural land conversion permission could slow the rate of agricultural land conversion such that the negative impacts of land conversion, including decreased farmer welfare can be prevented.

Key words: *Illegal Conversion, Licensing Law, Social Welfare and Law Enforcement.*

Introduction

As a source of life, power, and prosperity, the land has a very strategic position and hence, in Indonesia, the State acts as the only authority to govern the designation of land. The population growth and the development of economic activities affect the demands on the land specific to area and location. Furthermore, the State has the authority to implement acts to promote society's prosperity by (1) regulating legal dealings between people and land, (2) regulating the legal actions between people and land, and (3) designing the inventory and the land use for public purposes (Nasoetion, 2004). Moreover, all land has to be registered with the National Land Agency for orderly administration (Harun, 2012). The availability of land is an essential factor in ensuring the availability of food, including sufficient space for carrying out agricultural economic activities. Further, population growth and the development of economic activity increase the demand for land. Therefore, problems related to the allocation of land use and tenure are strategic issues that must be settled fairly in terms of social life. Population growth, residential and industrial area expansion and the development of facilities and infrastructure have caused the conversion of agricultural land into non-agricultural land (Badan Pusat Statistik, 1991-2001).

The phenomenon of land conversion on Java Island and other Indonesian islands shows the dynamics of land-use change along with the growth in the regional economy. This shows that the process of structural transformation of the economy is still based on the agricultural sector. Other factors are also affected by population growth, which generates the need for land such as housing, industry and other facilities and infrastructure. The agricultural sector in Central Java is one of the economic factors. Moreover, Central Java has become one of the centres of national rice production (Badan Pusat Statistik, 1985, 1986, 1989, dan 1992).

The data shows that there is a phenomenon related to subsequent life in the context of land conversion since most Indonesians are farmers. Therefore, the phenomenon of illegal land conversion increases the scarcity of agricultural land and the reluctance to be employed or to work as a farmer. Until recently, the theory of productivity of agricultural products still required a large area of land to be well managed by each group. The concept of land conversion and changes from agricultural land to other purposes than their original function creates problems for the environment, the welfare of farmers and the potential of the land itself.

Based on the 1945 Constitution on Article 28H Paragraph (1), states "Every person has the right to a prosperous life that is physically and mentally born, resides, and has a good and healthy living environment and is entitled to health services." To ensure the realization of beneficial land-use change that does not reduce the existence of agricultural land, the insurance fund is used to improve the social welfare of the community. Significant in this

discourse is Law No. 2 of 2012 concerning Land Procurement for Development in the Public Interest in article 3, "Land Procurement for Public Interest provides land for the implementation of development in order to improve the welfare and prosperity of the nation, state, and communities that still fulfil the legal interests of those entitled."

Indonesia applies a decentralization policy concerning the regulation of each region, giving mayors broad authority to regulate their local areas (Badan Pusat Statistik, 1984, 1986, 1991, 1993; dan 1997; Eilzaki & Jalalian, 2016). Conversion of land use is rampant in Sukoharjo District, which ranks first in the Central Java Province with approximately 1750 Ha on average of land converted per year (Kementerian Pertanian RI, 2017). This issue presents serious concerns for all stakeholders throughout Indonesia, due to the potential impact of the pace of change. In particular, stakeholders should seek to prevent any negative impacts, i.e., erosion, land degradation, and pollution. The absence of control against land conversion will undoubtedly be detrimental to both physical and socio-economic aspects of society.

Agricultural Land Conversion: The Indonesian Context

Conversion of agricultural land is not a new thing, along with the increasing standard of living and emerging opportunities for job creation. The need for the land increases because of the number of investors and indeed the community, as well as government, interest in increased development. In contrast, the limited amount of land to give rise to land-use should have been switched to non-agricultural use. The conversion of agricultural land to non-agricultural land is a fundamental issue due to the community's involvement in the agricultural sector.

Land conversion occurs where there is a change in land-use to other uses and problems arise due to this conversion, many related to land use policy (Ruswandi, 2005). Land conversion is generally concerned with transformation in the allocation of land resources from one-use to other-uses. Land-use conversion generally occurs in the surrounding urban area and is intended to support the development of the industrial sector and services (Kustiawan, 1997). The activity of land conversion is very closely related to demand and land offerings. There is an imbalance between supply and demand where supply is limited while demand is unlimited, which instigates land-use change. The factors affecting land supply comprise natural physical characteristics, economic factors, technological factors, and institutional factors. Further, the factors which affect land demand are the population, development technology, habits, traditions, education and culture, income and expenses, tastes and goals, as well as changes in attitudes and values caused by age development (Barlowe, 1978).

This land-use change pattern is happening everywhere even if small and scattered. Impacts of land-use change with this pattern of the existence of new surrounding paddy fields are

significant for the long term. The transfer of functions begins with the transfer of land ownership. Owner sells to other parties who use the land for non-agricultural business or brokerage. Empirically, the transfer of land functions through this method occur in full, are concentrated and generally correlate positively with the process of urbanization. The impact of land-use change on the existence of the surrounding paddy fields took place quickly and markedly. Transfer of land functions can be permanent and can also be temporary (Utomo, 1992). If the irrigated paddy fields are converted into residential or industrial areas, the land conversion will be permanent. However, if the paddy fields are turned into sugar cane plantations, then the change-over in the land function is temporary because in following years the land can be used as paddy fields again. Transfer of permanent land usually has a more significant negative impact rather than temporary land-use change.

Agricultural land conversion activities also affect the environment. Changing agricultural land to non-agricultural land will affect the balance of the ecosystem of agricultural land. Land conversion can cause several consequences, including the reduction of open space so that water resource management is disturbed and the agricultural cultivation, narrower (Ruswandi, 2007). Furi explains that land conversion takes place to change the status of land ownership and land tenure. Changes in land tenure in the rural areas have implications for changes in income and employment opportunities that are indicators of the welfare of rural communities. Limited access to control the land also causes limited community access to land benefits, which are the principal capital of livelihoods resulting in a shift in employment opportunities to the non-agricultural sector (informal sector) (Furi, 2007).

Land conversion is the transformation of land that was initially used for the purpose of agriculture into non-agriculture uses such as industry or settlement (Nasoetion, 2004). “Illegal conversion” is the conversion of agricultural land into non-agricultural land where this is accomplished without permission from the authorized official. It is assumed that illegal land conversion is not under the land allotment and is carried out without the knowledge of relevant officials.

The process of land conversion can be carried out by the farmers themselves or carried out by other parties. Land conversion carried out by other parties has a more significant impact on reducing the food production capacity because the process of land conversion functions usually includes a vast expanse of land, primarily aimed at the construction of a residential area. The land transfer process carried out by the other party usually takes place through two stages:

1. Transfer of farmers' land ownership rights to other parties
2. Utilization of the land for non-agricultural activities.

Therefore, this diversion of land functions triggers an increase in community need for settlements, high costs of agricultural operations, a decline in the selling price of agricultural products, a lack of interest in young people to manage agricultural land, and a shift to a sector that is considered more promising.

The conversion of agricultural land to non-agriculture land results in many negative impacts on society due to land conversion, and include (Widjanarko et al., 2006):

1. Reduced rice field area resulting in a decrease in rice production which disrupts the achievement of food self-sufficiency.
2. Reduced rice field area resulting in the shifting of employment from agriculture to non-agricultural sectors which creates a situation where local labour will later compete with the migrant workforce for jobs. The potential social impact is increasing social jealousy of the local community towards migrants, which in turn potentially increases social conflict.
3. Government investment in the provision of irrigation infrastructure and facilities is not optimal but rather is a result of existing irrigation becoming futile because the existing rice fields have been converted.
4. The failure of investors in implementing housing or industrial development due to miscalculation has resulted in converted land not being utilized because it is not possible to return it to rice fields again and with the area of land increase could later cause social conflicts such as land plunder.
5. The decreased paddy ecosystem in Java which has been fundamental for decades and now no longer satisfies need while at the same time, posing threats to the quality of the environment. Agricultural land not only serves as a place for rice cultivation but also as a security that there is sufficient land to accommodate excess runoff water, flood control, and environmental preservation. If a stretch of paddy field is converted to a housing, hotel, or industrial area, the surrounding land will naturally be affected by the conversion. Land to store excess water will be reduced so that disasters such as floods will increasingly occur.

From some of the impacts stated above, it can be understood that the rate of change in the conversion of agricultural land should be prevented. One response is to tighten the licensing for the conversion of agricultural land into industrial land. As Sukoharjo Regency is an area that has the most significant level of conversion of agricultural land in Central Java, this situation is quite disturbing. Permission as a juridical instrument is used by the government to influence citizens to follow the recommended ways to achieve concrete goals. As an instrument, permits function as the spearhead of legal instruments as directors, engineers, and designers of a just and prosperous society. This means that through permission, it can be seen that a just and prosperous society can be realized and further that the conditions contained in

the permit are the controller in the functioning of the permit itself. One of the ways to prevent further damage of the ecosystem is by licensing because the allotment of agricultural land is not only for rice production but also balancing of the ecosystem. When this land is converted, there will be many disasters caused by the damage of ecosystems such as floods and landslides. Since the land is a fixed capital base, the arrangement must be efficient and effective in order to resolve the needs of the Indonesian people.

Toward A Social Welfare For Farmers

The welfare state theory was introduced by Spicker (1995) who defined the welfare state as a social welfare system that gave the state (government) a more significant role in allocating a portion of public funds to ensure the fulfilment of the basic needs of its citizens. The welfare state seeks to integrate the source system and provide a service network that can maintain and improve the welfare of citizens in a fair and sustainable manner. The welfare state is the existence of a state where the government of that state is considered responsible for guaranteeing the minimum standard of welfare for every citizen. (Spicker, 2002).

The term welfare or prosperity can have four meaningsp:

1. In general terms, well-being refers to a state of the human condition, where people are prosperous, healthy, and peaceful.
2. In an economic view, prosperity is always associated with material benefits or benefits (material size) as a function of social welfare (formatively and substantively this can mean economic welfare);
3. In a social policy review, social welfare refers to the range of services that meet the needs of the community. It is the term used in the concept of the welfare state;
4. In other reviews (such as policy phenomena in developed countries like America), prosperity refers to the financial aspects that are paid by the government to people who need financial assistance but cannot work. In other words, for which the income received to meet basic needs is insufficient or not humanly feasible or because special conditions exist, such as evidence of looking for work due to unemployment. The amount paid is usually far below the poverty line. Alternatively, other conditions, such as the inability or obligation to support the family or look after children (which prevent them from being able to work) exist because in some cases recipient countries require citizens to work, this is known as workfare.

According to Poerwadarminta, W.J.S, (2006) the meaning of welfare includes security, safety and prosperity. The term people (social) in the narrow sense is related to the social development sector or the development of people's welfare which aims to improve the quality of human life, especially who are categorized in disadvantaged and vulnerable groups

(groups that have the potential to become poor). In this case, the people's welfare development policy generally involves programs or social services to overcome social problems such as poverty, neglect, physical and psychological dysfunction, immorality, and juvenile delinquency. As a consequence, the understanding of people's welfare policies is often interpreted as charitable activities or public assistance undertaken by the government for low-income families and their children. Social science experts are associated with the condition of the Human Development Index which refers to the high and low levels of people's lives seen from three leading indicators: the level of life expectancy (expectation of life), the level of education (literacy, education), and the level of income.

The welfare state theory is a combination of the concept of the rule of law and the welfare state. According to Harun, (2011) the rule of law (*rechtstaat*) is a state that places the law as the basis of its power and the implementation of that power in all its forms is carried out under the rule of law (Hoesein, 2012). In contrast, the concept of a welfare state according to Bagir Manan (Bessant et al., 2006) is that the state or government is not merely a guardian of security or public order; rather the focus is the responsibility of realizing social justice, public welfare, and the greatest prosperity of the people. Hence, the welfare state is aimed at providing social services for all inhabitants, as best and as far as possible. The welfare state seeks to integrate the source system and provide a service network that can maintain and improve the welfare of citizens in a fair and sustainable manner. That is, the welfare state is the existence of a state where the government of the state is considered responsible for ensuring the minimum standard of welfare for every citizen.

Permitting Agricultural Land Conversion in Sukoharjo Regency

Article 24 cited above establishes the basis for the levels of Government, Provincial, Regency, and City Regional Regulations that can be used as guidelines in forming the provisions of a Land Use Change Permit (IPPL) in a District or City. Meanwhile, the rule of law imposes substantial regulation on laws at lower levels. An innovative model arrangement provides an excellent opportunity for the lower levels to take on new initiatives when in accordance with local interests. However, this can give rise to a wide variety of arrangements and interests, which may be out of sync and inconsistent with the underlying regulatory objectives. (Badan Pusat Statistik, 1989-2001)

From the above data, it can be concluded that Sukoharjo has a rapid rate of land conversion and this paper discusses the impact of illegal land conversion on the welfare of the Sukoharjo people. Sukoharjo had a sizeable population of 871,397 in 2016, and it was ranked 11th out of 35 districts in Central Java. Each region has different potential, influenced by several factors such as geographic location and the condition of the land in the area. In the Sukoharjo regency, which is located in the plains, most land is used for agriculture, and the remainder is

used as industrial land, for shopping centres, housing and other purposes. Legal land conversion requires a permit granted by the National Land Agency, so agricultural land conversion permitting becomes a crucial issue since it can be a useful tool to control activities linked to land conversion. Restricting permission for agricultural land conversions should suppress the rate of agricultural land conversion, eventually preventing the adverse effects of the land-use change.

This research investigated agricultural land conversion in Sukoharjo and the research question is: what is the impact of illegal conversion on the welfare of the people in Sukoharjo? Data collection methods included data collection from library research and observation in the Sukoharjo regency, interviews with 40 farmers in the Sukoharjo Region, and review of documentation.

Reseach Methodology

This study adopted two methods of data collection. The first method was doctrinal legal research, which was library-based. In this regard, it mainly concerned statutory provisions of Law 41of 2009 on Protection of Agricultural Land and Sukoharjo's Law No. 1 of 2008 on the government affairs of the authority of the local government of Sukoharjo regency. The second method of data collection was qualitative interviews which comprised derived data from 40 respondents. The qualitative method enabled the researchers to analyze the opinion of respondents and present logical findings. In this study, forty respondents were interviewed about illegal land conversion related to their income and prosperity. The respondents were chosen among farmers and farm labourers and selection was based on their practical experience and expertise which added value to this study. The interviews were conducted face-to-face with the respondents across Sukoharjo, Baki and Tawangsari. The data was analyzed based on content and themes of the study. Further, observation of paddy field operation and survey were also applied in this research. To identify an inappropriate land conversion with permission, this research used two indicators as the parameters for the conversion of agricultural land to non-agricultural land that was not in accordance with the initial designation of the land.

1) A map of green, yellow, and red zones acquired from the Spatial Planning Department of Public Works Office.

a. "Green Zone" means that the land is for agricultural use and no permit should be issued to convert it to another purpose
b. "Yellow Zone" means that the land is currently used for agriculture, but it is possible to make a conversion to industry and housing
c. "Red Zone" means that the land is designated for industry and housing

2) Buildings in the middle of paddy fields.

Any building established in paddy fields is considered a sign of illegal land conversion since there are supposed to be no permanent buildings in paddy fields.

Legal Arrangement on the Agricultural Land Conversion

From the observation, the results were that the area of agricultural land converted into non-agricultural land in Sukoharjo Regency is 807,032 m2 or 80,7 Ha. The data indicates that the area of land conversion in January to November 2017 is 14.7 Ha, with a rate of land conversion of 0.014% per year. The area of illegal land conversion is 5 Ha, approximately 0.34% of the total land conversion.

Policies that address granting permission for the conversion of agricultural into non-agricultural land and spatial planning and mapping were articulated in Law No. 23 of 2014 on Local Government. This later became the model for the local government of Sukoharjo's Law No. 1 of 2008 on the government affairs of the authority of the local government of Sukoharjo regency. In an effort to govern spatial planning in Sukoharjo Regency, Local Regulation of Sukoharjo Regency No. 14 of 2011 on Spatial Planning of Sukoharjo Regency in 2011-2031 was enacted. The regulation represents an effort to direct efficient, harmonious, balanced and sustainable development. Policy and development strategies are devised based on these to target various areas in Sukoharjo regency. For example, the development of cultivation areas to support the agricultural sector is addressed in Article 5, Paragraph (3) of the Local Regulation of Sukoharjo Regency No. 14 of 2011, which regulates: (a). The development of agricultural facilities and infrastructure to increase productivity, (b). The prevention of the land conversion of irrigated rice fields, and (c). The development of incentive and disincentive mechanisms for sustainable food crops.

One attempt to control utilization of space comprises general rules of zoning regulations and licensing terms. The area has been divided by its respective zone, such as the green zone, which is usually designated as cultivation and agricultural area. The area designated for agriculture in Sukoharjo Regency, 23,742 hectares of paddy-field and land farming, is spread across all sub-districts in Sukoharjo Regency. According to the Local Regulation of Sukoharjo Regency, agricultural areas are intended for sustainable agriculture (Badan Pusat Statistik, 2001). Thus, according to the conditions outlined in the regulation, land that has been established as sustainable agricultural land cannot be converted into another land use except public and disaster management. However, regulation concerning sustainable agricultural land in Sukoharjo Regency is still less productive.

The tension between the areas designated as sustainable agricultural land and those designated as industrial areas is evident. The area of sustainable agricultural land regulated in

Article 33 of the Local Regulation of Sukoharjo Regency No. 14 of 2011 is also regulated, with an industrial designation area, in Article 36 of the Local Regulation of Sukoharjo Regency. This confusion results in effects on ecosystems and soil fertility that lead to a decline in income from the agricultural sector in Sukoharjo Regency.

Efforts to control the utilization of space in Sukoharjo Regency are made through the provision of permits. Permitting is an instrument with which the government may take action (Badan Pusat Statistik, 1999-2001). Every permit issued by the government should be based on regulation. In accordance with the function of the permit, every permit issuance must have a legal basis. In systems designed to enhance regional autonomy, permitting represents a form of public action that should be regulated at the regional level. This relates to the legitimacy and legality of the local government charged with providing services to the community. In addition to imparting legitimacy to the government, local regulations function to represent and accommodate the aspirations and interests of the community. Thus regional regulation should not merely reflect the interests of authorities (Arisandi & Pudjiastusti, 2017). Land conversion permitting in particular is useful because it can be a tool to control community activities, including those concerned with licensing. By restricting permission for agricultural land conversion, the local authorities can control the rate of agricultural land conversion. Furthermore, adverse effects of the conversion can be prevented.

As outlined in Article 67 of the Local regulation of Sukoharjo Regency No. 14 of 2011, the permit for land conversion is a space utilization permit that must be owned by a person or entity carrying out activities to convert agricultural land into non-agricultural land. The permit covers a limited area of 1 (one) hectare, and is only issued for a specific site. (Badan Pusat Statistik, 1996) Furthermore, to obtain a license for using the land, the applicant must comply with the procedures outlined in Article 30 of the Regent Regulation of Sukoharjo No. 67 of 2011. The permit may be revoked if the owner of the license undertakes matters regulated in Article 33 of the Local Regulation of Sukoharjo No. 67 of 2011 (Badan Pusat Statistik, 1978-2000).

Even though permitting for land conversion is very strictly regulated, it has not slowed efforts to conduct conversions. Moreover, existing permit rules must be explored to ensure clarity and coherence in the rules for land conversion. Several factors which reduce the effectiveness of permitting instruments must also be considered. The first factor is that agencies linked to the permit issuance are not centralized in the same location, complicating the enforcement of licenses on land conversion. The second factor is the limited authority of the government to grant land conversion permits in the face of significant industrial interests. The third factor is related to weak law enforcement, which should deter violation of the rules (Biro Pusat Statistik, 1991). However, for example, there has never been a single firm action, such as the demolition of a building that violates the green zone, to enforce permits. All these factors

reduce the effectiveness of permitting and licensing policies and, consequently, undermine its value as a tool to prevent land conversion.

Law enforcement is also essential to influence the rate of illegal land conversion. Although there have been indications of illegal land conversion by officers, no action has ever been taken against these violations. Thus far, the only action is education of the community. However, action that will effectively deter violations, such as the demolition of buildings that have been erected illegally, has never been enforced and generally, society disregards rules that are not appropriately enforced. The government is expected to be firm and without discrimination as it acts against all those who undertake illegal land conversion by imposing fines or imprisonment.

Sukoharjo, seen from the results of agriculture, experienced an inevitable decline due to the conversion of agricultural land to non-agricultural land which has continuously increased every year. It can be said that Sukoharjo is unable to meet the food needs of its population so that it requires food supply from other regions. Other factors are in the form of the rate of population growth which increases every year and is not matched by equivalent increase of agricultural land, and as such, food self-sufficiency is not reached. Sukoharjo district is categorized as an intermediate district in the sense that it is still very much possible to be looked at by investors so that in this district many agricultural lands have been converted to non-agricultural land.

In connection with the calculation of the acceleration of land-use change viewed from several aspects, this can be associated with welfare indicators through data on population, land area, population density, agricultural productivity and the level of food self-sufficiency in Sukoharjo, Baki, Tawangsari sub-district. The implication of the assumption is that the land of Sukoharjo district will be exhausted more quickly. It will also affect the level of welfare of the community as indicated by the increase in per capita income of residents of Sukoharjo Regency which decreases poverty and increases the availability of adequate infrastructure facilities to support economic growth in Sukoharjo Regency.

The Impact of Land Conversion

Land conversion initiates many negative cause-effect impacts in the welfare of farmers including:

1. Reduced agricultural land: With the conversion of land to non-agriculture, automatically the agricultural land will be reduced and there is a consequent negative impact on various fields, both directly and indirectly.

2. Declining national food production: Due to the reduced availability of agricultural land, production results will also be disrupted. On a large scale, national food stability will also be challenging to achieve given the population is increasing every year as are food needs while at the same time agricultural land decreases.
3. Threat to the balance of the ecosystem: With a variety of population diversity, rice fields or other agricultural lands are natural ecosystems for some animals. So that if the land changes function, the animals will lose their homes and can interfere with resident settlements. Also, the presence of agricultural land ensures rainwater is well utilized, thereby reducing the risk of causing flooding during the rainy season.
4. Agricultural infrastructure not being used: To help increase agricultural products, the government has budgeted funds to build agricultural facilities and infrastructure. In the irrigation system, for example, there are many projects of various types of irrigation from the government, ranging from building dams, building drainage, and other infrastructure intended for agriculture. Consequently if the agricultural land is converted, the facilities and infrastructure will become obsolete.
5. Loss of jobs for many farmworkers: Farmworkers are people who do not have agricultural land but instead offer their labour to cultivate the land of others and if agricultural land changes function and is less and less worked, then the farmworkers are threatened with losing their livelihoods.
6. Increasingly more expensive food prices: When agricultural production decreases, of course, food ingredients on the market will be increasingly difficult to find and in turn producers and traders can take advantage to obtain large profits.
7. High rates of urbanization: Most of the agricultural land is located in rural areas. When there is a change of function of agricultural land which results in loss of employment for some, the rate of urbanization increases as people from the villages flock to the city in hopes of getting more decent jobs. Unfortunately moving to the city does not necessarily change their situation due to increasingly fierce competition for jobs.

Welfare and Land Conversion

Forty respondents who have converted their agricultural land were interviewed in this study. Previously, the farmers depended entirely on the agricultural sector and they considered that farming was their main livelihood. The existence of land conversion affected their lives. A major land conversion in an area where previously was agricultural land into a building area was indicated in the data. The illegal conversion resulted in a substantial decrease in paddy land area which resulted in a decrease in land ownership by farmers. This reduced the availability of land which will affect farmer livelihood as land is a primary component of this occupation. The situation deserves more serious attention from the government due to these potential negative impacts and the effect on employment opportunities in the agricultural sector where there will be a shift in the workforce from agriculture to non-agriculture. Furi

explains that land-use change has transformed the status of land ownership and land tenure. (Furi, 2007) Changes in land tenure in rural areas have implications for change in income and employment opportunities that are indicators of community welfare. Many of the owner farmers who have sold all their land have turned into farm labourers because they are not utilizing the proceeds from the sale of their land. They also lack of skills transferable to other sectors because of their low education, making it difficult for them to switch professions to other sectors.

The use of proceeds from land sales received by farmers varies. For farmers (respondents) who have vast land, the proceeds of the sale are used to buy paddy land in other areas that have lower land prices. However, for farmers who do not have large tracts of land, the proceeds from land sales will be used to meet their daily or other needs. According to Hidayati and Kinseng (2013), coercion in the conversion of agricultural land is the process of land conversion due to coercion from other parties or the influence of regional conditions. In addition, their paddy fields are close to housing developments with the construction of housing around agricultural land obstructing irrigation channels. This obstruction of the irrigation channel results in no water flowing into the farmland and causes the land to become unproductive, which in turn will harm farming. At the level of land ownership, farmers who have a large enough piece of land tend to keep their land and the chance of land conversion is small whereas farmers who own small tracts of land tend to sell and this is0 thought to be caused by the broad area of land which is closely related to revenue. Farmers who have more land have higher production yields, so the revenue generated is higher than farmers who have narrower land area.

Most farmers who were respondents certainly preferred not to convert their land because they were not necessarily successful in doing work that had not been mastered. Basically, the actual conversion of land functions is closely related to the income received by farmers and indicates that farmers who have more experience in farming tend to maintain their land. For farmers who have more extended farming experience, they tend to have higher expertise in the agricultural sector, while outside the agricultural sector their expertise is quite minimal and they choose to defend their land rather than having to sell their land and work in sectors other than agriculture.

About 70 percent of Indonesian people depend on agriculture for their livelihoods. The land is a significant production factor in agriculture, which serves as a source of livelihood for farmers. The conversion of agricultural land, especially paddy fields to non-agricultural land, will directly affect the decrease in land area. In addition, the change in land use causes changes in benefits obtained from other uses and results in the loss of production results which is directly proportional to the area of land being converted. This land-use change will also have a direct impact on farm income, employment, and employment opportunities that

directly or indirectly have a forward and backward linkage from farming activities. When farm income is reduced or lost; employment opportunities in the agricultural sector are reduced. In addition, this will encourage the transfer of farmer employment opportunities from the agricultural to non-agricultural sectors. Production of agricultural products loss as a direct impact of land-use change depends on the area of land that has been converted, the productivity of land and cropping patterns undertaken. Another impact caused by the change of function of paddy fields in Sukoharjo is the occurrence of major livelihood shifts by farmers. Most of the respondent farmers who carried out land conversion had previously been farmers who also work as labourers in the paddy fields. However, due to the change of function of agricultural land there was a shift in main livelihood and most of them remain in the agricultural sector as labourers.

However, due to the change of function of agricultural land, there was a shift in main livelihoods. Most of them remain in the agricultural sector, however some have switched livelihoods to outside the agricultural sector. The Primary Source of Income of Farmers After conversion on Agricultural Land (Percent) Sources of Respondent Income (Percent) Farmers owning tenants are: 13.33, Cultivators: 36.67, Farm labourers: 6.67, Factory Workers: 3.33, Building Workers: 6.67, Driver: 3.33, Traders: 6,67 Others: 23.33 Total 100.00. Based on this data, 56.67 percent of farmers still rely on the agricultural sector as the primary source of income although not all of them are farmers, only 13.33 percent are still owners, and the remaining 36.67 percent and 6.67 percent are and farm labourers.

Moreover, some of the respondent farmers also made a living outside the agricultural sector as the primary source of livelihood. This type of work outside the agricultural sector as indicated by respondent farmers (based on interview results) includes factory work, construction, transport and trade. These events show symptoms of a transformation of activities from the agricultural sector to the non-agricultural sector as reflected in the change to the principle livelihood of farmers. However, due to limited skills and low education, only low-paying jobs are obtainable. The main livelihood changes that occur will automatically affect the current income earned with farmer income divided into two types, namely farm income, and non-farm income. Farming income is income received from the agricultural sector, while non-farming income is income derived from outside the agricultural sector.

Changes in livelihood due to land-use change can change farmer incomes and low skills and low education affect future potential income. Farmers who work in jobs outside the agricultural sector due to land conversion, earn lower wages or the same as previously as they do not have the skills needed for non-agricultural jobs. The lower income can indicate that the ex-farmer welfare is decreasing as has their income since when they were farmers. To obtain jobs in a new industry, farmers generally need to urbanize from the rural setting to the city where they can get a job. Greater costs are incurred to get work in the city because they

have to rent a house and move to the city and also the cost of housing contracts and other expenses is much higher than in the village (Hidayat, et.al, 2017) . In addition, social problems are also inevitable because they have to go to work without bringing their families on the grounds that there is no money to support them in the city, so the impact of divorce is higher. Subsequently, the indirect impact of the agricultural land conversion for farmers is that their level of welfare is actually not increasing with the land conversion decision.

Conclusion

Sukoharjo experienced a high rate of illegal land conversion at 0.014%. This increase must be anticipated in future so that land-use conversion has no adverse effects. The negative impacts of land conversion are reduced agricultural land, declining national food production, threatened balance of ecosystems and unused agricultural infrastructure facilities where many farmworkers lose their jobs, food prices increase and there are high rates of urbanization.

The rate of land conversion, both legal and illegal has been distressing, especially illegal land conversion, because the implementation is not monitored by the authorities nor does it follow the established rules and therefore the impact is far more damaging than authorized conversions. The problem of land conversion has a strong relationship with the welfare of affected communities such as farmers and all business sectors related to it. Farmers who have converted their agricultural land will switch professions and look for other occupations for their livelihood. As found in the data from this research, most of them still choose to farm, either buying land that is much cheaper or becoming farm labourers as this is where their skill mastery is. Subsequently the change in their profession has a profound impact on their well-being because they must be able to survive by working as labourers due to their lack of experience outside the field of farming.

Agricultural land conversion is necessarily regulated under the legislation. Permit restriction, one available instrument to prevent massive land conversion, must be enforced. However, various obstacles exist throughout the convoluted permitting process which create leeway that allows violation of the rules of law. Moreover, law enforcement has not been strictly applied against violators of the rules as shown in the fact that no building that violates the rules of the land conversion has ever been demolished to return the land to its agricultural function. Perpetrators who carry out illegal land conversion should be deterred by the possibility of being punished by fines or imprisonment. The parties must work together to prevent illegal conversion. Immediate solutions should be implemented to prevent further ecosystem damage, food shortages and other inevitable disasters over the next years.

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