

## Actors' Contestation in Responding to Government Policies Regarding Development of Broiler Poultry Farming Business: A Case from Blitar, East Java, Indonesia

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### ABSTRACT

*This study examines the contestation among actors responding to government policies in broiler farming. The research method employed is qualitative. A comprehensive investigation into each actor's characteristics allows for a thorough understanding of unfolding contestation. The study took place in Blitar, East Java, Indonesia. The results indicate three key actors: the integrator farm, the independent farm, and the family farm. An integrator functions as an investor; while an independent consists of breeders with land, resources, and labour. Family farmers are operated by individuals with limited production capacities. The government, aiming to ensure a stable supply of livestock for domestic consumption, utilizes its legislative authority to facilitate investment prospects in Indonesia. Integrator farmers seize this opportunity to dominate broiler farming, compelling their actors to align with their interests. Independent farmers safeguard their interests through collaborative partnerships, whereas family farmers can only express their discontent with the government through protests.*

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### Keywords:

*Actor contestation; Broiler farming, Government policy; Business Integration; Sustainable development*

### 1. Introduction

At this moment, the pattern of people's lives is increasing, one of which can be seen from the high consumption of nutrients, especially those comprising proteins. Broilers are one of the largest contributors to livestock products to meet the needs of animal protein. Most people consume food produced by broilers, in the form of meat and eggs, thus increasing demands higher. This demand triggers poultry farming businesses, especially broilers to develop rapidly (Wahyono and Utami 2018).

Accordingly, Mottet and Tempio (2017), stipulated that the worldwide poultry sector, especially the broiler chicken meat, is expected to continue to grow, particularly in developing countries, in line with population growth, increasing income, and urbanization. This growth is possible because of the variability of salary or incomes, food diversification from poultry products and the existence of animal protein based on broiler meat have provide an alternative for consumers in choosing animal food sources to consume. In addition to this, the protein and essential micronutrients content from purebred chicken meat which is very much needed by the human body is available at a relatively affordable price, easy to obtain and favoured by all levels of society from diverse backgrounds, triggering the participation of purebred chicken consumers to increase, hence, a major contribution to global food security and nutrition (Hessel et al., 2019).

Population of broilers in Indonesia has increased sharply from 2013 – 2020. According to Livestock & Animal Health Statistics 2021 (Makmun et al., 2021), there were about 2.9 billion heads of broilers in the year 2020. Broiler meat production in 2013 was 1,497,874 tons and in 2020 amounted to 3,219,117 tons or an increase of 114.91%. This development was followed by the increase in consumption of chicken meat leading to increase broiler meat production. In the last seven years (2013 to 2020), the participation rate of broiler chicken meat consumption increased from 44.03% to 57.58% (Soedjana, 2014), which was corroborated by the Food Security Agency of the Directorate General of Livestock and Animal Health stating that the Indonesian chicken meat during the ten years experienced a significant increase (Makmun et al., 2021)

The vast increase in manufacture and demand has invited various parties to participate financing this industry both locally and overseas through foreign investment. The type and occurrence of these industries and their business scales, whether present in its entirety (integrated from upstream to downstream in the procurement of seeds, feed, cultivation, processing, and marketing), as well as those present only in the upstream industry (seeds, feed, cultivation). as well as downstream industries (processing and marketing) only, have triggered contestations between actor and players involved. These contestations compete in maintaining the existence and interests of its business.

The business pattern of the poultry industry in Indonesia changes from upstream to downstream, and deals clash with independent breeders and small farmers. Although there have been many regulations and policies made by the government, dissatisfaction is still around from the breeder community, especially from small- and medium-scale breeders. By underlining that in the contestation there are actors who compete in an "arena" and will emerge winners, then in this contest the party who controls the capital will have more power than the other party and will intimidate the weaker party. The weak party will submit to the winning game or will perish in the business rivalry. Government policy is very tactical in regulating and producing regulations to poise the interests of these players.

The expression of this dissatisfaction is manifested through periodic demonstrations conducted multiple times yearly. Culmination transpired on Wednesday, September 15, 2021, after individuals engaged in poultry breeding expressed their discontent through a series of protests directed towards the presidential palace, compelling Jokowi (the President of the Republic of Indonesia) to involve in direct dialogue with business stakeholders and poultry breeders to identify optimal resolutions for addressing the challenges associated with broiler farming in Indonesia (Yamin et al.,

2018). Reorganizing the poultry business in Indonesia, dictates to study and to reformulate business patterns that mirror the growth of vigorous corporate competition and can provide benefits and welfare for all parties involved in this broiler business. This pattern must also be able to guarantee the sustainability of the poultry business in the future for small, medium, and large-scale business actors.

## **2. Materials and Methods**

Qualitative methods are used in this investigation of actor contestation as a response to government policy concerning the evolution of chicken farming. The location of the investigation was intentionally selected. The region of Blitar was selected due to its status as the epicenter of poultry production in Indonesia. In addition to in-depth interviews and observations, primary data were gathered through focused guide discussions (FGD). Cooperatives and breeder associations, the Ministry of Agriculture, and secondary sources of information are consulted. Large, medium, and small-scale breeders provided information. The data analysis was conducted according to the triangulation principle, which involved comparing the findings of in-depth interviews, observation data analysis, and secondary data analysis. The conclusions were subsequently deliberated in the Discussion Forum. This study was conducted in between May and August of 2022.

## **3. Results and Discussion**

### ***3.1. Development of Broiler Farming Businesses***

Ferlito and Respatiadi (2018) suggest that there is a wide gap between small, medium and large scale (industrial) breeders in broiler farming business and therefore various efforts to resolve conflicts of interest are needed through modification and implementation of policies through harmonization between existing regulations. These efforts are intended to support the growth of a healthy broiler farm business. In addition, the government must also play a role in improving logistics infrastructure to encourage business modernization and the poultry industry.

Along with the increase in population, income and community welfare not just need it food availability, but also demand and guarantee aspects of quality, safety and halal food produced. In addition, another factor that is considered in the provision of food is the consumer preference factor. The high level of need for chicken-based animal foods is in line with changes in the structure of meat production in Indonesia during 1990-2020. In the 1990s, Indonesia's meat production reached 1.02 million tons. The largest share was beef and buffalo as much as 303.51 thousand tons or 29.53% of the total national meat production. In 2020, national meat production reached 4.67 million tons. The structure of Indonesian meat production in 2020 was dominated by purebred chicken meat at 1.13 million tons or accounts for 73.71% of the total national meat production.

### ***3.2. Broiler Farming Businesses Development Policy***

Policies in the development of broiler farming businesses are being pursued to provide protection for broiler farming businesses for breeders so that they do not clash both

from the production side to marketing the results of broiler farming business with business actors. The policy in developing broiler farming business which is being intensified is the Partnership. Conan et al., (2012) and Turkson and Okike (2016) specified that the existence of the broiler industry in large numbers on one hand provides benefits economically such as providing employment prospects, bases of regional income source, as well as on the food aspects by facilitating food fulfilment and community's nutrition. However, on the other hand, along with the expansion and development progress of the broiler farming sector, there are also players who take advantage of these opportunities, including breeders, investors, cultivators, marketers, suppliers, processors, and other actors (Udoye et al., 2019). Hence, consequently, there is a good competition in providing input (seeds and feed) as well as on the aspect of output (processing and marketing). In other aspects, there is also a contestation in structuring policies and regulations related to laying hens in Indonesia. This condition also occurs in various countries in the world (Birhanu et al., 2021). The principle used in the Law No. 18 of 2009 regarding the Livestock and Animal Health as amended by Law no. 41 year 2014 is that in the implementation of animal husbandry and animal health, including broiler chicken farming, it must be executed based on benefits and sustainability, security and health, democracy and justice, openness and integration, independence, partnership, and professionalism. Partnership in livestock business, especially broiler farming business means cooperation between businessmen based on the principles of mutual needs, strengthening, respects, responsibilities, and dependence.

### ***3.3. Broiler Farming Business Pattern***

Broiler farming is a superior of chicken farming. The broiler chickens farming includes livestock businesses that organize broiler to produce chicken meat for consumption (Badan Pusat Statistika, 2020). Several forms or types of broiler farming in the world have implemented modern technologies, applying an integrated pattern to maintain low production costs. The poultry industry in USA and Canada have grown into enterprise-based in-line or off-line production systems, where experts from various companies could strive to manage all aspects of the production system to produce high productivity and efficiency and are guaranteed (Kidd and Anderson, 2019). As one of the innovation centers for intensive and market-oriented broilers in the European Union countries, not only innovations that apply only to the rearing system, but also to the development of new technologies in a cage system (Pelletier et al., 2018). In the past chicken farms in China were run mostly by small households with 100 to 1000 broilers per farm, but over the last few decades, their broiler production has grown as one of the largest broilers producing countries in the world. Many of the modern intensive farms currently raise millions of broilers ( Windhorst, 2017; Yang, 2021).

The development of broilers in Indonesia has experienced various stages and business type, form and patterns. In 1981 the Government issued Presidential Decree No. 50 which stipulates that chicken farming is a small business. This regulation failed to encourage the growth of the chicken industry in Indonesia, thus the Government has to replace it with another Presidential Decree No. 22 of 1990 which allowed large-scale

establishments or companies to join in the chicken industry on the condition that 65% of the production was for export and the company had to join partnership with small-scale farmers. The 1997 financial crisis has hit hard and the after declining performance of chicken farms, the 1990 Presidential Decree was revoked and changed with a 2000 Presidential Decree indicating that the Government would not interfere with the structure of the livestock industry, but rather acts as a regulator.

The broiler agribusiness system in Indonesia consists or categorized into agribusiness input subsystem or upstream subsystem, chicken farming subsystem or on farm subsystem, and chicken product marketing and processing subsystem or downstream subsystem. If the company carries out all activities starting from cultivation to marketing, it means that the company is vertically integrated perfectly. On the other hand, if the company only runs business in one subsystem and conducts buying and selling activities with other companies outside the subsystem, then the company can be categorized as conducting fair market transactions. However, companies can act in between both, namely by entering into contracts with companies in other subsystems (Harianto et al., 2019).

Other than the vertical integration system, broiler chicken breeders in Indonesia have sovereign business patterns and partnership business systems. The independent pattern in principle let farmers provide their own capital and are free to determine marketing time. There are written and unwritten partnership patterns. The written pattern in principle is that between the two parties, both the breeder and the nucleus, make an agreement or written agreement that is binding as the basis or foundation of the partnership relationship. There are written pattern has the principle of mutual trust and the agreement between the two parties is carried out verbally. The poultry farming sector, especially broiler chicken farms often cause conflicts, because of government policies that open investment channels in this business sector from upstream to downstream and subsequently provide investors to invest their capital from nurturing to marketing (Permen No.32 of 2017). This policy becomes an arena of contestation for actors to fulfil their interests (Bury, 2008). Actors are seen to carry out their interests through a series of actions to achieve certain intentions, that these actions occur between two or more actors, and that these actions produce the desired (Rath and Swain, 2022) The result is usually the negotiation of a process in which different actors have agreed to exercise authority, rather than the total fulfilment of the will by only one actor (Svarstad et al., 2018).

### *3.3.1 Integration Business Actors*

Integration Business Actors are business actors for GGPS (Great Grand Parent Stock, GPS (Grand Parent Stock) and/or PS (Parent Stock) nurseries and carry out FS (Final Stock) cultivation as stipulated in the Minister of Agriculture Number: 32 of 2017. Also known with the term "integrator".

The vertical integration business is the production process (breeding, feed industry, aquaculture) to the downstream industry (cutting, processing, and marketing) is under one management decision command (Daryanto, 2018). This can happen partially or

completely. Indonesia is currently considered to have succeeded in developing cultivation through the development of the hatchery/breed expansion development and animal feed industry. However, they have not succeeded in growing the added value of this business industry.

In the future, efforts need to be made to increase added value through processing, storage, packaging, and branding activities. Currently, 80% of the chicken commodities are still traded in living condition in the traditional market. The remaining 20% is traded as frozen sliced chicken (slaughtered birds) or in processed forms such as burgers, nuggets, kiev, bologna, smoked chicken, sausages, meatballs, and satay cutlet or diced meat, which are marketed in modern markets (supermarkets, hypermarkets and supermarkets and fast-food restaurant).

The poultry industry has a very high risk of input and output prices. One way to overcome this is the vertical integration model which is carried out using cooperation or partnerships (contract farming). Unfortunately, this contract farming was not carried out as it should. It is proven that currently there are as many as 95% of broiler farming businesses controlled by large companies (integrated business actors) and independent farmers or people only control 5% of the market (Idris, 2020).

It is possible for contestations between actors to arise because of variances in interests in obtaining maximum earnings. Contestation is understood as an effort to depict the existence of an opposition and scuffle in relationships or interactions where there will be a survived "winner" (Susen and Turner, 2011). Contestation is everywhere and there are several parties with their respective interests to negotiate or compete. Contest is a method of struggle and capital struggle from numerous interested parties (Fausayana, 2018) .

The contestation of actors in the internal realm can also be carried out by utilizing technological culture (habitus and capital) and organized institutional capacity (Mottet and Tempio, 2017). In the realm of contestation, actors often appear as having power struggles between two or more actors (Mayrudin et al., 2020).

The most powerful actors or players in the process of broiler farming contestation are actors who can invest from upstream to downstream. Integrators are strong key actors, because they have net workings from rearing to marketing and hence, they can control and play the prices to weaken other business actors. Strong actors control the prices and can determine strategies to improve business governance of the broiler farms and implement the process at various levels (Juniyanti et al., 2021). The integrator company is a very strong actor in controlling the broiler business (Casson. 2000).

### *3.3.2 Independent Entrepreneurs*

Independent entrepreneurs are breeders who manage and accomplished broiler farming businesses that have PS and or yet to have PS but is capable to carry out farm husbandry and cultivation, based on Minister of Agriculture Regulation No.32/2017.

These independent broiler farms not bound by contracts and funds with integrator companies, have a lot of experience and have relationships with various companies

engaged in broiler farming and have close relationships with new broiler farm and broiler farm who have difficulty in assessing and receiving capital.

This independent business actor builds a broiler farming business system with the capital fully borne by the broiler farm. The broiler farm provides cages, equipment, labor, and livestock production facilities (DOC, feed, and OVK/medicine, vitamins, and vaccines) and market their own broiler, both live-broiler and in the form of carcasses. Profit could be maximized since the price of "sapronak" (livestock production facilities) can be lowered and cheaper. Breeders are then free to choose the type of *sapronak* needed such as DOC strain, feed brand and OVK so that the quality can also be guaranteed. This business pattern makes the selling price of broiler-meat higher because marketing costs are cheaper and so that it can make this independent farm business survive until now, (Tamalluddin, 2014).

### 3.3.3 Family Broiler Farming

Schrager (2019) conducted research on the survival of local chicken (*jidori*) in Miyazaki prefecture, Japan, and found that the publics still have a higher level of social trust in local chickens' production than the imported chickens and are enthusiastic to compensate with a higher price. The same condition also occurs in Indonesia and subsequently the price of broiler commodity remains the prima donna. Besides that, according to Yurco (2022) and Clay & Yurko (2020), the issues of environmental sustainability, rural development, animal welfare also affect this commodity thus the environmental, economic, and the health aspects for intensive poultry farming and agribusiness in the UK is a challenge in itself (Caffyn, 2021), Therefore, they anticipated and recommended some proposed approaches in the context of developing intensive poultry farming and agribusiness.

Family broiler or poultry farming are family farmers with a maximum production of 10,000 birds, which are cultivated by the people using various supporting facilities (Article 9 Number 2 of Law Number 6 of 1967; concerning the Basic Provisions of Livestock and Animal Health). Broiler Farming businesses are all community activities related to raising purebred chickens which can be used to meet human needs. Furthermore, in the Minister of Agriculture No. 32 of 2017 it is stated that smallholder farmers are broiler cultivation business actors who do not own GGPS (Great Grand Parent Stock), GPS (Grand Parent Stock) and PS (Parent Stock).

Family broiler farming have land, livestock and labor assets and are run as a side business whose maximum number of activities for each type of livestock does not exceed the amount determined (Hessel et al., 2019).

Most of the family broiler farming in this country are still subsistence having characteristics such as a small and uneconomic scale of business and are only managed in the traditional way with simple technologies (Tawaf, 2021).

Based on these conditions, if the fulfilment of consumer needs which from year to year continues to increase as their social welfare increased, then a strong and well-established livestock industry system is required. However, can the family broiler

farmers in this country meet consumer needs for livestock products? Apparently not so, where in the last decade, fluctuations in the price of chicken meat products have also inclined to increase. Fluctuations in the price of eggs and chicken meat, for example, are very sharp, and consequently disturbing the economic development of the country.

### ***3.4. Actor Analysis of Broiler Farm Business***

The contestation uses the arena as a metaphorical representation of the power struggle. The actors on the battlefield employ diverse methods, specifically employing an active arrangement of an objectively oriented line of action that strictly adheres to regularities and formulate a cohesive and socially comprehensible forms or patterns. Nevertheless, the strategic options accessible to individuals are controlled and constrained by their own objective circumstances within the given context, as the context entails a certain allocation of resources and their own perception about the situation (Budianto and Sos, 2019). The act of contestation assists and serve not solitarily only as a means to address the issue of commodity production, but also as a rational challenge to the fundamental concept of production, warranting significant attention (Kleibert et al., 2020). Contestation enables individuals to construct and delineate agreements, so ensuring that they accurately reflect and embody equitable manifestations of governmental conduct (Wong, 2021). Competitions provide an opportunity to create stronger redistribution agenda (Levitsky and Way 2010), and integrating the contestation and inclusion (Skaaning et al., 2015) and are key point in driving consensus settlement (Alexander and Bowler, 2021).

The competitive contestation is likely to continue if tensions are left unresolved. The actors who play a role in the battle of chicken contestation in Blitar, East Java, Indonesia, namely: Integrator, independent breeder, and smallholder breeder. The analysis of the roles of each actor is as follows:

#### ***3.4.1 Integrator Actor Analysis***

The integrator emerged after the government revoked Law Number 6 of 1967, which was replaced with Law Number 18 of 2009 further strengthened by the issuance of Minister of Agriculture Regulation No. 32 /PK.230/9/2017 that opportunities for investors to manage the poultry industry from upstream to downstream in Indonesia. This policy implements the concept of vertical integration of the poultry industry which is considered able to build competitiveness and modernize the Indonesian poultry industry. This concept places the production and marketing proses in one management network.

In various parts of the world, many activities in livestock processing are dominated by large companies that are vertically integrated along their value chains, for example in the poultry industry, many actors utilize value chain activities from one sector to another, so the concept of vertical integration is increasingly supported.



Indonesia is currently considered to have succeeded in developing chicken farming in the field of cultivation through the development of the hatchery industry and feed development, but has not developed much in the field of marketing through increasing added value.

In the future, effort to intensify the added value through processing, storage, packaging, and branding activities. At this time, there are 80% of chicken commodities are still traded in the form of live (live bird) and marketed in the wet market (traditional market). The remaining 20% is traded as frozen meat or in processed forms for example burgers, nuggets, Kiev, bologna, smoked chicken, satay, sausages, and meatballs which are marketed in modern markets, for example: supermarkets, hypermarkets, and fast-food restaurant.

The lack of differentiation in products in the broiler industry of course hinders the increase in added value. In general, broilers are still treated as a commodity, not yet as industrial goods that have high added value products.

The Low integration in the chicken farming industry in Indonesia is the main factor in the high price of chicken meat in the local market. Given that not all livestock companies have chicken slaughter houses, cold storage, and chicken processing plants, most of the chicken produced is sold in the wet market. The main drivers of integration are: Guaranteed marketing of products and services, price competition to maintain profitability, better risk management, and contracts development to limit capital as needed. The poultry industry has a very high risk of input and output prices. Therefore, vertical integration is a model that is applied using contract farming with farmers. It is believed that there will be many fundamental problems that can be overcome if this vertical integration goes well.

The government policies supported to open business opportunities for investors to invest in the poultry farming industry, especially broilers from upstream to downstream. About 95% businesses management of broiler farming are currently controlled by large integrated companies that operate has production facilities ranging from feed, day old chickens (DOC), medicines/vitamins, feed to broiler breeding cages. The remaining or as much as 5% market is controlled by independent farmers and or smallholder farmers. Of this 5%, they are dominantly controlled by independent breeders, while most of the smallholder farmers went bankrupt. This proves how strong the integrator actor is in controlling the broiler business in Indonesia.

#### *3.4.2. Independent Actor Analysis*

The independent broiler breeders are farmers who are not bound by financial contracts with financier companies (integrator). Doubts that independent breeders will have difficulty surviving fluctuations in raw materials (DOC, feed, medicines) are apparently not true. Independent breeders can be successful because they have a wealth of experience. Even though some independent breeders have experienced setbacks, but there are still many who survive to continue to exist by relying on experience, tenacity, and creativity as well as cooperation with novice breeders who

have difficulties and are struggling with capital to contribute and participate in partnerships fostered by independent breeders.

The results of an interview with Sigit Prasetyo, the perpetrators of an independent breeder who is fairly successful in maintaining a broiler chicken farming business which was pioneered by his parents several decades ago, is as follows:

*“Independent breeders who survive in raising broilers by cooperating with novice breeders and breeders who have difficulty with capital to participate in partnerships fostered by independent breeders. Independent breeders have good capital and experience in raising broilers, but to be able to continue producing and have sufficient broilers to meet market demand, collaboration is carried out to meet these needs”, (interview with Sigit Prasetyo, Saturday 10 September 2022 at 09.15 – 11.35 a.m.).*

In maintaining business sustainability, independent breeders rely on the following strengths, *i.e.*: 1. The strength of capital collected from partners; 2. livestock skills that are mastered from generation to generation; 3. Marketing capabilities and 4; Networks Business. This strength is built in a structured manner by independent breeder so that their business can stay sustainable, as stated in an interview with Hidayaturahman, as follows:

*“The advantage of the partnership system built by independent farmers is that the profit can be maximized because the price of animal production facilities can be cheaper. Breeders are free to choose the type of animal production facilities they want, such as DOC strain, feed brand, and OVK so that the quality can also be guaranteed. The selling price of chicken can also be higher due to lower marketing costs.”. (An interview with Hidayaturahman, Sunday, 11 September 2022, at 08.40 – 10.12 a.m.).*

Those are their method used by independent breeder actors to survive in their contestation in the face of attacks from integrators.

### 3.4.3 Family-farm Actor Analysis

If we look at the history of the development of family farms in Indonesia, especially broilers, the condition of these people's farms does not seem to move, tends to run in place, with small and traditional scale businesses, and even tends to go bankrupt. Most of the volume of broiler farming business is controlled by industry (large corporations), so that people's farms in general only become "laborers" in their own cages. They become breeders who are completely dependent on corporations, no longer become breeder who can work independently. This condition resulted in family farms hens out of business. The high price of feed meant that the people's livestock business that they had built over many years ultimately failed, as in an interview with Mr. Oberth, one of the actors of smallholder chicken breeders, as follows:

*“Farmers in Dadaplangu village, Ponggok sub-district, Blitar district, East Java, Indonesia. Since the emergence of the integrator, the smallholder farmers began to sway. This is because the price of purebred chickens sometimes goes up for a while and then goes down for a long time. Sometimes price of feed goes up and sometimes it's hard to get, and the health resistance of their chickens goes down. Productivity has also decreased, so many have reduced the population of*

*broilers in their coops, and many have even closed their businesses."* (An interview with Mr. Oberth, 10 September 2022 at 08.45 – 10.50 a.m.).

Furthermore, it is known that many smallholder breeders failed to survive and went bankrupt, as in an interview with an actor from broiler breeders, Mr. Zainal, as follows:

*"Moreover, the contents of the cage are only 2,500 individuals. There are a lot of costs for chicken health, the cost of feed is getting more expensive. But at that time, they were still able to survive because the price of was still stable. Now, the increase is only two days, the decline can take months. Yes, many are stuck. Their cages are empty, they can't survive,"* (interview with Zainal, Saturday 10 September 2022, at 11.05 – 13.20 a.m.).

Family farms are considered unable to build strength amid unequal competition. As stated by Pak Karman (Chairman of the Putera Blitar Cooperative) in an interview with him as follows:

*"After seeing the decline in the price of broilers far below the cost of production, this shows that the business condition of broilers is not healthy. There is an imbalance between small breeders' business actors and integration business actors in broiler cultivation."* (An interview with Karman, Saturday 10 September 2022 at 14.10 – 15.20 a.m.).

It is further stated that:

*"Purebred chicken breeders always face the problem of oversupply, it will continue to repeat itself and this is very likely to happen, as long as there is an integrator."* (An interview with Karman, Saturday 10 September 2022, at 15.20 – 17.30 a.m.).

This contestation shows that the people's farms actor lost and can only complain about his fate through demonstrations up to the presidential palace.

#### **4. Conclusion**

The contestation among actors of purebred chicken breeders in Blitar, East Java, Indonesia, competing for business opportunities after the Government of the Republic of Indonesia opened investment opportunities in the livestock sector from cultivation to marketing, occurs among: integrator farms actors, independent farms actors and family farms actors. Integrator farms actors seize this opportunity with their financial strength to dominate the purebred chicken farming business by investing from cultivation to marketing and eliminating their competitors.

Independent farms actors, within their limitations, sustain their chicken farming business by leveraging experience, shared capital, and partnership cooperation. Family farms actors resign themselves to accepting the reality and going bankrupt; they can only voice their concerns by organizing demonstrations whenever there is an opportunity. Government regulations aimed at balancing the interests of business actors are ignored in their implementation due to a lack of oversight.

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