The Organisation of Trade in North Sumatra
Batak Traders and Trading Networks

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Kathrin-Christine Situmorang

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Zusammensetzung der Prüfungskommission:

Prof. Dr. Christoph Antweiler
(Vorsitzender)
Prof. Dr. Solvay Gerke
(Betreuerin und Gutachterin)
Prof. Dr. Hans-Dieter Evers
(Gutachter)
Prof. Dr. Stephan Conermann
(weiteres prüfungsberechtigtes Mitglied)

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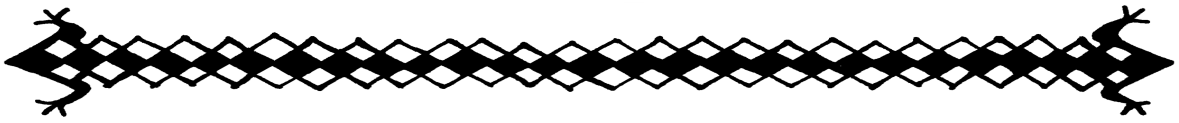
I apologise if I have left out someone here.
Of course, I take full responsibility for any shortcomings of this work.



(Traditional Karo symbol bringing good luck!)

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Abbreviations

(engl) English
(indo) Indonesian (Bahasa Indonesia)
(dutch) Dutch

AFTA	(engl)	the ASEAN Free Trade Area
AMARTA	(engl)	Agribusiness Market and Support Activity
ASEAN	(engl)	the Association of Southeast Asian Nations
BBM	(indo)	Bahan Bakar Minyak / Fuel
BPS	(indo)	Badan Pusat Statistik / The official office of Statistics
CV	(indo)	Perusahaan Persekutuan Komanditer / Limited Partnerships
D	(indo)	Diploma / Indonesian Diploma Degree, grades one to four
DLLAJ	(indo)	Transportation Office
EU	(engl)	European Union
GATT	(engl)	General Agreement on Tariffs and Trade
GBKP	(indo)	Gereja Batak Karo Protestan / Protestant Karo Batak Church
GDP	(engl)	Gross Domestic Product
GRDP	(engl)	Gross Regional Domestic Product
ILO	(engl)	the International Labour Office
IMF	(engl)	the International Monetary Fund
LIPI	(indo)	Lembaga Ilmu Pengetahuan Indonesia / Indonesian Institute of Science
MUI	(indo)	Majelis Ulama Indonesia / Indonesian Ulama Council
NAFTA	(engl)	North American Free Trade Agreement
OPEC	(engl)	organisation of Petroleum Exporting Countries
PD	(indo)	Perusahan dagang / Economic enterprise
PELNI	(indo)	Pelayanan Nasional Indonesia / The National Indonesian Shipping Company
PIMS	(indo)	PT Putra Indo Mandiri Sejahtera / Name of a dairy farm in Berastagi
PNS	(indo)	Pegawai Negeri Sipil / Civil servant
PO	(indo)	(Perusahaan Perorangan) / Commercial enterprise
PT	(indo)	Perusahaan terbatas / Limited company
S	(indo)	Sarjana / Indonesian University degree, grades one to three (S3=PhD)

SARA	(indo)	Suku Agama, Ras dan Antar Golongan: Suku agama (indo) = religious affiliation; Ras (indo) race; Antar Golongan (indo) = inter-group relations
SIUP	(indo)	Surat Izin Usaha Perdagangan / Business licence
SLTP	(indo)	Sekolah Lanjutan Tingkat Pertama → see SMP & Glossary
SMERU	(engl)	Social Monitoring and Early Response Unit
SMA	(indo)	Sekolah Menengah Atas / Indonesian school (classes ten to twelve) → see Glossary
SMK	(indo)	Sekolah Menengah Kejuruan → see SMA & Glossary
SMP	(indo)	Sekolah Menengah Pertama / Indonesian school (classes seven to nine) → see Glossary
SMU	(indo)	Sekolah Menengah Umum → see SMA & Glossary
STM	(indo)	Sekolah Teknik Menengah → see SMA & Glossary
SUMUT	(indo)	Sumatera Utara / North Sumatra
UD	(indo)	Usaha Dagang / economic enterprise
USAID	(engl)	United States Agency for International Development
USU	(indo)	Universitas Sumatera Utara / the University of North Sumatra
VOC	(dutch)	Verenigde Oostindische Compagnie / the Dutch East India Company
WTO	(engl)	World Trade Organisation

Glossary

(engl) English
(indo) Indonesian language (Bahasa Indonesia)
(karo) Karo language (Bahasa Karo)

Adat (indo)	custom, habit, see page 28ff
Anakberu (karo)	wifetakers, see page 32ff
Bhinneka Tunngal Ika (indo)	"Unity in Diversity", motto of the Republic of Indonesia, see page 11
Daun sop (indo)	literally "soup leaves" is a celery-like vegetable used for cooking
Diploma (D) (indo)	Indonesian diploma degree. D3 is the third diploma degree, which is considered to be the highest practical achievement in any skills. There also exist a D4 degree, which includes relevant additional practical training. The rank is the same as S1 (see *sarjana*), but a D4 includes more specific skills.
Ertutur (karo)	A defined Karo "ritual" for finding out mutual relationships through a short verification of *merga*, lineage and the mother's clan (*bebere* or *bere-bere*), see page 31f.
Halal (arabic)	The Arabic term means „permitted". In non-arabic speaking countries (like Indonesia) the term *halal* is commonly used in reference to Muslim dietary laws. Food labelled as *halal* is permitted for consumption under Islamic guidelines. *Halal* also extends to the humane slaughter of animals.
Izin tempat usaha (indo)	A licences one needs to register a planned trading place.
Kalimbubu (karo)	wifegivers, see page 32ff
Kantor Wilayah Departemen Perindustrian dan Perdagangan (indo)	the regional Industry and Trade Office
Kabupaten (indo)	an administrative district
Kretek (indo)	clove cigarettes

Kuala Namu International Airport Medan (indo)	new airport close by Medan, still under construction
Labu (indo/karo)	a vegetable, often translated as "pumpkin"
Marga/Merga (indo/ karo)	clan, kinship group
Pemerintah Daerah (indo)	local Government
Pinang (indo)	betel nut
Ruko (indo)	small market stall
Sales (indo/karo)	salesman or agent
Sangkep si telu (karo)	Part of the Adat. The *sangkep si telu* embraces the three groups *anakberu* (wifetakers), *kalimbubu* (wifegivers) and *senina/sembuyak* (those of the same clan membership). It is also translated as "the three complete" or "the three tightly knit together". See page 32ff
Sarjana (S) (indo)	University degree comparable to a Master's degree programme. The numeration is in accordance with the degree of academic achievement with S3 being the highest academic degree (= PhD).
Sayur manis (indo)	literally "sweet vegetables" is a popular sweet green-leaved vegetable used for all kinds of dishes.
Sayur pendek (indo)	literally: short vegetable. Indonesian vegetable.
Sekolah Dasar (SD) (indo)	Indonesian school type, classes one to six (Primary School).
Sekolah Menengah Pertama (SMP) (indo)	Indonesian school type, classes seven to nine (Junior High School) SLTP = *Sekolah Lanjutan Tingkat Pertama* is another term for this school level used from 1994-2004.
Sekolah Menengah Atas (SMA) (indo)	Indonesian school type, classes ten to twelve (Senior High School). SMU = *Sekolah Menengah Umum* or STM = *Sekolah Teknik Menengah* are old term for a special type of this school level focusing on wood working, mechanics, welding, electronics, mechatronics, etc. Today the abbr. SMK = *Sekolah Menengah Kejuruan* is used.

Sembuyak (karo)	of the same clan membership, see page 32ff
Senina (karo)	of the same clan membership, see page 32ff
Surat Izin Usaha Perdagangan (SIUP) (indo)	business licence
Tikar (indo)	floor mats
Ulos (indo)	blessing shawl

Some Notes on Translations

I mainly used Bahasa Indonesia (Indonesian language) during my field research in Indonesia and for all necessary correspondence. There were no external translators involved. Translations from Bahasa Indonesia to English are my own. It did happen that older people in particular answered my questions in Bahasa Karo (Karo language). In such cases my husband and his family, all native Karo speakers, assisted me with the translations. To provide Bahasa Indonesian speakers the possibility to refer to the original answers in Bahasa Indonesia, I have included these unchanged in the footnotes. I thank Debora Tydecks and Manuela Peters for helping me with all language issues.

Some Notes on the presented Photos

The photographs presented in my thesis are integral to my research. It was, in fact, more difficult than I first assumed to take authentic photographs of Batak traders at work. As a 'white' woman, not tall but taller than most of the locals, I always attracted attention so that the people in most of the photographs I took appear staged. The best method to obtain good photographs was to ask my brother-in-law, Bulman, to go to the markets. I am thankful for every hour he spent walking around taking photographs of the research area. Some of these appear in the thesis. Other sources of wonderful photographs were my father, Rudi Mende, and Annette and Stephan Flade who during their stay on Sumatra were always ready to take photographs for me, as did their many friendly guests.

Zusammenfassung

Auch wenn über Sumatra bereits ausgiebig geforscht und publiziert wurde, so findet man kaum Studien zur Integration und Bedeutung der einheimischen Bevölkerung in lokale, regionale, überregionale und internationale Wirtschaftsprozesse. Ferner werden lokale Wirtschaftssysteme häufig ausschließlich im internationalen Kontext gesehen, d.h. sie werden überwiegend nach ihrem Nutzen für den internationalen Handel bewertet.

Während in Publikationen über den vorkolonialen und kolonialen Handel lokale Handelsprozesse und deren Akteure noch klar definiert werden können, so ist die gegenwärtige Literatur überwiegend von global agierenden, schwer zu durchschauenden Akteuren geprägt. Schon immer und noch verstärkt durch die Gründung des südostasiatischen Staatenbundes ASEAN (1967)[1], sowie dem Inkrafttreten der Freihandelszone AFTA (2002)[2], nutzen asiatische und internationale Großunternehmen die strategisch günstige Lage der Feldforschungsregion nahe der Straße von Malakka, die die kürzeste Seeverbindung zwischen dem Indischen und dem Pazifischen Ozean darstellt. Es verwundert daher kaum, dass Arbeiten über internationale Kontrollmechanismen und Sicherheitssysteme, Analysen zur strategischen Bedeutung der ASEAN und des Freihandels, der Handelsliberalisierung und des internationalen (Groß-) Handels, sowie Studien zu, von Ausländern dominierten, Handelsnetzwerken die Literatur zum Thema Handel und Wirtschaft in der Region im 20. und 21. Jahrhundert dominieren.

Wie und in welchem Maße die lokale Bevölkerung in solche Prozesse integriert ist, wird dabei häufig ausgeblendet, da sie im internationalen Rahmen dem Anschein nach nur

1 ASEAN = Association of South East Asian Nations, Verband südostasiatischer Staaten zur Förderung der politischen, wirtschaftlichen und sozialen Zusammenarbeit. Offizielle Homepage: http://www.aseansec.org/

2 AFTA =ASEAN Free Trade Area, Freihandelszone der ASEAN zur Erleichterung wirtschaftlicher Zusammenarbeit, 1992 beschlossen und 2002 für die Gründungsmitglieder in Kraft getreten. (Quelle: http://www.aseansec.org/ 05.05.2011).

eine sehr begrenzte Rolle spielt. Zudem werden kulturelle Aspekte weitestgehend vernachlässigt.

Eine florierende unabhängige lokale Wirtschaft, sowie eine vollständig integrierte einheimische Bevölkerung sind jedoch von immenser Bedeutung sowohl für die Sicherheit, Stabilität und Entwicklung der Region, als auch für die Steigerung des Wohlstandes der Bevölkerung selbst. Dabei garantieren funktionierende Märkte nicht nur die Bereitstellung von Gütern aller Art, sondern ermöglichen darüber hinaus der Bevölkerung durch diverse Arbeitsmöglichkeiten eigenes Einkommen zu generieren. Das wiederum kann zur Sicherung der eigenen Existenz, zur Wohlstandsmehrung (Anschaffung sekundärer Güter, sparen etc.) aber auch zur Finanzierung von Innovationen oder anderen entwicklungsfördernden Institutionen verwendet werden.

Die vorliegende Dissertation beschreibt anhand der Batak Völker in Nordsumatra, wie lokale Handelsprozesse organisiert sind und wie die einheimische Bevölkerung in diese integriert ist. Ferner werden Handelshindernisse und Probleme analysiert, die den durch wirtschaftliche Prozesse in Gang gesetzten Entwicklungsprozess verlangsamen oder gar stoppen können. Mit 3,02 % Anteil an der Gesamtbevölkerung Indonesiens[3] sind die sechs Batak-Völker[4] zusammengefasst nach den Javanern (41,71 %), Sundanesen (15,41 %), Malaien (3,45 %) und Maduresen (3,37 %) die fünftgrößte ethnische Gruppe Indonesiens (Suryadinata/Arifin/Ananta 2003:7). In der Provinz Nordsumatra stellen sie mit 41,95 % (Suryadinata/Arifin/Ananta 2001:14 & 50) die Mehrheit der 13 Millionen Einwohner (BPS SUMUT & BPS 2011). Auch wenn die Batak in der Literatur und Statistik zumeist als homogene Gruppe behandelt werden, unterscheiden sie sich in ihren jeweiligen Bräuchen, Kultur- und Verwandtschaftssystemen, Sprachen, Mythen und den Religionszugehörigkeiten zum Teil sehr stark. Die vorliegende Arbeit fokussiert die Gruppe der Karo Batak, bezieht die anderen Gruppen aber immer dann explizit mit ein, wenn gesicherte wissenschaftliche Studien und Ergebnisse verfügbar sind.

3 Laut des neusten Zensus hat die Republik Indonesien 237.556,363 Millionen Einwohner (BPS 2011).

4 Die sechs Batak-Völker sind die Karo- und Pakpak- (oder Dairi-) Batak im Norden, die Toba- und Simalungun-Batak im Zentrum und die Angkola- und Mandailing-Batak im Süden der Provinz Nord-Sumatra.

Die Karo Batak siedeln in einer für Wirtschaft und Handel prädestinierten Region: sie bewohnen zum einen ihr Stammland, die klimatisch äußerst begünstigte Karo Hochebene, die sich vor allem für Landwirtschaft, Viehhaltung und dank ihrer vielen Attraktionen auch für den nationalen und internationalen Tourismus eignet. Zum Anderen besiedeln sie die angrenzenden Gebiete im Tiefland und stellen einen Großteil der Bevölkerung Medans, der Hauptstadt der Provinz Nordsumatras. Die Haupt-Siedlungsgebiete der Batak befinden sich somit maximal eine Tagesreise von der Straße von Malakka entfernt, die als eine der wichtigsten Seestraßen der Welt nicht nur für den internationalen Handel von strategischer Bedeutung ist, sondern ebenso der lokalen Bevölkerung große Handels- und Austauschpotentiale bietet.

Alle Batak Gruppen verfügen über historisch verankerte und etablierte Handelsbeziehungen sowohl auf internationaler, als auch auf regionaler Ebene. Stark nachgefragte Produkte wie allem voran Pfeffer, aber auch Benzoin, Gold, Pferde, Vieh, Rattan und Sklaven banden sie schon lange vor Ankunft der Europäer im 16. Jahrhundert in die asiatischen Handelsrouten ein, unter anderem in den Handel zwischen Süd-China und Indien (Miksic 1979). Dabei fungierten sie als Zulieferer der Küstenmalaien, die zumeist nur als Händler und nicht als Produzenten auftraten (Anderson 1840). Im Gegenzug importierten die Batak Salz und Kleidung (Smith Kipp 1993). Heute arbeiten die meisten Batak als Bauern oder Händler und agieren demnach sowohl als Zulieferer als auch als Produzenten von Waren. In der Provinz Nordsumatra sind sie die Hauptproduzenten und Verteiler von europäischem Gemüse[5], Kaffee, Benzoin, Webstoffen, Früchten und Erdnüssen. Vor allem der Kohl aus dem Karo Hochland wird bis nach Singapur und Malaysia exportiert (Pemerintah Kabupaten Karo 2000). Die Batak sind daher in großem Maße von lokalen und regionalen, aber auch internationalen Wirtschaftsprozessen abhängig.

5 Nicht ökonomische Interessen, sondern politisches Kalkül bestimmte die Annexion des Bataklandes. Um die Region dennoch zu nutzen, legten die Niederländer 1911 Versuchspflanzungen für europäische Gemüsesorten an, die wegen des moderaten Klimas im Hochland gut gediehen und bis heute der Region hohe Profite einfahren (Sibeth 1990).

Autoren verschiedenster Disziplinen haben sich bereits mit Wirtschaft und Handel in der Region beschäftigt. Über die vorkolonialen Handelsstrukturen Sumatras, insbesondere zum Handelsreich Srivijaya[6], gibt es zahlreiche Arbeiten, von denen die Werke von Wolters (1967), Miksic (1979), Chaudhuri (1985), Hall (1976 und 1985) und Reid (1993b) hier nur exemplarisch für viele andere genannt werden können. Aufgrund der erst später gegründeten Nationalstaaten gehen Studien vorkolonialer Handelsflüsse auf ethnische Gruppen und deren Handelsnetzwerke ein, die unter den jeweiligen nationalen Bezeichnungen heute häufig nicht mehr erkennbar sind. Von besonderem Interesse ist die Studie von Andaya, L. (2002), die sich zwar mit vorkolonialen, transinsularen Handelsnetzwerken und der "Ethnisierung" der handelnden Batak beschäftigt, aber als einzige ausschließlich auf die Batak bezogene Arbeit wertvolle Forschungsansätze liefert. Historische Originalquellen sind überwiegend aus der Blütezeit der kolonialen Handelskompanien[7] überliefert. 1811 verfasste Marsden eines der ersten umfassenden Werke über Sumatra, das neben Handel auch lokale ethnische Gruppen, Tiere, Pflanzen und Anbauweisen wichtiger Handelsgüter, wie zum Beispiel Pfeffer, behandelt. Anderson (1840) lieferte nicht nur detaillierte Beschreibungen der Handelshäfen Sumatras, sondern listete auch gehandelte Güter und lokale Händlergruppen mit auf. Abgesehen von unzähligen Originalberichten der Handelskompanien haben neben vielen anderen Boxer (1979), Reid (1988 und 1993a), Chaudhuri (1978) und Farrington (2002) über den kolonialen Handel publiziert.

Das Thema ethnische Handelsnetzwerke wird im 20. Jahrhundert in Hinblick auf die chinesischen Handelsnetzwerke und Handelsrouten aufgegriffen, so bei Wertheim (1980), Menkhoff (1993) und Menkhoff und Gerke (2002). Auf der Suche nach Publikationen zur Bedeutung und Existenz traditioneller, lokaler Handelsnetzwerke in Südostasien im 20. Jahrhunderts wird man hingegen kaum fündig. Einen guten Ansatz liefert Evers zum einen in Form eines allgemeinen Aufsatzes zu traditionellen

6 Srivijaya war ein einflussreiches (See-) Handelsreich, dessen Zentrum in der Gegend des heutigen Palembangs, Westsumatra, vermutet wird. Srivijaya kontrollierte und dominierte von 670 bis 1025 den Handel in der Region, insbesondere in der Straße von Malakka.

7 Die Handelskompanie der Briten, die "British East India Company" (EIC / 1600-1858) und die Konkurrenz Organisation der Niederländer, die "Vereenigde Oostindische Compagnie" (VOC / 1602-1799) dominierten den Handel in der Region über zwei Jahrhunderte lang.

Handelsnetzwerken (1985) und zum anderen in Form der Theorie des “traders' dilemma” (Evers und Schrader 1994), das Probleme innerethnischen Handelns, sowie mögliche Lösungswege aufzeigt. Weiterhin lassen sich neben Überlegungen zum Thema Handel in Sozialwissenschaften (Schrader, 1994) einige Arbeiten über einzelne, lokale Ethnien finden, die Handelsprozesse aber kaum über das jeweilige Siedlungsgebiet hinaus betrachten. Dazu zählen die Werke von Clauss über die Simalungun Batak (1982) und den Nelken-Handel in Aceh (1994), Smith-Kipps Studie über die Karo Batak, die die Thematik des Handels kurz anreißt (1993) und Effendis Veröffentlichungen über die Minangkabau in Westsumatra (1999 und 2005).

In Zeiten der Welthandelsorganisation, großflächiger Handelsbünde (ASEAN[8], EU[9] etc.), sowie regionaler und globaler Handelsabkommen (NAFTA[10], GATT[11] etc.) sind die lokalen Netzwerke in den Hintergrund gedrängt worden. Dabei sind sie für die Stabilität und Entwicklung einer Region von besonderer Bedeutung, da sie zunächst nicht den globalen, sondern den tatsächlichen lokalen Bedarf der Bevölkerung einer Region decken.

Vor diesem Hintergrund verfolgt die vorliegende Dissertation fünf Haupt-Forschungsziele. Mit Hilfe der Studie soll/sollen:

1) … soziale Potentiale und die Relevanz lokaler Handelsprozesse und Handelsnetzwerke sowohl für die Batak als größte ethnische Gruppe in Nordsumatra, als auch für Individuen analysiert und bewertet werden.
2) … existierende Handelsnetzwerke, Handelsbeziehungen und Handelsrouten identifiziert und deren zu Grunde liegenden organisatorischen Funktionsweisen beschrieben werden.
3) … die Bedeutung von Ethnizität und Handel untersucht und anhand der ethnischen Chinesen im Feldforschungsgebiet veranschaulicht werden.

8 ASEAN = Association of South-East Asian Nations (Verband südostasiatischer Nationen).
9 EU = European Union (Europäische Union).
10 NAFTA = North American Free Trade Agreement (Nordamerikanisches Freihandelsabkommen).
11 GATT = General Agreement on Tariffs and Trade (Allgemeines Zoll- und Handelsabkommen).

4) … Probleme und Hindernisse identifiziert werden, die eine mögliche Integration der Bevölkerung in lokale Handelsprozesse erschweren.
5) … auf die Bedeutung und Wichtigkeit lokaler Handelsnetzwerke aufmerksam gemacht und zugleich ein Beitrag zum bescheidenen Stand der Forschung auf diesem Gebiet geleistet werden.

Die Arbeit basiert hauptsächlich auf Ergebnissen, die 2007 im Rahmen einer einjährigen Feldforschung in Nordsumatra und in kleinerem Umfang auf Batam erhoben wurden. Mithilfe eines flexiblen Fragebogens wurden 710 Händler (380 Frauen und 330 Männer) in den Feldforschungsregionen zu ihren Handelsgewohnheiten, Handelsbeziehungen und den von ihnen angebotenen Waren befragt (siehe auch Anhang A, Seite 217ff). Qualitative Interviews, teilnehmende Beobachtungen, *Mapping*, sowie die Auswertung von Sekundärquellen in Indonesisch, Deutsch, Englisch und Französisch runden die Ergebnisse ab (Anhang B, Seite 251ff).

Die Arbeit umfasst sechs Kapitel sowie einen einleitenden und abschließenden Teil. Kapitel eins und zwei dienen als Einführung in die Thematik. Das erste Kapitel vermittelt relevante Hintergrundinformationen sowohl über die Feldforschungsregionen (Indonesien, Nordsumatra, Medan, die Karo Hochebene, Pematangsiantar und Batam) als auch über die Batak und deren Gesellschaftsordnung (Adat[12]). Hauptanliegen des Kapitels ist die Vermittlung des lokalen, sozialen und kulturellen Hintergrundes im Rahmen dessen die Feldforschungsergebnisse zu interpretieren sind.

Kapitel zwei beleuchtet den Handel der Batak und die Entstehung von Handelsnetzwerken in der Region aus historischer Perspektive. Es wird unterschieden zwischen einer vorkolonialen, kolonialen und postkolonialen Epoche. Ziel des Kapitels ist es, historisch gewachsene Handelsstrukturen und (multiethnische) Handelsräume zu beschreiben, die den zeitgenössischen Handel bis heute signifikant prägen. Nordsumatra und insbesondere die Siedlungsgebiete der Batak spielen seit geraumer Zeit durch die großen Plantagengebiete, aber auch durch die äußerst fruchtbaren und klimatisch

12 Adat (indo) = Sitte, Gebrauch, Tradition (siehe Seite 28ff).

begünstigten Hochebenen, eine wichtige Rolle für Indonesiens Wirtschaft. Dabei wurden transinsulare und internationale Handelsprozesse in der Region seit jeher begünstigt durch die bevorzugte geographische Lage (nahe der Straße von Malakka), durch klimatisch günstige Verhältnisse (Monsun, gutes Klima für Landwirtschaft) und durch den Reichtum an Bodenschätzen. Frühe internationale Handelstätigkeiten, das Anwerben von unzähligen, überwiegend ausländischen Kulis für die ausgedehnten Plantagengebiete während der Kolonialzeit, natürliche Migration und, wenn auch mit geringem Einfluss, das seit 1969 verordnete Transmigrationsprojekt der Regierung führten zu der multiethnischen Bevölkerung, die bis heute das Bild von Nordsumatra prägt.

Der empirische Teil der Dissertation umfasst die Kapitel drei bis sechs. Kapitel drei und vier bilden eine engere Einheit, da sie die Organisation des lokalen und regionalen Handels unter Berücksichtigung vielfältiger Aspekte betrachten. Dabei stehen die Händler als Protagonisten der Studie im Zentrum des dritten Kapitels. Anhand der ausgewerteten Daten aus den Fragebögen (N=710) und den ausführlichen Interviews (N=33) können verschiedene Handelstypen und Handelsformen identifiziert werden (Seite 64ff). Im Anschluss wird herausgearbeitet, welche formellen und informellen Voraussetzung man erfüllen muss, um sich als Händler selbstständig machen zu können (Seite 96ff). Gleichzeitig wird untersucht, welche Motivationen und Erwartungen Arbeitssuchende mit dem Handelssektor verknüpfen und welche Alternativen es auf dem Arbeitsmarkt gibt.

Das Ergebnis der Befragung hat ergeben, dass eine Beschäftigung im Handelssektor und insbesondere im Bereich des Kleinhandels oftmals eine gute (und letzte) Alternative für arbeitsuchende Batak darstellt, die aus verschiedenen Gründen nicht in einem anderen Sektor beschäftigt werden können oder wollen (siehe Seite 82ff und die Graphik auf Seite 87). Dabei beschränken sich die alternativen Arbeitsmöglichkeiten im Hochland im Wesentlichen auf den landwirtschaftlichen Sektor (physisch harte Arbeit, unkalkulierbare Unsicherheiten wie Wetter, Schädlinge etc.), auf ein Angestelltenverhältnis (mit zumeist unbefriedigenden Konditionen) oder auf eine der

sehr begehrten Stellen als Staatsbeamter, wobei die meisten Batak ihre Chancen auf eine solche Stelle aufgrund ihrer Bildung als sehr gering einschätzen. Vor diesem Hintergrund erscheint eine Beschäftigung als (selbstständiger) Händler, insbesondere im Kleinhandelssektor, reizvoll, da es außer Kapital, Waren, einem geeigneten Platz und etwas Geschick zunächst keine weiteren formellen Zugangsbeschränkungen gibt. Zudem ist die Meinung, dass man mit Handel schnell und ohne physisch harte Arbeit hohe Gewinne erzielen kann weit verbreitet. Dass diese Vorstellung nicht immer unbedingt mit der Realität übereinstimmt ist wohl kaum von der Hand zu weisen.

Aufgrund fehlender Statistiken ist es nicht möglich genau zu beziffern, wie viele Batak in den verschiedenen Bereichen des Handelssektors tätig sind. Es ist aber offensichtlich, dass der Kleinhandelssektor die meisten Arbeitskräfte absorbiert, die mit ihren erwirtschafteten Gewinnen aber kaum ihren Lebensunterhalt bestreiten können. Da immer mehr Kleinhändler auf den Markt strömen, findet eine Art „involution“ statt: mehr und mehr Händler buhlen um eine relativ konstante Anzahl von Kunden und erzielen somit immer kleinere Gewinne. Ein entscheidendes Merkmal des Kleinhandelssektors ist somit, dass Kleinhändler in der Regel auf Nebenjobs oder weitere Familienmitglieder mit eigenem Einkommen angewiesen sind. Des Weiteren gibt es im Kleinhandelssektor bedingt durch fehlende Zugangsvoraussetzungen eine hohe Fluktuation unter den Händlern.

Die Gruppe der professionelle Vollzeithändler ist wesentlich kleiner als die der Kleinhändler. Sie zeichnet sich durch mehr Kontinuität, sowohl im Warenangebot als auch bei den Händlern aus. Erfolgreiche etablierte Vollzeithändler sind unabhängig und nicht auf Nebenjobs oder andere Einnahmequellen angewiesen.[13] Viele von ihnen können es sich leisten Arbeitskräfte einzustellen, wodurch häufig auch die Öffnungszeiten ausgedehnt und Profite effektiv erhöht werden können.

13 Es ist dennoch weitverbreitet, dass die, die es sich leisten können eigenes, landwirtschaftlich genutztes Land besitzen um zusätzliches Einkommen zu generieren. So haben viele Großhändler z.B. Mandarinenbäume oder Chilifelder, die sie von Angestellten bewirtschaften lassen.

Da es reine Subsistenzwirtschaft nur noch selten gibt, stellt im landwirtschaftlichen Bereich die Gruppe der handelnden Bauern die Mehrheit. Sie agieren nur beim Verkauf ihrer Ernte (saisonal) als Händler. Ihre genaue Zahl ist ebenso schwer zu beziffern wie die der regionalen und lokalen Zwischenhändler und Verteiler, die zum Teil noch nicht einmal im Hochland leben. Exporteure hingegen müssen ihr Unternehmen bei der lokalen Handelsbehörde anmelden und sind somit registriert. Laut der Handelsbehörde in Kabanjahe waren 2006 sechs Exportunternehmen angemeldet (siehe auch Seite 71f).

Neben den Akteuren sind die Rahmenbedingungen innerhalb derer Handel stattfindet von zentraler Bedeutung. Der Schwerpunkt des vierten Kapitels liegt daher auf der Analyse der wichtigsten Faktoren, die den zeitgenössischen Handel maßgeblich beeinflussen. Dazu gehören, neben der Beschreibung der gehandelten Waren und Güter, vor allem die Betrachtung der vorhandenen Infrastruktur sowie der gängigsten Transportwege und -mittel (Seite 106ff). Zusammenfassend lässt sich sagen, dass die Infrastruktur an sich zu weiten Teilen zwar ausreichend ausgebaut, aber nur unzureichend in Stand gehalten und modernisiert wird. Als Beispiel hierfür sei das weitreichende Straßennetz auf der Karo Hochebene genannt. In anderen Bereichen wie vor allem beim Säubern, Sortieren und Lagern landwirtschaftlicher Güter fehlt es darüber hinaus an Basisinfrastruktur, wie zum Beispiel Kühlhäuser, Kühltransporte und adäquate Verpackungsmöglichkeiten. Fehlende Informationen und unzureichende Kommunikationswege wiederum führen dazu, dass nicht alle Transportmittel und -wege ausgeschöpft werden. So spielt der Seeweg im Vergleich zum dominierenden Überlandtransport noch eine relativ geringe Rolle trotz vorhandener Infrastruktur und ausreichender Kapazitäten (Bulmer 2007).

Im Zuge der Identifizierung von Batak Handelsnetzwerken musste zudem festgestellt werden, dass die meisten Netzwerke nicht weiter als Medan reichen, wo die Minderheit der ethnischen Chinesen weite Teile des lokalen und regionalen Handels stark dominieren (Seite 123f). Zu den infrastrukturellen Problem kommen somit zwei weitere Problemfelder hinzu: Zum einen eine hypothetische Bedeutung von Ethnizität, die Gegenstand des fünften Kapitels ist, zum anderen weitere (kulturelle) Hindernisse, auf

die im sechsten Kapitel näher eingegangen wird. Im Großen und Ganzen führen die gegebenen Rahmenbedingungen dazu, dass Produkte aus dem Karo Hochland im regionalen, überregionalen und internationalen Raum trotz großer Nachfrage und existierender Märkte nicht oder nur unzureichend konkurrieren können.

Im fünften Kapitel wird, nach einer Einführung in den Themenkomplex „Multiethnizität und Handel“ und unter Berücksichtigung von Furnivalls Theorie der „plural societies“[14], anhand der Minderheit der ethnischen Chinesen das Verhältnis der einheimischen Händler zu Händlern anderer Ethnien exemplarisch aufgezeigt. Dabei wird die zu Anfang aufgestellte Hypothese, dass die ethnischen Chinesen die lokalen Händler verdrängen und somit ein Entwicklungshindernis darstellen könnten, verworfen. Zwar kann man, wenn man explizit die Karo Batak und die ethnischen Chinesen im Hochland vor Augen hat, durchaus von einer „plural society“ im Sinne Furnivalls sprechen, doch gibt es erste Tendenzen, dass diese sich in Zukunft auflösen könnte. Ein Beispiel dafür ist der in einer Fallstudie vorgestellte Kuhstall in der Nähe Berastagis, der ein vorbildliches Beispiel für eine Kooperation zwischen chinesischen Investoren und Batak know-how darstellt (siehe Seite 156ff).

Schlussfolgernd lassen sich drei Haupt-Ergebnisse für Kapitel fünf formulieren:

1) Die Gesellschaftsordnung, Kultur und Tradition (Adat) als eines der Hauptmerkmale der Identität der Batak spielt auch in Handelsprozessen eine wichtige Rolle, wie zum Beispiel bei der Suche nach möglichen Handelspartnern, die bevorzugt aus den eigenen Reihen stammen. Sie ist aber kein absolutes Ausschlusskriterium, da auch Personen anderer ethnischer Zugehörigkeit die Chance haben, sich Teile der Adat anzueignen oder zu Nutzen zu machen. So sprechen zum Beispiel viele chinesische Händler im Hochland die Lokalsprache, andere sind mit Einheimischen verheiratet oder haben zum Teil einheimische Schwiegersöhne, Schwiegertöchter etc.

14 Unter “plural societies” versteht man Gesellschaften, in denen verschiedene ethnische Gruppierung sich zwar auf Handelsebene treffen können, sonst aber ein weitestgehend unabhängiges Leben führen (siehe auch Seite 127ff).

2) Ethnizität oder die Zugehörigkeit zu einer bestimmten ethnischen Gruppe ist darüber hinaus vor allem im Bereich der Selbst- und Fremdwahrnehmung von Bedeutung (Seite 149ff). Die Befragung chinesischer und Batak Händler im Hochland hat gezeigt, dass es gerade im Handelssektor eine offensichtliche Rollenverteilung gibt. Diese beeinflusst auch das Denken und Handeln der Menschen. So werden die Chinesen häufig als tatkräftig, mutig und fleißig bezeichnet, während man den Batak (und die Batak sich selbst!) eher eine gewisse Zurückhaltung, Angst und Trägheit zuschreibt.
3) Obwohl die gerade genannten Punkte in mehr oder weniger großem Umfang[15] Einfluss auf das Handeln der Akteure ausüben, gibt es eine klare Tendenz dafür, dass die im Handel entscheidenden Faktoren die Qualität, Quantität, Verfügbarkeit und der Preis von nachgefragten Gütern sind. So ist es auch nicht verwunderlich, dass gerade die Batak die chinesischen Händler als wichtigen Bestandteil der Gesellschaft verstehen, denn mit ihnen können sie, frei von jeglichen Adat Zwängen, nach den oben genannten Prinzipien handeln.

Im sechsten und somit letzten empirische Kapitel werden, anknüpfend an die zuletzt erwähnte Problematik, kulturelle Faktoren analysiert, die die Batak in ihrem Handeln stark einschränken. Zu nennen sind dabei vor allem einige Bestandteile der Adat, wie das Verwandtschaftssystem und die Gesellschaftsordnung sowie die damit jeweils verknüpften Rechte und Pflichten (Seite 163ff). In diesem Zusammenhang wird die von Evers begründete Theorie des “traders' dilemma” aufgegriffen, die für die Batak eine wichtige Rolle spielt (Seite 172ff). Dabei bezieht sich die Theorie des traders' dilemma auf eine Dilemma Situation, nach der sich einheimische Händler gezwungenermaßen nach zwei, sich zum Teil ausschließenden oder konkurrierenden Handelsspähren richten müssen: 1) der gültigen, lokalen Gesellschaftsordnung, die die Wohlfahrt der Gesellschaft in den Vordergrund stellt und erfolgreiche Händler dazu zwingt ihre Gewinne zu teilen und 2) allgemeingültige Handelsprinzipien, die im Allgemeinen auf

15 Die Einflussgröße hängt stark davon ab, wer in welchem Umfeld betrachtet wird. Adat und Ethnizität spielen auf eher abgelegenen Dörfern in denen Traditionen häufig noch sehr stark gelebt werden, sicherlich eine größere Rolle, als in Gebieten, die seit jeher von einer multiethnischen Bevölkerung bewohnt werden und in denen man sich bereits auf diese oder jene Weise miteinander arrangiert hat.

die Maximierung von Profiten ausgerichtet sind (siehe auch Seite 172ff). Anhand der Feldforschungsergebnisse wird deutlich, dass das traders' dilemma auch für die Batak von zentraler Bedeutung ist, dass aber der Großteil der Händler bereits Strategien anwendet, um der Situation zu entkommen. Mögliche Lösungsansätze für das Dilemma sind laut Evers (1994a) unter anderem a) eine Beschäftigung im Kleinhandel (der gerade so viele Gewinne abwirft, dass man seinen eigenen Lebensunterhalt damit bestreiten kann), b) die Migration in andere Gebiete (eher unpopulär unter den Batak), c) die Akkumulation von sozialem Kapital und Prestige (z.B. durch die Finanzierung der Musikgruppe bei Adat Festen) oder d) die kulturelle Entfremdung. So gibt es zum Beispiel Geschäfte, in denen man grundsätzlich nicht handeln kann, was sehr untypisch für die Batak Gesellschaft ist. Dies befreit den Inhaber zumindest davon, Familienmitgliedern, Freunden und anderen Nahestehenden bereits beim Kauf Rabatte zu gewähren. Eine weitere Strategie ist es, bestimmte Güter in einem bestimmten Umfeld erst gar nicht anzubieten, wie zum Beispiel Bananen auf dem Dorf, nach denen Nachbarn, Freunde und Familienmitglieder einfach fragen würden statt sie zu einem regulären Preis zu kaufen.

Neben den kulturellen Faktoren greift das sechste Kapitel auch die bereits mehrfach erwähnte Kommunikations- und Informationsproblematik auf (Seite 180ff). (Fach-) Wissen, Bildung sowie die Verbreitung von allgemeinem Wissen und Informationen sind ein großes Problem in der Region. Durch fehlende Kooperationen, Verbünde und Zusammenschlüsse jeglicher Art werden Fachwissen und wichtige Informationen (zum Beispiel über aktuelle Gesetze, Bestimmungen und Abgaben) kaum weitergetragen. Darüber hinaus werden Interessen und Ressourcen nicht gebündelt und organisiert. Vorhandene Infrastruktur (wie der Seeweg ab Medan) und Märkte (im nahen Umfeld auf Sumatra) werden zum Großteil nicht genutzt, da das spezifische Wissen über Angebot und Nachfrage, Produktanforderungen und Transportbestimmungen (zum Beispiel für den überregionalen und internationalen Handel) nicht vorhanden und somit nicht abrufbar ist.

Die vorliegende Dissertation zeigt auf, dass trotz enormer Potentiale die einheimische Bevölkerung von den aus dem Handelssektor resultierenden Entwicklungspotentialen nur unzureichend Nutzen ziehen kann. Zwar ist ein Großteil der einheimischen Bevölkerung in den Handelssektor integriert, jedoch überwiegend als saisonal handelnde Bauern oder als relativ unbedeutende Händler im stark fluktuierenden Kleinhandelssektor. Dies wird durch strukturelle Probleme vor allem bei der Organisation des Handelssektors (Kapitel drei und vier), einer unzureichend modernisierten allgemeinen Infrastruktur (Kapitel vier) sowie mit kulturellen Handelshindernissen begründet (Kapitel sechs). Hinzu kommt ein gravierendes Wissensproblem, ausgelöst durch ein fehlendes Wissensmanagement und schlecht angepasster Bildungsangebote (Kapitel sechs). Multiethnizität und multiethnische Handelsräume (Kapitel fünf) spielen für die Integration der einheimischen Bevölkerung in die lokalen und regionalen Handelsprozesse hingegen eine untergeordnete Rolle. Das Problem liegt vielmehr darin, dass vorhandenes Wissen, Interessen und Ressourcen nicht gebündelt werden, so dass Händler unabhängig ihres Status und ihrer Handelsform weitgehend alleine agieren.

Vor diesem Hintergrund erscheint die Modernisierung und Erweiterung der Infrastruktur eher als das geringere, durch finanzielle Mittel aus Regierungsprogrammen, Investoren etc. leicht zu bewältigende Problem. Um eine dauerhafte nachhaltige Entwicklung der Region zu erzielen müssen vielmehr strukturelle Probleme im kulturellen und Wissensbereich behoben werden. Kooperationen, Zusammenschlüsse und Verbünde können helfen Wissen breiter zu streuen und die Stellung der lokalen Händler zu stärken. Dabei kann die Erschließung weiterer regionaler und internationaler Märkte, unter Berücksichtigung der jeweils gültigen Produkt- und Transportanforderungen wichtige Entwicklungspotentiale freilegen.

Der Handelsschwerpunkt der Region sollte vom unkontrollierbaren Kleinhandelssektor hin zu organisiertem, lokalen, regionalen, überregionalen und internationalen landwirtschaftlichen Handel verlagert werden. Dieser Prozess müsste auch von der lokalen Regierung entsprechend vorbereitet und getragen werden. Ein Beispiel dafür

wäre die Einrichtung von Handelsstationen, in denen landwirtschaftliche Erzeugnisse kontrolliert, und nach gewissen Standards weiterverarbeitet und vermarktete werden. Dank enormer Potentiale durch landwirtschaftliche (Monopol-) Produkte, die nur im gemäßigten Klima des Hochlandes wachsen (wie zum Beispiel Kohl) könnte auch ein erweiterter landwirtschaftlicher Sektor eine enorme Anzahl von Arbeitskräften absorbieren. Die Bereitstellung aller primären und sekundären Güter, die nicht im Hochland selbst hergestellt werden, ist durch die etablierten Händler bereits jetzt sichergestellt.

Zurzeit ist die weitere Entwicklung der Feldforschungsregion völlig offen. Abgesehen von den häufig sehr schwammig formulierten lokalen Regierungsprogrammen und einem großen, sich in der Endphase befindenden Entwicklungsprojekt von USAID[16] sind keine konkreten Entwicklungsprogramme verfügbar. Weitere Studien, insbesondere zur Kulturproblematik und im Wissensbereich, wären äußerst wünschenswert.

16 United States Agency for International Development.

Introduction

Introduction: The Organisation of Trade in North Sumatra

A brisk, flourishing and independent local commerce and the integration of the population into local and regional trading structures, are important basic conditions for the development and welfare of a region. Both ensure the availability of basic goods, the opportunity to gain private income and consequently the possibility to satisfy the daily needs of the people. Most of the Batak[17], who represent the vast majority of the indigenous population of the province of North Sumatra, are farmers or traders whose subsistence highly depends on local and regional economic processes. Located in one of the world's most potential commercial hotspots, the Straits of Malacca region[18], the Batak homeland and the adjacent areas bear ideal preconditions to participate in local, regional as well as international trading affairs.

Due to several circumstances, however, the Batak cannot make use of the situation and are, in regard to their economic potentials, extremely under-represented in their trading environment. Foreign multinational companies, Chinese traders and only a few successful local and regional businessmen, are the present leaders and beneficiaries who dominate and control trade and trading networks. As a result, the Batak are severely hindered to participate in local and regional trading affairs, to benefit from regional development, and last but not least, to manage their daily lives and satisfy their basic needs. This does not appear to be an isolated phenomenon in the region; it is therefore of great significance to strengthen local commerce (which has been existing for hundreds of years) through a careful analysis of existing obstacles and restrictions and to identify possible strategies to encourage local trade participation.

17 For further details about the Batak, see chapter one (page 24ff).
18 For detailed information about the research region see chapter one (page 10ff).

Problem Statement and Hypotheses

Even in a highly potential and generally well developed area like the Province of North Sumatra, regional development and welfare cannot take place, if the local population is not involved in this process. In other words, to achieve overall development from which farmers, small-scale traders and people in villages can benefit as well as big companies, the government, possible investors and so forth, it is essential to involve the smallest acting unit in the development process. The participation in local, regional and international commerce serves as the key-factor and starting point to achieve development, but in reality the local population is often excluded from these processes. Within the scope of the study, commerce is understood as an entity of the basic components of an economy, namely the production, transport and distribution of commodities. It is hypothesised that, with regard to the Batak in North Sumatra, the formation of producers, traders and transporters to organised communities, interest groups or associations, the rehabilitation and maintenance of the existing infrastructure and the provision of relevant and useful knowledge, including an effective knowledge management, are the primary steps, which have to be taken to empower the local population to break the cycle of poverty and disadvantage. The study at hand seeks to approach the topic from two different angles, the financial and the cultural, and tends to analyse how both factors influence each other.

Primary and Secondary Research Questions

The following four questions serve as the primary research questions of the study:

1) Why are the Batak, as the largest ethnic group populating one of the most financially potential provinces in Indonesia, extremely under-represented in their trading environment and hence do not achieve to have an impact on and to benefit from regional development processes?
2) To what extent and under which conditions and circumstances (economical, social, and cultural factors) are Batak traders in contemporary North Sumatra/Indonesia integrated in local and regional trading structures?

3) Which role does ethnicity and ethnic affiliation play in everyday trading interactions in contemporary North Sumatra/Indonesia in the light of the predominant trading power of the Chinese traders?
4) What are the possible steps, which have to be taken to involve and empower the local population to break the cycle of poverty and disadvantage?

Within the scope of these questions the following secondary research questions are beneficial to elaborate the research problem:

1) How do clan-membership, religious affiliation, age, customs, education, etc. influence trade activities? Do some of these criteria determine membership in trading networks? Can trade patterns be defined within these criteria? If this is the case, how does it take place?
2) What role do Batak women play in trade? Does a 'division of labour' between men and women on both local and regional level exist?
3) How do local financial structures and regulations affect the trading structures of the Batak?
4) How do means of transport determine trading networks? What are the most frequently used trade routes and means of transport?
5) Can the "traders' dilemma" theory[19] be applied to the present trading conditions in North Sumatra and what are the possible solutions?

Research Goals

The study attempts to:

- reveal the social potential and relevance of local commerce for the Batak people as the biggest indigenous local group living in North Sumatra,
- explore and describe existing trading networks and trade routes of the Batak and their crucial organisational, socio-economic principles,

19 For more details about the traders' dilemma theory see page 172ff.

- reveal the importance of ethnic affiliation within local commerce and point out the role of Chinese traders in the region,
- identify possible strategies to increase the participation of the Batak in local and regional trading affairs,
- highlight the great significance of local commerce and therefore enhance contemporary knowledge on trading networks and trading routes in the area.

Scientific Relevance

Much has been written about North Sumatra, its history and people. The literature on North Sumatra's trade, however, mainly concentrates on large-scale international trade, the conceptualization and implementation of free trade areas or discussions about safety concepts, that aim at ensuring stability and development in the region. Trading structures and interactions of local ethnic groups, such as the Acehnese, Malay or Batak, have basically been neglected in recent scientific research. Most studies about the topic are out of date or deal with historical perspectives. Useful approaches are provided by Evers: his essay about traditional trading networks in South-East Asia (1991) and his theory of the "traders' dilemma" (Evers/Schrader 1994a) that outlines the problem and possible solutions of inner-ethnic trade. The essay is part of the 1994 published anthology "*The moral economy of trade, ethnicity and developing markets",* which is of great significance and offers useful links to the study at hand.

Furthermore, studies about other ethnic groups living in Sumatra partly refer to the topic and therefore give valuable examples and implications. Among these publications are the works on the Simalungun Batak (1982) and the clove traders and peasants in Aceh by Clauss (1994), Smith Kipps' studies about the Karo Batak, e.g. the volume about the Karo identity (1993) and Effendis' publications about the Minangkabau people in Western Sumatra (1999 and 2005). The essay by Andaya, L. (2002), which indeed deals with pre-colonial, trans-Sumatran trading networks and the ethnicization of Batak traders, is of particular interest, because it is the only study that exclusively elaborates the situation

of the Batak as an ethnic group. Other studies deal with the cultivation and marketing of special regional available commodities, like pepper (Andaya, B. 1995) or benjamin (Katz 1998).

Apart from historical studies, research in North Sumatra mainly focuses on natural disasters (erosions, earthquakes, tsunamis, volcanic eruptions), exploitation (illegal logging, illegal trade with tropical wood, natural resources) endangered animals (Sumatran tigers, Sumatran rhinos, orangutan), plantations (mono-cultures, palm oil, coffee, cacao, rubber) and all kinds of aspects about the indigenous population (traditional customs, kinship systems, art, music, clothes, marriage clusters). Political and judicial publications are also rare and mostly published in a specified context (e.g. consultancy reports for development/government projects).

Although the concept "development through participation" is not new, there are no current studies dealing with the given topic in the research area. Apart from the development aspect this study seeks to give inputs to the current discussion about the interactions of culture and economic theory, especially in regard to multi-ethnic trading environments.

Social Relevance

No one is endowed with everything he or she needs for living. The necessity of trade is therefore among the basic components of human existence and is more than just an exchange of commodities, money, knowledge and services. Every human being needs to participate in trade to satisfy his/her own primary and secondary needs. Some also need to participate in trade to resume responsibility for those who are not yet, currently or no longer able to care for themselves. Engaging in trade is synonymous to contributing to the protection and preservation of the existence and continuance of individuals and groups. Through trade people, families, ethnic groups, regions or nation-states are bind together into "intricate webs of human intercourse" (Gary Dean, 1999). Moreover,

participation in trade bears significant development potentials. As mentioned previously, a brisk, flourishing and independent local commerce and the integration of the population into local and regional trading structures, are important basic conditions for the development and welfare for the region, respectively for its indigenous population.

The overall social organisation of culturally determined local and regional trade, however, is relatively unexplored in North Sumatra. Profits are small, cultural obstacles high and existing networks too nebulous to make the topic interesting for commercial research projects. Existing (critical) studies often examine working conditions, wages or the situation of a section or branch of a certain business, but most do not consider the cultural background of trade. Studies and reports dealing with the local population are rare. Local commerce and local people are mostly perceived as simple suppliers for the big business. For the stability, security and development of the region, it is of vital importance to notice and promote the participation of the local population and their specific trading structures. It is no secret that an assured, adequate maintenance increases the welfare and ability of the people to take actively part in development processes. This is nothing but the much vaunted "bottom up" approach and the well known principle of helping people to help themselves.

Globalisation, new technologies and the steady developing world market lead to the displacement of traditional management structures through new globally aligned economic systems. As a result, mixed economies in a vital transformation process emerge. This explains, why virtually different economic systems are valid in the research area: a more modern and a more traditional one. But this is only half of the truth. Cultural aspects are just as important as the financial side and should not be forgotten in the analysis. Even ethnic groups living in the same country act and behave quite differently according to their inherent characters and valid customs. In a state without a functioning social market economy, customs can partly replace missing social systems. As long as the customs are valid, the three-tiered kinship[20] system of the Batak for example, make any inter-generation contract dispensable. Customs are much more than simple old-fashioned

20 For further explanations of the three-tired kinship system see chapter one (page 30ff).

traditions or interesting cultural aspects of certain ethnic groups. Indeed customs are useful instances of manifold significance, giving people an identity, orientation and security for life, and in turn influence the valid economic system. The interaction of valid customs and the transforming economical system is of great importance for the study.

Likewise, the aspect of multi-ethnicity should be taken into consideration. Chinese trading networks and Chinese economic structures, for example, widely influence local commerce and local traders in North Sumatra. The study at hand seeks to explore the topic on the basis of Chinese and Batak traders in the Karo highlands.

The field research took place in 2007 mainly in North Sumatra/Indonesia and was replenished by recent data research. A bundle of concepts and methods that facilitated the collection as well as the analysis of the needed data, was necessary for accomplishing the research. Data was mainly gained through different types of questionnaires, semi-structured interviews, secondary data review, mapping, informal discussions and participant observation. Details on the methods of data collection and relevant statistics are displayed in appendices A (page 217ff) and B (page 251ff). Altogether 710 traders (380 women and 330 men) were interrogated mainly in the highlands, at Medan, Pematangsiantar and Batam. 172 respondents were non-Batak traders.[21]

Corroborating concepts and relevant theories are directly elaborated and intertwined in the respective empirical chapters. Concretely, there are two main concepts which could be applied to the field research topic and the field research population. Firstly, Furnivalls' theory of plural societies served as a useful concept to explain the interaction between indigenous traders and the ethnic Chinese in chapter five. And secondly Evers' traders' dilemma theory was quite useful to understand cultural trading constraints as elaborated in chapter six.

21 From the 173 non-Batak traders 79 are Javanese, 62 Chinese, 22 Padang, 7 Malay, 2 Indian and 1 Achenese. Also see table 19 on page 141.

Outline of the Study

The first chapter provides relevant background information about the research sites (North Sumatra: Karo highlands, Medan & Batam) and the research population (the Batak). The chapter aims at answering to the questions why field research took place in North Sumatra and especially among the Batak people. Furthermore, it explains the social and cultural perspective of the topic which is necessary for a comprehensive research approach and understanding. It is followed by the second introductory chapter which refers to the historical perspectives of the topic (pre-colonial, colonial and post-colonial). The objective of chapter two is to explain historically developed trading structures and networks which is necessary for a better understanding of the contemporary trading environments.

Chapter three to chapter six constitute the empirical part of the study. The first two empirical chapters (chapter three and chapter four) directly tie in with the previous chapter through the description and analysis of the organisational structure of contemporary Batak trade. The involved stakeholders are in the focus of chapter three that identifies the different types of traders, addresses the issues of trading motivations and objectives and also describes the formal way to open a business. Chapter four imparts basic facts about the most important components of modern trade (production, transportation and allocation of goods), trade sections (commodity trade/spice, fruit and vegetable trade), different types of trade (local, regional, international) as well as commodities and marketing channels.

The influence of the ethnic Chinese in the region lead to the aspect of multi-ethnicity and trade which is the topic of the fifth chapter. Through its introduction into multi-ethnic trade it continues discussing the organisational structures of trade that was described in the previous chapters from a different angle. Much more important than the circumstances of how the Chinese achieved and keep their trading power is the question of "co-operation or toleration", or: how do Chinese and Batak traders achieve to arrange their common daily life as traders and consumers in the region?

The last empirical chapter (chapter six) aims at analysing and discussing cultural determined trading obstacles that restrain the Batak in their trading activities. It is in three parts and deals with 1) the correlation between (Batak) culture and (Batak) economy, 2) the validity of the traders' dilemma theory for the field research regions and 3) the issue of knowledge.

The final chapter shortly summarises the conclusions and broaches valuable recommendations. Last but not least, an outlook to the future complete the study.

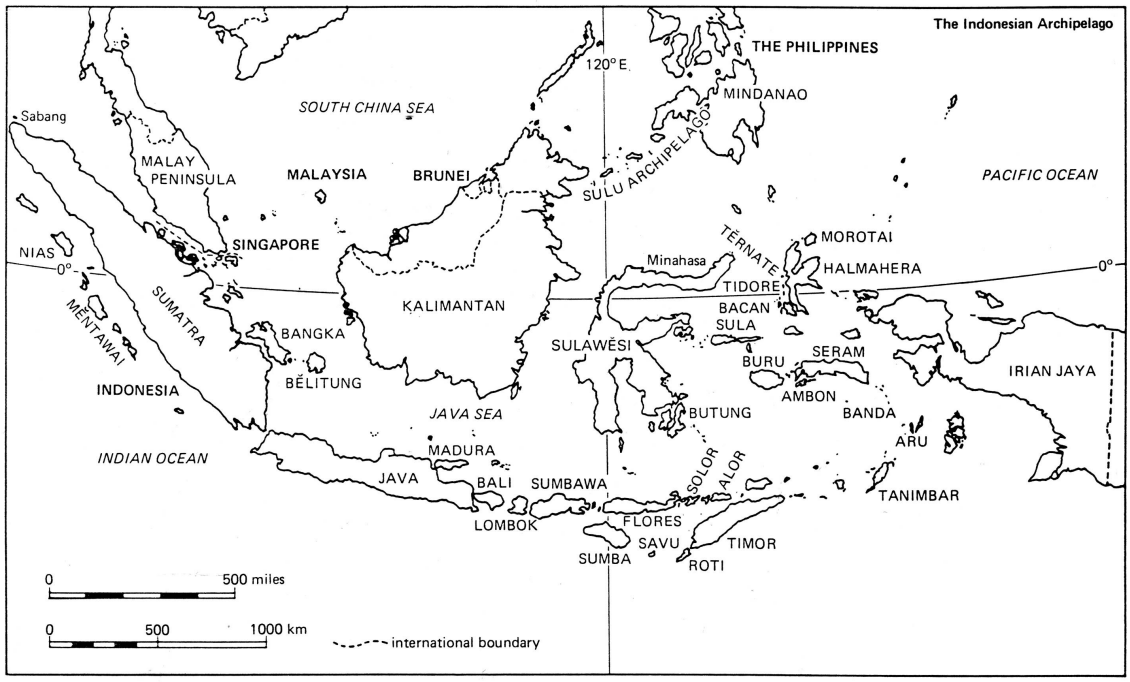
Photo 1: From the highlands to other parts of Indonesia: "head quarter" of a local transporter. (Photo: Situmorang 2007)

Chapter 1: The Batak People in North Sumatra

*This chapter depicts background information about the **research sites** (Indonesia, North Sumatra, Medan, Karo highlands, Pematangsiantar and Batam) and the **research population** (the Batak). The object of the chapter is to answer the questions why field research particularly took place in North Sumatra among the Batak people and to explain the social and cultural perspectives of the topic.*

The Setting: Indonesia

With 1.9 million square miles, more than 17,000 islands and a population of 237.556,363 million people (BPS 2011)[22], the Republic of Indonesia is one of the largest archipelagos and the fourth most populous country in the world. Located between the Indian and the Pacific Ocean and the South China Sea, Indonesia bridges the Asian, Australian and Oceanian continents.



Map 1: The Indonesian archipelago. (Source: Ricklefs 1981:310)

22 Manifold statistics concerning Indonesia are available on the BPS Website: http://www.bps.go.id/ (02.02.2011).

The country is characterised by a manifold diversity. The national motto “Bhinneka Tunggal Ika”, literally meaning "(although) in pieces, yet One” is often translated with “Unity in Diversity”[23] or “We are of many kinds, but we are one”[24] and stands for an unity despite of many differences, that can be found all over the country. Numerous ethnic groups, languages and cultures, diverse religious beliefs, a wide range of landscapes, a great set of natural resources, etc. make up the multi-faceted and unique character of the archipelagic state.[25]

Indonesia's Economy

Indonesia learned from its severe economical set-back during the 1990s Asian economic crisis and has successfully established a relatively stable economy during the last decade. Although the recent global economic and financial crisis will certainly leave its marks, Indonesia's economy is currently growing on a moderate level (Table 1) with an increasing Gross Domestic Product (GDP) (Table 2). The economy is based on free market principles, but the impact of the state is tremendous; there are, for example, state-owned companies, partly non-transparent regulations and fixed prices on several basic goods like fuel, rice and electricity.

Table 1: Growth Rate of Gross Domestic Product in percent

2004	2005	2006	2007*	2008**
5.03	5.69	5.50	6.28	6.06

* Provisional Figures / **Very provisional figures (Source: BPS 2010)

Table 2: Gross Domestic Product Indonesia in billion Rupiahs

2004	2005	2006	2007	2008*	2009**
2,295,826.2	2,774,281.1	3,339,216.8	3,950,893.2	4,951,356.7	5,613,441.7

* Provisional Figures / **Very provisional figures (Source: BPS 2010)

23 http://www.statemaster.com/encyclopedia/Bhinneka-Tunggal-Ika (04.05.2010).
24 http://www.eastjava.com/books/majapahit/html/bhinneka.html (04.05.2010).
25 “Bhinneka Tunggal Ika” also “[...] gives expression to the idea that each regional group should get its proper share within the national state, but that unity should prevail” (Wertheim 1980:104).

The following figure displays the distribution of the GDP by industrial origin. Manufacturing industries contribute to the major part to the GDP (Figure 1), but it nevertheless plays a minor role for the study at hand: almost 82 % of the large and medium manufacturing industries are located on Java and not on Sumatra (BPS 2010). The majority of the respondents, including most of the traders, depend on the development of the agricultural sector, being the second main pillar of the nation's economy. Agricultural products like rubber, coffee, palm oil, spices, rice, cocoa, timber and vegetables are main export goods besides non-agricultural products like garments, footwear, electronic goods, furniture, paper and natural resources like gas, bauxite, silver, tin, copper, gold and coal. Apart from the neighbouring countries (Malaysia, Singapore and Australia) Indonesia mainly trades with Japan and the United States of America.

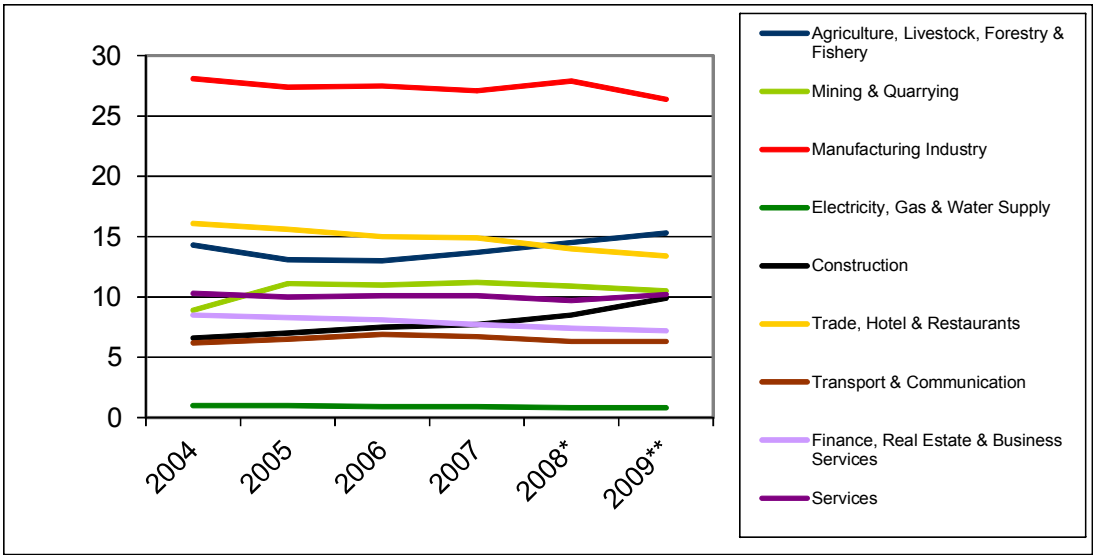


Figure 1: Percentage distribution of GDP by industrial origin.
* Provisional Figures / ** Very provisional Figures (Source: BPS 2010)

Wide-spread corruption and nepotism even on governmental level, as well as a severe lack of knowledge, education and organisation among the population, are the main causes, why Indonesia still faces poverty despite of its wealth in natural and human resources. According to the CIA World Factbook, 17.8 % (in 2006) of the population still live below the poverty line (The CIA World Factbook)[26].

26 According to the CIA "national estimates of the percentage of the population falling below the poverty line are based on surveys of sub-groups, with the results weighted by the number of people in each group. Definitions of poverty vary considerably among nations." https://www.cia.gov/library/publications/the-world-factbook/fields/2046.html (12.05.2010).

Indonesia is a member country of the International Monetary Fund (IMF), a member of the World Trade organisation (WTO) and a founder member of the Association of South-East Asian Nations (ASEAN)[27] and the ASEAN Free Trade Area (AFTA). Because of decreasing flow rates and the need to import crude oil, Indonesia suspended its membership in the organisation of Oil Exporting Countries (OPEC)[28] in January 2009.[29]

The Province of North Sumatra (Sumatera Utara / SUMUT)

Due to its strategic location between the Indian Ocean and the Straits of Malacca, the province of North Sumatra is part of an upcoming and important financial region with good economic potentials. With an area of 71,680.68 km² and a population of about thirteen million people (BPS SUMUT & BPS 2011)[30], North Sumatra is the largest and most populated province outside the island of Java.

The province is one of the richest and multifaceted regions of Indonesia. In addition to the mentioned strategic location its wealth and potentials are based on five important development pillars: 1) agriculture, 2) plantations, 3) horticulture, 4) fishery and 5) livestock breeding.[31] As portrayed before, the agricultural sector is of great significance and most of the small-scale farmers earn their living from the cultivation of rice, corn, sweet potatoes, peanuts, green beans and so on. The output of the agricultural sector is used preponderantly for local supply and only small bulks are exported. By contrast almost everything growing on the huge plantations at the coast is exported, among other natural resources, rubber, palm oil, tea, tobacco and cocoa. Other commodities, such as vanilla, cloves and cinnamon are partly exported and processed in local industries[32]. Horticultural products are of great significance and are introduced later on.

27 ASEAN http://www.asean.org/ (02.02.2011).
28 OPEC http://www.opec.org/opec_web/en/ (02.02.2011).
29 http://www.opec.org/opec_web/en/about_us/25.htm (29.06.2010).
30 The regional district office of the BPS Indonesia provides up-to-date statistics for North Sumatra (Sumatra Utara / SUMUT) in Indonesian language. http://sumut.bps.go.id/ (28.08.10).
31 http://www.pempropsu.go.id/ongkam.php?me=komoditi (Website SUMUT 29.09.10).
32 Cloves, for example, are needed in large quantities for the local cigarette industry (the production of clove cigarettes = kretek).

Fishery and livestock breeding are primarily important for local supply. Large-scale commercial livestock breeding is a relatively new investment field and so far only a few farms can be found in the region. As is shown later on, especially the Chinese have invested in livestock breeding on grand scale in the highlands.

An amply developed supporting industrial infrastructure in and around the capital Medan (see paragraph below) allures numerous national and international companies to open big plants in the area, like the Coca Cola Company, Indofood and Unilever. Currently 250 investors from Singapore, Malaysia, Thailand, Japan, Australia, Sweden, the Philippines, Germany and Switzerland operate within the industrial estate of Medan, named KIM (Kawasan Industri Medan).[33] The Government of North Sumatra trust in an export-oriented economy to achieve overall development. Current export data (table 3) shows that this strategy bears fruit: recent backslides due to the global economic and financial crisis only influenced the export rate briefly and have almost reached the 2006 level again.

Table 3: Export data of North Sumatra by sectors in net weight (ton)

Year	Natural Oil & Gas	Agriculture	Mining & Quarrying	Industry	Others	Total
2004	-	1,024.946	109.313	6,378.576	52	7,512.890
2005	-	1,044.992	367.985	6,761.771	56	8,174.804
2006	-	1,077.964	646.381	6,980.430	45	8,704.825
2007	-	1,107.505	104.880	6,629.469	19	7,841.872
2008	-	1,042.468	113.811	7,364.544	72	8,520.892

(Source: BPS 2010)

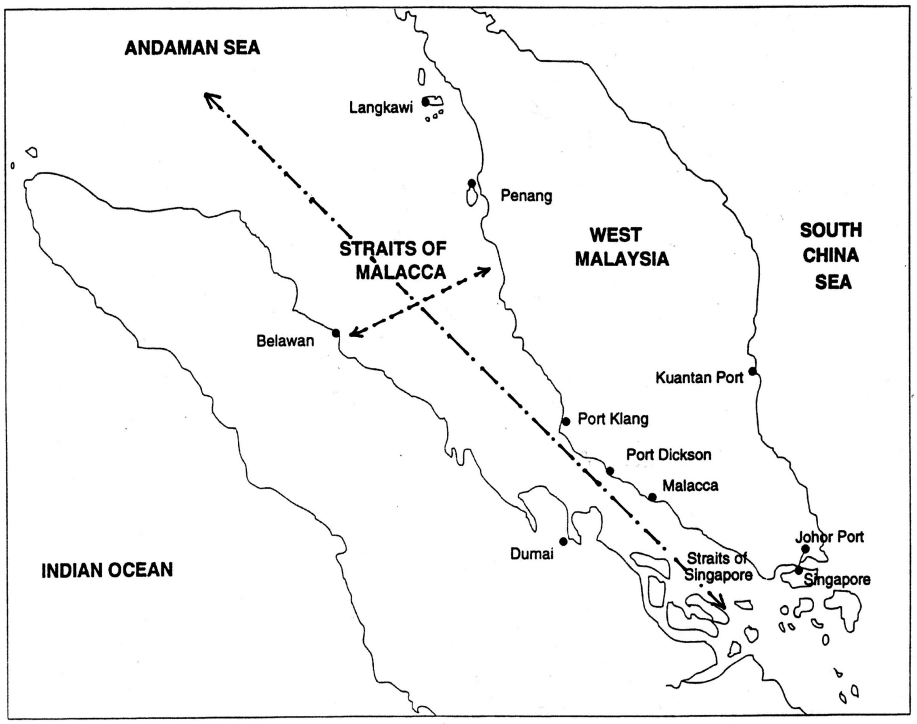
The province is inhabited by a multi-ethnic population. Indigenous people, such as the Batak or the Malay, live side by side with people from the bordering provinces and islands, like the Minangkabau, the Achenese or the islanders from Nias. But also many Indonesians from all over the country as well as ethnic minorities like the Chinese, Indian and some Europeans live there.

33 http://www.pemkomedan.go.id/index.php (Website Medan, 17.07.2010).

A strong cultural heritage, a famous natural scenery, its proximity to the neighbouring countries as well as many places of interest like the great Lake Toba make the Province predestined for diverse national and international tourism. The multi-ethnic aspect, but also the fact that within North Sumatra two very different economic regions, Medan and the highlands, can be investigated, make the area ideal for research.

The Straits of Malacca

As a "bottleneck" on the shortest seaway between the Indian and the Pacific Ocean (North ↔ South connections) the Straits of Malacca are of strategic importance for world trade and the regional development. Long established trading relations[34], common ethnic and cultural roots, improved transport facilities and increasing cross-Straits communication link the provinces and countries on both sides of the Straits and play an important role in trans-boundary and transnational exchange relations.



Map 2: The Straits of Malacca. (Source: adapted from Hamzah Ahmad 1997:48)

34 The Straits of Malacca were the traditionally preferred trading route between India and China (Sherman 1990:36).

Therefore, the Straits also possess great potentials for regional trading activities of local ethnic groups (East ↔ West connections). As a result not only global players but also traders of local, possibly ethnic, (trading) networks, serve and control (although only of short-distance) trans-boundary flow of commodities, knowledge and manpower, and consequently have remarkable influences on the development and/or (de-)stabilisation of the region. Free trade areas like the island of Penang (Malaysia), which can be reached via speed boat without paying "departure tax," facilitate the exchange of commodities, manpower and knowledge between the countries on both sides of the Straits. Apart from legal transactions, the flow of trans-boundary exchange also causes illegal activities like smuggling and illegal labour migration. Both have great impacts on the stability and development of the region, which are marked by differing cultural and political boundaries. Rising territory claims, wars and trading embargoes are just a few of several possible implications. But it is also conceivable that such a constellation leads to strong trading connections, cooperation and knowledge exchange as it is mainly the case in the Straits region. For example, cooperation on national level takes place within the two Growth Triangles[35], which are situated at both estuary mouths of the Straits.

Medan

"Medan – the Gate of Western Indonesia"[36] as the city is titled on the official website, is the capital of the province North Sumatra. With approximately 2.5 million inhabitants Medan is the third largest city in Indonesia and the most important commercial business centre on Sumatra. It occupies an area of 265.10 km² and is situated close to the Straits of Malacca in the north. The foundation of Medan around 1870 was the result of the growing large scale plantation industries on the east coast. Many trading companies moved their offices from the old centre at the mouth of the Deli river to the new growing business centre of Medan (Buiskool 2004:3). Already in 1887 Medan became the capital of the East coast (Kozok 1990:26).

35 The two Growth-Triangles are, on the one hand, the Indonesia-Malaysia-Thailand Growth-Triangle (IMT-GT), at the northern estuary mouth of the Straits, and, on the other hand, the Singapore-Johor (Malaysia)-Riau (Indonesia) Growth-Triangle (SIJORI-GT) in the southern part of the Straits.

36 http://www.pemkomedan.go.id/ (Website Medan, 02.02.2011).

Today, Medan is a multi-ethnic vibrant city with good infrastructure facilities. The port of Belawan is situated just twenty kilometres outside the city at the northern estuary of the Straits of Malacca and it is an important place of transshipment for overseas and inter-island shipping. Furthermore, several shipping companies serve as national and international means of public transportation, such as the national Indonesian shipping company PELNI[37].

Polonia airport is located in the heart of the city and serves international and domestic flights. The new Kuala Namu International Airport with a planned capacity of eight million passengers per year is currently under construction twenty kilometres outside the city centre and will be connected to the city by train. Due to financial problems the opening planned for 2009 was postponed to mid-2011.[38]

An overwhelming majority of 99.8 % small and medium-sized enterprises (SMEs) and cooperations (UKMK)[39] characterise the structure and outlook of Medan's business districts. They make up 39.8 % of the Gross Regional Domestic Product (GRDP) and contribute 16.4 % to North Sumatra's economic growth. In comparison, the only 0.2 % of the big resident companies generate 60.2 % of the GRDP and contribute of 83.6 % of the economic growth (BPS 2010). Several factors were identified by the local government to explain the significant inferiority of the UKMK and the resulting economic imbalance, among others: low-rated education, out-dated technologies, a lack of well-functioning markets, insufficient credit facilities and a poor level of organisation. [40] As is depicted later on, these factors are typical for Indonesia's business structure and can be transferred without restriction to the economical environment in the highlands. As a consequence, Medan's government launched a set of development programmes to boost the UKMK sector with the intention to abolish the economic

37 PELNI = Pt. Pelayanan Nasional Indonesia = The National Indonesian Shipping Company. http://www.pelni.com/ (Website PELNI 02.02.2011).

38 http://www.thejakartaglobe.com/home/new-medan-airport-delayed-until-2011/351321 (Jakarta Globe, 29.06.2010).

39 Unlike the common classification of small and medium-sized enterprises (SMEs) Indonesian authorities stress the affiliation of cooperations to this group. Therefore the term UKMK = Usaha Kecil, Menengah dan Koperasi (Small and medium-sized enterprises and co-operations) will be used.

40 http://www.pemkomedan.go.id/ (Website Medan 14.07.2010).

imbalance and to increase the social and economic welfare of the people who earn their living in this sector.[41] The well-being and development of Medan, often labelled as an "economic engine", is of great significance for rest of the region and especially for the highlands. An increasing economic development in the region often signifies an even more flourishing development within the capital (ibid).

Based on its long-lasting colonial history (see chapter 2), present-day Medan can be called an "ethnic melting pot". Even though there are large Javanese, Chinese, Indian and other communities, the Batak form the largest group of the inhabitants. The historical ethnic quarters, like the Kesawan for the Chinese, who control huge parts of the business sector, Kampung Kling for the Indians or Padang Bulan for the Batak, still characterize the cityscape, although the quarter system was officially abolished in 1918 (Buiskool 2004:3).

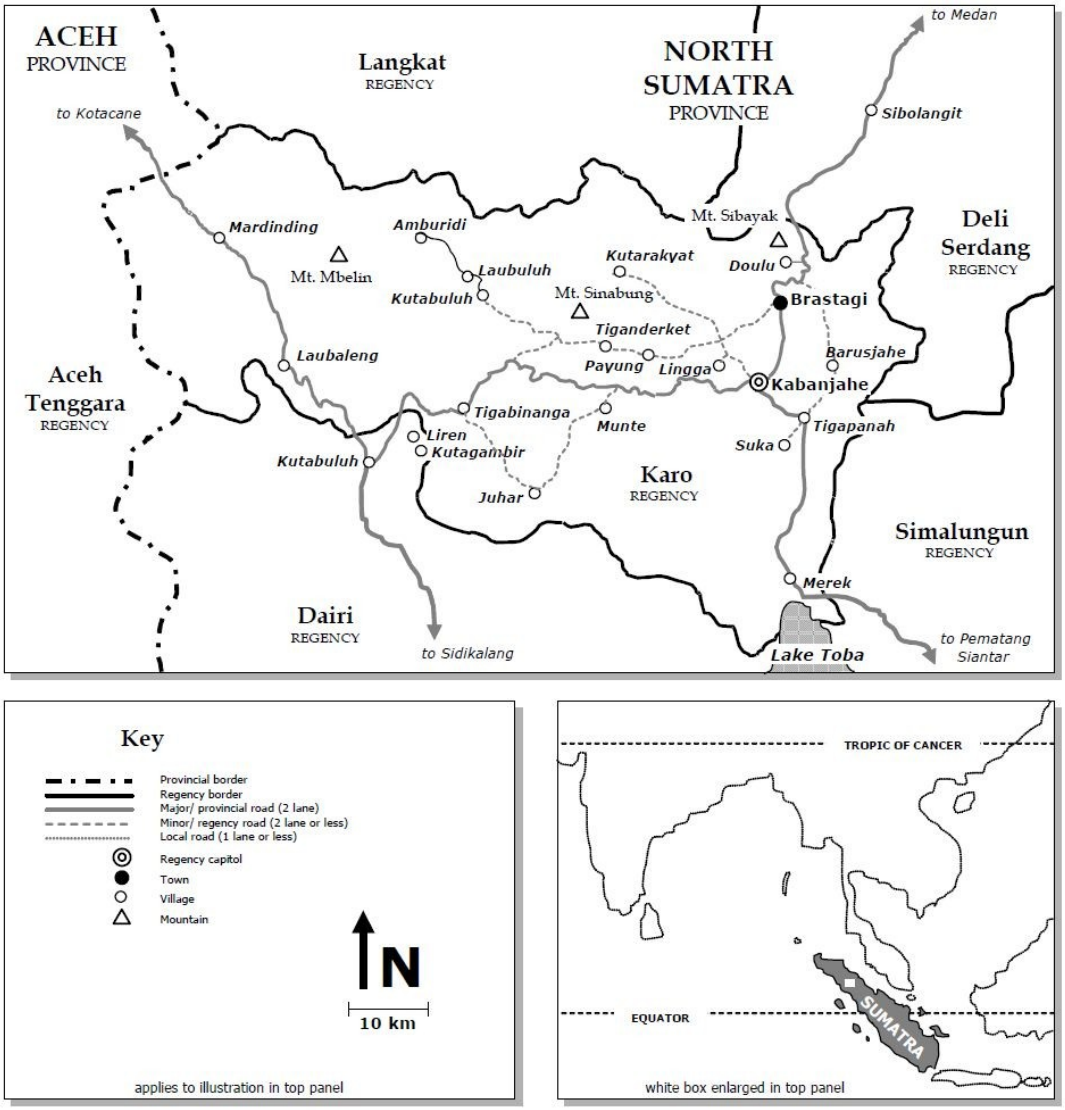
Field research in Medan mainly took place in the Batak district Padang Bulan, but several other main trading and commercial centres were also included (for an overview see Appendix A, page 249). Respondents were generated from traditional markets / market places as well as from shopping malls or declared trading districts.

Taneh Karo/Karo Highlands

The Karo Regency (*Kabupaten Karo*), the Karo highlands or simply Taneh Karo (Map 3, page 19), is a vast plateau situated on the Bukit Barisan mountains and embraces 2.127,25 km² or about 2.97 % of the area of the province North Sumatra (BPS 2006). While the term "Karo Regency" refers to an administrative area, the usage of the term "Karo highlands" underlines the extraordinary geographical position. The widespread term "Taneh Karo" refers to a much broader area, including "bordering portions of Langkat, Dairi, Simalungun and Aceh Tenggara, as well as the entire stretch of Deli Serdang Regency from the outskirts of Medan to the Karo Regency" (Kushnick

41 http://www.pemkomedan.go.id/index.php (Website Medan, 14.07.2010).

2006:19).[42] According to the local statistic office 350,479 people occupy the area (BPS 2011). The climate is moderate because more than 77 % of the Karo plateau is located higher than 500 m above sea level (BPS 2006)[43] (Figure 2, page 20).



Map 3: Map of Karoland (Taneh Karo). (Source: Kushnick 2006:31)

42 Statistic Data refers to the area of the "Karo Regency". Data concerning the complete Taneh Karo is not available.

43 According to BPS (2006) 39.91 % of the Karo Regency territory is situated 500-1000 m above sea level, 33.27 % between 1000 and 1400 m and 4.98 % lies higher than 1400 m above sea level.

With an average daytime temperature of about 18.9 °C, a humidity average of 85.66 % and two seasons - a rainy and a dry one - the Karo Regency has ideal conditions for agricultural, and especially horticultural production. It is therefore not surprising, that:

> The economic [sic] of the Karo Regency is mainly supported by the public agriculture. Not less than 75 % of the population earn their living through agriculture. Various agriculture commodities produced in this area are among others vegetables, fruits, flowers and cereals managed by peasants. (Government of the Karo Regency 2006:6)

The region is suitable for market gardening of corn, sweet potatoes, oranges, passion fruits, potatoes, cabbage, carrots, chilli, cauliflower, tomatoes, leek, spinach and many other crops. Although the Karo district is the smallest Kabupaten within the province of North Sumatra, "fruit and vegetables from this Kabupaten have become a key export commodity for North Sumatra, especially to Singapore and Malaysia" (Smeru 2001:5). Cabbage, carrots and potatoes are also shipped to Japan; flower seeds are regularly exported to the Netherlands. Table 4 (page 22) gives an overview of the commonly grown commodities and their export quantities in kg.

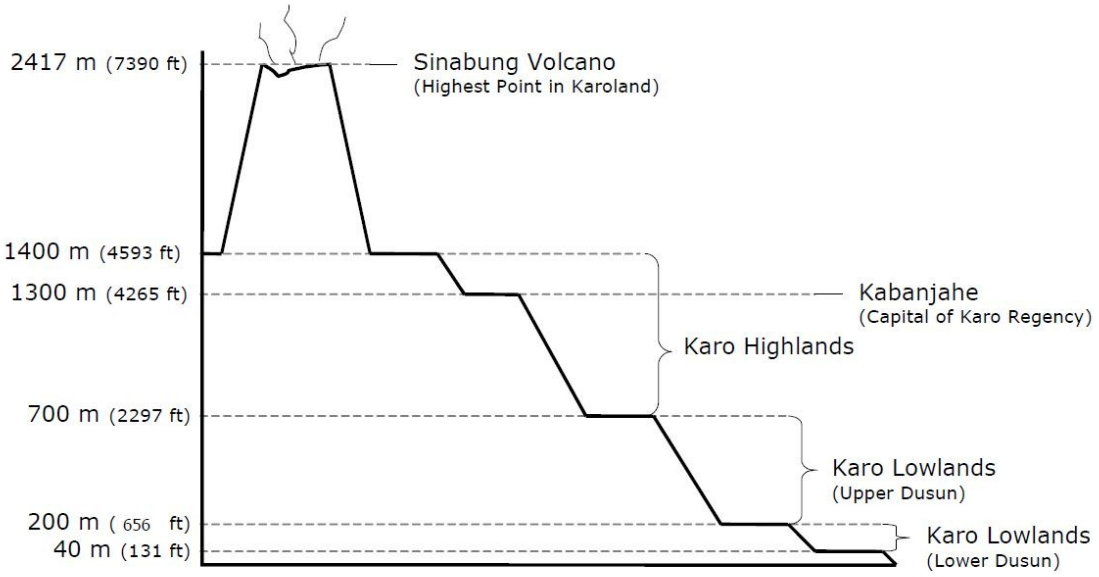


Figure 2: Cross-sectional view of Karoland (Taneh Karo). (Source: Kushnick 2006:32)

In addition to horticultural farming, supportive small-scale industries and livestock breeding can be found in the area. Generally the Karo district is:

> […] well provided with domestic and international transport links by land, sea and air. There is a comparatively dense network of local roads serving as collector/distributors within the district. This network is connected by national and provincial arterial roads to the nearby town of Medan and to the trans-Sumatran highway on the east coast. (Bulmer 2007:4)

Medan is situated only seventy kilometres from the fruitful hinterland, but on account of the difference in altitude (from 2.5-37.5 meters above sea level in Medan to averagely more than 500 meters in the highlands)[44] transportation takes time and strongly depends on the traffic on the single, crammed, more than one hundred years old, narrow mountain road, that partly leads through rainforest areas directly to Medan. Accidents, difficult weather conditions, sharp hairpin bends and the partly poor road conditions are only a few vulnerable points of the route. Another choice of road (for example via Pematangsiantar) means making a detour followed by a delivery delay and higher transportation costs. In order to increase the quality and quantity of the produced commodities and at the same time with intent to reduce transportation costs and time, the construction of a cargo airport within the area has been in discussion for a long time. So far, an implementation is not foreseeable due to a lack of investors.

The vision of the Karo Government for an overall development is to achieve a progressive, democratic, religious and prosperous society through the specific promotion of three identified priority sectors, namely 1) the agricultural sector (including crops, horticulture, livestock, fishery and forestry), 2) tourism (including eco-tourism, culture and agrotourism) and 3) the industrial sector (handicrafts, small industry, agro-industry) (Government of the Karo Regency 2006:4). Nevertheless, agriculture remains the most important development factor for the region.

44 http://www.pemkomedan.go.id/ (Website Medan, 10.09.2010).

Table 4: Extract from the export data of the Karo Regency 2001-2006 in volume/kg

Commodity	2001	2002	2003	2004	2005	2006	Export Destination
Potatoes (Kentang)	7,470.890	16,529.210	18,182.150	20,373.000	24,447.600	27,120.150	M,S,J
Cabbages (Kol)	21,466.170	23,624.920	25,987.410	28,588.150	34,303.380	46,640.315	M,S,J
Tomatoes (Tomat)	11,581.310	439.170	483.080	507.240	608.680	662.420	M,S
Carrots (Wortel)	105.760	899.650	989.610	1,039.090	1,248.908	1,305.250	M,S,J
Shallots (Bawang Daun)	1,287.210	-	-	-	-	-	-
Cauliflowers (Bunga Kol)	297.480	-	-	-	-	28.500	-
Sayur pendek[45]	173.070	21.620	23.780	24.970	29.960	28	S
Red Shallots (Bawang merah)	-	1,468.480	1,615.320	1,696.070	-	-	-
Tangerines (Jeruk Manis)	-	1,116.160	1,227.780	-	-	-	-
Sweet potatoes (Ubi Jalar)	-	5,668.820	6,235.700	6,859.270	8,231.120	11,050.250	M,S
Other vegetables (Sayur lainnya)	1,535.420	1,808.290	1,989.120	2,188.040	2,625.640	2.846	M,S
Flower seeds (Bibit bunga)	600	450	500	550	670	670	The Netherlands
Total	43,917.890	51,576.770	56,734.450	61,274.380	71,493.958	86,921.051	

M= Malaysia / S= Singapore / J= Japan
(Source: Local Trade Office Kabanjahe, July 2007)

45 "Sayur Pendek" is a sort of vegetable.

Field research in the highlands mainly took place in Berastagi (38,257 inhabitants) and Kabanjahe (54,000 inhabitants), the two largest towns in the Regency (BPS 2006). With a manageable number of markets and shops open daily, Berastagi and Kabanjahe are optimal places to investigate basic networks. Local, national as well as international commodities are traded regularly. As a rule, the study of commodity flows and chains requires at least one defined starting point. Hence, the true end of a trading network is either located at the place of production of a certain commodity or at the place where it is sold to the end-consumer. But since the purpose of the study is not to examine the flow of a single good, but to find out how Batak business generally works, and because it is neither possible to visit all production sites, nor all end-consumers of all considered goods, I have focused on studying the trading networks and trading activities in and around Berastagi and Kabanjahe. Berastagi, Kabanjahe and their surrounding areas are therefore defined as starting points and interim ends of the investigated networks in this study.

Pematangsiantar

Pematangsiantar, the second largest city in the province of North Sumatra, is, apart from Medan, the main trading centre for the Simalungun Batak and place of a smaller case study among small scale market traders and their inter-island trading connections. The city's population is around 230,000 inhabitants and is located on the route of the Trans-Sumatran Highway (see page 112), approximately 130 km from Medan.

Batam Island (Riau Archipelago)

Batam island, part of the Province of Riau, is located just twenty kilometres away from Singapore's south coast and bears the status of an special economic zone, a free trade zone and furthermore is part of the SIJORI Growth Triangle[46]. The island embraces 612,53 km² and has about 750,000 inhabitants (Dinas Perindustrian Perdagangan 2006:13). Like Medan the population is multi-ethnic, with the largest groups being the

46 Singapore-Johor (Malaysia)-Riau (Indonesia) Growth-Triangle (SIJORI-GT).

Javanese (26,78 %) followed by the Malay (17,61 %), the Batak (14,97 %) and the Minangkabau (14,93 %) (Suryadinata/Arifin/Ananta 2003:147).[47] The area is swampy and hilly with the highest rise at 160 meters above sea level. With an average temperature of 26,2 °C-28,4 °C, a humidity average of 77 % - 85 % and 183 wet days per year the climate is tropical.[48] To meet the requirements for an industrial and harbour zone the island underwent a major transformation in the 1970s. Swamps were drained, deforestation took place and many multinational companies built production plants on the island accompanied by uncountable housing estates for the employees. In 2006, 77,24 % of Batams' population worked in the industrial sector, while 7,57 % found an occupation in the trade, hotel and restaurant sector and 0,83 % are farmers (Dinas Perindustrian Perdagangan 2006:13).

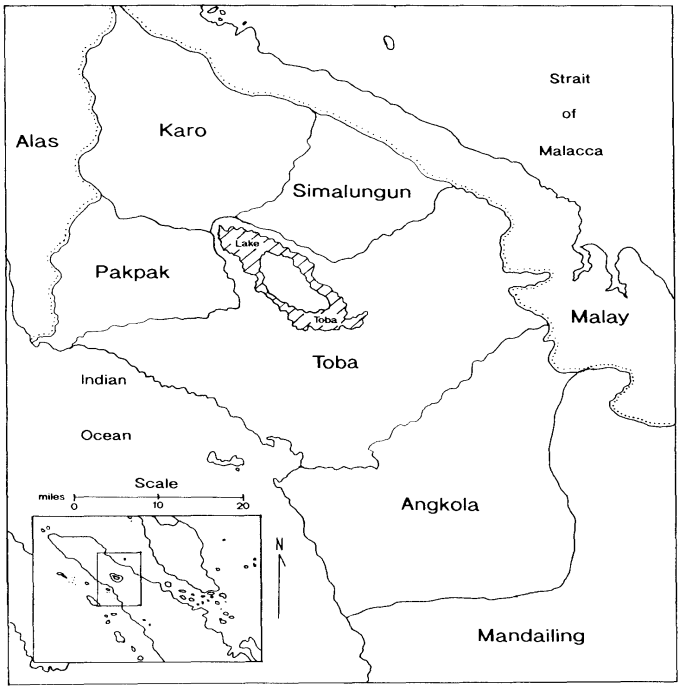
Together with Medan, Batam is the main trading site for the Batak (also see the outlook of the study, page 201ff). For a list of research sites see Appendix A on page 249ff. Most of the interviewed Batak on Batam island are greengrocers, fruit or spice traders and maintain strong relationships with their relatives in the Kabupaten Karo.

The People

The island of Sumatra is well known for its enormous diversity in ethnic groups, each equipped with its own cultural and social system. With a total population of about six million people and as the fifth largest ethnic group in Indonesia (Suryadinata, Arifin, Ananta 2003:48), the Batak are the main settlers of the Province of North Sumatra[49] and therefore play an important role for the economic development of the region. They dwell on the mountainous highland as well as on the east- and west coast of North Sumatra. Although they are mostly referred to as a homogeneous ethnic group, the Batak are

47 Chinese (6,28 %), Buginese (2,29 %), Banjarese (0,67 %) and Others (16,47 %) (Suryadinata/Arifin/Ananta 2003:147).
48 http://www.pemko-batam.go.id/ (Website Batam, 12.03.201).
49 According to Suryadinata, Arifin, Ananta (2003:14 & 50) 41,95 % of North Sumatra's population are Batak, followed by Javanese (32,62 %).

composed of six subgroups[50], each differing in their cultural customs, social (clan) systems, languages, myths, religious affiliation and so on. Map 4 shows the location of the Batak homeland within Indonesia and the particular settlement areas of the six subgroups.



Map 4: North Sumatra and Batak settlement areas.
(Source: Smith Kipp 1993:43)

There are many approaches, that attempt to explain the origin and meaning of the term 'Batak' (Andaya, L. 2002:368, Smith-Kipp 1996:27, Loeb 1935:20), but so far there is no scientific consensus. It is somehow plausible that the name was given by the Muslims as "an abusive nickname […] signifying pig-eater. The Bataks have taken up this nickname as an honorary title, thus distinguishing themselves from the Djawi, the Mohammedans, and the Malays" (Loeb 1935:20).

In order to define their own identity, a discussion about possible similarities and/or inequalities between the six groups has always existed and is still present today.[51]

50 The six Batak subgroups are the Karo- and Pakpak (or Dairi-) Batak in the north, the Toba- and Simalungun Batak in the centre and the Angkola- and Mandailing Batak in the south of North Sumatra.

51 There are numerous publications dealing with the topic. Above all Rita Smith Kipp conducted iden-

> There is a growing tendency to use the word 'Batak' to refer solely to the Toba, since many of the other groups prefer to be regarded as non-Batak and as Mandailing, Karo, Simalungun, and so on, in the ongoing process of redefinition of ethnic groups. In the nineteenth century, however, the term 'Batak' appears to have been applied to all these different groups. (Andaya, L. 2002:369)

One currently discussed possibility is to differentiate along religious or ethnic affiliations. But as Smith Kipp argues exemplary for the Karo Batak, the "identity problem" is as comprehensive as it is complicated and is not resolvable by simply drawing religious or ethnic borderlines:

> By becoming a Muslim one stopped being a Karo and became a Malay. Today, Karo Muslims are a growing minority. Furthermore history reveals the emergence of "Karo" as an identity from within a larger category, "Batak", a process that continues today as some urban Karo have begun a movement to de-Batak themselves. This movement asserts (so far, with only limited success) that the Karo are not, and never have been, Batak. A Karo Muslim association exists to reaffirm and reassure its membership that they are Karo; a letter and publication campaign asserts that the Karo are not Batak: these hint at some outlines of identity politics in contemporary Karo life, but also at historical traces of old struggles between Batak and Malay, Karo and Toba Batak, periphery and center. (Smith Kipp 1993:5)

Another approach would be to distinguish between those Batak who always and still dwell in the original homeland of the Batak – the highlands – and those who have moved to the lowlands or nearby towns like Pematangsiantar or Medan. The lowlands were originally settled by Batak, who left their home villages because they did not find enough land in the populous highlands to make a living or due to other serious reasons (Sibeth 1990:9). The development of the two different settlement areas followed different courses, "the highland Karo enjoyed a better political and economic position than the lowland Karo" and "it is also acknowledged that 'adat[52] is stronger' in the highlands" (Singarimbun 1975:11). The lowlands were predominantly occupied by the Malay[53],

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tity research among the Batak, especially among the Karo and published her findings in her book "Dissociated Identities, Ethnicity, Religion and Class in an Indonesian Society" 1993, Michigan. But there are also "non-scientific" platforms that deal with the topic, like the Karo- associated internet platform Sora Sirulo, where, at regular intervals, contributions concerning the topic are published by various authors: http://www.sorasirulo.net/ (→ "Budaya", only available in Indonesian language).

52 Adat (indo / karo): custom, tradition. See below "The mystical adat" (page 28).

53 "Marsden (1966) mentions, referring to the West Coast, that becoming a Malay was marked by three things: learning to read Arabic [...], circumcision and practising the ceremonies of the (Muslim) religion" (Smith Kipp 1993:33). The term Malay therefore does not urgently refers to people who are from real Malay descent. (Also see Nagata 1974 and compare the footnote 73 on page 39).

sometimes also referred to as "coastal Malays", who were engaged in trade and who regularly intercommunicated with the highland or hinterland Batak. Malay influence, however, "is strongly felt among the lowland Karo, particularly in music, dancing and religion" (Singarimbun 1975:11). But even though transportation and communication were much more difficult in former times than in the present, only few of the "lowland Batak" gave up their "Batak identity" and became Malay (Smith Kipp 1993:37). Even today, there exists great difference between life in the low, high and hinterlands; it is needless to conclude that a differentiation between those inhabitants makes sense. "Today going away for education is routine" (Smith Kipp 1993:4), and transportation and communication facilities are sufficiently developed to allow regular contacts between all groups. This holds true for the Karo and likewise for the Samosir Batak as Sherman concludes:

> Clans, lineages, feuds, feastings, the „peace of the market", and other institutions were never unique to the Samosir Batak. They are, indeed, comparable with institutions of other hinterland peoples, and they often make use of trappings and vocabulary associated with lowland civilizations. (Sherman 1990:5)

Many other more or less hypothetical approaches appear and are discussed regularly, sometimes on a very emotional basis. Therefore the controversy about the "true Batak identity" will certainly go on for many years to come but on the whole it will not change everyday life as a Batak author recently expressed on the internet platform Sora Sirulo:

> […] when I was born I became a member of the Ginting clan and after 10 years or so, I turned into the Simarmata clan. But for me it does not change a lot though that I say „let it be" because apart of the name nothing changes, I still eat rice, my cars did not decrease and my house was not demolished. (Darius Ginting, 03.08.2010 on Sora Sirulo)[54]

For this study it is important to keep in mind that economical behaviour may differ between the respective Batak groups due to different points of view, historical perspectives, living conditions and the like. As a consequence of the identity debate, it is ineligible to speak of "the Batak" generally with the intention to refer to a homogeneous

54 […] ketika saya terlahir dengan merga Ginting dan 10 tahun dan suatu saat nanti merga saya berubah jadi Simarmata, apakah tetap saya bilang 'BIARKAN' saja karena hal itu tidak mengubah yang lainnya di mana jenis makanan saya tetap nasi, mobil saya tidak berkurang, rumah saya tidak digusur. (Darius Ginting, 03.08.2010 on Sora Sirulo). http://sorasirulo.net/index.php?p=1_2&nid=440 (Website Sora Sirulo, 10.08.2010).

ethnic group. But speaking of "the Batak" generally, in comparison to "the Balinese" or "Javanese", should be an admissible category.

Field research mainly took place among the Karo Batak and to a less extent among Toba and Simalungun Batak. A few Batak traders belonging to other groups were interrogated, if they had their place of business in one of the research regions. Even though it was not the intention from the outset, the research is focused on Batak groups who have almost completely converted to Christianity during the colonial period; a fact that should be kept in mind for the later discussion of the "Batak dilemma" (chapter 6, page 161).

Today, the Batak in Sumatra are the main exporters of European vegetables[55], coffee, benzoin, fruits and peanuts in the region. The famous cabbage from the Karo highlands, for example, is mainly exported to Singapore and Malaysia (Pemerintah Kabupaten Karo 2005) but also to destinations all over the country. Furthermore, Indonesia is the largest potato producer in Southeast Asia with West Java and North Sumatra being the most important production areas. "Most of the potatos produced for export are grown in North Sumatra" (Pasaribu 1989, Ferrari 1994) and 90 % of all North Sumatra potatoes come from the Karo and Simalungun districts (Adiyoga/Fuglie/Suherman 2001). Potatoes are therefore one of the main commercial crops in the area.

The Mystical "Adat"

Outsiders who spend time in the Bataklands sooner or later become acquainted with the mysterious expression 'Adat', something that is always present but difficult for foreigners to comprehend. Sibeth (1990:239) circumscribes the Adat as a code of behaviour or law passed down by word of mouth from generation to generation. Dictionaries offer the translation "tradition", "custom", "convention", "good behaviour" (Heuken 1998), "traditional institutions", "civilisation", "good manners" and the term "Adat" by itself

55 Not financial but mainly political interests led the Dutch to the annexation of the Karo highlands in 1904. To draw some profits out of the region, the Dutch soon realised plantations for European vegetables which, due the moderate climate of the Karo highlands, grew extremely well. Since then the cultivation of European vegetables (especially cabbage) were, and still are, very profit-making for the region. (See also chapter two, page 48ff.)

(Hilgers-Hesse/Karow 1962). That the term is used as a translation by itself, shows its originality and how difficult it is to find an adequate translation. Schreiner (1972) gave a very elaborated and detailed analysis. According to him, the term Adat can be deduced from the Arabian word *adā,* meaning "coming back" or "returning" but also refers to circumstances that are continuously repeated or "come back" within a certain period. Further it can mean "usual stuff" or "habit" (ibid 1972:86).

To obey the Adat means to follow the "rhythm" of one's own ethnic group, the home village and nature. Breaking Adat implies an alienation with one's own traditions. Adat embraces life but also afterlife because the local believe is, that one's dead ancestors preserve and watch over the Adat, through which they are connected with their descendants (Schreiner 1972:88). One may abuse or disregard the Adat, but no one can lose or abandon it. There is no "Adat-free" time and no "Adat-free" space (ibid 1972:89). The Adat is an all-embracing system in the cosmos (ibid 1972:88), a way of living and therefore also custom, law, tradition and habit, which are the most used translations of the term.

Apart from the Adat in the primary sense, religious belief and traditional social orders constitute a strong entity. This entity has been split in the course of proselytisation, globalisation, but above all through the urbanisation and the development of the modern nation state Indonesia. Traditional religious and social beliefs of the Adat were partly replaced by Christian, Islamic or Western elements or, as true in many cases, still exist side by side with "modern ideologies". Resulting manifold and widespread conflicts and confusions, on the individual, the collective and even administrative level are foreseeable but do not lead to confusion as could be assumed. On the contrary, conscious occupation with the occasional opposite extremes lead to new creative organisation forms, which can be observed, for example at the local ethnic churches or the local commerce.

Recently, increasing efforts to record Adat rules[56] for each subgroup and in different languages can be observed, but it seems as if these publications are used only by a very

56 For example for the Karo Batak: the basic works from Singarimbun (1975 in English), Tamboen (in Indonesian 1952), Smith Kipp (diverse publications in English, 1969, 1976, 1996) and Ginting E.P. (in Karonese language, published in the 1990's) to name just a few.

small minority of people like scientists, foreigners and students within university circles. The broad population still prefer to pass on the Adat as in former times: by retelling and listening to stories, that are passed on from the older to the younger generations.

It is impossible to understand how Batak business ticks without possessing basic knowledge about the Adat. The following sections therefore explain basic Adat principles that influence everyday life and hence economic activities. Since most of the interrogated traders were Karo Batak, the following reflections are from the Karo perspective, but most of the described cultural elements and institutions also exist in the other Batak tribes with some more or less modifications.[57] It is not within the scope of this study to give a detailed description of all six Batak groups' inherent culture and customs.[58]

Merga si Lima / Sangkep si Telu

Each individual of the Karo society is part of a strong network of relationships that meticulously determines his or her position, privileges and obligations towards the others. The kinship system always and still performs "a number of socio-economic functions (Penny/Singarimbun 1967:37). Family and kinship are important but are defined in a much broader sense than we usually do in Europe. E.g. each individual can find, in some way or other, familial relationships to any other person (Meliala/Peranginangin 1978:13). The society "is structured along the lines of (real and putative) descent and alliance" (Slaats/Portier 1985:155), and basic knowledge about these social patterns are

> […] essential to an understanding of Karo society, not only in its structural / organisational aspects but also on the level of individual behaviour in daily life and in the dynamic of social processes such as formal deliberation and decision-making and the pursuit of public authority. (ibid 1985:157ff.)

57 Especially the terminology differs between the groups.

58 Indeed, there are many publications about the Adat system of the Batak. For a primary overview see the *Bibliography on the Batak Peoples* (Siagian 1966), the *Bibliography on Indonesian Peoples and Cultures* (Maretzki & Fischer 1962) or exclusively for the Karo the *Bibliography of Works on the Karo Batak of North Sumatra, Indonesia* (Kushnick 2010). Many Adat related publications link the topic to other fields of interest, e.g. the relation between Adat and judicial or religious affairs.

In the focus of social organisation stand the five different clans (*Merga si lima)*[59], each having numerous *lineages* or subclans[60]. Corporate clan meetings, specific settlement areas or clan possessions do not exist, because

> [...] Karo clans are not descent groups, they are merge aggregates of named groups, here termed subclans, which have no history of common origin and which do not regard themselves as agnatically related to one another […]. Clan mates call one another brother or sister (*senina*, same sex-sibling, *turang*, opposite-sex sibling) and treat one another socially as distant classificatory siblings. […] Their 'siblingship' is entirely a polite social fiction. (Singarimbun 1975:72)[61]

The membership to one of these non-corporate clans (*merga*) is bequeathed patrilineal, thus children are members of their father's clan. A married woman belongs to her husband's clan but maintains her mother's clan name as pointed out with the apposition *beru/br.* (woman) between her given name and the clan name.[62] Through their names each Karo "can be identified as a Karo and as a member of one of the (sub)clans" (Slaats/Portier 1985:155). According to the Adat, couples of the same clan, even though there are no genealogical ties, are not allowed to get married[63], thus the clans are exogamous. This explains, why up to this day Karo who get acquainted usually try to find out their mutual relationship first and at the same time the correct form of address. They do so by using a defined "ritual" called *ertutur*, a short verification of *merga*, lineage and the mother's clan (*bebere* or *bere-bere*). By doing so, they find out a true or putative descent or alliance according to the *sangkep si telu*[64], determining their mutual position and correct form of address. It would also be possible to address someone according to

59 Merga (karo) = clan, lima (karo/indo) = five, merga si lima = the five clans. The five Karo clans are: Karo-Karo, Ginting, Sembiring, Tarigan and Perangin-Angin. There are crucial differences in the perception of the respective merga between the different Batak groups, for details see 2002:390f.

60 The Karo Batak distinguish between 84 *lineages*. A complete list can be found at Tarigan 1978:17.

61 In a footnote Singarimbun explains that he would prefer to describe these groups as phratries if the term clan would not be well established in the ethnographic literature (Singarimbun 1975:73).

62 E.g.: Anna br. Tarigan. Means Anna, a woman deriving from the Tarigan clan. This shows, that a woman "is not entirely dissociated from her natal family or agnatic kin" (Singarimbun 1975:95).

63 Some few exceptions exist: within the Perangin-Angin and the Sembiring clan members of certain *lineages* are allowed to get married.

64 *Sangkep si telu* (karo) = "the three tigthly knit together" or "the tree complete" (Singarimbun 1975:97). Synonyms: *daliken si telu, telu sandalanen, tri tunggal, tutur si telu, rakut si telu*. The principle is compared with a tripod cooking pit: if only one leg is missing the cooking pot will fall down. (Tarigan 1978:18).

his/her age or position. But the form of address ascertained through *ertutur* is *"*almost more respectful and stronger than the use of a correct title"[65] (Tamboen 1952:69).

Apart from clan membership, age, family status (single, married, children) and the already mentioned principle s*angkep si telu* there are further significant factors determining one's position and behaviour within society:

> There was, however, one social institution that played an important role in the economic life of the Karo Batak. In common with all Batak peoples the Karo had developed a complex kinship system. The essential elements of this system are the clans (merga) and their segments and also the "women-taking" (anakberu) and "women-giving categories" (kalimbubu). (Singarimbun/Penny 1967:37)

The differentiation between "wifetakers" and "wifegivers" is part of the s*angkep si telu* (the three complete) principle, referring to "all of anyone's relatives by birty [birth] or by marriage" (Singarimbun 1975:97, also see Figure 3, page 33):

> All persons to whom any Karo is related by genealogical connections or by marriage are his kadékadé, relatives. His agnatic relatives are his sembuyak [senina] […]. The opposed category of non-agnatic relatives (including non-agnatic cognates and relatives by marriage) has no single-word designation in the Karo language. This category is divided into two reciprocal categories, anakberu and kalimbubu […], each of which is further subdivided according to whether the relationship is by birth or by marriage. (ibid 1975:97)

This network of relationships connects individuals as well as all Karo "since kinship relations are extended classificatorily" (Slaats/Portier 1985:155, Singarimbun 1975:72). It is characterised by the following three indigenous categories (adapted from Slaats/ Portier 1985:156ff):

1) *Sembuyak / Senina*, the group of the patrilineal kin, at the most inclusive level including all members of the same clan. Clan peers are regarded as "equals", being of the same line of descent.
2) *Anakberu*, the wifetakers, also called "si latih" (the workers/the runners). Being in *anakberu* position means to assume several obligations for the wifegivers.

65 (indo): „Panggilan tutur hampir lebih hormat dan kuat dari pada panggilan pangkat [...]."

3) *Kalimbubu*, the wifegivers, also referred to as "*dibata ni idah*" (the visible god/deity). Because on ceremonial occasions "they just sit at the place of honor and wait to be served by their 'wifetakers' or to be invited to present their opinion in the case of formal deliberation and decision-making" they are also called the "sitters".

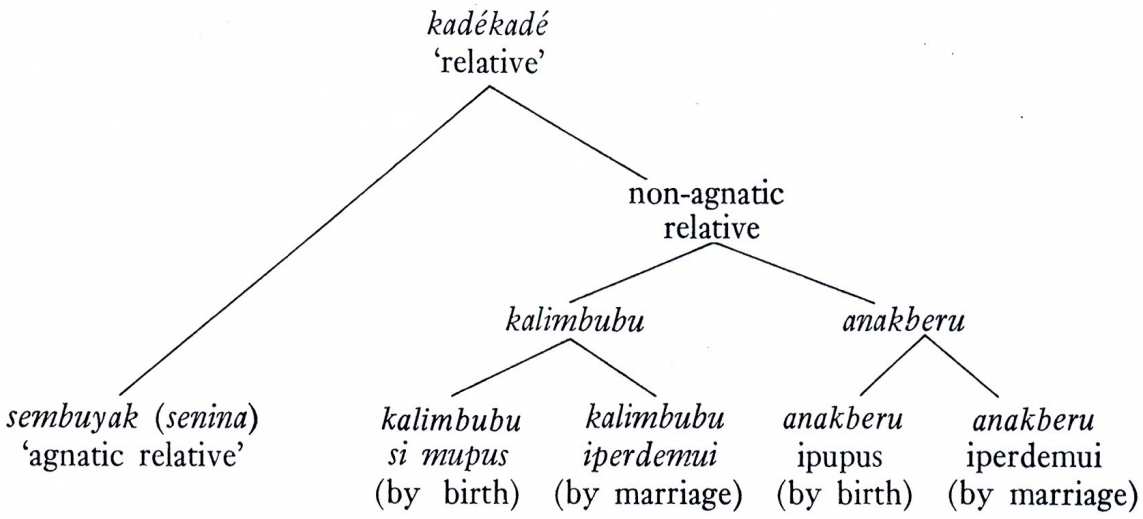


Figure 3: The structure of Batak relationships by birth and marriage. (Singarimbun 1975:97)

Generally, the *kalimbubu* is the group holding the highest social position within the system. They are to be respected by their *anakberu*, who owe them the continuation of their patriline (Slaats/Portier 1985:157). In former times, it was said that the *kalimbubu* posses mystical strengths. Today, they are mainly respected as wife and landgivers, bringing fertility, honour and power (Simon 1987:7). Until today, many Karo do not dare to communicate directly with their *kalimbubu* or to ask them for help. Being *anakberu* means to be in a lower social position. As wifetakers or bride receivers the anakberu "drew" working power from a respective other party and have to compensate this deficit by demonstrating respect and assuming manifold obligations:

> [Anakberu] 'work' for their 'wifegivers', that is, they organize ceremonial celebrations (marriage, burial, etc.), they lead the formal deliberations that are invariably held at these occasions, they take care that all participants are properly seated according to their status, they prepare and serve the meals […] they lead the several ceremonies, dig the grave, carry the corpse, etc. But they also have responsibilities in contexts other than those of a traditional, ceremonial character, for the relationship can be invoked to meet more modern needs such as financial support in case of illness, the lodging of children

> who attend school in town, assistance in getting a job, etc. These are just few examples of the sort of activities which fall within the scope of the responsibilities of the 'wifetakers'. They are, in short, in certain respects responsible for the well-being of their 'wifegivers', who can order them to see to certain tasks on certain occasions. (Slaats/Portier 1985:157)

You can be as rich as you want, if your anakberu do not seriously assume their tasks, your ceremonies will be a shame for you (Meliala/Peranginangin 1978:23). *Sembuyak* / *senina* are in a mutual equal position and do not assume specific tasks for each other.

Using these three categories enables every Karo to express his/her relationship to every other Karo. It is important to notice that the social organisation of the Karo is based on a fundamentally egalitarian principle, since the categories are not static and "everyone has all three qualities at the same time. One's position at a particular occasion is dependent on one's relationship with the other person concerned" (Slaats/Portier 1985:157). Much more has been written about the Karo clan system and its uncountable rules, exceptions and specifics (Tamboen 1952, Singarimbun 1975, Tarigan 1978, Meliala/Peranginangin 1978, Sibeth 1990, Kozok 2000); for example the still preferred cross-cousin[66] marriage that tightens and renews existing clan relationships. The affinal relations among the Karo are shown in Figure 4.

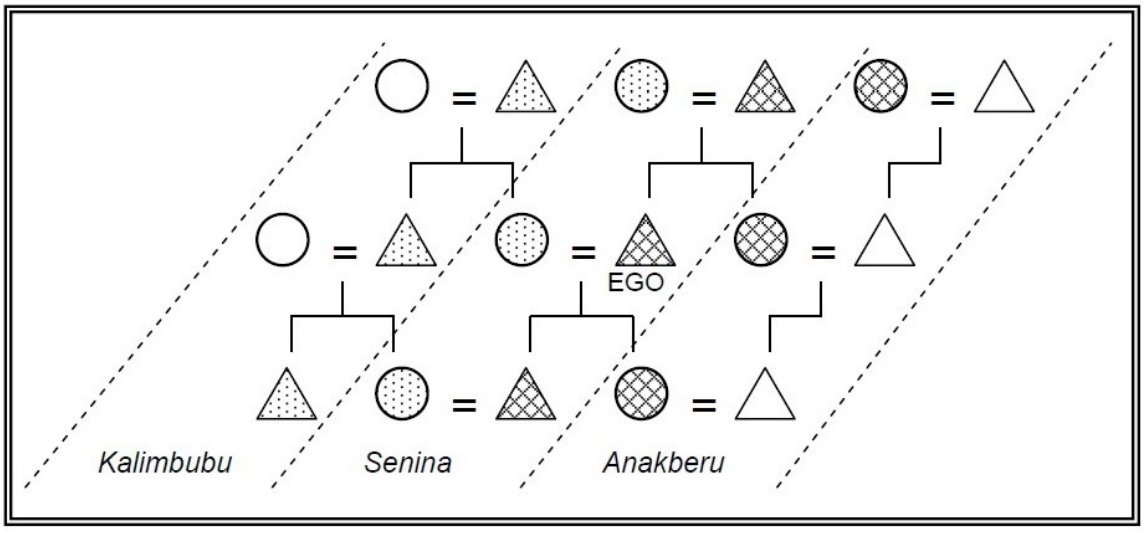


Figure 4: Ideal affinal relations among the Karo. (Source: Kushnick 2006:41)

66 The cross-cousin is the cousin from the parent's opposite-sexed sibling: depending on whether Ego is male or female his/her cross-cousin is the child of the mother's brother (male Ego) or the father's sister (female Ego).

For the study it is very important to keep in mind that the described Adat elements, the clan system *merga si lima*, *ertutur* and *sangkep si telu,* always were, and still are inherent parts of every day life and influence all economic activities and hence my own field research.

Summary

The chapter gives basic but necessary background information about the setting and the research group. The main field research took place from January to December 2007 at several distinctive places of interests: in the vibrant capital and economic business town Medan, on the geographically separated, but well developed Karo Plateau and, to minor extent, also in the Simalungun market town Pematangsiantar and on Batam Island. Some basic economic data were introduced to allow a first assessment of the field research region. The Batak, here referring to the Karo, Toba and Simalungun Batak, stand in the centre of field research. Basic knowledge about the inherent customs of the Batak (Adat) is indispensable to understand how Batak business tick and how decision making occurs.

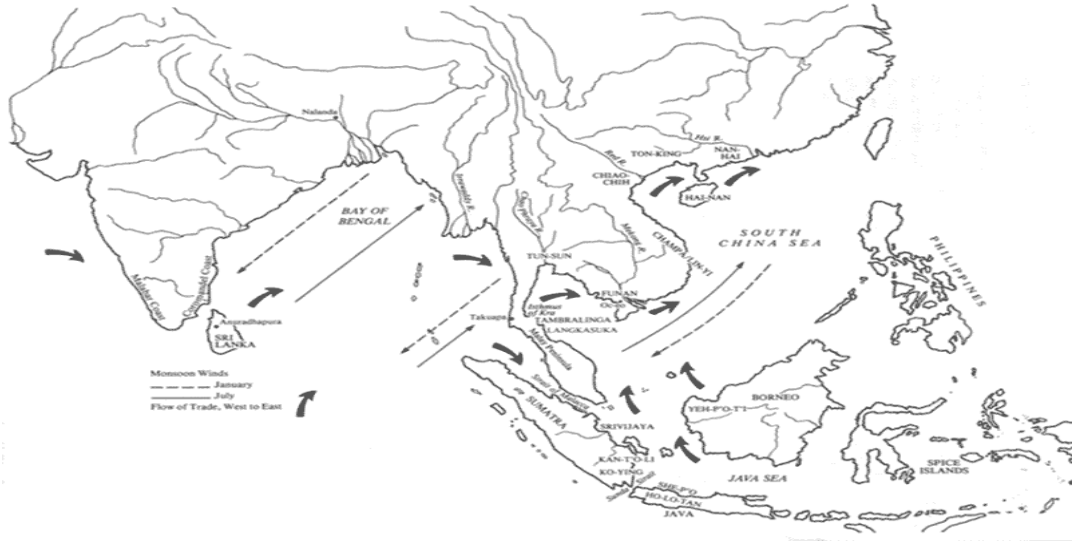
The second chapter will present basic insights on relevant historical perspectives and thereby deepen the background knowledge. The formation of multi-ethnic trading environments and the specific role of the Batak for economic activities in the past will be the focus of the following reflections.

Chapter 2: Historical Perspectives

Trade has significantly shaped Indonesian history. Both inter-island and international trade was, above all, fostered by the advantageous geographical location, it's richness in natural resources and the suitable climate. This second introductory chapter roughly provides the historical background of the study, divided in the pre-colonial, colonial and post-colonial period. The object of the chapter is to explain historically grown trading structures and trading networks that led to the contemporary existing multi-ethnic trading environment. Special attention is paid to the specific role of the Batak people.

Pre-colonial Trade and Trading Patterns

Since pre-colonial history in Southeast Asia is a huge field of research, it is not astonishing that manifold publications of researchers from all kind of disciplines exist. The publications of Villiers (1965), Wolters (1967), van Naerssen/de Iongh (1977) Miksic (1979), Hall (1985) and Reid (1993 & 2005) are only a few examples.[67] Much has been written about the early trading empires, like for example Srivijaya[68]. Contemporary studies on pre-colonial trade often deal with the role of ethnic groups and their respective trading networks, which have virtually disappeared through widespread generalisation in the process of the later on established nation states.



Map 5: Main trading routes in Southeast Asia 1st-6th century. (Source: Hall 1985:22)

67 Van Leur's "Indonesian Trade and Society, Essays in Asian Social and Economic History" (1955) is of great significance for the history of trade in Indonesia, but does not really consider the Batak.

68 Srivijaya had once been an influential (maritime) trading empire; its centre probably was situated in West Sumatra. For more details see the footnotes 80 & 81 on page 43.

But before dealing with Batak history of trade, two important remarks have to be made. First, even though there are only "few archaeological and epigraphical remains found in the Malay Peninsula and in Sumatra" the area has been of "economic importance […] during its early history" (van Naerssen 1977:28). But in contrast to pre-colonial history in general

> […] very little research has been done on the economic and administrative history and institutions of early Indonesia. The development which took place just before and after the arrival of the first European ships has admittedly received more attention from historians who had chosen the history of the colonial periods as their area of specialization. (de Iongh 1977:85)

Scientists attempted to reconstruct the pre-colonial history of trade, but there are still open questions that can only be answered by further research. Until today, almost no archaeological investigations were conducted, for example in the Karo highlands. Even though the Batak are one of the few ethnic groups who very early developed an own script, written "documents"[69] solely refer to religious or cultural affairs (Sibeth 1990:21). As a consequence, there are no authentic sources about pre-colonial trade and trading patterns concerning the field research region. Reconstructions are based on foreign documents, mainly Chinese, Indian, Arab and European reports, travelling notes and letters of early adventures and later on from colonial officers, missionaries and explorers. In the course of his essay about *Trans-Sumatran Trade and the Ethnicization of the Batak* Andaya, L. first tried to reconstruct the history of Batak trade, "based on archaeological findings, as well as nineteenth and twentieth century compilations of original tales of the various Batak marga[70]" (Andaya, L. 2002:369). He also drew "on knowledge of the better-documented neighbouring communities of the Malayu (Malay), Minangkabau, and Acehnese, as well as groups in the region confronted with similar conditions as the Batak, in order to discuss the Batak situation" (ibid 2002:369). Andaya, L.'s essay is still unique in this respect and constitutes, together with some more comprehensive works, the basis of the following paragraph.

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69 Marsden (1811:383) already described the "books" of the Batak: "Their books (and such they may with propriety be termed) are composed of the inner bark of a certain tree, cut into long slips, and folded in squares, leaving part of the wood at each extremity, to serve for outer covering. The bark, for this purpose is shaved smooth and thin, and afterwards rubbed over with rice-water."

70 Marga (Toba Batak term) = merga (Karo Batak term) = clan (engl.).

The second remark, merely a hint for a better understanding, refers to the fact that one may differentiate between two crucial impulsions, coming from opposite directions, that exerted influence on pre-colonial trading patterns in the area: namely, on the one hand, the impacts from the Arabian-Islamic World coming via the Indian Ocean from the West and, on the other hand, the impacts from the East mainly coming from China (Ptak 1999:123).

The Batak are one of few ethnic groups that were for a long time isolated and unexplored even though the Europeans were aware of their existence (Sibeth 1990:9).[71] The cliffy, unapproachable settlement areas, that were characterised by dense rainforests and insuperable rivers, made it difficult for outsiders to come in contact with the locals. But the Batak also knew how to keep undesirable visitors away. Since Nicolo di Conti, who in the course of a long business trip, stayed a year on Sumatra in 1449, first reported about an ethnic group called "Batech" practising cannibalism, many myths and partial truths have circulated. From this day on, the Batak were known as cannibals (Marsden 1811:390, Sibeth 1990:16). It is true that the Batak used cannibalism as a judicial act to penalise certain crimes, but the occurrences of such happenings should not be overestimated (Marsden 1811:391, Sibeth 1990:17).[72] Cannibalism was used as determent, effective not only for potential delinquents but also for foreigners as Andaya, L. states:

71 It is somewhat unclear who has first mentioned and described the Batak and who emphasized their liability to cannibalism. According to Loeb, there had already been a brief mention by the Greek historian Herodotus [in the 5th century BC], who "perhaps made first mention of the Bataks, calling them Padaioi, or cannibals" (Loeb 1935:20). Kipp on the other hand refers to Loeb (1935/1972) and explains that "the first European to visit Sumatra was Marco Polo in 1292", who stated that "the people of the interior still lived 'for all the world like beasts, and eat human flesh, as well as all other kind of flesh, clean or unclean' (Polo 1929)" (Kipp 1993:24). Even though there are no other hints of the "hill-peoples", Kushnick (2010) adds that this "is clearly a reference to the Batak, but unclear which group specifically" (Kushnick 2010:8). Loeb continues with a statement that it was Marsden in 1783 "who astonished the civilized world by the paradox of a cannibalistic people, who nevertheless possessed a real culture and system of writing" (Loeb 1935:20). Other scientists prefer referring to Anderson, who almost gives the same description after his voyage to the East Coast in 1823: "The prevailing race, in the interior, is the Battaks [sic!], a singular people, who, to a considerable knowledge of letters and useful arts, and a tolerable share of industry, add, rather whimsically, a taste for human flesh, being well ascertained to indulge in occasional anthropophagy" (Anderson 1840:176). In most cases, it is unclear which Batak groups are referred to. Speaking of different Batak groups with using only one term explains the existing confusion.

72 Sherman (1990:36) also reports on a certain "tension between their [the Batak people] centrality and their isolation [that is] exemplified by their reputation" as cannibalistic people. But he also mentions that "aside from a few questionable exceptions, there are no eyewitness accounts to bear out this reputation, but it certainly would not have attracted traders inland" .

> It has been suggested that lurid details of cannibalistic practices may have been provided by the Batak themselves in an effort to prevent outsiders from penetrating into their lands. From early times, therefore, cannibalism became associated with Batak identity and had the desired effect of limiting the intrusion of Europeans until the nineteenth century. (Andaya, L. 2002:367)

But this does not mean that the Batak were totally isolated. Even though most of them in pre-colonial times settled in the high and hinterlands, they always stayed in contact with the Malay[73], who dwelt on the east or west coasts. "The Batak highlands had the contradictory attributes of being close to the center of, but peripheral to, the historical geography of mercantile trade in Southeast Asia" (Sherman 1990:36). (Karo) Batak trade in the early pre-colonial area was described by Singarimbun and Penny as following:

> Trade played a small but important role in the Karo economy of the time. Salt, salt fish (luxury), opium and iron were all imported, as were some tools, pottery-ware, cloth and weapons. Karo exports were livestock and a little pepper. Trade with other areas was not, however, encouraged – strangers were not welcome in the area and there was little security even for would-be traders of Karo origin, and the foot tracks were not maintained. (Singarimbun/Penny 1967:35)

Indeed, the Batak are endued with historical and established trading connections on regional, national and even international level.[74] Findings of broken fragments of Chinese porcelain and Thai ceramics from the fourteenth century in the Karoland prove that an exchange of commodities actually took place within the highlands (Kozok 1990a:14f, Sibeth 1990:22). Highly requested commodities like, above all, pepper, spices, camphor and benzoin but also gold, horses, cattle, rattan and slaves[75] committed the Batak long before the arrival of the Europeans in the sixteenth century, to the Asian trade routes,

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73 Cribb and Brown (1995:3) explain that "the term Malay can be used to distinguish the Austronesian inhabitants of the Indonesian archipelago from other Austronesians and, of course, other groups such as the Melanesians. It also, confusingly, refers to a major ethnic group from the coasts of Sumatra and the Malay peninsula, and to their language, which became the basis of modern Indonesian." Also see footnote 53 on page 26. About the elasticity of the term "Malay" see Drakard (1990:8f).

74 The degree of involvement differed between the Batak groups. With their access to benzoin and camphor the Karo were linked to international markets while "it is impossible to say precisely how and to what degree Samosir [homeland of the Toba Batak] was linked to precolonial trade [...]" (Sherman 1990:40). Former lacking differentiation lead to controversial appraisements of Batak trade. While Andaya, L. (2002:403) concludes that the Batak "from very early times […] were incorporated into regional trade networks […] [as] major suppliers of camphor and benzoin" , Loeb (1935:24) states that "the Bataks raise crops only for their own needs, and [that] there is little or no export".

75 "Slavery was practised everywhere in Batakland, and lasted until 1914 in Samosir, when the last of the slaves were freed" (Loeb 1935:40).

among others to the South China - India trading connection (Marsden 1811:399, Miksic 1979:53, Kozok 1990a:15 / 1990c:34, Sherman 1990:37). Andaya, L. states that

> […] the camphor (*Dryobalanops aromatica Getn. f.*) and benzoin (Styrax benzoin, Dryander) trade provided the first, though indirect, evidence of Batak participation in international commerce. These forest resins were among the products in greatest demand at the major port-cities in the Straits of Melaka from the early fifth century, and in Srivijaya between the seventh and eleventh century. (Andaya, L. 2002:373f.)

Forest production was therefore of great significance for Batak pre-colonial trade. Camphor and benzoin trees[76] grow mainly in north and north-west Sumatra, thus in Batak controlled areas (Marsden 1811:149, Wolters 1969:111/124f/230f, Kozok 1990a:14, Andaya, L. 2002:374f). Marsden (1811:152) also mentions that the camphor trade was partly controlled by the Achenese who settled at the Singkel river[77] and who purchased their commodities from the Batak to dispose it to European and Chinese settlers. But in most cases the Batak acted as suppliers of hinterland goods for the coastal Malay, who predominantly appeared as traders and not as producers (Anderson, J. 1840:174, Kozok 1990c:34). In those days barter trade was still the most common trading form:

> The natives of the sea-coast exchange their benzoin, camphor and cassia […] for iron, steel, brass-wire, and salt, of which last article an hundred thousand bamboo measures are annually taken off in the bay of Tappanuli. These they barter again with the more inland inhabitants […] for the products and manufactures of the country, particularly the home-made cloth […]. (Marsden 1811:379)

The density of the pre-colonial Batak population strongly varied across the different settlement areas, depending on the position (lowland, highland, coast, margin of rice cultivation at about 1500 altitudes), the climate (dry and rainy season) and the respective soil conditions (Kozok 1990c:31/35). Agriculture was the most significant economic pursuit

76 For a detailed description about camphor and benzoin see Marsden 1811:149 or Andaya, L. 2002:372f, the latter including a map of locations of camphor and benzoin forests in northern Sumatra.

77 The Singkel (Sinkell, Singkil) river "by much the largest [river] on the western coast of the island [Sumatra], has its rise in the distant mountains of Daholi, in the territory of Achin, and at the distance of about thirty miles from the sea, receives the waters of the Sikere, at a place called Pomoko, running through a great extent of the Batta country." (Marsden 1811:366f.) A port of the same name also existed but had a lower reputation as port Barus: "Camphor from Barus could command such high prices that Batak collectors working on the right bank of the Singkel River in the sixteenth century did not sell their product at the nearby port of Singkel, but took it to the more distant port of Barus" (Miksic 1979:94).

of the Batak and "with few exceptions every Batak [was] an agriculturist, even though he [had] other occupations as well, such as smith or lumberman" (Loeb 1935:23). To get a first insight of pre-colonial life, Singarimbun gave a close description of the Karoland:

> The land the Karo Batak used for farming, livestock raising and hunting is hilly and not very fertile. Even today dry land rice yields rarely exceed one and a half tons of paddy per hectare. There are a few permanent streams, but the valleys in which they flow are narrow and deep, and it was difficult to construct irrigation works. There were no roads or navigable rivers and to get to the coast meant a difficult walk over rugged terrain. No minerals were mined except a little gold for local consumption. (Singarimbun/Penny 1967:33)

Originally, huge parts of the Bataklands were covered by primary rainforests. The outlook of the environment was dramatically changed by the population through shifting cultivation[78] among the Pakpak and intensive agricultural cultivation especially among the Toba and Karo Batak on the vast velds in the highlands and at Lake Toba. Shifting cultivation also led to shifting settlement areas among the Pakpak, while permanent settlements with nearby fields and close vegetable and fruit gardens were common among the Toba and Karo Batak. The basic staple food was rice (cultivated in flooded and in dry fields) and maize but also cassia and other vegetables (Loeb 1935:23, Kozok 1990c:33). Animal husbandry, primarily of cattle and horses, took place for private use and exports (Kozok 1990c:34). As explained in the previous chapter, the kinship systems were of great significance and performed a number of socio-economic functions:

> The cultural values of the society laid greatest stress on mutual self-help among relatives. Indeed, having many relatives was – and is – regarded as having positive economic advantage. In the prechange society one's relatives helped provide physical security. They were also of great importance for both economic and social security. (Singarimbun/Penny 1967:38)

Though production was not high, the village population was almost completely independent and could produce most of their daily needed goods by themselves (Kozok 1990c:34). Singarimbun and Penny furthermore explain that

78 Another term for shifting cultivation is slush and burn agriculture "in which an area of forest [is] cleared and burnt, cultivated for a few years and then abandoned to lie fallow while the forest renewed itself over two decades or more" (Cribb and Brown 1995:2). A detailed description also can be found at Kozok 1990:32f.

> […] prior to the arrival of the Dutch as colonial rulers in 1915 the Karo Batak had a largely self-sufficient economy. It was not completely close as some new crops had been introduced, there was some trade with the outside world, and […] some of the Karo Batak men travelled to other areas to work. But the Karo economy of that time very much resembled other tribal economies of low productivity in Indonesia, Africa and elsewhere. (Singarimbun/Penny 1967:33)

It was common that the village population specified their village production in accordance to the resources they accessed. Villages with a blacksmith who could produce daily needed items like cutleries and agricultural tools had an outstanding reputation. Gold and silver smiths were respectable persons.

Not available goods, like the highly demanded salt[79] (see photo 2), but also others like iron, gold, draperies, pearls, yarn, salted fish, petroleum, matches and porcelain, as well as locally produced goods could be purchased at the numerous markets that took place at scheduled intervals and fixed places (Marsden 1811:379f, Kozok 1990a:15 / 1990c:34, Sherman 1990:39f). Early Chinese sources allude that Sumatra had already participated in the Chinese-Indian trade in the sixth century but, as Kozok states, it is unclear whether the trading places were actually located on the island of Sumatra. Unfortunately, there is no merchandise found which could prove such trading connections (Kozok 1990a:13). Due to lacking and contradictory sources, it is impossible to define the exact beginning of international Batak trade. Andaya, L. summarises that

Photo 2: Batak salt trader around 1910. (Sibeth 1990:22)

> […] the export of benzoin to China may have begun as early as the fifth century, though some believe that it began as late as the eight or even ninth century (Katz 1998:259). The increased demand for camphor and benzoin was met by Srivijaya […]. (Andaya, L. 2002:375)

79 From Burton and Ward's (1827:498) statement that there was an "extraordinary consumption of salt amongst the Bataks" Sherman (1990:37) drew the conclusion that the need to import salt was a crucial impulsion and motivation for trade. Marsden (1811:380) even reported that salt was in use to acquit small payments. Anderson (1840:170) later on specified that the salt "carried into the interior of Sumatra" was Siamese salt, coming from Singapore. For further details also see Miksic 1979:109f.

As the case may be, the beginning of Batak international trade can be fixed in the prosperous period of Srivijaya, a powerful maritime kingdom founded in the late seventh century in South Sumatra.[80]

The growing demand and increasing value of camphor and benzoin fostered the international trading connections as well as the inner-island trade. Srivijaya could more and more expand its sphere of influence and reached its most prosperous period in the seventh century (Kozok 1990a:13). In the late eighth century, the empire had probably already succeeded in monopolizing the sale of camphor and benzoin in the region (Andaya, L. 2002:375), which at the same time meant an increasing participation of the hinterland populations, including the Batak, in trading affairs. This is because Srivijaya not only succeeded in maritime and trading affairs, but also knew how to use the great potentials of the respective hinterlands (van Naerssen 1977:30).[81]

In the course of his essay, Andaya, L. also reconstructed possible trading and transportation routes the Batak used for bringing their commodities from the hinterlands to the trading places: "The Batak most likely transferred the products to the Minangkabau[82], who then completed the journey through their own lands downriver the Malayu in Srivijaya" (Andaya, L. 2002:377)[83]. Cargo was probably carried by men via small and narrow footpaths which connected the villages with the marketplaces (Kozok 1990c:34). Even

80 Srivijaya (7th to 13th century) is just one of the early kingdoms ("mandala states") that developed in the pre-colonial period in the archipelago. These mutual independent powerful (hinduised) empires in nowadays Java, Sulawesi, Borneo and Sumatra were no strict bordered nations, but centres of power, whose sphere of influence diminished and overlapped with other empires at the peripheries (in concentric circles = mandalas). They maintained mutual loosely structured alliances based on family relationships (arranged marriages) or possible trade agreements. But they never developed to a nation state embracing the whole Indonesian archipelago as we know it from the Republic of Indonesia today (Dahm 1999:229). For more details about the inherent organisation of Srivijaya also see Kulke 1990. Srivijaya had it's centre somewhere in South Sumatra, presumably close to nowadays city of Palembang (van Naerssen 1977:31, Kozok 1990:14). Its central harbour had access to the Straits of Malacca and was a famous place for stock turnovers of draperies, jewels, ivory, elephants, silver, camphor, benzoin, spices and exotic woods for the trade between the Straits of Malacca and the Sunda Straits. Srivijaya maintained trade linkages to India and China. For more details about Srivijaya in general see, among many others: Coedès 1948, van Naerssen 1977:28f.

81 Even though mostly referred to as a maritime empire, Srivijaya's influence was also based on its land power (Hall 1985:79f). Srivijaya knew how to control their hinterland in order to access urgently needed goods like rice and other foods, but also to access valuable commodities good for exports.

82 Minangkabau (also: Padang/Minang): an ethnic group dwelling on the highlands of West Sumatra.

83 More about possible transportation routes can be found at Andaya, L. 2002:383f.

though horses were available, there is no evidence that they were used as pack-animals (Andaya, L. 2002:377).[84]

Through their participation in the camphor and benzoin trade networks the Batak also got in touch with Indian influences. The dimension of the so called "Indianization" of the indigenous population of Southeast Asia in general and to the Batak in particular, is unclear and subject to controversial discussions (Loeb 1935:20f, van Leur 1955:97ff, Villiers 1965:44f, Hall 1985:44f, McKinnon 1987:81ff, Drakard 1990:2f, Kozok 1990a:14, Kulke 1999:349f, Andaya, L. 2002:391f and many others). However, Indian influences are doubtlessly obvious in Batak culture. Batak languages and their early writing is partly based on Indian patterns, even having some Sanskrit loanwords (Villiers 1965:63, Kozok 1990a:14). Indian influences are also obvious in the Batak calculation of time, astrology and religious ideas, and, to a small extent, also on political and social structures[85] (Kozok 1990a:14). Regardless of the ongoing debate it is important to note that an intensive sea trade between India and the indigenous population of Sumatra and the Malay Peninsula was already carried on in prehistoric times (van Naerssen 1977:29). This also means that "the shaping of Indonesian culture, with its India-ward orientation, happened long after the earliest Indo-Indonesian trade" (Wolters 1967:64f.).

In the ending fourteenth century, Malacca, a trading empire situated on the west coast of the peninsular Malaysia with direct access to the Straits of Malacca and advantageous climate conditions[86] gained influence with the help of Chinese traders, who used it as a platform for stock turnovers in the growing Chinese trade.[87] The flourishing Malacca constituted a keen competition for Srivijaya, even more so since Malacca could

84 Loeb (1935:24) reports that the horses especially from the Karo highlands were famous, but that they were solely raised for sale and had never been ridden by the Bataks themselves.

85 One of the five clans (merga) of the Karo Batak is called Sembiring, literally meaning "the Black" and referring to the darker skin colour of the Tamils which is evident from the lineage names (Kozok 1990:15). The Sembiring clan slightly differs from the other Karo clans though, for example, members of certain Sembiring lineages are allowed to get married. The name of some Sembiring lineages are Pandia, Colia, Meliala, Depari, Pelawi, Berahmana, Tekang and Muham. Cola, Maleya and Palawa are names of south-Indian dynasties (Villiers 1965:59, Kozok 1990:15).

86 Malacca was famous for its safety that was guaranteed by an agreement between the local chiefs and the *orang laut* (a maritime indigenous ethnic group), who assured the security in the nearby waters (van Goor 1999:142f).

87 For a further description of the Chinese business in the highlands see chapter five (page 127ff).

strengthen its influence in the fifteenth century, while Srivijaya more and more lost its power through the aggressions from the rivalling Chola dynasty from India.[88] But

> […] it was not before the Islamization of the Malay Peninusla and the opposite coast of North Sumatra, that a new Malay maritime kingdom could take over the role of Srivijaya in about the middle of the fifteenth century. This was the sultanate of Malacca founded in about 1400 and situated on the Malay Peninsula which controlled the sea trade between the west and the east. (van Naerssen 1977:33)

With the diminishing importance of Srivijaya, the Batak had to find new market places where they could merchandise their products and in return purchase urgently needed commodities that were not available in their settlement areas. In the course of this search, the harbour towns Barus[89] (at the west coast of Sumatra) and Kota Cina[90] (at the east coast with access to the Straits of Malacca) finally gained more and more influence:

> When Srivijaya was conquered by the rival Cola [sic!] dynasty in 1025, the Batak sought other outlets for their products. The rise of Kota Cina on the east coast and the re-emergence of Barus on the west coast as ports for the export of camphor and benzoin drew the Batak towards both coasts. (Andaya, L. 2002:403)

As most harbour towns, Barus had a multi-ethnic population with a huge population of Batak people. It was situated close to the camphor forests and constituted a main trading place for the Indian, Asian and western traders (de Iongh 1977:89, Kozok 1990c:33, Sibeth 1990:21, Ptak 1998:139f, Andaya, L. 2002:379). Kota Cina on the east coast, however, was the more common trading port for the Chinese traders. In these days, trade and trading places were already shaped by a significant multi-ethnicity, bringing

88 Van Naerssen (1977:32) noted that "it was bound to happen that wars would break out between the maritime empire of Southeast Asia and the Chola kingdom in India since they were bitter rivals for the supremacy at the key positions of the international trade route between east and west."

89 Barus was first mentioned by the geographer Ptolemäus (150 AD), later it also appears in Chinese, Arabian and Portugal sources. According to Marco Polo the "Barus camphor" was of best quality and priced as high as gold (Kozok 1990:14). Also see Andaya, L.. 2002:378ff. For a detailed description of Barus see Drakard 1990.

90 Miksic (1979:249) states that "Kota Cina is the first Sumatran site which has yielded firm evidence of long-distance commercial connections with China and the western Indian Ocean as early as the twelfth century A.D.". Kozok furthermore considers that Kota Cina in the thirteenth and fourteenth century might be the capital of an empire called "Aru" or "Haru" (probably derived from the term "Karo"), first mentioned in Chinese sources in 1282. Aru exported camphor, gold, benzoin, spices, rattan, honey and slaves. During the sixteenth century Aru lost it's impacts to the arising empire of Aceh (Kozok 1990:15). For more details about "Haru" see Miksic 1979:46f. For a close description of Kota Cina see Andaya, L. 2002:378ff.

together traders from manifold countries and cultures, interacting and mutually influencing each other.[91] The outlook of the harbour towns, however, were quite similar since the population lived "in each case subdivided into quarters on the basis of the traders' origins" (Miksic 1979:28). This quarter system was later extended under colonial rule. According to Buiskool,

> […] segregation was an automatic process. In general people from the same country settled together in the same area, later on they also were obliged to live in this specific area, so segregation was spontaneous but at the same time obligatory. […] If for instance a Chinese wanted to leave his area a pass was required which he had to ask from his headman like the Chinese captain. (Buiskool 2004:3)

Before the eighth century, the Batak generally did not leave their homeland, with the only exception of the men, who according to Anderson, J.

> ...leave their wives and children on the mountains, and come down to cultivate pepper [on the East Coast of Sumatra: Ed.], returning generally once in the year for a few days, with the fruits of their industry. They resemble the Chinese a good deal in their frugal habits, and desire of collecting money. (Anderson, J. 1840:61)

This changed in the beginning of the eighth century when, according to Andaya, L. international trade became, next to personal and environmental reasons, a serious argument for Batak out-migration (Andaya, L. 2002:373).[92] More and more Batak at that time decided to leave their homelands in the interior to move to one of the two coasts. Environmental reasons include the later need and search for new cultivation land to satisfy the "growing demand for rice among the pepper growers in Sumatra and the Malay Peninsula, beginning in the fifteenth century" (ibid 2002:387 and 403). The growing of pepper [93] then became another main pillar in the portfolio of Batak exports.

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91 Apart from the preferred trade route, there are further differences between the Chinese and Indian situations. Based on van Leur (1955:81), Miksic (1979:28/42) reports that "the Chinese treaty ports were extensions of the hinterland power, in contrast to Indian ports, which were frequently separate from the political groups controlling the hinterland." How far this thesis can be applied to the port of Barus is doubtful due to the obvious participation of the Batak in the camphor trade.

92 For details about the "Expansion of the Batak world" and Batak migration, including several maps, see Andaya, L. (2002:382ff).

93 Some details about the labour-intensive cultivation of pepper among the Batak can be found at Andaya, L. (2002:388).

Islamic Impacts

Already in the seventh century, Islamic traders from India, Persia, and the South of Arabia arrived at Southeast Asia's harbour towns and dispersed the Islamic belief (Villiers 1965:258, Schumann 1999:434). But it still needed several centuries before Islam could seriously gain ground in the region, then appearing in different, partly mystical influenced forms that attracted the indigenous population (Villiers 1965:260, Schumann 1999:435). Traders, adventurers and other sea travellers spread Islamic ideas from north Sumatra, via coastal and harbour towns, to the Peninsula Malaysia and to Jawa and onwards (Villiers 1965:260, Ptak 1999:123). The first Muslim (coastal) states emerged by the end of the thirteenth century and can be regarded as the starting point for real Islamisation (Villiers 1965:258, Kozok 1990a:15). The network of Islamic trading routes then connected the eastern parts of the Indonesian archipelago with the Red Sea, the Persian Gulf and the coasts of Africa (Ptak 1999:126). The most powerful and wealthy Islamic empire, namely the empire of Aceh[94] situated in north Sumatra, reached its largest territorial expansion under the rule of sultan Iskandar Muda in the sixteenth century. Aiming at rising the acceptance of the Islamic belief, Aceh also attacked the Batak between 1539 and 1630, who refused to embrace Islam (Ricklefs 1981:30, Reid 2005:6). But it never reached the same degree of dependency as was the case of the inhabitants on the coasts, who had to pay tributes and provide forces in case of war (Kozok 1990a:15). Indeed, the Islamic or Christian belief could not gain ground among the Batak before the nineteenth century (Ricklefs 1981:30). Aceh became an important platform for trade, both for the Straits of Malacca as well as for the alternative trading route via the west-coast of Sumatra with Barus still being an important trading centre. With the arrival of the first Europeans, all “important ports of Sumatra were […] under Islamic authority [...]” (Reid 2005:6) and many new Islamic states arose (Ricklefs 1981:29).

94 For more details about the empire of Aceh between 1500-1650 see, among others, Marsden (1811:404ff) and Ricklefs (1981:29f).

Trade Colonialism – Early European Impacts

Early European trade[95] in the region can be traced back to the sixteenth century, the beginning of the so called period of "trade colonialism" (Miksic1979:53, van Goor 1999:141), which lasted until the end of the eighteenth century. The search for spices rather than territorial interests was the initial reason for the Europeans to explore the Southeast Asian archipelago. The Portuguese, superior in nautical technologies and adequately armed, were the first to arrive in 1509 and who "constituted a new trading group in the Southeast Asian maritime network" (Miksic 1979:1, van Goor 1999:145). Only two years later, in 1511, they could conquer and take over Malacca, at that time the most important harbour in the region (Miksic 1979:1, Kozok 1990a:15). An almost 200 year long lasting history followed[96], in which the Portuguese, the Dutch and the British, with different kinds and manners, struggled for the hegemony in the archipelago's trade. This period was also characterised by the extension of European conflicts overseas, mixing up political and economical interests (van Goor 1999:144). Aceh, in the beginning still a serious rival, gave in in 1632 and therewith "opened the commercial gates for the European powers" (de Iongh 1977:90). In this period, the British were the leading European force on the Sumatran coasts, while the Dutch, having their head quarter in Batavia (Jakarta) on Java, still focused on the spice trade with the Molucca Islands. Existing Dutch trade branches on Sumatra did not really succeed and hardly gained profits (Sibeth 1990:22).

All these European activities mainly took place in the coastal areas so the Batak were not directly involved. Pederson (1970:18), however, notes that the 1602 founded Dutch East India Company[97] secured a trade agreement with several Batak chiefs in 1694, but had actually only reached the fringes of Batak settlement areas in those days. Without doubt, the Batak somehow participated in the European-Asian trade. From his voyage to

95 For a comprehensive description of this period see: Meilink-Roelofsz (1962).
96 For details see (among many others): Meilink-Roelofsz 1962, Villiers 1965, de Iongh 1977:85f, Miksic 1979.
97 The Dutch East India Company = Verenigde Osstindische Compagnie (VOC) was founded in 1602 (some sources mentions 1604 as the founding year, e.g. Sibeth 1990:22) and endued with far-reaching privileges. It was taken over in 1799 by the Dutch government.

the east coast of Sumatra in 1823, Anderson, J. (1840:174) reported that Karo Batak participated in the spice trade with the English colony Malaya and that they even grew pepper for exports (also Kozok 1990b:31). But there are controversial opinions about the degree of influence the Europeans exerted on the indigenous population in general and the Batak in particular. Miksic maintains, that

> […] although new patterns of alliance did develop, and some alterations of trade routes occurred (de Iongh 1977:88), it has been argued that not until the nineteenth century did European society substantially affect Indonesian socio-political organisation. Instead the Portuguese were gradually absorbed into the Indonesian system (van Leur 1955:117, Wolters 1970:177, van der Kraan 1975:101, Meilink-Roelofsz 162:10f). (Miksic 1979:1f)

He furthermore states that long-distance trade mainly took place "under the close supervision of local rulers" and that foreigners barely had contacts with the indigenous population (Miksic 1979:17/42). Kozok (1990a:15) somehow agrees that the Europeans more or less obeyed the rules of regional trade, but at the same time argues that they had in fact influenced the Batak long before the Dutch colonised it. The import and dispersal of corn and tobacco in Southeast Asia is only one good example for the collateral European influence (ibid:31).

By the turn of the seventeenth to the eighteenth century, huge parts of Southeast Asia were still not colonised. By then, Chinese private trade was of almost higher significance for the region than the European trade (Ptak 1999:139). But the presence of the Europeans affected the Batak economy in another way: namely through the increased emergence of coins. Coins were already used in pre-colonial times when the Batak started to export products by exchange of importing necessary goods, but they were in fact not the preferred medium of exchange as Sherman points out (Sherman 1990:45f). Based on J. Anderson's (1840:188) statement that "not a dollar left the country again" it can be assumed that the Batak preferred using their coins for other purposes like gambling (Vergouwen 1964:294f) or the production of ornaments[98], which played an important role during certain Adat ceremonies (e.g. marriages). Another proof of the

98 Up to this day, newborn children in the Karo highlands normally receive a silver necklace with a Dutch Gulden pendant that should bring him/her good luck for life.

limited use of coins as a medium of exchange among the Batak can also be drawn from J. Anderson, who in 1840 reported that

> […] the greatest difficulty and discouragement to which the pepper trade had been subject, had arisen from the extreme aversion of the Batta [sic!] cultivators to receive in payment any other than dollars of Carolus the 3rd and 4th, which have a remarkably large and full bust; the Ferdinand the 7th being all small and spare. (Anderson, J. 1840:188f)

Indeed, it required a great deal of persuasive power until the Batak accepted other currencies than the mentioned dollars of Carolus (ibid:189). An increasing demand and supply of commodities produced outside Southeast Asia, furthermore, fostered the use of coins (Ptak 1999:132f). But barter trade, as could be assumed, was not directly abolished as Sherman (1990:4) concludes for the Toba Batak: "It is significant that money in Samosir did not come to be used solely in place of barter of goods for goods. It came to be substituted for a pre-existing medium of exchange – namely, rice." The use of bills and coins in fact became more and more common. Barter trade was then predominately detached by the usage of Spanish, Mexican, Chinese and Japanese coins until a monetary reform in 1908 forebode these currencies (ibid:34).

With the flourishing commerce and a steadily increasing supply and demand for commodities, Southeast Asian towns grew and with it their population. Chinese and Southeast Asian trade specialised more and more on daily needed goods, while the European trade still focused on luxurious goods. Tea and opium were added to the export lists but were later on directly exported from China. By the second part of the eighteenth century, Southeast Asia increasingly became a "transit area" for the China-India-Europe trade, conducted by British, Dutch, French and Scandinavian traders (Ptak 1999:140). At the same time, the Europeans started to invest in the development of their colonies.

Colonialism and Trade in the Nineteenth and Twentieth Century

The "real" colonial period for most of the Batak started with the takeover of the Dutch East India Company by the Dutch government in 1799 (Sibeth 1990:22). The Batak at

the time also stood in the focus of two missions[99], bringing the Christian belief into the region and challenging traditional behaviour patterns[100]. This period is much better documented than the pre-colonial time as Andaya, L. points out:

> Any systematic study of the Batak began with the arrival of European missionaries in the nineteenth century. With the penetration of the area by the Dutch colonial administration later in the century, more studies were commissioned and travel reports published in governmental and scholarly journals. The continuing presence of German and Dutch missionaries and teachers in north Sumatra has assured an ongoing literature on various aspects of Batak society, particularly its religious beliefs. (Andaya, L. 2002:369)

Unlike the previous period, the European powers started to increase their territories and to be heavily involved in local affairs. Sherman notes that among the most overt effects of colonial penetration for the Toba Batak were

> […] the cessation of feuding, the conversion of many, though not the majority, of the villagers to one or another Christian denomination, the availability and attraction of education; outmigration, the vastly increased flow of goods (both import of manufactures and export of newly introduced crops and other goods); and the adoption of cash, not only for market transactions but also for many ritual prestations. (Sherman 1990:1)

This listing has to be continued with the implementation of compulsory labour, extensive territorial claims, high taxes, economical exploitation and other restrictions.

Around 1780, the era of the big trading companies had come to an end and was displaced by other colonial interests like political and territorial claims. This change was initiated by the political development in Europe itself and led to a new constellation among the European powers overseas (van Goor 1999:155). In the course of the Napoleonic Wars, the British annexed some Dutch properties and colonial establishments,

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99 Speaking of the Batak, mission refers to the 1862 started famous Toba Batak mission, headed by the missionary L.I. Nommensen. Even though the Batak mission had a clear religious background, it was steadily accompanied by the colonial expansion of the Dutch territory (Menzel 1984:20). Political and economical reasons rather than a religious background or a famous theologian played the main role to start the mission of the northern Batak groups in 1888. The aim was to calm down the stubborn and recalcitrant Karo with the help of Christianity (Kozok 2000:Vol 1:149, Beyer 1982:21).

100 It would go far beyond the scope of this study to go into detail, but as a good example for the, at a first glance obvious, incompatibility between Christianity and Adat serves the Karonese term *dibata niidah* = "the visible God", referring to the role of the kalimbubu (Singarimbun 1975:137). Another example is the compatibility between the adat system (sangkep si telu, see page 30) and the religious maxim "Love thy neighbour as thyself". For details see among others Rae 1994 or Situmorang 2005.

which had to be given back in the course of the Treaty of London in 1814. The Anglo-Dutch Treaty of 1824 then regulated, among others, the trading rights and led to a detachment between the Dutch and the British trading territories. The latter controlled Singapore and parts of the Peninsular Malaysia, while the Dutch overtook former British establishments on Sumatra and maintained their power on Java. Due to its strategic position, its wealth in pepper and other valuable products and the proximity to the British territories, Sumatra for a long time was of great interest for the Dutch (Ricklefs 1981:131).

Until the mid-nineteenth century, the Dutch reached its goal to subdue and to obligate most of the local chiefs of the southern Batak people to the colonial power. At the same time, they could expand their territories to the north in the course of the so-called *padri wars*[101] (Ricklefs 1981:134, Sibeth 1990:23, Kozok 1990c:35). Since 1850, Dutch territorial expansion had been limited to the southern Bataklands and to the huge plantation areas on the east coast in the north. Even though political interests came to the fore, a close coherence between trade activities, economic interests and territorial expansion respectively, was nevertheless obvious (van Goor 1999:85f). Van Leur saw a decisive change in Indonesian commerce occurring during the nineteenth and twentieth centuries, resulting from the loss of the local rulers' revenues from long-distance trade (van Leur 1955:92). The coherence between colonial expansion and economic interests can also be exemplified by the huge difference in time when the diverse Batak groups made their first experiences with the Europeans. The Karo plateau was due to the geographical terrain (e.g. not suitable for plantations) of very low economic interest for the colonial powers and therefore not colonised before 1904 (Kozok 1990c:35). In contrast, the Dutch had already controlled the southern Batak regions since 1835/36, which were suitable for the cultivation of coffee. As a result, the Mandailing and Pakapak Batak had already been forced to cultivate coffee and to sell it to a fixed price to the colonial

101 The padri were a muslim-orthodox religious movement among the Minangkabau, aiming at validating muslim-orthodox laws in the society. They opposed to alcohol, tobacco, opium, cock-fighting, gambling and aspects of the local matriarchal customary law (property and land passing down from mother to daughter) of the Minangkabau. Unlike the British beforehand, the Dutch interfered in the conflict and took sides with the traditional Adat party (Ricklefs 1981:133f, Sibeth 1990:23). The padri wars took place from 1821 to 1837.

trading establishment since 1841, while the Karo still maintained their old cultivation systems (Sibeth 1990:23, Kozok 1990c:35f).

The colonial expansion from the northern part of Sumatra took place simultaneously with the extension of the huge plantations on the east coast. For the benefit of the sultan of Deli, more and more locals, particularly numerous lowland Bataks and coastal Malay, involuntarily lost their common law for their plots when the sultan started to allocate this land to the Dutch in 1871 (Kozok 1990c:35). The Batak, who always rejected to work as wage labourers (*kuli*) on the plantations, suddenly lost their livelihood and reacted with a half year lasting revolt, known as the "Batak War". Colonial soldiers and their allies defeated the revolts in 1872, "but Batak resistance was not finally crushed until 1895" (Ricklefs 1981:134). In the course of the ongoing extensions, the plantations also reached Simalungun settlement areas where similar revolts took place (Kozok 1990c:26).

The numerous foreign traders from China, India and Europe have shaped the population for many years through their presence, their interactions, but also because some of them stayed and married local women. In the course of his study about Medan's history, Buiskool describes the daily life as following:

> The city [of Medan] was characterised by multi ethnic interactions as the different population groups lived side by side. The Indonesian and European bought from the Chinese shops and the Chinese from the European importers. There was a small Indian population of whom most were working as ox drivers or keeping cows and selling milk. (Buiskool 2004:4)

Hence, trade continued to be the main impulse for the formation of the multi-ethnic population in the region. The refusal of the Batak and other locals to work as kulis on the plantations during the ongoing colonial period constituted another dynamic factor in this direction. In the course of the growing plantations, thousands of Chinese and Javanese kulis were recruited and settled in the area. Kozok states that already in 1921 44,000 kulis worked at the plantations and another 24,000 former foreign labourers stayed on after their retirement. This population increase also led to a growing demand

for food at the plantation belt on the east coast, solved by an intensification of floating rice cultivation (Kozok 1990c:35). For this reason, the Dutch provided new cultivation plots for the experienced Toba and Mandailing Batak within Simalungun settlement areas. As a result, the Simalungun in fact became an ethnic minority (1921: 42 %) within their own homeland (ibid). The ethnic composition of the population differed immensely. While the majority of the Toba Batak remained in their homeland (1930: more than 50 %), the Mandailing and Angkola Batak made up only 20 % of the population in their traditional settlement areas (Sibeth 1990:217 adapted from Langenberg 1977:106). The plantation belt around 1930 is another example of a multi-ethnic environment. According to Sibeth (1990:217), the population in that area consisted of 40 % Javanese, 25 % coastal Malay and 23 % Batak (of which 10 % were Karo). The remaining 2 % were Europeans, Chinese and Indians. The situation changed again in the Deli and Langkat regions, where up to 20 % of the population were Chinese (ibid:217).

Even though economic interests were of central importance, the colonial officers and missionaries endeavoured to ameliorate the economic situation of the locals, focussing on floating rice cultivation and animal husbandry (Kozok 1990c:36). But the most significant characteristics of colonial penetration in the Bataklands were quite likely the creation of basic economic infrastructures. For the case of the Karo Batak, Singarimbun and Penny (1967) maintain that

> […] they [the Karo] were in essentially the same economic position as many other groups the world over who lived in small, largely isolated societies. If something had not happened - in this case the coming of the Dutch - it is likely that the Karo economy would have remained largely unchanged to the present day. There was nothing in the economic dynamics of the old Karo society to suggest that economic development would occur spontaneously. (Singarimbun/Penny 1967:39)

This argumentation can be scrutinised critically and with it the controversial discussed term "colonial history"[102], also referring to the risk of overestimating colonial influences. But it will, however, stay unclear if (and if yes, to what extent) the Karo economy would have developed without colonial impacts. It cannot be dismissed, however, that the economic structures constructed during the colonial period played an important role for the

102 An overview about the discussion can be found at de Iongh (1977:85f.).

regional development and are still of great significance today; and this not only for economic activities (Kozok 1990c:36). The best example is the 81 km long connection road to Medan, which was completed in 1909. For the realisation of their objectives, the Dutch introduced enforced labour to construct a road system, bridges and even a railway connection (Sibeth 1990:23 & 217, Kozok 1990c:35). The demanded forced labourers and dues affected the locals seriously and gave them only a few opportunities to attend to their own affairs. Some laments written during the colonial period, in fact broach the issue of poverty and distress resulting from the colonial powers (Kozok 2000, Vol. 2:33, script B105:52f).

Apart from the huge plantation areas in the lowlands, the Dutch induced agricultural change also noticeable in the highlands. After the annexation of the Karo plateau in 1904, the Dutch realised a plantation project for European vegetables in 1911. Due to the moderate climate of the region, European vegetables grew and are still growing extremely good and are a main pillar of the financial development of the region. The Karo snapped the chance to develop their homeland with, for example, great investments into the transportation system. As Kozok (1990c:36) reports, there were already thousand oxen carts for transportation in 1918, amounting to 30,000 guilders. In 1917, the Karo cultivated 350 tons of potatoes and around 600,000 heads of cabbage monthly next to many other vegetables and flowers. Until today, the highland population regards cabbage as a symbol for the economic development and prosperity of the region, symbolised by a cabbage monument on a prominent place in Berastagi (see photo 3).

Photo 3: Cabbage monument in Berastagi.
(Photo: Situmorang 2007)

The cultivation of European vegetables on a grand scale with the aim to merchandise them as cash crops together with the newly constructed transportation network was slowly leading to a more market-based economy. This change can also be observed among the other Batak groups:

> Efforts of the colonial administration to expand vegetable production into the neighbouring Simalungun highlands met a less enthusiastic response [...]. Here, a need for cash was initially created though taxation. Simalungun peasants were thus more or less forced into agricultural commodity production. (Clauss 1982:55)

Apart from the already mentioned changes in the infrastructure and the agricultural sector, the Dutch colonial power, furthermore, attracted education as another field of interest. With the steadily expanding colonial territory, the need for well educated administration officers became obligated, a task, that in previous times was usually deputed to locals endued with higher positions, like village chiefs, aristocrats and other upper-class members, who had already been Christianised. To meet their needs, the colonial officers favoured the sons of these locals and enabled them to complete a higher education at qualified schools[103]; some were even allowed to study overseas (Sibeth 1990:217). But this did not count for the majority of the population, who only to a limited extent could enjoy a formal education and who depended on subsistence economy to meet their basic needs vis-a-vis to their work for money (Kozok 1990c:36). A socio-economic gap between the upper and lower classes became more and more obvious (Sibeth 1990:217).

By the beginning of the twentieth century, the Dutch managed to extend their colonial empire throughout all of the Indonesian archipelago. Although the Dutch induced fundamental changes, some of which are of great importance up to this day, it is not to be forgotten that the the colonial powers heavily exploited and dominated the local population.

103 These schools were often run by the missionaries in the field, which again shows the close relationship between the colonial powers and Christian mission.

Post-colonial Period

In the course of the second World War, the Dutch ceded their colonial claims in 1942 to the Japanese, who started to occupy the Indonesian archipelago in 1941 to ameliorate their strategic position in war and to have access to all kinds of resources. After almost 350 years of suppression by the Dutch, the Indonesian welcomed the Japanese who, as an Asian nation, managed to defeat a European power. But the Japanese dashed the hope of the Indonesians and established an even more cruel, oppressive and ruinous regime than the Dutch had ever been and that did not entail any improvement for the locals.

Indonesia declared its independence only a few days after the surrender of Japan. During the withdrawal of the Japanese, the Dutch tried to recapture their old colonies, especially the financially lucrative plantation belt, but failed due to the acrimonious opposition of the locals. The coming years were marked by the formation of an Indonesian nation state, with its political centre in Jakarta.[104] The plantations were nationalised and most Europeans were detained or had to leave the country. The Batak were now bound to the Indonesian state. Profits from the vast plantations, from resource mining and the vegetable and fruit cultivation were now claimed by big companies and the central power in Jakarta (Sibeth 1990:220). In 1969, the government launched a transmigration project that was initiated to diminish the extremely high population density on Java and to increase the prosperity among the population.[105] Transmigration led to a marginal population increase on Sumatra, endorsed the multi-ethnic mixture of the population but did not really achieve its objectives.

According to Kozok (1990:36f) contemporary Batak society is characterised by three modes of production, that exist side by side:

104 In the course of the formation of the nation state so-called "social revolutions" took place. Among other areas "violence broke out in Tapanuli (North Sumatra), where approximately three hundred people were killed in May 1946 in fighting between the Toba and Karo Bataks, an ethnic conflict which was reinforced by the strength of Christianity among the Toba and Islam among the Karo" (Ricklefs 2981:209).

105 The programme had further targets that were not communicated. The selection of the "target areas" was also influenced by security interests, economical values and political and military aspects. The government hoped to control, and protect against for instance rebellious regions with the help of the loyalty of the transmigrated Javanese.

1) **Subsistence economy**. This widespread mode of production is still of great significance for the locals and embraces the cultivation of plots as well as animal husbandry for own needs.
2) Cultivation of **Cash Crops**, mainly vegetables, fruits, coffee, cloves and other spices on the Karo and Simalungun highlands. This type of business is dependent on high fluctuation in price, supply and demand endued with incalculable risks.
3) Industrial **plantation** production of rubber, palm oil, cacao, tea and tobacco. Up to today, there are only few Batak wage labourers on the plantations, some Batak, however, hold higher positions, e.g. as foreman or inspectors.

Manufacturing plays a minor role for the Batak because, apart of some exceptions[106], the few companies that have production sites on Sumatra are located around Medan and on the coasts. As will be demonstrated later on, the scheme given by Kozok has to be completed by several mixed forms. Pure subsistence production became rare, and most Batak depend on diverse production modes. This, and the question how modern Batak business generally tick and what the determining factors are, will be the topic of the following chapters.

Summary

The previous chapter showed that North Sumatra in general and especially the settlement areas of the Batak were always, and still are, of great significance for economic life in Indonesia. This reputation is due to the huge plantation areas on the east coast but also to the fertile agricultural lands in the Simalungun and Karo highlands. To put it in Anadya's words

> […] the people who are collectively known as Batak today were historically never isolated from the developments occurring in the region. From very early times they were incorporated into regional trade and networks because they were major suppliers of camphor and benzoin – two of the most highly valued Southeast Asian commodities in the international trade from at least the eighth up to the nineteenth century (Burkill

106 One exception is the PT Indorayon, a company producing cellulose near Lake Toba and which is heavily criticised for its ecological policies. The same is true for PT Inalum, a Japanese-Indonesian corporation, mining aluminium (Kozok 1990:37).

> 1966, 1:878-9). The involvement of the Batak in international trade made them responsive to political and economic shifts that had a direct impact on their livelihood. (Andaya, L. 2002:403)

As could be shown, early international trade, the recruitment of thousands of kulis for the plantations during the colonial period, natural transmigration and, to a lower extent, also the 1969 launched transmigration project of the Indonesian government led to the vibrant multi-ethnic population which is now living in the region.

The two previous chapters provided basic information about the setting, the people and the historical background, which are necessary for understanding the scope in which the given research problems are discussed. Due to the specific reference to the Batak people it is not within the scope this essay to present a complete historical view on the development of trade in Indonesia.[107] The last paragraph about the post-colonial times is kept short in particular, because the following chapters will deal with the question of how contemporary Batak business tick and what the underlying determining factors for the present economic situation are.

107 Apart from the numerous historical essays and books dealing with the topic see, for instance, Mack 2001 for an economical view.

Chapter 3: The Organisation of Trade I
Traders and Trading Forms

This and the following chapters are primarily based on field research results and form the empirical part of the study. Apart from own results, all kind of secondary data was used to accomplish the survey. Useful theories and concepts show up and will be discussed directly at the apposite paragraphs. Details about the methods of data gathering can be found in Appendix A and Appendix B.

Attempting to detect trans-boundary trading networks, the perhaps most astonishing field research result was that despite ideal preconditions the Batak are much less integrated in the local and regional trading networks than was assumed. Some Batak trading networks, especially in the vegetable and fruit sector, do exist, but they are only of marginal significance for the local and regional markets. Hence, the following two chapters aim at exploring what actually makes Batak business tick: who trades, what are the most common traded commodities and which marketing channels and means of transportation exist in the field research region? In her analysis about trade, traders and trading on Java, Alexander stated that she had

> […] approached the markets […] from three perspectives: trade, traders and trading. Trade, treats the market as a system of material exchanges, examining the geographical distribution of market places, and the production and circulation of commodities. Traders, see the market as a social system, describing the types of traders, their careers, and the social institutions which link them into complex webs of social relationships. Trading, a perspective which is too often ignored, conceptualizes the market as a structured flow of information, showing how traders make their living by acquiring information and concealing it from others. (Alexander 1987:2)

The following chapters respond to each of the three addressed perspectives of Batak trade. Keeping in mind that the setting is different from western trading places, it is obvious that common western social and economic concepts cannot be applied to the situation in the research area. There is a need using or creating concepts that derive from the particular circumstances of the region (Alatas 1977:7). Against a western comprehension, for example, the majority of the Batak traders would not be recognized as "serious traders" on grounds of their non-western marketing concepts and their inherent business acumen (see page 171f), that differ significantly from those discerned in the West.

A Definition of Trade

Trade or commerce occurs as commercial trade, barter trade, subsistence trade or trade in securities (to name just a few forms of trade). It, furthermore, can deal with manpower, goods, services, knowledge or money. Various trade levels, trade acumens and strategies, different types of traders and the respective historical and traditional backgrounds causes further confusion.

"Trade: the exchange of goods or services for money or other goods; buying and selling."[108]

"Trade: commonly every exchange of tradeable goods, in particular the acquisition of commodities and the reselling without noteworthy changes.

[...]

Tasks: to satisfy supply and demand and to overcome the mutual regional distance; stockpiling, balancing of regional and temporal price differences[...]"[109]

These manifold functions and characteristics of trade make it difficult to find a generally admitted definition and necessitate a careful classification of the term. Within the scope of the study, trade is therefore defined as an exchange or the act to give something in exchange for something else, irrespective of the traded commodities or trading modalities. Trade is not tied to a certain place even though market and business spaces are important trading platforms that facilitate and concentrate trade actions. In the research region, for example, it is common that middlemen visit farmers in the villages to buy up the expected harvest almost directly from the fields.

Furthermore, trade is time-independent: it can take place at any time on regular or occasional basis. Basically, trade does not require special education or training so that everyone is free to trade according to his/her abilities and needs. Certainly differentiation can be done between professional and non-professional traders; there are no defined boundaries or official criteria used by the field research population. However, the "classical professional trader" purchases commodities and resells them with a certain profit margin without being involved in the production process. He primary invests time and money in the fields of abbroachement, transportation, storage, packing and reselling.

108 Oxford Advanced Learner's Dictionary of Current English, 1995.
109 Brockhaus, Volume 2, page 89.

But as mentioned before, a manifold of other varieties and types of trade and traders exist (see for example photo 4; photo 5, page 63 and photo 6, page 64). Farmers, for example, who are predominantly involved in the production process can also be defined as (occasional) traders. The act of buying commodities is replaced by the investment of money in seeds, fertilizer, pesticides, land and labour. Ultimately, farmers seasonally trade their agricultural products at the markets or to middlemen with the same purpose as other traders, namely to receive profit or something else of comparable value in exchange for their goods. Hence, trade does not only involve buying, holding and selling tradeable goods but, in a very broad definition, also embraces parts of production (the selling process), transportation, storage, packing and allocation of all kinds of commodities.

Photo 4: Wholesaler in the Karo highlands. (Photo: Flade 2009)

Trade is therefore on the one hand a simple exchange, redistribution, circulating and consumption of scattered commodities, using bartered goods, money or manpower as a medium of value measurement. But on the other hand, it should be noted that trade is

much more than only an economic activity, namely a human interaction, entailing political and social consequences:

> To trade is human. Like the ability to communicate abstract ideas, trade is one of those activities that differentiates *Homo sapiens* from the rest of the animal world. And trade is more than just a mere exchange of surplus; its social and political impact is profound binding both families, tribes and nation-states into intricate webs of human intercourse. (Dean, 1999)

Barter as the original form of trade is to a large extent replaced by modern forms of trade that commonly use a medium of exchange instead of the direct exchange of commodities. As a result, buying, selling and earning have become disconnected and independent trade components. The intervention of new exchange mediums (money, credit, options, etc.) led to the development of diverse trade forms like the common practise to trade options on agricultural products before harvest or to buy and sell on credit. The study at hand considers all types of trade and traders relevant to the question why trade does not tap the full potentials for the development and welfare of the province of North Sumatra and it's inhabitants.

Photo 5: Ambulant trader. (Photo: Flade 2009)

Different Types of Traders

Strictly speaking, every human being has to engage in economic activities to satisfy his/her primary, secondary as well as social needs (Hesse 2000:303) and, if necessary, to be able to assume responsibility for those who are no longer or not yet able to care for themselves.

"One of the most confusing aspects of the trading profession is there is no single definition of "trader". Traders come in many shapes and sizes, colours and varieties."[110]

In other words, economic matters are part and parcel of everyone's daily life. They are therefore of great significance for all human beings, may it be in the purpose to secure one's existence or the simple wish to buy some new clothes (Rössler 1999:11). But it is necessary to keep in mind that despite this very comprehensive perception of economic participation not everyone could be considered as a full time professional trader. It is necessary to differentiate between those, who more or less run a business regularly and those, who occasionally "trade" for private purposes.

Photo 6: Market vendor in Berastagi/Karo highlands. (Photo: Flade 2009)

110 Glenn Curtis, Introduction to Types of Trading, http://www.investopedia.com/articles/trading/02/081902.asp (02.02.2011).

The chief difference between both is that the latter does not trade in the classical sense of buying and reselling like a commercial trader, but rather purchase commodities in relative small quantities solely for own consumption. The used trade methods are, however, quite similar: both private and professional traders commonly haggle and bargain for good prizes, larger quantities, high qualitative products and other trade advantages. Indeed, it is not easy to differentiate at first glance between private and professional traders. In addition, those who trade in relative small quantities may purchase a selection of their goods for the purpose of reselling these on small-scale level in their villages. The use of money as a common transfer medium, the various types of traders and the lack of a distinctive clear identity marker (e.g. a certain way to dress, to communicate or to act) does not allow a spontaneous classification.

In his study about economy and society among the Samosir Batak, Sherman states that one of the major differentiating factor between the different types of traders is the degree on which they depend on their business:

> Traders, who divide their time between taking, selling, and paying for consignments of bulbs, as well as storekeepers and weekly circuit making merchandisers, who spend most of their time engaged in retail selling, differ from the bulk of the resident population in the degree to which they depend for their livelihoods on buying and selling. (Sherman 1990:161)

The grade of dependency is a useful criteria to make a primary classification of traders. Only those who make up a significant part of their living by trade are considered in the study. No further constraints are implicated by using this classification: a farmer who irregularly trades his produces to a middlemen or a market vendor is included as well as a full time professional intermediary trader. Both highly depend on the profits of their trading activities.

Using dependency as one classificatory criterion leads to a relative high number of people who are engaged in trade. To obtain a better overview, it is useful to apply another criteria, like the target group respectively the customers of the different traders. Roughly speaking, there are three different groups of traders in the field research region,

each having a distinctive target group: 1) retailers/traders who sell their commodities predominantly to end-consumers, 2) intermediary traders/middlemen who bridge producers and retailers and 3) growers/commercial peasants and farmers who occasionally trade their products to traders of all other categories.

Retailers

Retailers (see photo 7) procure their commodities either from middlemen or directly from producers as it is often the case for vegetables, fruits, bakery products or other "local specialities" like the passion fruit syrup produced in Berastagi . They predominantly sell to end-consumers with the exception of the local wholesalers, who additionally provide commodities for smaller village shops, restaurants and the tourism branch.

Photo 7: Shoe and bag retailer at Berastagi. (Photo: Flade 2009)

Table 5 (page 67) gives an overview of the different types of retailers that are found in the field research region. Each group has possible subgroups. The boundaries between the given categories are blurred and subject to all kinds of mixed forms (e.g. mobile traders on occasional level).

Table 5: Different types of retailers, characteristics and equipment

	Characteristics	**Commodities / Equipment**
Occasional Traders		
e.g. a family who runs a small village kiosk along with field work	• the principal activity is not trading • informal employment • family business • irregular opening hours • low trading margin • in addition to subsistence production / small agricultural business / other income sources	• very limited commodity stock (daily needed basic consumer goods including agricultural products like rice, vegetables, fruits and spices) • small quantities, no storage room • sparse / no special equipment • kiosk, often only a rack with commodities in front of the house
Semi-professional small-scale Traders		
e.g. teachers who run a shop in the afternoons	• part-time traders • two or more equal occupations • fixed opening / business hours • sometimes an employee run the business while the owner is away	• small sales room, kiosk or mobile equipment • sometimes small storage room
Professional Traders		
Type A Retail traders or Wholesalers	• full-time traders • professional • (several) employee(s) • fixed business hours (daily open)	• storage facilities • widely assorted range of products • large quantities
Type B Market vendors	• full-time traders • single person, sometimes assisted by family members	• fixed market stand
Type C Mobile traders	• Single person • for own account or commission • several organisation forms	• few products • storage room at home • small quantities

(Source: field research data)

In addition, several other indicators can be used for a more detailed distinction between the traders, like the types and extent of investments (time, money, manpower, land), the existing sales equipment (shelves, sales counter, fridge, freezer, storage; see photo 8, page 68) and the business organisation (employees, opening hours, stock replenishment). The professional background or personal education play a minor role for the classification. In the course of data collection, thirty-three randomly selected traders at the age of seventeen to sixty years were asked about their personal backgrounds including their educational career (table 6, page 68). Although there were nine participants who

completed their academic studies with a D3 or S1 degree[111], only one has an academic degree in economics. All the others have university degrees not pertaining to economical subjects. More details about the personal backgrounds, the motivation and preconditions to become a trader are discussed later on (see page 82ff).

Table 6: Educational background of 33 randomly selected traders[112]

Educational career	**Number of traders**
SMP / SLTP (equivalent to 10 years school education)[113]	3
SMA / SMU / STM / SMK (equivalent to 12 years school)[114]	18
D3 (equivalent to 3 years university education)[115]	4
S1 (equivalent to 5 years university education)[116]	5

(Source: field research data)

Photo 8: Typical sales equipment of an occasional village shop. (Photo: Flade 2009)

111 For explanation of the Indonesian school and university system see footnotes 113-116. For further details see http://www.anabin.de/scripts/SelectLand.asp?SuchLand=156 (16.04.2001).

112 Altogether 710 traders participated in the study, of which 201 live in the highlands. Thirty-three of the highland traders were selected for a second, extended interview. Seventeen of them are female traders and sixteen are male traders. They each run their own business in Berastagi. The traders are between seventeen and sixty years of age.

113 SMP = *Sekolah Menengah Pertama* - class 7-9 (SLTP = *Sekolah Lanjutan Tingkat Pertama* is just another term for this school level used from 1994 until 2004).

114 SMA = *Sekolah Menengah Atas*, class 10-12 (old term: SMU = *Sekolah Menengah Umum*). STM = *Sekolah Teknik Menengah* is the old term for a special type of this school level focusing on wood working, automotion, welding, electronics, mechatronics, etc. Today, the abbreviation SMK = *Sekolah Menengah Kejuruan* is applied.

115 "D" stands for an Indonesian diploma degree. D3 is the third diploma degree, which is considered to be the highest practical achievement in any skills. There also exist a D4 degree which includes relevant additional practical training. The rank is the same as S1 but a D4 includes more specific skills.

116 "S"= *Sarjana* stands for an university degree comparable to a Masters degree. The numeration is according to the degree of academic achievement with S3 being the highest academic degree (= PhD).

Intermediary Traders (Middlemen)

All of the above listed types of traders sell their commodities predominately to end-consumers. Apart of the retailer group, several types of middlemen exist. The following list of intermediary traders is adapted, modified and amended from a list presented in a study about the potato sector in the Karo highlands by Adiyoga, Fuglie and Suherman (2001:11f). According to their research, middlemen can be classified into the following categories:

1. **Local traders (also: assembly traders).** This category includes small-scale traders, itinerant vendors, petty field and rural assemblers who either reside at or travel to farms, rural markets or small local factories to purchase commodities. Their activities may encompass purchase of small lots of commodities and/or purchase of truckloads of commodities from one or more growers and producers at the same time. Furthermore, they are responsible for the sale of these commodities to wholesalers and market vendors in the rural business towns of Berastagi and Kabanjahe.

Photo 9: Intermediary traders picking up commodities at the roadside. (Photo Flade 2009)

2. **Regional traders.** These middlemen reside outside the production centres and only travel to the highlands to purchase commodities. They bring their own or rented transportation to the field to haul commodities that they have bought from rural assemblers, farmers or local producers. Sometimes, the packed commodities are placed at the roadside where the middlemen pick them up (valid for all type of intermediary trade; see photo 9, page 69 and photo 12 on page 73). Later, they ship these commodities to the wholesalers or retailers in other districts (e.g. Tanjung Balai, Pematangsiantar) or provinces (e.g. Aceh, Riau, Java).

3. **Commission agents.** These individuals negotiate with the producers on behalf of the buyers. Then they assemble the goods and ship them, usually to an exporter or urban wholesaler who pays them a commission. Commission agents have regular schedules for visiting the field and making a direct purchase from farmers or producers. Some of them make agreements with farmers/producers before harvest/production is shipped to their payers. Some have developed strong commercial ties with local growers/producers. It is common that commission agents also assemble products from their own farms.

Photo 10: Stock of merchandise (for cabbage) in the highlands. (Photo: Situmorang 2007)

4. **Exporters.** They mainly receive their commodities for shipment from commission agents, although some have direct contacts to producers/growers. A great deal of the exports are agricultural commodities. After procurement the products are sorted, graded, packed and most are transported to the Port of Belawan for shipment to Singapore or Malaysia. Most of the exporters live in Medan. According to the Trade Office in Kabanjahe, there are six registered exporters or export companies that operate directly in the highlands (table 7).

Table 7: List of exporters and their commodities in Karo Regency

Firm Name	Owner	Location	Commodities	Destination
UD Rohaya Tani	Karo	Berastagi	Cabbage / Potatoes (seed potatoes, e.g. "Granola")	Malaysia, Singapore, (Jakarta)
UD Makmur Jaya	---	Berastagi	Cabbage / Potatoes	Malaysia, Singapore
PT Malindo Sumatra (Wijaya)	China	Berastagi	Cabbage / Potatoes	Malaysia, Singapore, Penang
PT Putra Agro Sejati	China	Gurusinga	Cabbage / Potatoes / Carrots	Japan, Taiwan
PT Logas	China	Berastagi	Cabbage / Potatoes / Tomatoes Labu[117]	Malaysia, Singapore
PT Selektani	Dutch	Berastagi	Potato / Flower Seeds	Singapore, Netherlands

(Source: Adapted from the Government of Karo (2006:39) and supplemented with field research data.)

5. **Agents.** This type of middlemen are hired and work on account of a company mostly as full time traders. They exclusively distribute the products of the company they work for, predominantly a small range of specific goods like bakery products, clothes, food or beverages. The company generally provides agents with a car or a motorbike (see photo 11, page 72). Agents usually have a regular schedule for visiting their customers.

117 Labu (ind) = Pumpkin.

Photo 11: A group of mobile agents (working for the Indofood company) resting at a coffee shop in Berastagi. (Photo: Mende 2007)

The preciously defined types of middlemen exist for all kinds of commodities. There are three more types of traders who could belong to either the retailer or to the intermediary trader group, depending on their business focus:

1. **Rural wholesalers in the highlands.** These are merchants residing in Berastagi who receive shipments of agricultural commodities from growers, assembly traders, and other shippers. They sell these products on a wholesale basis to regional traders, and mainly to wholesalers in Medan. But most of these wholesalers also serve normal end-consumers who buy small quantities for private use.
2. **Urban wholesalers in Medan.** These are merchants residing at the Medan Market centre who mainly receive bulk from wholesalers in Berastagi. They have permanent stalls in the market centre and sell their agricultural commodities to retail merchants and secondary wholesalers in other smaller urban markets. Most of the products they handle are sold on a wholesale basis, but as true for the rural wholesalers they also serve end-consumers.
3. **Ambulant Traders** predominantly trade on their own account as full or part time traders. They offer a very limited variety of commodities in small, transportable

quantities to both private consumers and retailers. They often obtain their commodities in Medan and resell them in the highlands. The mixture of their bargain depends on the availability of good and cheap commodities. Sometimes, ambulant traders just offer a single commodity (like sunglasses, paintings, clocks), sometimes they have a wider range of goods. Mostly, they make use of transportation means like a motorbike, bike, hand barrow or a pushcart. Only few own a car. Many travel to the highlands via public transportation and offer their commodities by walking from door to door, shop to shop, carrying their goods in a big sling bag.

Photo 12: Cabbage, ready for picking up. (Photo: Flade 2009)

Most of the intermediary traders are mobile, they possess or are provided with adequate transportation means, which is a significant advantage. The availability of an own means of transportation plays an important role and is still not common, for example, among the majority of the commercial farmers, who therefore depend heavily on the public transportation system or on middlemen. But Sherman proposes that “there are definite limits on the degree of exploitation of the villagers by traders” because some of the producers “do bypassing the village middlemen, just as some traders on occasion go to

the city markets by bus with their loads of bulbs" (1990:168). This is first of all true for goods of higher value, like coffee or spices. The sold quantities are relatively small and easy to transport by public bus which would be impossible for tangerine or corn growers. Transportation, however, is a critical factor for all of the growers, which, in result, strengthens the position of the middlemen. As outsiders, furthermore, the growers from the highlands fear the risk of bargaining at the local markets. Comprehensive knowledge about the current market prices, supply and demand developments and basic knowledge about the present economic conditions are indispensable to persist on the open markets. This is perhaps the biggest advantage the middlemen have, who, due to their daily work, have direct access to this knowledge.

Commercial Peasants & Farmers

According to the last agricultural census in 2003, almost 71 % of all households in the Karo highlands are agricultural households gaining their income from agricultural production (BPS 2007:151). As the government states this means that "not less than 75 % of the population" depend on the agricultural sector (Government of Karo Regency 2006:6). Furthermore, not to be dismissed is the fact that in a possible trading network the producers stand at the very beginning of a relatively long market chain. For these two reasons, it is impossible to exclude the huge group of the commercial peasants and farmers (see photo 13, page 77) even though they do not conform to the "rule" that traders buy and resell commodities without noteworthy changes.

Although an elaborated differentiation of farmers and their respective development potentials for the region would go far beyond the scope of the study, it should be noted that several terms related to farmers and trade exist that require further explanations. Generally, subsistence farmers, small-scale farmers or poor farmers are called peasants and are distinguished from farmers who predominantly and on large scale cultivate their land for commercial purposes. In his study about the transition from subsistence to commercial family farming in North Sumatra, Penny (1964:1f) states that „in much of the world most men are farmers and most farmers are peasants. Peasant agriculture is not

highly productive: it does not produce the surplus necessary for the creation of industrial, urban societies." But it is also wrong to assume that peasant societies predominantly consist of subsistence peasants who according to Waters (2007:2) „grow what they eat, build their own houses, and live without regularly making purchases in the marketplace." Penny therefore further distinguishes between the different attitudes to economic change that peasant farmers have:

> A subsistence-minded farmer is one who is unable or unwilling to make a direct contribution to agricultural development. An economic-minded farmer is defined as one who wishes to increase his real income, is confident that, by actively seeking out the development opportunities that exist, he is able to do so, and had learned how to exploit these opportunities. (Penny 1964:10)

Penny (1964:10) also acknowledges that the boundaries between subsistence-minded and economic-minded farmers are blurred and that "some farmers are in an intermediate position". Even though still existent, the mere subsistence production or "subsistence-minded farmers" are rare among the Batak. A great majority of the 75 % Batak working in the agricultural sector in the Karo highlands are peasants or small-scale farmers cultivating relative small plots of their own or rented land. Many hardly manage to generate enough income for their own subsistence and most of them are reliant on additional incomes generated either by a side job or through the help of family members working as employed farm workers or having a job in other branches like the trading sector. The most common and widespread form of agricultural production is indeed a mixture of both forms Penny mentioned. According to Sherman (1990:121), "few [are] limiting themselves to cash crops, and very few grow only for consumption." The vast majority of the farmers cultivate their fields with cash crops for commercial purposes, but almost all of them grow small quantities of daily needed agricultural products in addition for private consumptions or for private livestock husbandry.

"Throughout Karoland the farmers think and act like commercial farmers."[118]

118 Singarimbun/Penny (1967:43).

Against this background, “peasant producers” (Penny 1964:4) or “commercial farmers” (Singarimbun/Penny 1967:43) can be characterised as farmers who cultivate agricultural products for the purpose to sell them with an adequate benefit. Planting decisions are made in regard to the demand and supply on the local marketplaces and neglect private needs.

Since farmers principal activity is not trading, they can be classified as occasional traders who seasonally sell a certain quantity of agricultural commodities to the local markets or middlemen. In comparison with other trading forms, commercial farming is highly fraught with risk. The amount and quality of agricultural products are vulnerable to a great number of exogenous factors like contrary weather, vermin, natural disasters[119] and tight markets (oversupply).

Furthermore, commercial farmers have to sell their agricultural commodities under a certain time pressure to prevent quality losses when storing. It is therefore common among farmers to sell options on the output before harvest takes place which brings about more security for the farmers on the one hand, but on the other hand also lower trading margins.[120] This strategy is popular among small-scale farmers who live faraway from the central marketplaces and who do not access or possess own transportation means.

Apart from the minority of influential big farmers who own huge plots of land and cultivate agricultural products on large scale, most of the producers possess limited negotiating leverage when selling their products. This derives mainly from lack of knowledge, not existing interest organisations or associations, and the degree of dependency on the successful sale. In the course of his study about the local

119 Natural disasters could be a flood, tsunamis, earthquakes but also a volcanic eruption as could be recently observed in the Karo highlands, when in August 2010 the Mount Sinabun erupted again for the first time since 1600. For several weeks, many farmers could not take care of their fields and most of them faced the loss of a complete harvest which means 1/3 of their yearly income.

120 Due to highly fluctuating prices it is almost impossible to estimate the effective value of a harvest before selling it at the market. Mostly the farmer experience profit losses. But it is also imaginable, that a farmer fetch a higher price than the effective market price at the day of harvest.

infrastructure and the transportation system in the Karo highlands, Bulmer discovered that

> Producers have no responsibility for their produce beyond the farm gate; they do not influence transportation, distribution, or marketing. They have not formed co-operatives with the authority or knowledge to influence, or control these factors. Their sole ambition is, as individuals, to sell to small traders at the farm gate. The traders then control transportation, distribution and marketing, as traditional, small, unsophisticated family based businesses. (Bulmer 2007:4f.)

Intermediary traders operating in the highlands are therefore in the fortunate position to profit from both: the transportation and the later sale of the commodities (Bulmer 2007:5). Furthermore, they benefit from the weak position of the disorganised agricultural producers. This is one of the most influential factors that explain why the Batak controlled trans-boundary trading networks hardly exist.

Only those farmers who live close to the marketplaces, who own or have access to a cheap transportation vehicle or who sell commodities that are transportable by public transport are in a much better position because they can bargain directly with market vendors or regional middlemen on the central marketplaces.

Photo 13: Commercial farmer, sorting potatoes for sale. (Photo: Flade 2009)

Case Study I: Pak Asnah, a gardener and small-scale peasant farmer[121]

Pak Asnah is 65 years old and lives in a small wooden house in Peceren, a suburb of Berastagi. He was born in the trading town Tanjung Balai, the home city of the Tapanuli Batak and belongs to the Manurung clan. He is married and has six grown-up children of which four still live at home. Like many other Bataks, Pak Asnah is not able to solely make his living through the income of his job as a gardener for a local church and is therefore forced to seek side jobs. Pak Asnah obtains additional income through private garden maintenance, and since November 2006 he has access to a plot of 611 m² land to cultivate agricultural products for selling.

Pak Asnah cultivates carrots, daun sop[122], tomatoes, spring onions and sayur manis[123] for commercial purposes and occasionally sweet potatoes and some fruit for private use. His son can feed fifteen rabbits (that are kept to be sold) with all the remaining vegetables that Pak Asnah cannot sell. Pak Asnah has a good chance of being exempt from paying a rent for the land he uses. He predominantly utilises self-made compost instead of artificial fertilisers and considers the crop rotation principle to upgrade the soil quality. Together with his family, he manages to cultivate the land and to market the harvest without any paid employee. His expenditures are therefore limited to the purchase of 12 kg fertilisers and 10 kg poultry dung per month and some few necessary pesticides. Table 8 (page 80) presents an overview about the four main agricultural products Pak Asnah grows according to his own declaration.

When the day of harvest comes closer, Pak Asnah visits the local vegetable market in Berastagi in the early morning hours to ascertain the effective demand and supply of his products. Most of his vegetables are sold directly to local market vendors on the daily central market and not to wholesalers or agents who ship truckloads of commodities to

121 The case study about Pak Asnah is based on two interviews. The first interview was conducted and recorded on the 13th November 2007, the second one took place almost one year later on the 4th of December 2008. I will thank Pak Asnah for his willingness and patience to answer all questions and Annette and Stephan Flade for their kind assistance with the second interview.

122 Daun sop (indo) = literally: "soup leaves" is a celery like vegetable used for cooking

123 Sayur manis (indo) = literally "sweet vegetables" is a popular sweet green-leaved vegetable used for all kind of dishes.

Medan. He rarely sells parts of his output to an agent who retrieves the vegetables directly from the field. Pak Asnah is acquainted with two or three market vendors, who value his high qualitative products and who offer him good and fair prices. If due to oversupply, the conditions are disadvantageous, and if still possible, Pak Asnah postpones the day of harvest. But if the conditions are favourable, he directly signalises his intention to deliver his products the same day in the afternoon. In the case of a delivery promise, Pak Asnah directly returns to his field and starts to harvest, clean and bundle his vegetables. With the help of a simple wheel barrow, he transports his commodities to the market which is located approximately one kilometre away from his field. More often than not, he is forced to cover the distance several times to transport all sold goods to the market place.

Photo 14: Pak Asnah in front of his field in Berastagi. (Photo: Flade 2008)

Pak Asnah obtains a monthly estimated average income of 109,200 Rp from his agricultural cultivation. This makes up to approximately 12,7 % of his total income as shown in table 9 on page 81.

Table 8: Balance sheet Pak Asnah[124]

Product	**Output / harvest**	**Harvest / year**	**Price**[125] **/ kg**	**Profit / year**[126]		
				Cautious[127]	**Average**[128]	**Optimistic**[129]
Carrots	200-250 kg (Ø 225 kg)	3-4	2.000 Rp	675 kg 1.350.000 Rp	787,5 kg 1.575.000 Rp	900 kg 1.800.000 Rp
Daun Sop (vegetable for soups)	15-20 kg (Ø 17,5 kg)	3-4	3.000 Rp	52,5 kg 157.500 Rp	61,25 kg 183.750 Rp	70 kg 210.000 Rp
Spring Onions	30 kg	3-4	8.000 Rp	90 kg (720.000 Rp)	105 kg (840.000 Rp)	120 kg (960.000 Rp)
Sayur Manis (kind of vegetable)	80 kg	3-4	2.000 Rp	240 kg (480.000 Rp)	280 kg (560.000 Rp)	320 kg (640.000 Rp)
Receipts in Rp per Year				2.707.500 Rp	3.158.750 Rp	3.610.000 Rp
Deductions [130]						
Fertiliser (subsidised)	12 kg / month = 144 kg / year 1 kg = 4.500 Rp = 648.000 Rp			- 648.000 Rp	- 648.000 Rp	- 648.000 Rp
Poultry dung	120 bags / year à 15 kg 1 bag = 10.000 Rp = 1.200.000 Rp			- 1.200.000 Rp	- 1.200.000 Rp	- 1.200.000 Rp
Profits after deductions in Rp						
Per year				859.500 Rp	1.310.750 Rp	1.762.000 Rp
Per harvest				286.500 Rp	374.500 Rp	440.500 Rp
Ø per month (statistical value)				71.625 Rp	≈ 109.200 Rp	≈ 146.800 Rp

(Source: field research data)

124 Pak Asnah cultivates a field of 611 m². There are no additional costs for rent, security or transportation. Pak Asnah grows the field with his own and his familys' manpower.
125 Prices are given in Indonesian Rupiah. 2007: Average exchange rate: 1 € = 12.508 RP. (www.oanda.com currency converter, 14.04.2011).
126 Profits are calculated on the average output / harvest if given.
127 Cautious = 3 harvests / year.
128 Average = 3,5 harvests / year.
129 Optimistic = 4 harvests / year.
130 Not including costs for pesticides.

Two important entries are not considered in the above presented balance sheet: possible expenses for pesticides and for the purchase of new seeds. The expenditures for pesticides are difficult to calculate because of the irregular use. But in comparison to the other entries, the expenses for pesticides seem to be minimal. Most of the seeds needed, Pak Asnah can produce by himself, the rest is available at the local markets for a low price. Since the field of Pak Asnah is close to his other working places, he has no additional travelling expenses.

Table 9: Monthly Income Pak Asnah October 2006 - October 2008.

Occupation	***Per month / Indonesian Rupiah***
Job as gardener for church	*150,000 Rp*
Private garden maintenance	*600,000 Rp*[131]
Own cultivation of agricultural products	*≈ 109,200 Rp*[132]
Total	***≈ 859,200 Rp***

(Source: field research data)

Pak Asnah is aware of and thankful for the fortunate circumstances under which he can cultivate his land. Since his contract from the church was not renewed in November 2008, his work on the field became much more significant for him and his family. Due to this typical "mixed financing" of his living expenses and the growing significance of agriculture small-scale production, Pak Asnah stands exemplary for many other Batak living in the highlands. Vegetables and fruits from small-scale producers are preferred for local consumption because they are of higher quality and better in taste than agricultural commodities that are grown in large quantities and with the aid of a huge amount of pesticides and fertilizers on a wholesale level. Even though most small-scale producers without own land have additional expenses for rent, protection, travelling costs, fencing, transportation and so on, the production of small amounts of high quality products is wide spread and still profitable.

131 The 600.000 Rp include a contribution to the travelling expenses to and from work. It should be noted that the income level is quite high in comparison to the normal wage level in the region, all the more because in case of emergency all medical expenses are additionally covered by the employer.

132 On the basis of 3,5 harvest per year (average profit).

How to become a Trader

The major purpose of the following section is to provide authentic information about the preconditions to become a trader in the field research region, the motivations people have to start a business and administrative and other barriers and constraints that may occur. It is primarily based on extended interviews with thirty-three randomly selected traders operating in the highlands who additionally to the standard questionnaire were asked about their educational and personal backgrounds, their way of living and their opinions about the present economic situation (detailed information about the survey and a list of respondents is attached in Appendix B, page 252ff). Only traders who carried on an own business or who invested own capital in, for instance, a family business, were chosen to take part in this additional interrogation.[133] Those who work as employees were not considered. It is common among "trading families"[134] that younger family members are integrated into their parents' business after graduating from school which explains the relative huge proportion of traders in the age of twenty to twenty-nine years.[135] Sixteen of the thirty-three respondents are male and seventeen female traders.

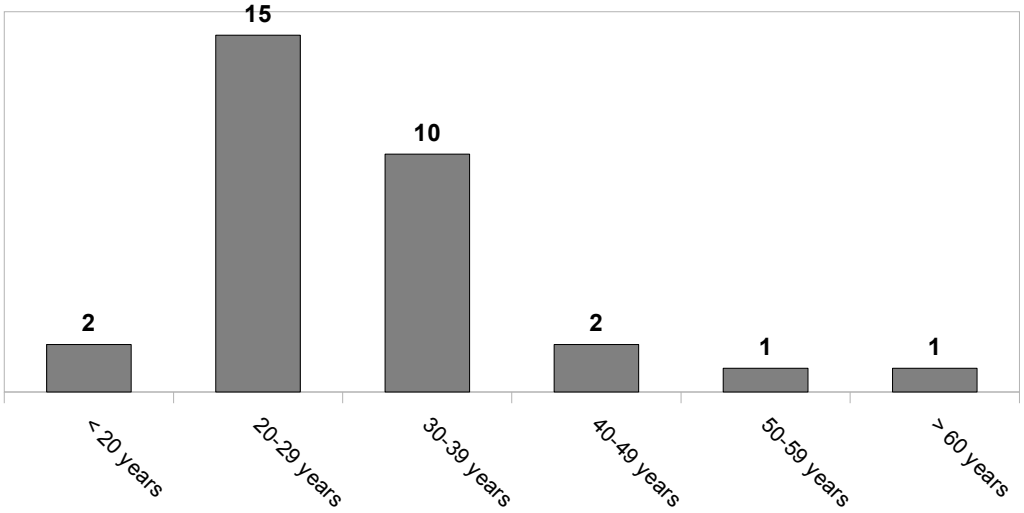

Figure 5: Age distribution of 33 randomly selected traders (not specified:2). (Source: field research data)

133 The interviews took place in Berastagi and Kabanjahe in August / September 2007.
134 For a definition of the term 'trading family' compare footnote 145 on page 88.
135 At the same time, the willingness to answer my question was significantly higher among the younger than among the older traders. This might be explained by a natural inhibition. Some older traders even sent their younger followers ahead, maybe to prevent language problems or because they felt precarious with the uncommon situation of a direct recorded interview.

Even though 75 % of the population depend on agriculture, it would be wrong to assume that all of them are peasants or farmers. Some of them also earn their living by trading agricultural products, others have side jobs within the trading sector without any connection to agricultural affairs. Due to lacking definitions, non-transparent regulations and sporadic controls (for instance of trading licences), it is impossible to give either a real number of people depending on trading affairs or an absolute number of traders. Estimations about how many people actually earn their living expenses through trade and more specifically through small-scale trading at the market places or on village level also do not exist. Even the market officers who are, among others, responsible for the renting of the market stalls could not state a clear number of market traders operating on the traditional markets. Almost daily changes at the fringe areas of the market places and high fluctuations in the trading sector make it impossible and senseless to list all traders or to prepare detailed market plans.

Motivations, Expectations and Alternatives of Trade

The most obvious reason to become a trader is to obtain income, either to increase the families' means or to become independent. But it is also possible to earn money in the agricultural sector or with a job as an employed labourer. The question therefore is, why do so many people chose to take their chance in the extreme insecure trading sector? Would it not be easier and more calculable to cultivate a plot of land somewhere in the highlands? Would it not be much more comfortable to become a civil servant, who in addition to a safe job, at least also receives a small pension after retirement? Would it not be more risk-free to work as an employed worker on the fields or at a shop in town? What are the vantages of the trading sector that seem to be of high attractiveness? And why do especially so many young people and women wish to become traders?

I became a trader because I wanted to obtain fast income to cover my living expenses.[136]

136 "[...] alasan berdagang supaya cepat dapat menghasilkan uang dan dapat memenuhi kebutuhan sehari-hari lah." (Elita br. Tarigan, 35-year-old trader in Berastagi, 15.08.2007).

To answer these questions, it is necessary to consider the existing possibilities for (young) job seekers, for example in the highlands. Day labourers in the agricultural sector or employees in the service and trading sector receive small wages on daily, weekly or monthly basis. Income margins are limited to the bounty of an employer, holidays are not paid and normally no extra allowances are granted in the case of illness or other family matters. In most cases, a contract of employment regulating the duties and rights of an employee does not exist. Wages are often paid in cash and later on deposit at a bank account by the employee. It is almost impossible to cover the living expenses of a family with the salary of a single employee. Other family members are therefore forced to generate additional income as well.

"I started to trade because I wished to make a contribution to my family's needs. Farming alone is not sufficient"[137]

The highlands are characterised by a flourishing and extended agricultural sector and it is not surprising that huge parts of the inhabitants work as farmers or in related professions. The so called 'conventional inputs' to start an agricultural business are land, labour and capital. Furthermore, it is indispensable to possess basic knowledge in agricultural matters. Those who do not own or cannot afford to acquire own land have to rent an appropriate field and are faced with additional costs. Cultivating a plot of land means to invest money in seeds, fertilizer, pesticides, if necessary also in fencing and protecting the plot without receiving profits for at least one complete cultivation period. Furthermore, a careful observation of the demand and supply of the local markets is important to prevent profit losses caused by an oversupply or inappropriate calculation. Physical hard work, the important time factor, an incalculable remaining risk and the circumstance that the invested capital cannot directly be transferred into profits are significant distinctive features to the trading sector. This partly explains why, although the Karo highlands are well known for their fruitful soils and their wide range of vegetables and fruits, the agricultural sector is of minor attractiveness and only the second choice for job hunters.

137 "Asal mula saya berdagang ingin memenuhi kebutuhan keluarga karena kalau bertani saya tidak sanggup."(Markus Ginting, 24-year-old trader in Kabanjahe, 18.09.2007).

"I do not possess the required expertise to become a civil servant, so I had to become a trader!"[138]

Many Indonesians dream of becoming a "PNS" (pegawai negeri sipil – civil servant)[139] although this dream seldom becomes true. Those who seek for a PNS position directly after graduating from school have to try to find a fee based "beginner job" in one of the civil service departments that are in a need of additional employees. The departments pay (sometimes very irregular) a small fee of 100,000 -300,000 Rp[140] per month and hand out recommendation letters. Only in a few cases are trainees directly accepted as PNS after an uncertain period of time they have worked at the office. Commonly applicants have to pass one of the one-day public testing organised by the central government. These tests are open to Indonesian citizens of all educational backgrounds who are between 18 and 35 years old and they are conducted at numerous places all over Indonesia whenever positions are available. To follow one of the tests an applicant generally has to hand in a complete application consisting of a legalised school diploma including detailed results, an ID picture, a certificate of good conduct, a health certificate and, if available, the above mentioned recommendation letter. These requirements may change according to the announced position. Each applicant has to pass a written exam and is interviewed by the testing committee. The tests have the reputation to be very challenging and the applicants have to prove that they have a good educational background. Usually, the number of successful applicants is determined beforehand (e.g. 50 out of 1000 applicants are accepted); applicants with a positive recommendation letter are preferred in the selection process.

Most of the interviewed traders appraise their own educational level (compare table 6, page 68) as not sufficient to become a civil servant. Accepted PNS have a perpetual, assured job and receive a monthly pension after retirement. PNS on higher positions

138 "Keahlian nggak ada, jadi pegawai nggak bisa haruslah dagang." (Erni br. Munthe, 29-year-old trader in Berastagi, 23.08.2007).

139 According to the local statistic office, there were 6642 PNS working in the Karo highlands in 2006 (official amount of population for that year: 316.207). BPS 2006:35f & 47.

140 The average exchange rates for the time period from 2007 (field research) up today are: 2007: 1 € ≈ 12.508 Indonesian Rupiah (IR), 2008: 1 € ≈ 14,139 IR, 2009: 1 € ≈ 14,426 IR, 2010: 1 € ≈ 12,034 IR. Source: www.oanda.com (14.12.2010).

additionally access separate allowances in the case of illness, a staff car or official residence. But the bulk of PNS receive wages below or comparable to the income of a successful trader. As true for many other employees in Indonesia, PNS often develop secondary income sources to increase their budgets.

"There are no regulations how to become a trader. If we have a place for trading and capital, we start to trade. Initially there are no regulations."[141]

To become a trader is a good alternative to other occupations (see table 10 , page 87). In summary positive aspects that make it obviously easy to decide for trading are:

- the possibility to obtain high profit margins (in comparison to low wages as an employee and insecure profits as a farmer)
- no formal educational / formal knowledge requirements (as have to be proven to become a civil servant)
- comparatively physically easy work (in comparison to the agricultural sector)
- the possibility to organise one's business suitable to the available capital and resources
- the possibility to fit the risk according to one's own readiness
- short or non existent waiting periods for initial investments and
- a broad range of business types and (flexible) business organisation forms.

"To become a trader, you have to possess a certain knowledge about trade and economy because what we traders need are profits! (...) You have to be ready to develop your own business. There are no regulations or preconditions to become a trader, you only have to want it, you have to be diligent and (...) you have to appraise the existing circumstances."[142]

141 "Syaratnya sih nggak ada kita harus punya tempat terus kalau kita rasa cocok lokasinya kita ada modal kita jalankan nggak ada syarat-syarat utamalah." (Meydina Waty br. Sembiring, 33-year-old trader in Berastagi, 25.09.2007).

142 "Menjadi seorang pedagang itu ya harus mengerti seluk beluk masalah perdagangan terutama ekonomi ya kalo kita pedagang itu kan pada umumnya kita membutuhkan keuntungan kan gitu itulah seorang pedagang. Dan kita harus bisa mengembangkan usaha kita, persyaratan menjadi seorang pedagang tidak ada cuman kemauan, dan kita harus orang yang tekun dan kita harus tau dagang apa yang bisa kita perdagangkan karena kita harus melihat tempat situasi dan kondisinya." (Dra Yatni Spd br. Silalahi, 60-year-old trader in Berastagi, 15.08.2007).

Table 10: Occupation alternatives in the highlands

	Inputs	Advantages	Disadvantages
Employment (any sector)	• labour • (knowledge)	• no risk of capital losses • regular & foreseeable wages • regulated working times • limited responsibility • time for other occupations[143]	• no extra allowances[144] • (often) no formal contract • low wages, low income margins • few possibilities for personal enhancement • (often) forced to have a side-job • no retirement pension
Agriculture (freelancer)	• labour • land • capital • knowledge	• self-employment • own decision making • open profit income and wage rates • flexible working hours • exchange of knowledge	• physical hard work • prone to external factors like common and uncommon natural disasters, vermins, oversupply, etc. • long waiting periods • limited number of harvests per year (depending on planted goods, soil and working conditions) • full responsibility • high risk of failing (financial and social losses) • little time for side-jobs • no retirement pension
Civil Servant (Pegawai Negri Sipil PNS)	• Labour • knowledge (education)	• regulated income • fixed working hours • extra allowances • retirement pension • physically easy work • time for other occupations	• bounded to the Indonesian nation state (loyalty) • difficult testings
Trading Sector (excluding employment)	• labour • location • capital • knowledge	• Self-employment • own decision making • open profit income and wage rates • short waiting periods • physically easy work • suitable for women with children • flexible working hours • limited regulations	• high risk of failing (financial and social losses) • full responsibility • no regulated / foreseeable income • no retirement pension

(Source: field research data)

143 As an employee or civil servant, you normally have enough time to have another job, to act as a small-scale farmer or to own a small business to obtain additional income. Whether such a side-occupation is necessary or not depends on the respective financial situation.

144 There are certainly some employers who pay adequate wages, who attach importance to a formal contract of employment, who grant extra allowances and have moderate solutions for holiday times and illness. But in most cases the above describes characteristics fit to employee.

The crucial factor when opening a business is the amount of available funds. Money is necessary to rent or buy a strategic place and to provide enough commodities. The willingness to work hard and disciplined, the ability to be friendly and cooperative towards clients and the readiness to develop the business continuously are significant conditions to persist in a market environment that is characterised by strong competition and high fluctuation. Astonishingly, only a few traders mentioned that the ability to analyse markets and to perform a trading strategy is of great importance as well. It is obvious, that traders who know how to present their commodities in an attractive and adequate manner and who have an eye for the latest trends, good quality and adequate prices can be more successful in obtaining profits and increasing their capital for further business developments.

Career Patterns

Traders deriving from 'trading families[145] who possess inherent knowledge, expertise and strong family bonds are widespread among the Batak. At the explicit request of their parents, teenagers and young adults from these families start to work early in the family's business for the purpose to continue it after their parents' retirement. Sometimes, trading families even confer the management of a smaller branch or a business section to their children or other close family members for the further development of their business. Traders belonging to trading families generally face no severe problems to acquire the necessary capital and often rely on the advice and full support of many experienced traders in their family. In the case of the presented sub study, indeed 28 of the 33 interviewed traders stated that they know family members who are engaged in trade. But only nine of them declared that they derive from trading families and therefore could collect useful experiences before they launched their own

145 The reader should bear in mind that the "family concept" used among the Batak is quite different from what Europeans understand as "family". If a Batak speaks of his family, he embraces a huge circle of persons, sometimes even the whole clan as well as the clan of his spouse. The term "trading family" refers to families in which the huge majority are engaged in trade and not only a few family members. As true for the below presented sub study, traders referred to their family as a trading family when the complete core family is engaged in trade, that means their parents, aunts, uncles, grandparents and siblings.

shops or continued their parents' business. Five traders explained that they are the first person within their families who are engaged in trade.

Traders who launch a complete new business after a vocational training or upon graduation in an economic aligned study programme are rare. The only person who holds an university degree in economics among the interrogated traders derives from a trading family which certainly influences his career aspirations (compare the following case study). Economist or graduates of economic trainings and schools more often make their career as civil servants in economic departments, at financial institutes or at large private (international) companies or enterprises instead of managing their own business.

Case Study II[146]: Cafler Manik: a 50year old Toba Batak shoe and bag retailer

Cafler Manik owns a fixed market stall at the Berastagi central market area and belongs to the successful and established traders with a good reputation. His parents and many other family members are or were also traders. Manik is married and a father of five children, all still living at home. He is a full time trader, gaining his income completely from his business without any side-jobs or the necessity to work in the fields. In an extended interview he described his career and profession today.

Unlike many other children deriving from trading families, Manik was free to decide about his future after school. Although he graduated in engineering, he gave up his old job to become a trader when his parents signalized their wish for retirement. Even though Manik accessed basic knowledge about trade from his parents, he decided to complete his economic studies before he took over the family business in 1986 at the age of twenty-six. Provided with a well-established market stall, sufficient capital, comprehensive formal education, insider knowledge, first work experiences, as well as a careful organized take over from his parents, Manik did not face any problems in the beginning of his life as a trader. He had good luck, as he says so himself, not only

146 The interview took place the 25.09.2007 in Berastagi and was replenished with data in 2010.

because the preconditions were perfect but also because most traders, especially those who tried to start a business after the crisis in the 1990's, faced serious difficulties to gain ground on the markets. Apart of capital, a good trading place and knowledge, Manik states that the most challenging problems in the trading sector are the increasing competition on the markets and the outstanding variety of commodities. It has become more and more difficult to keep up quality standards and to decide which commodities are of interest for the consumers. It is therefore indispensable to be authentic, credible, reliable, honest and disciplined to become a successful and serious trader. It is necessary to show good behaviour towards friends, consumers and trading partners and it must be self-evident to take payment obligation seriously and to assume responsibility for employees and their families. Relationships to other traders are important since traders help each other and exchange significant knowledge.

Traders who start from scratch without specific knowledge or trading experiences form the biggest group in the highlands. Most of them have worked in other professions beforehand but lost their jobs or for manifold reasons were discontent with the working conditions. For these people trading is a realistic and fast possibility to obtain new income, sometimes also the last chance to escape from unemployment. Statements like "I started to trade because I lost my old job and did not find another possibility to work" are common especially among older persons who seldom find a job as day labourers on the fields. Many of these traders have friends or some relatives who are more or less engaged in trade and who encouraged them to put their plans into action. In the case of the sub study, twenty-eight of the thirty-three interviewed traders mentioned a close friend or relative who runs a business.

"To be a trader means to obtain income without sweating!"[147]

Against the background of their previous working experiences, numerous respondents explained that it is more comfortable and easier to gain a living with trading than in

147 "[...] berdagang ini kita nggak perlu keras keringat untuk mencari makan." (Adi Sitepu, 21-year-old trader in Kabanjahe, 23.08.2007).

other professions. Johnny Sembiring, a 37-year-old trader in Berastagi explains, among other reasons, that "in the private trading sector you can increase your money faster than for instance a civil servant could do it".[148] And with regard to agricultural work, Bakti Karo-Karo states: "Instead of going to the fields, it is better to trade, even more because I do not own a field".[149] Low wages, especially in the service sector, are another widespread crucial factor why many people decide to change their profession. Tiara br. Pasaribu, a 53-year-old former dressmaker, for instance, who now deals with garments explains her career choice as follows:

> When I was a young woman, I worked as a dressmaker and I only managed to finish two pieces of clothing per day. And for one garment you only received 50.000 Rp, altogether 100.000 Rp per day. Then, I started to participate in my parents business, selling clothes. With a single customer I can earn 100.000 Rp, that means I can earn much more per day. When I still sewed garments, I had to tax my brain and I always was tired. As a trader I am less tired and can earn much more money than before.[150]

And the example of Bangkit Barus, a 34-year-old graduate of a sanitary - medical related D3 programme, shows that even the health sector is concerned:

> First I was an agent then I opened a small kiosk in Berastagi and now I am selling clothes. Before, I sold cosmetics. I became a trader because I was tired of working in a private hospital. At hospitals wages are small and I decided to become a salesman. From that date on I could develop further. Now I own two shops.[151]

The common spirit among these career changers is that one only needs capital, a good place to trade and a bit of luck to be better off than before. High profits are not assured

148 "Di sektor wiraswasta di perdagangan ini lebih cepat peningkatannya ketimbang pegawai negri misalnya." (Johnny Sembiring, 37-year-old male trader in Berastagi, 08.08.2007).

149 "Daripada ke ladang bagusan berdagang, apalagi ladang tidak ada." (Bakti Karo-Karo, 25-year-old male trader in Kabanjahe, 30.08.2007).

150 "Alasan saya dulu saya waktu masih gadis saya seorang tukang jahit dan cuma dua pakaian yang bisa saya selesaikan dalam satu hari dan pada saat itu upah tukang jahit cuma 50 ribu satu potong kain dan pendapatannya hanya 100 ribu dan saya ikut dengan orang tua saya menjual pakaian, 1 orang belanja sudah dapat saya 100 ribu dalam satu hari berarti banyak saya dapat sedangkan kalau tukang jahit saya harus memeras otak, capek semua, semuanya dalam menjual kain berdagang saya tidak berapa capek tapi pendapatan saya banyak." (Tiara br. Pasaribu, 53-year-old female trader in Berastagi, 25.09.2007).

151 "[...] Bermula dari sales, siap dari sales baru buka kios di berastagi ini baru menjual pakaian jadi sama dulu pertama kosmetik [...] Karena udah bosan dulu kerja dirumah sakit jadi karna rumah sakit swasta gajinya hanya pas-pasan dan coba menjadi salesmen rupanya dari situ berhasil sampai membuat kios dan ahirnya kios saya menjadi dua." (Bangkit Barus, 34-year-old male trader in Berastagi, 22.08.2007).

but at least possible and the circumstance to work for one's own account is highly requested. Alpran Ginting, a 25-year-old trader from Berastagi aptly sums it up:

> It [to become a trader] depends on the important factors capital and willingness. We start from scratch with the aid of a bank credit, that allows us to circulate our resources. In my opinion, it is not difficult [to become a trader] if you really want it. [152]

This widespread optimism is contradictory to the commonly argued viewpoint that it is difficult to become a successful trader. Twenty-four of the thirty-three respondents stated that there are numerous problems and difficulties on the way to an own lucrative business.

"*We start modestly from scratch and little by little develop ...*"[153]

The disproportional high number of traders and the resulting strong competition, especially among the newcomers, make it difficult to persist on the highly dynamic market places. Even small profits require suitable initial capital that is more and more difficult to acquire because bank credits are commonly only granted to applicants with sufficient collaterals and innovative business concepts. In addition, credits are often connected with tight repayment assignations and various other obligations. Newcomers are often forced to offer products of low quality or to constrain their assortment to few products due to limited funds. This also may affect established traders who more and more face the difficulty to sell high-quality products to adequate prices.[154]

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152 "[...] itu [menjadi seorang pedagang] tergantung kemauan dan modal itu yang penting, kita mulai dari nol dan dibantu juga oleh kredit dari bank dan dari situ kita putar modalnya (...), menurut saya nggak susah asal ada kemauan pasti bisa." (Alpran Ginting, 25-year-old male trader in Berastagi, 30.08.2007).

153 "Kita meniti disitu dari bawah ya dengan cara sederhana kemudian lambat laun menjadi bertambah [...]" (Yatni Spd br. Silalahi, a 60-year-old female trader in Berastagi, 15.08.2007).

154 In this context Cafler Manik (see page 89f) mentioned that the growing amount of traders has also the potential to negatively effect established traders since more and more customers prefer, for instance, to buy cheap bags and shoes from small-scale traders instead of saving money for high-quality products. Established traders who normally offer a mixed assortment of commodities (varying in qualities and prices) face serious profit losses because they only can sell few of their high-quality products and simultaneously face a growing competition.

Interchanges between the different sectors also play a significant role for the trading sector. Since the economic crisis in the end of 1997 reached Indonesia, the markets did not completely recover their former economic power. A decline in sales, prices and earnings can be observed especially in the agricultural sector that affects all other sectors as well (stagnant supply of commodities, declining purchasing power).

Furthermore, it is important to know that the Indonesian government abolished all governmental subsidies for fuels (BBM)[155] in May 2008 to avert further crises. This caused a price increase of 33 % for petrol, 27 % for diesel and 25 % for lamp oil.[156] Farmers and entrepreneurs moaned about transportation costs that exceeded the expected net earnings by far. Hence cabbage and other agricultural products much more often than before molded on the fields instead of being transported to the markets. Growers without own means of transportation, who in addition to the fuel costs also have to pay a transportation fee, feared about their economic existence. In regard to the global finance crisis and the election year 2009, the Government reduced the retail prices for BBM again but the overall situation hardly changed. The failures in the agricultural sector affects all branches because the declining profits of the farmers who form the majority of the people dwelling in the highlands also led to a significant decline of the purchasing power. This, in turn, results in an even stronger competition among the traders.

Women as Traders[157]

Women of all social backgrounds play a significant role in trade, and it is almost impossible to imagine a contemporary market or business area in the region without female traders. Batak women participate in all trading sectors and they sell all kinds of commodities from jewellery to clothes, household articles, knives, gardening tools,

155 Fuels for private use are commonly called BBM (Bahan Bakar Minyak) in Indonesia.
156 http://botschaft-indonesien.de/de/nachrichten/2008/Mai/260508=Treibstoffpreise.htm (Website Embassy of the Republic Indonesia, 17.02.2009).
157 380 of all interrogated traders (N=710) were female traders. For a detailed list see Appendix A, page 217f.

vegetables, fruits and so on. They are not restricted to employed work since many of them run own market stalls or shops, sometimes together with their husbands.

Even though there are contradictory viewpoints in regard to the question, if and to what extent a division of labour between men and women did and does exist among the Batak or not, it can be maintained that neither agricultural work nor trade are exclusive male domains. In 1913, Middendorp reported that "women of the division of Samosir[158] do not work on the land as in Silindung, in Toba and in the Karolands. They do the cooking and almost all women weave *ulos* [blessing shawls]" (Middendorp 1913:34). Ulos, needed for all ceremonial occasions among all Batak groups, always were and are up today very high-valued goods, produced predominately for the trans-Sumatran trade or even for exports (Sherman 1990:35). However, in the course of (male) wage migration, increased cultivation of cash crops and the ongoing technical progresses (e.g. modern looms), women were forced to take on a more significant role in preparing the fields and plantings as well as in the marketing and management of the family's resources (ibid 1900:30).

"My personal situation made me become a trader.
In earlier times, I worked at a bank, but because my child is still small, I became a trader to increase my family's income."[159]

Nowadays, a considerable high number of women work in the commercial agricultural sector or as traders. It turned out that trading is a suitable occupation for women especially with children, the smallest sleeping or playing in the market stall or on the marketplace. Female civil servants, school teachers, bank employees or other officers are normally not allowed to bring their children to work. In many cases, children of this working group spend their days among other family members, often their grandparents or siblings with own small children. Those who have no one close by have to organise a

158 Samosir island is located in Lake Toba and generally belongs to the Toba Batak settlement area.

159 "[...] situasi membuat saya menjadi pedagang kalo dulunya si saya memang bekerja di bank cuma karna anak saya masih kecil [...] jadi untuk sementara karna orang ini masih kecil saya menjadi berdagang sebagai penambah penghasilan keluarga." (Hesthi br. Sinuraya, a 36-year-old female trader in Berastagi, 21.08.2007).

babysitter or need to terminate their job and career. Especially woman of very small children often decide to stay at home because the additional costs for formula milk do not seldom reach or exceed the real income. Fridges do not belong to the common house equipment so that only few, if they are in possession of a breast pump, can pump and store their breast milk. But female traders can bring their children almost everywhere. The youngest are carried in baby slings, sleep in simple, mobile cradles and are nursed whenever necessary. Women on market places normally stand together. When problems with the children arise, there are always other women ready to watch over the market stall or to assist with the kids. Female traders with children are common in the public market areas, but can also be observed from time to time in the shops at the main road. Female retailers with fixed sales rooms sometimes have a side room or a small corner for the kids / the baby cradle.

Photo 16: Female traders selling agricultural tools and knives. A baby is sleeping in the cradle behind the second trader (see arrow), Berastagi market. (Photo: Flade 2009)

Photo 15: Female fruit trader at work (rasping coconuts) while carrying her sleeping baby in a fabric baby sling, Berastagi market. (Photo: Flade 2009)

As true for many other countries in the world, it is observable also among the Batak that, due to multiple responsibilities, Batak women generally have to work more and harder

than men, who always have the time for a rest in one of the numerous coffee shops. Apart from drinking coffee, they talk to other men, read the latest newspapers, watch TV or gamble. In the end of the 1960's Singarimbun acknowledges that

> [...] it must be admitted that the women were encouraged, indeed required, to work harder than the men. Men were responsible for local defence, they did the hunting, opened up new land, and looked after the livestock while the women did all the agricultural and household work. (Singarimbun, 1967:39)

The situation has not changed even though men rarely go hunting nowadays. In his publication about the Batak at Lake Toba, Sherman noticed in 1990 that it is indeed "significant that men who are traders depend in large part on their wives, who not only help load and lead packhorses […] on market mornings but also return to tend their children and crops, usual, for the rest of the day (Sherman 1990:169). Now, twenty years later, numerous women not only assume the responsibility for the household and the children but in addition also run an own business or participate in a family business.

Formal Process to open a Business

A formal, generally accepted process to open a business in Indonesia does not exist. Requirements and regulations may differ from province to province and even from kabupaten to kabupaten. In the highlands, there seem to be no formal requirements, regulations or preconditions to open a small-scale business. Small trading units on the markets or at villages without a "public name" have no official contributions to make and business registration is not controlled. Market fees (market taxes and garbage fees) are collected daily or weekly from the market officers who out the market stalls.[160]

Those who plan to launch a business of bigger size with a registered business name and an official identification marker have to announce their plans by dint of a special blank

160 Certainly, there are requirements and regulations somewhere noted, but according to the local trade office in Kabanjahe it is impossible to control the huge bulk of traders in the highlands. There are too many, sometimes daily, changes that destroy every effort to achieve a well-regulated and established trading environment. My impression was that the trading office concentrates on middle and large-scale trade, including trans-regional trade, exports and foreign companies.

(Tanda Daftar Perusahan = TDP) and need to apply for a business licence (Surat Izin Usaha Perdagangan = SIUP) at the local Office for Industry and Trade (Kantor Wilayah Departemen Perindustrian dan Perdagangan). Additionally, they have to obtain a licences to open a business at a certain place (Izin Tempat Usaha) from the local government (Pemerintah Daerah). According to the type and size of business, several identification markers are available, each tied to a certain set of regulations and requirements. The most popular are the 'PT' (Perusahaan terbatas = limited company) or 'UD' (Usaha Dagang)[161] for larger, trans-regional companies including exporters and foreign controlled enterprises, the 'CV' (Perusahaan Persekutuan Komanditer) for limited partnerships and the 'PO' (Perorangan) for smaller, individual business forms. Furthermore, other less frequent business forms exist like several types of co-operations.

Photo 17: Furniture dealer - usaha at the Jalan Veteran/Berastagi. Fixed shops are registered and possess a trading licence, Berastagi. (Photo: Situmorang 2007)

While big enterprises often bear their business status in the title (e.g. 'PT Logas'), smaller companies often do not mention it on their company label. As a rough rule, it can be said that 'fixed' shops at the main business roads generally own a business

161 Sometimes also named PD (Perusahan dagang).

licences and are registered at the local office while “flexible” small-scale shops at the public markets normally are not registered and in most cases do not possess a trading licence. Even though existent, statistics referring to trade and traders are incomplete and only of limited significance. Statistical data is only available for few sectors or divisions of trade as is portrayed in the following table that gives an overview of all registered companies in the end of 2007 in the highlands.

Table 11: Registered companies in the highlands in 2007.

Type of Company	**Registered in 2007**
PT	61
CV	178
Cooperation	68
PO	2.984
Total	**3.291**

(Source: Bidang Perdagangan Dinas Perindagtamben Kabupaten Karo, December 2007)

Photo 18: The central market in Berastagi is a mixed market: all kinds of fruits, vegetables, spices and meat are available as well as clothes, draperies, household goods and all kinds of services. (Photo: Situmorang 2007)

Trade Associations and Interest Groups

Trade associations, organisations or interest groups may help single traders to strengthen their trading position, to increase their negotiating power, to provide knowledge and to build strong local / regional networks. But an organised traders' association or at least informal meetings of (small-scale) traders neither exist on local (e.g. village) nor on regional (e.g. Karo highlands) level.

Most of the traders have more or less regular connections with some other traders close to their business area or in the circle of their friends and relatives. From the 710 interviewed traders, more than 81 % agreed to the hypothesis that traders often meet informally and talk to each other. Only 12,4 % stated that they do not have the time for such exchanges or that they are not interested in continuous meetings. There are some types of informal trading cooperation, for example between the shoe retailers who mutually help each other with commodities in demand. But there are no superior cooperations, organisations or groups working together on a grand scale.

Trade Beneath the Level of the Marketplace[162]

Parts of the previously described trading habits of small scale or petty traders[163] resemble a lot what Evers and Mehmet (1994) describe as "informal trade" or trade in the "informal sector".[164] Trading without valid licences, with a small range of commodities, with limited expertises or perceptions about basic concepts of trade (like income, cost

162 The title is adapted from Waters' publication (2007).

163 According to Evers (1994b:68) "petty traders can be found in almost any peasant society, though in varying numbers and or varying importance. Their main characteristic is that they deal in extremely small quantities of goods in any one time; their cash turnover may be high but their capital outlay is always low."

164 The differentiation between a formal and informal employment sector was originally proposed by Hart (1973) [and] quickly legitimized by the International Labour Office (ILO). The informal sector "remains small-scale economic activities on own account, sometimes single-handed, sometimes with the help of family members or friends. Trade is predominant, but also included is handicrafts, small industrial production, services of the most diverse nature, and peasant agriculture" (Evers/Mehmet 1994:3). Due to insufficient employment in the formal sector, Indonesia has a large informal sector. "The Indonesian Department of Statistics defines the informal sector in the country as self-employed plus family workers" (ibid 1994:3).

and profit calculations) mostly carried out single-handedly, but sometimes also with the help of friends or family members, can be subsumed as trade in the informal sector. Lacking formal requirements and missed by governmental controls make it relatively easy to enter this mode of self-employment in the hope to gain some income (Evers/Mehmet 1994:1f).

Since work in the informal sector exists side by side with employment in the formal sector, it is sometimes titled as "shadow economy […] because one of its major characteristics remains the lack of information on its dynamics as well as its economic and social organization, its labour absorption and capital stock" (ibid 1994:2). Traders in the informal sector have to live with high risks and uncertainty whereat

> […] risk [… is] defined as the probability of a new petty trader achieving sustainability, i.e. emerging as a profitable entrepreneur growing to permanence, eventually formalizing his enterprise by recruiting paid workers and obtaining the necessary business permits from relevant authorities. (Evers/Mehmet 1994:1)

An occupation in the informal sector means hard and long working days for low wages in the majority of cases. The probability to fail is high due to lacking knowledge about basic principles of trade and extremely high competition among the high number of petty traders. An easy entry into the sector may be followed by a quick exit. "Subsistence Trade"[165] is just another term used to describe trade beyond the market level. At first glance, the term is misleading. In comparison with concepts like "subsistence farming" or "subsistence economy", the attribute "subsistence" does not seem to fit to trade. Roughly outlined, subsistence farmers cultivate and harvest what they need to satisfy their basic needs, and at the utmost barter some of their goods for those commodities they cannot produce themselves. A subsistence economy, however, produces and barely possesses enough goods to maintain the status quo. A surplus for investments that are necessary for a further development is not available.

165 A relative new study dealing with trade beyond market level is a 2009 published analysis about trade chains of resin products in Cambodia by Prom Tola. Another example from a different angle is the article of Brownhill and Turner, examining subsistence trade versus world trade in regard to gendered class struggle in Kenya. Evers (1994a:13) uses the term in relation to petty traders.

Things look different for trade and traders. Usually, traders receive money in exchange for their goods. But money, unlike the crops grown on the fields of a subsistence trader, cannot be eaten. Money, in fact, can be applied to reach several aims. It can be used to buy staple foods and everything else needed for living. But it also can be saved or used for investments. Hence, at first glance, the trader is free in his decision-making. But, as can be learned from small-scale traders in the highlands, this is only a relative latitude.

Just like subsistence farmers, subsistence traders primarily trade to satisfy their basic needs, with the difference that they use their profits to cover their expenditures. In comparison to other entrepreneurs, subsistence traders possess no surplus for investments, which would allow them to develop their business. Hence, subsistence trade can be seen as a "modern form" of subsistence maintenance that, unlike direct consumption from the fields or direct exchange of commodities (barter trade), solely uses money as an additional intermediate step.

But it would be wrong to classify subsistence trade as a simple pre-stage of commercial trade as might be the case in a Western perception. Sherman (1990:3) refers to Polanyi who "in the *Great Transformation* [...] implied that monetization did not necessarily entail a definitive shift to an economy based on such a 'market principle' of 'gain and profit made on exchange'." Evers and Mehmet refer to a cultural component that directly ties in with the previously described attitudes:

> Income expectations of most petty traders are shaped largely by cultural norms. For the majority, the operating cultural norm is a fixed set of needs and satisfactions; these are typically translated into fairly constant daily income expectations. As soon the target income is reached, trading operations are suspended and the income instantaneously utilized to buy supplies to satisfy the household's basic needs. (Evers/Mehmet 1994:4)

Furthermore, Sherman's observation that "people can make an incredibly small margin of profit and still will be willing to work long hours" (Sherman1990:170) perfectly correspondents to Evers and Mehmet's conclusion (1994:4) that petty traders "minimize profit per unit of time, trying to compensate for [a] low return by excessively long hours of work." As will be elaborated in chapter six, subsistence trade or trade in the informal

sector are just two of many strategies used by traders to "[extract] themselves from the moral obligations of sharing and redistribution to relatives and neighbours" (ibid 1994:1).

Many of the listed characteristics of informal or subsistence trade mirror the characteristic of a high number of small-scale traders in the Karo highlands: most of them possess no formal education in a trade-related subject, they invest small amounts of money to start a business, they receive low wages compared to the amount of hours they work and they use their profits almost exclusively to cover their daily expenditures. Furthermore, they are not, or rarely, controlled by the responsible officers.

Sherman, Evers and Mehmet draw a complete different picture of small-scale trade in Indonesia than the beforehand quoted traders, who preponderantly stress the positive aspects of trade and trading. As could be assessed during the field research in Sumatra, the prospects of new entrants in the trading sector did not change during the past two decades. No one could remember a governmental development programme aiming at enhancing the situation of petty traders, nor could any one mention a contact person at the official trade office responsible for the commercial operations of informal traders. The formalization of the informal sector, as broached by Evers and Mehmet (1994:7), did not take place in the highlands. The responsible officers at the trade office are aware of the problem but stay inactive. The evident contradictory perceptions of small-scale trade can partly be explained by cultural factors. This dimension will be further discussed in chapter six (page 161ff).

Summary

Trading is a popular occupation among the Batak and seems to be a comfortable alternative to other job opportunities, namely any type of physical hard work in the agricultural sector, an employment with mostly unsatisfying conditions or the apparently inaccessible position as a civil servant/PNS. There are numerous types of traders, ranging from

individual mobile hawkers without formal education to commercial farmers and wholesale traders with university degrees. In between, almost everything seems to be possible in the huge trading sector. The previous chapter gave a first classification of the different types of traders and trading forms and described the way how to become a trader and how to open a business. Using personal field data, the motivations and expectations of numerous people who decided to become a trader were elaborated. In most cases, the decision to become a trader has been made even though the perspectives are moderate due to insufficient knowledge, an enormous competition, declining prices, lacking organisations and interest groups. Some attention was paid to the role of female traders. The descriptions of the informal sector and subsistence trade add a contradictory perspective to those which the small-scale traders preponderantly promote.

Due to a lack of official statistics it is impossible to state exact numbers of how many traders actually belong to each trading category. But without doubt the (unskilled) small-scale traders, mobile hawkers and part-time traders by far constitute the biggest group of traders in the highlands. The small-scale trading sector has the ability to absorb large quantities of people who, as a result of a kind of involution, have to share smaller and smaller profits. Consequential, small-scale traders hardly can manage to make their living and depend on side-jobs or the income of other family members. Another important feature of the small-scale trading sector is the high fluctuation since an “easy entry often results in quick exit” (Evers/Mehmet 1994:1).

The professional full-time traders constitute a much smaller group than the small-scale traders. Their business is characterised by a higher continuity and better profits. Successful, established full-time traders in the highlands can live from their profits, do not depend on side-jobs or agricultural production (even though some have own fields where employees grow commercial crops) and can afford to employ labourers.

In the agricultural field, farmers who seasonally market their harvests constitute the biggest group of (occasional) traders, followed by an unclear number of local and

regional intermediary traders and distributors. As stated by the local trade office there were only six registered exporters operating in the highlands in 2006 (see page 71f).

Knowing the protagonists and the most common types of trade enables a closer look on the "act of trading" in itself. Hence, the following chapter will introduce the most common traded goods and give insights in the existing infrastructure, transportation modes and the usual methods of commodity allocation (marketing channels) among the Batak.

Chapter 4: The Organisation of Trade II
Production, Transport and Allocation of Commodities

This chapter focus on how trade actually happens and which trading obstacles may occur during the trading process. Data was mainly gained from the analysis of a total of 710 questionnaires, which were used to gain knowledge about the most commonly traded goods, existing trading networks, traders knowledge about the Straits of Malacca as a trading gate to Malaysia and Singapore, the access to wider trading networks and possible mutual influences between trade and culture.

The design of the questionnaires and further explanations are displayed in appendix A (page 217). Table 12 contains the most important basic details of the survey. With the intention to detect Batak trading networks, it was useful to concentrate on, and differentiate between, two large groups of traders: 1) greengrocers, fruit and spice traders including commercial farmers and 2) all remaining traders who do not belong to the first group. With their access to locally produced products, the first group of traders are regarded as possible starting points of a vegetable, fruit or spice trading network, while the latter stand at imaginable "end points" of possible networks, selling all kinds of "produced" commodities to end-consumers in the highlands.

Table 12: Details about the survey (questionnaires)

Type of Questionnaire	***Abbr.***	***Amount***	***Time Period***
Batak traders living in the Kabupaten Karo	BTK	201	17.04. – 26.07.2007
Batak greengrocers, fruit and spice traders living in the Kabupaten Karo	BTKSB	50	11.09. – 28.09.2007
Batak traders living outside the Kabupaten Karo but within the Province of North Sumatra	BLTK	199	25.07. – 25.08.2007
Greengrocers, fruit and spice traders living outside the Kabupaten Karo but within the Province of North Sumatra	BLTKSB*	48	27.10. – 28.10.2007
Batak traders living on Batam island	BB	21	04.09. – 11.09.2007
Batak greengrocers, fruit and spice traders living on Batam island	BBSB	50	04.09. – 12.09.2007
Traders belonging to other ethnic groups	SL	141	25.07. – 25.08.2007
TOTAL		710	April – October 2007

** including non-Batak traders*
(Source: field research data. For a complete list of all respondents see Appendix A, page 234ff.)

Traded Goods

When speaking about tradable goods, it has to be differentiated between 1) all kinds of commodities (from local, regional, national and international origin), excluding 2) vegetables and fruits (preponderant locally produced) and 3) living animals. Knowledge and manpower do complete the list, but are of minor interest for the study that concentrate on the first and second category. The transportation of living animals is rare on trans-regional level but common on short distances (above all pigs, chicken and fish).

The differentiation between international goods (produced and imported from abroad), national goods (produced in other parts of Indonesia) and local goods (produced in the *Kabupaten Karo*) facilitate the classification of the various commodity types. In the course of the interrogation, all traders were asked about his/her assortment of commodities and to name at least five commodities of each category that he/she is selling in his/her shop. The study revealed that the average assortment of goods of a medium-sized wholesaler in the highlands consist of 50 % national commodities, 25 % international commodities and 25 % locally produced goods (the latter including fruits and vegetables). Table 13 (page 107) gives an overview about the most frequently named goods that were sold in the highlands within each category.

A huge bulk of the international commodities is exported from other Asian countries, namely China, Japan, Korea, India, Malaysia, Singapore, Thailand and Vietnam. The USA and some countries in Europe only play a role for the export of inaccessible or luxurious commodities like wheat, Swiss-made clocks, cars, chocolate, special technical equipment and so on. An exception is the mobile phone branch, in which Nokia is one of the leading companies in Indonesia. Commodities, that are produced in Indonesia under licences of globally acting companies like, among others, Coca Cola, Toyota Kijang, Unilever, Johnson & Johnson and Bayer are regarded as international goods because profits, knowledge about the inherent production process, ingredients and the overall control of production and marketing commonly stays within the mother company.[166]

166 Coca-Cola, for example, owns Coca-Cola Bottling Indonesia, one of the "leading manufactures and distributors of soft drinks in Indonesia." Even if the production, namely the preparation of the

Table 13: Some examples of national, local and international commodities

National Commodities	
Instant Noodles, Soft Drinks, Energy Drinks, Table Water, Sauces, Candies, Sweets, Clothes, Shoes, Flip-Flops, Draperies, Batik, Cigarettes (Clove Cigarettes = Kretek), Medicaments, Dressing materials, Toiletries, Cosmetics, all kinds of plastic items (buckets, bowls, dishes, baskets, other household articles, toys, etc.), Constructing and Building Materials, Writing and School Materials including Books	
Local Commodities	
Table Water, Seeds, Fruit Syrup, Strawberry and Pineapple Jam, Candies produced from oranges / tangerines, Tikar (floor mats), Transportation baskets	
International Commodities	**Origins**
Soft Drinks, Alcoholic Drinks, Energy Drinks	Various Origins (USA, Japan, China, Malaysia, Thailand, Scotland, Russia, France, Italy, Cuba)
Wheat	Europe
Rice	Vietnam, etc.
Chocolate	Switzerland, Germany
Clocks	Switzerland
Mobile Phones	Finland, Korea, Germany
Entertainment Equipment (Playstations, Cameras)	Japan, China, Korea, etc.
TV Equipment (TV set, recorder, Parabola Antenna...)	Japan, China, Korea, Germany, etc.
Music Equipment (Walkman, Discman, Hi-Fi Systems, Radios Music Cassettes, CD'S)	Japan, China, Korea, etc.
Writing & School Materials	Korea, China
Diapers, Nappies	Malaysia, Japan, Korea
Perfumes, Cosmetics, Soaps, Toiletries	Various origins
Knives and Scissors (for tailors!)	Germany
Kitchen necessities (pots, pans, dishes...)	China, India, France, etc.
Cars	Japan, Malaysia, USA, Germany, etc.

(Source: field research data)

Although many companies built plants in Sumatra, the most important production zones are still located on Java (in Jakarta, Surabaya, Bandung and Solo). Production plants in other parts of the archipelago play a minor role, with exception of Batam island, where the main production centre for electronics is situated.

ingredients, mixing, preparation of the bottles, cans and PETs, capping, coding, inspection, packing and distribution takes place in Indonesia, the overall control, the used technology, marketing strategies, and last but not least, the most important ingredient: the Coca Cola concentrate comes from abroad. For more information see: www.coca-colabottling.co.id (02.02.2011).

Photo 19: Energy drinks, rice, footballs and instant noodles in their typical packing. (Photo: Flade 2009)

Apart from the previously described commodities, there are numerous other traded goods in the highlands as portrayed in the following table. This compilation was published by the Government of the Karo Regency in 2006 with intent to attract new (foreign) investors in any of the mentioned fields of interest. The table also contains a list of the fruits and vegetables traded in the highlands.

Table 14: Potency of industry, trading, mining & energy in Karo Regency

Industrial Sector		**Commercial Sector (Agricultural Sector)**	**Mining and Energy Sector**
Middle and small Sub Industrial Sector	**Sub Industrial sector Crafting**		
PT. Tirta Sibayakindo (Drinking Water Aqua Doulu Village) PT. Putra Agro Sejati (vegetables and corns / Gurusinga) Syrup Industry (Syrup, Berastagi, Simpang Empat) Pineapple Jam and Strawberry Industry (Berastagi) Industry Candy Orange (Berastagi)	Rattan Mats (Raga Dayang) Traditional Houses of Karo Custom Crafting Pandanus Mats Blacksmith Crafting Hand Sprayer Crafting of Ulos (blessing shawls) Karo (Uis Karo)	Maize (Jagung) Sweet Potatoes (Ubi Jalar) Orange (Jeruk) Marquisa (Markisah) Potato (Kentang) Cabbage (Kubis / Kol) Radish (Lobak) Carrot (Wortel) Chilli (Cabai) Mustard (Sawi) Tomato (Tomato) Scallion (Bawang Daun) Cauliflower (Kol Bunga) “Peleng” (vegetable) Flowers (Bunga-bungaan)	Sulphur (Belerang) Phosphate Guano (Posphat Guano) Limestone (Batu Gamping) Dolomit Clay Stone (Batu Lempung) Trass (Tras) Other Materials Dig (Bahan Galian Lain) Ground Water (Air Bawah Tanah) Geothermal (Panas Bumi) Hydroelectric Power Plant (Pembangkit Listrik Tenaga Air PLTA)

(Source: Pemerintah Kabupaten Karo 2005)

Transportation by Road, Sea and Airway

This part of the study deals with the identification of common transportation means and the most frequented transportation routes because transportation, for instance by road, is a vital pre-condition for successful trading. The comprehensive description presented by the World Bank gives first insights of the Indonesian transportation system in general:

> All transport modes play a role in Indonesia's transport system and are generally complementary rather than competitive. Road transport is the predominant mode, accounting for about 70 % of freight ton-km and 82 % of passenger km. There are four unconnected railway networks in Java and Sumatra dedicated primarily to transport bulk commodities and long-distance passenger traffic. Sea transport is extremely important for economic integration and for domestic and foreign trade. It is well developed, with each of the major islands having at least one significant port city. The role of inland waterways is relatively minor and is limited to certain areas of Eastern Sumatra and Kalimantan. The function of air transport is significant, particularly where land or water transport is deficient or non-existent, and well established, based on an extensive domestic airline network where all major cities can be reached by passenger plane. (Website World Bank)[167]

As is shown in the following paragraphs, road transportation is of greater significance for the allocation of commodities in the field research region than it is nationwide. The first part of this section deals with the transportation system bridging the highlands with the lowlands (Medan) followed by a second part examining the subsequent modes of transportation from Medan to destinations of greater distance (including exports).

Transportation from and within the Karo District

Since the cargo airport in the Karo district is still in the planning stages and no railway connection exists, all transportation from and to the highlands use the 1333,82 km (2009) long local road system.[168] The roadway "accounts for 97 % of market delivery"[169]

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167 http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/EXTEAPREGTOPTRANSPORT/0,,contentMDK:20458729~menuPK:2066318~pagePK:34004173~piPK:34003707~theSitePK:574066,00.html#Ports_and_Shipping (Website World Bank, 04.02.2011).

168 The status of this road net is stated as 149,21 km national road (maintained by the national government), 59,31 km province road (maintained by the Province of North Sumatra) and 1125,30 km Regency Road (maintained by the Karo Regency) in 2009 (Dinas Pekerjaan Umum Kab Karo / Dinas Jalan dan Jembatan Propinsi Sumatera Utara 2009: http://www.karokab.go.id/in/index.php?option=com_content&view=article&id=627:panjang-jalan-aspal-berbatu-dan-tanah-km-2009&catid=118:perhubungan-and-komunikasi&Itemid=230 (Website Kab. Karo, 11.01.11).

169 Seaway: 2 % and Airway 0,2 %, both from Medan (Bulmer 2007:11). Compare table 16 on page 112.

in Sumatra and is the only means of collection and distribution for all kinds of commodities within the district, the province and within the region of Sumatra (Bulmer 2007:11). For the Karo Regency, the main road leading from Berastagi to Medan is the most important supply road; there are almost no alternative routes. Due to its course through mountain and rainforest regions, the road is vulnerable to all kinds of blockage like car accidents, tumbled trees, land slips and other disturbances (see photo 20). Apart from all kinds of shuttle buses (see photo 27 on page 121) and private cars, the road is used by heavy trucks, bringing all kinds of commodities to the highlands and vice versa (photo 21, page 111).

Photo 20: Main road in the rainy season. (Photo: Situmorang 2007)

With 662,85 km, only half of the complete local road system consists of asphalted roads as stated by the official authority in 2009 (Dinas Jalan dan Jembatan Propinsi Sumatera Utara).[170] Due to declining investments in public and private infrastructure as, among others, a result of the 1997 financial crisis and lacking governmental engagement, most of the roads are, furthermore, in poor condition and experience "a downward spiral of deterioration, resulting in asset loss, poor serviceability and ever increasing economic and commercial road user costs[171]" (Bulmer 2007:8).

170 http://www.karokab.go.id/in/index.php?option=com_content&view=article&id=627:pan-jang-jalan-aspal-berbatu-dan-tanah-km-2009&catid=118:perhubungan-and-komunikasi&Itemid=230 (Website Kab. Karo, 13.01.2011).

171 Truck drivers have to pay road user coasts according to the size and weight of their vehicles. The road charges are collected directly at the roads from officers. Usually, each Kabupaten demand fees for the respective route sections. Hence, a truck driver transporting commodities from Berastagi to Medan has to pay several times: to the Kabupaten Karo, to the Kabupaten Deli-Serdang and to the Kotamadaya Medan.

Poor road conditions do not only harm the trading sector but also bring about big problems for other sectors like the tourism branch. As Bulmer found out in the course of his field research for the USAID AMARTA[172] project, not the road density but the road conditions and lacking investments and maintenance of the road system are the real problems of the Karo infrastructure. Table 15 gives an overview of the road conditions as Bulmer found them in 2007.

Photo 21: Typical loaded truck (small model) for trans-regional transports. (Photo: Situmorang 2007)

Table 15: Type and condition of Karo District roads

Type of Road Survey	Road Condition			Total km	% Total
	Good	Poor	Failed		
Asphalt & Bitumen Macadam (Sealed)	171	241	222	634	56%
Rock Aggregate (Unbound Macadam)	21	13	103	136	12%
Sand & Gravel	19	61	39	118	12%
Earth	6	27	205	238	21%
Total km	217	341	567	1125	100%
Total Percent	19%	30%	50%		

Condition:
Good: only requires routine maintenance
Poor: requires heavy periodic maintenance
Failed: requires reconstruction
(Source: Bulmer 2007:12, with reference to Ir. Nickson Tarigan, Head of Bina Marga (Road) Karo District Ministry of Public Works)

172 USAID = United States Agency for International Development/AMARTA = Agribusiness Market and Support Activity, a development project in Indonesia. Also see the footnote 278, page 200.

Trans-Regional and Trans-National Transportation

If goods are distributed via Medan, there are three possibilities for further, trans-regional or trans-national transportation, namely 1) by truck, 2) by ship or 3) by plane, from which the overland transportation by truck is the most common and preferred mode (see Table 16, page 112). With only 0,2 %, air cargo plays a minimal role for transportation in North Sumatra. This is caused by relative high costs[173], that makes it only feasible for special commodities of high quality and small volume. It remains to be seen if, and if yes how, the currently constructed Kuala Namu International Airport at Medan and the surrounding infrastructure will influence air transportation in the future.

Table 16: Karo District: Produce distribution by mode

Produce Type	**Annual Crop (tonnes)**	**Distribution by Mode, Tonnes & Percentage**				
		Road		**Sea**		**Air**
		To Jakarta	**To other Region**	**General Cargo**	**Reefer Container**	**Cargo**
Total Tonnes	1,024,277	430,196	563,352	20,486	-	2,049
Total Percent		42 %	55 %	2,0 %	0 %	0,2 %
Total by Mode		**Road**		**Sea**		**Air**
		97 %		**2 %**		**0,2 %**

(Source: adapted from Bulmer 2007:11 [data rounded off])

On the contrary, the seaway is a good option with available capacity, but seems to be heavily underutilized. Bulmer concludes that in regard to costs

> […] sea transportation is very competitive with road transport to Jakarta. Even with the addition of arrival port charges the reefer container service […] would be cost competitive with road transportation, yet it is not used. Air cargo costs are high and will remain so, following opening of the new airport. Air cargo is only feasible for small volume high quality fruits and vegetables, and flowers serving special markets. (Bulmer 2007:18)

Indeed, there are three ports close to Medan: the Belawan general port, the Belawan small vessels port and the Belawan International Container Terminal, all of them strategically located at the Straits of Malacca (international shipping lane, see page 15) and

173 For a calculation example of transportation costs by road, sea and air see Bulmer 2007:15ff.

equipped with supporting infrastructure. The container terminal unit performs all kinds of export and import container services, is ISO 9001 certified (2008 from Singapore) and "has superiority as an exporting part for commodities of agricultural industry such as rubber, crude palm oil, cocoa, coffee and other forestry products from the hinterland in the province of North Sumatra, Nanggroe Aceh Darussalam and Riau."[174] Rubber, palm oil, oil, soap, general cargo, chemicals, coffee beans, betel nut (pinang) and ply-wood are under the top ten export-commodities in the beginning of 2011, whereas the main commodities imported are fertilizer, general cargo, yellow maize, soya beans, plastic, metal boxes, soda, fresh apples, animal feed, flour and machinery parts.[175] The main cooperating ports are the ports of Singapore, the ports at Kelang (Malysia), Tan-jung Balai (Sumatra) and Tanjung Priok (Jakarta). Even though the transportation infra-structure is sufficiently developed and steadily improved, only 2 % of all transports are handled via the seaway. According to Bulmer (2007:22), "the problem is that the poten-tial use and cost effectiveness of sea transport of Karo produce is not recognized by the producers nor the traders", in other words: lacking knowledge about lucrative transporta-tion alternatives.

But this only partly explains why the huge bulk of commodities is trucked via the inad-equate road-system of Sumatra. The most frequented overland delivery route leads over the heavily trafficked western part of the so called "Trans-Sumatran Highway", a quite misleading term for a route formed by connection of already existing narrow two lane provincial and national roads, altogether being in very poor condition. The Trans-Sumat-ran Highway consists of an eastern and a western route and connects the northern with the southern part of the island. From there, it is possible to cross the Sunda Straits by ferry to continue travelling to Jakarta. Parts of the highway are set up for toll roads, es-pecially around the major cities the route passes through, including Banda Aceh, Medan, Binjai, Pematangsiantar and Padang.

174 http://bict.inaport1.co.id/index.php (Website Belawan International Container Terminal, 17.01.2011).
175 http://bict.inaport1.co.id/index.php?bd=2&mn=prof&cnt=sts_01 (Website Belawan International Container Terminal, 17.01.2011).

But why, despite all inconveniences (long voyage, poor road conditions, low trucking speed, high risk of accidents, high wastage of the trucks etc.), is the overland transportation route still favoured by most of the traders? In his final conclusion of his transportation and infrastructure report, Bulmer points out that lacking knowledge on the one hand and, on the other hand, the double sided role of the traders, who often simultaneously act as traders and transporters, are the main reasons for the maintenance of the status quo:

> The transportation chain from producer to market is 97 % reliant on failing road systems supplying domestic markets through unsophisticated, traditional trading links, distribution, and marketing systems. These systems marginalize the producer while maximizing profit to the trader. Other available and cost effective modes by sea and air are not used because the producer has no knowledge or contact with these modes, nor of the potential markets served by them; and the trader has a vested interest to maintain the land transportation status quo. (Bulmer 2007:23)

Storage Room

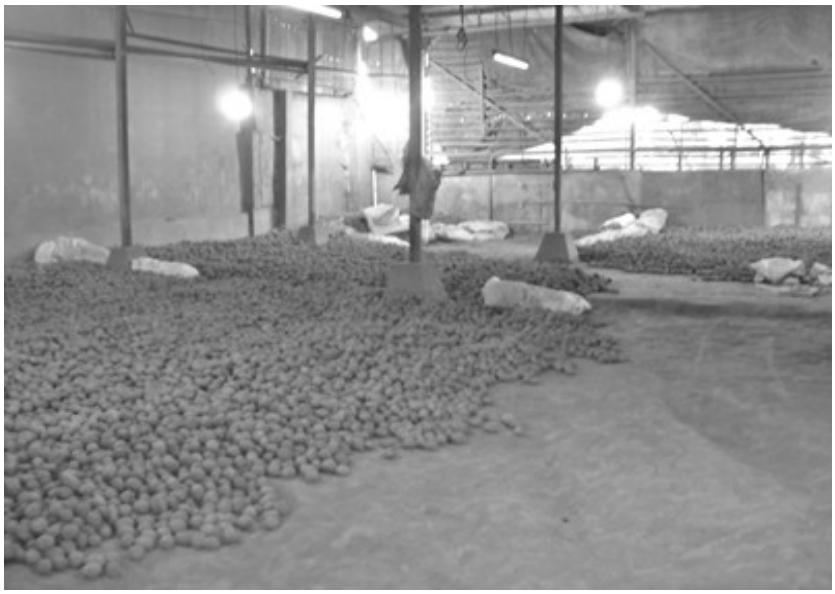


Photo 22: Storage of potatoes in the highlands. (Photo: Flade 2009)

Stockable fruits and vegetables are stored in huge, simply constructed storage sheds, as can be seen on photo 10 (page 70) for cabbage and on photo 22 for potatoes. Fresh fruits that are not, or to a less extent, suitable for storage are, if necessary, cleaned, sorted, packed and transported to the markets (photos 23 and 24, page 115, or picked up by intermediary traders at the fields or at the roadside (see photo 9 on page 69 and photo 12 on page 73).

All other (packed) commodities are usually stored directly in or nearby the sales room. Sometimes wholesalers of larger size own a second room for storage. Since electricity support is not guaranteed for 24 hours/day, cold storage rooms are not common. But those who access an electric generator often have smaller fridges[176].

Photo 23: Sorting of vegetables. (Photo: Flade 2009)

Photo 24: Allocation of transportation baskets. (Photo: Flade 2009)

176 Many of the big bottling companies lend fridges to cooperation partners at no cost for cooling their products, e.g, the Coca Cola Company: http://www.coca-colabottling.co.id/eng/ourbusiness/index.php?act=servingourproduct (13.01.2011).

Marketing Channels and Market Places

Beside the actors/traders (page 64ff), the traded goods (page 106ff) and the existing transportation facilities (page 109ff), marketing channels and market places are the last two missing components for a comprehensive description of the Batak market system in the highlands. Marketing channels consist of trade and supply routes that are defined by Ciolek as

> […] sequences of pathways and stopping places used for the commercial transport of cargo. Trade routes connect public markets. They also link producers with such markets. Supply routes, by contrast, take products directly to individual consumers. When such activities are secret, so as to avoid paying custom duties, or to avoid detection by authorities, a smuggling route is created. (Ciolek, 2009[177])

Photo 25: Loading of cabbage. (Photo: Flade 2009)

The already mentioned study about potato marketing in North Sumatra, conducted by Adiyoga, Fuglie and Suherman (2001), also points out some possible marketing channels for potatoes as shown in Figure 6 (page 117). The analysis of the data gained from the interrogation of the greengrocers, fruit and spice traders revealed that these marketing chains are also valid for most of all other types of vegetables, fruits and spices traded in the Bataklands.

For the highland, the survey revealed that 50,6 % of the 201 asked Batak traders residing in the Karo regency predominantly purchase their commodities directly in Medan. 25,1 % receive their goods from various salespersons, who more or less regularly visit the

177 www.ciolek.com/owtrad.html (04.02.2011).

highlands (agents and intermediary traders), and 21,6 % purchase their commodities from wholesalers in Berastagi or Kabanjahe. Only 2,7 % of the traders stated that they buy goods directly (not via salespersons or at wholesalers) from factories in other parts of Indonesia.[178]

- Grower → assembly trader → rural wholesaler in Berastagi → urban wholesaler in Medan → retailer → consumer
- Grower → rural wholesaler in Berastagi → urban wholesaler in Medan → retailer → consumer
- Grower → retailer from some city markets in Medan → consumer
- Grower → regional trader → retailer in Tanjung Balai → consumer
- Grower → assembly trader → rural wholesaler in Berastagi → regional trader → wholesaler/retailer in other provincial cities of Riau [Batam], Pekanbaru, Dumai or Jakarta → consumer
- Grower → assembly trader → rural wholesaler in Berastagi → urban wholesaler in Medan → regional trader → retailer in other North Sumatra cities and towns such as Belawan, Binjai and Lubuk Pakam → consumer
- Grower → exporter in Berastagi → importer
- Grower → commissioned agent → exporter in Berastagi → importer
- Grower → commissioned agent → exporter in Medan → importer
- Exporter-owned potato field → exporter in Berastagi or in Medan → importer

Figure 6: Usual marketing channels for vegetables, fruits and spices (domestic and export markets are considered) (Source: adapted from Adiyoga /Fuglie /Suherman 2001:10f).

Traders who can afford purchasing their goods in Medan usually replenish their stock twice per month. Only a few, mainly those who sell clothes, visit the market areas in Medan on weekly basis. Because there are only few customers on the road, the preferred day to replenish new commodities is, according to most traders, Wednesday morning.[179] Small-scale traders residing in the Karo highlands mainly obtain their commodities in small quantities from local wholesalers in Berastagi or Kabanjahe, from ambulant traders, agents or the local markets. Non-perishable goods are not restocked before the old stocks are (almost) sold out; perishable goods are regularly replaced. Only a few of

178 One example would be the purchase of high-valued handmade batik clothes and draperies that are mostly purchased directly at the factory, e.g. in Yogyakarta / Java.

179 No further reasons had been given for that choice. It could be possible that a relation between the usual day of payment (Sunday or Monday for those who receive weekly wages) and the preferred market days exists. Most employees spend their wages directly after receiving it for all necessary purchases (or for other purposes) so that there are few resources left and few customers on the road on Wednesday. But this is only a vague speculation and not proved by the respondents, who simply had no idea what to answer.

these petty traders can mobilise the capital (travel cost, transportation facilities and time) to buy their goods in Medan in larger quantities and under much better conditions (e.g. on wholesale price, in better qualities and designs in demand). Profits are small and often not enough to cover the daily needs. Additional income is generated through work on the fields or with the help of other employed family members.

Although trade is, according to the previously given definition (page 61), independent in time and place, it is easy to detect typical trading places, that immensely facilitate the flow of commodities, serving as node points of marketing chains and networks[180]:

1) **Markets**: Most of the markets that were of interest are permanent markets at fixed market places (like the central markets at Berastagi [see photo 18 on page 98] and Kabanjahe). The market stalls (indo = *ruko*) differ in size and equipment: some are simple wooden stalls, other resemble small shops and can be locked with folding doors or boards. Occasional, weekly markets (like Pasar Singga in Kabanjahe) have no fixed stalls and resemble a farmer's markets in Europe. Some markets have fixed target groups (like the tourist market in Berastagi). A detailed list of all markets is attached in Appendix A (page 249). Markets are the most frequented trading places in the region.
2) **Shops at the roadside**[181]: Shops at the roadside can be of quite different size and type (for examples see photo 17 on page 97 and photo 26 on page 119). Food and beverages are the most offered goods, followed by all kind of electronics, shoes, clothes, draperies and bags and some uncategorised shops, which various commodities.

180 The official Indonesian terms are regulated in the "Peraturan Menteri Perdagangan Republik Indonesia, Nomor: 53/M-DAG/PER/12/2008 tentang pedoman penataan dan pembinaan pasar tradisional, pusat perbelanjaan dan toko modern.

181 In the course of my field research, I have counted the shops at the main roads in Berastagi and Kabanjahe (close to the central market districts) to get an impression about the range of products. Berastagi: 45 shops selling food and beverages, 16 shops with a mixed assortment of commodities, 12 selling electronics, 4 offering clothes, draperies and bags, 3 pharmacies and 2 shops selling furniture (Total: 82 shops at the main road "Jalan Veteran"). Kabanjahe: 39 shops selling food and beverages, 22 shops offering clothes, bags, shoes and draperies, 17 shops selling electronics, 14 with a mixed assortment of goods, 11 offering furniture and 3 pharmacies (Total: 106 shops located at the main roads close by the central market).

3) **Malls / Shopping Centres**: Malls and shopping centres are very popular in Indonesia. Most of them have two parts: a "modern", "western-touched" part with an impressive gallery where most of the locations are rented by famous international and national brands (including food store chains), and a more "traditional" looking part, with small market stalls and market rooms that resemble the traditional markets outside the malls.[182]
4) **Other places**: Trade, especially between intermediary traders and commercial farmers, also take place directly on the fields or at the farmers' houses. A storage room or the harbour are further imaginable trading places.

Those who can afford to travel to Medan, buy most of their commodities at the central public markets in the so called "Pusat Pasar Medan" district. The most important market areas are "Pasar Sentral" (mixed assortment), "Pasar Olimpia" (mixed assortment), "Sambo" (mainly clothes, shoes), "Pasar Ikan" (mainly draperies and clothes), "Pasar Millenium" (mainly electronic equipment) and "Pasar Hongkong" (mainly accessories). Other special commodities (like for example office equipment or Western products and brand marks) are available at numerous shopping malls (like "Medan Mall", "Medan Fair", "Medan Millenium", "Medan Plaza", etc.).

Photo 26: Typical shop on the main road in Berastagi. The clan membership is clearly indicated ("Barus"). (Photo: Situmorang 2007)

182 Usually, people linger some time in the modern part of the Mall, maybe having a drink or buying something small in one of the numerous shops before visiting the traditional part of the Mall to do the normal shopping. This fits to what Gerke (2000) described as "symbolic consumption" or "lifestyling" of a 'new middle class' in Indonesia. Lifestyle shopping, for example, carried out mainly in shopping malls is an "[...] attempt to demarcate itself against the lower strata of the society" (ibid 2000:145ff).

All mentioned market places are open to the public. While the shopping malls much resemble European shopping centres, the market areas are still very traditionally organised. Sherman's description of the Pangururan[183] marketplace fits to numerous marketplaces found in the area, including the huge markets in Medan (that only differ in size):

> The Pangururan marketplace is of partly roofed galleries surrounded by four outside walls made of adjoining buildings, comprised of shops and eateries facing the outside streets and others facing the inner square. In the largest, as in the smallest, the positions of full-time traders – of shawls, fruits and vegetables, utensils, etc. – are constant from week to week. Different kinds of goods tend to be concentrated by area as well: all fishmongers gather in one corner and in the same line up from week to week; next to them are those selling pigs, then those with the chickens, all in front of a row of bays whose boarded-up fronts open to reveal bolts of cloth and treadle sewing machines. (Sherman 1990:161f)

It should not be forgotten that some commodities are solely sold by agents or 'sales'[184] (also compare chapter 3, page 69ff), of which some are directly employed from a company (Aqua/Danone, Coca Cola, etc.). Independent agents trade for their own account, purchasing goods from the factory or a producing family (mainly local enterprises that produce goods like food, tikar, ulos[185] and all kinds of baskets, etc.) for reselling them with low profits to local traders. While direct employed agents are mainly local people, agents who work for their own account often come from Medan or other market areas.[186]

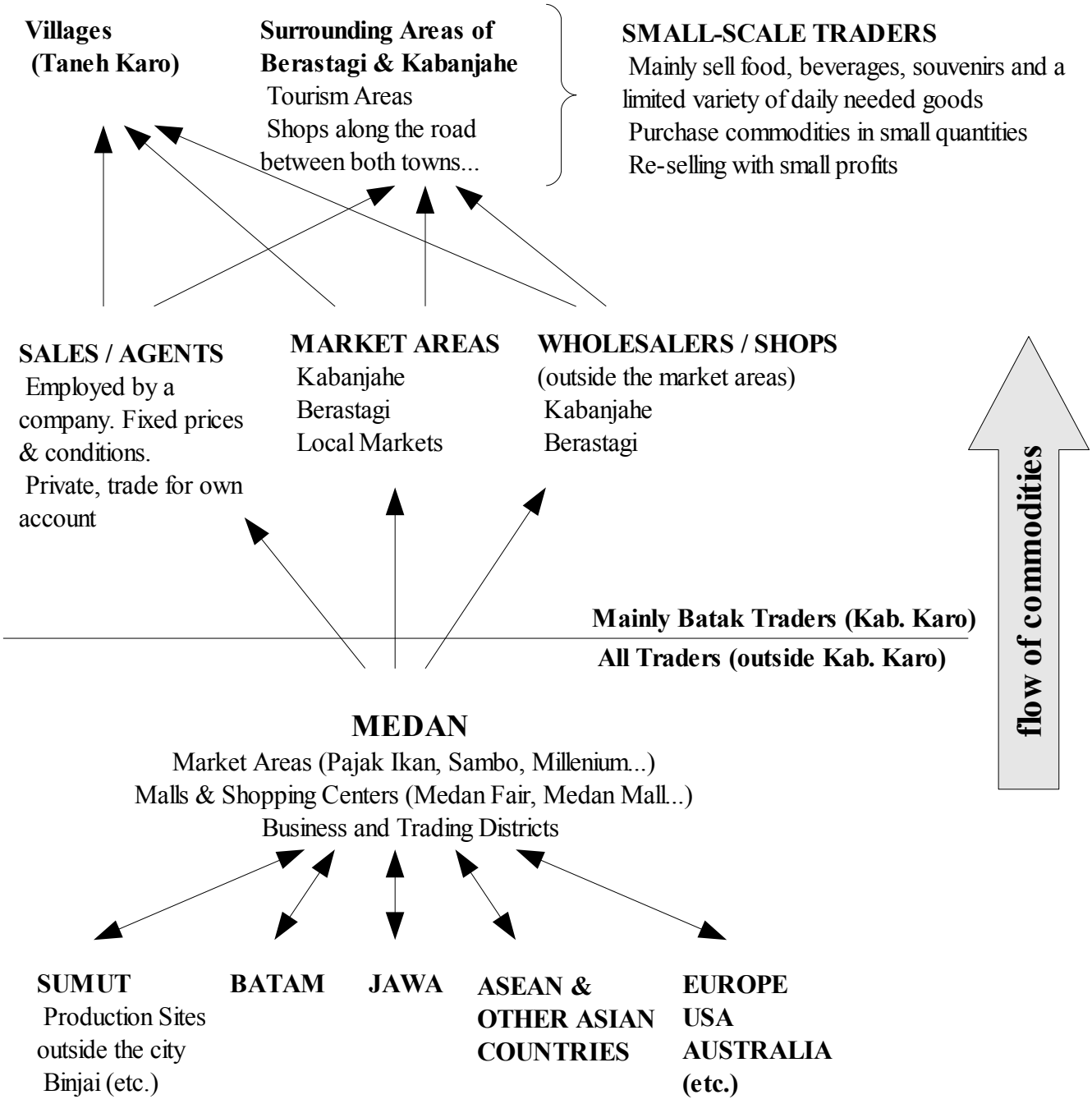
Trade organisation outside the Karo regency[187] differs quite a lot from the previously described patterns in the highlands. Less than 29 % of the 199 interviewed traders residing outside the highlands stated that they purchase their commodities from wholesalers in Medan. The majority (65,1 %) receive their goods from agents and salespersons who regularly visit their clients. Most are Chinese or of Chinese descent (compare chapter 5, page 127).

183 Pangururan is a market city on Samosir island.
184 'Sales' is the common expression for salespersons / salesmen in the region.
185 Tikar (indo) = floor mats, ulos (indo) = blessing shawls.
186 This can be explained with the “Trader's Dilemma” theory, see chapter 6 (page 172ff).
187 Mainly traders in Medan, Pancur Batu (an important trading place close to Medan) and surrounding areas were interviewed (N=199).

Chart 1 (page 122) was derived from field research results and roughly displays the most common marketing channels for all kinds of commodities. It starts with petty or small-scale traders on village level, who purchase their commodities either from sales/agents, wholesalers or from market vendors. Of course, the chart cannot be exhaustive as there are various exceptions conceivable. The easiest imaginable example would be a small-scale trader, who purchases goods in Medan in the course of a duty call for a wedding, funeral or other event. The other way around is also common: a relative or close friend living in Medan is coming to the highlands and brings along some urgently needed goods. The usual means of transportation are the robust overland buses, carrying passengers as well as commodities (on the roof) for small costs if space is available. It is furthermore imaginable that traders who belong to other ethnic groups residing in the highlands (and who are neglected in the chart) also use these channels or that other, maybe less frequented, channels of stock replenishment are used. The described marketing channels and market places (in figure 6, page 117 and in chart 1 on page 122) are nothing else than significant parts of trading networks. Depending on the commodity of interest, they can be seen as one of the first (for vegetables and fruits) or one of the last (for almost all other commodities) steps in a trading chain, surmounting a more or less greater geographical distance.

Photo 27: Overland bus connecting the highland with Medan. (Photo: Situmorang 2007)

Chart 1: Marketing channels for commodities (excluding vegetables, fruits & spices)



Source: derived from field research data.
Respondents: 710 traders (251 Batak traders living in the Kab Karo, 247 Batak traders living outside the Kab Karo, 71 Batak traders living in Batam and 141 non-Batak traders at all research sites. For more details about the survey, including a complete list of respondents, see Appendix A, page 217ff.)

Trans-Boundary Trading Networks

The plan for the next step of the survey was to detect further marketing chains or trading networks that go far beyond the borders of nation states. Boundaries are discerned in different ways, for example as geographically determined or socio-culturally defined boundaries, but in most cases they emerge as a result of political calculations. The Malay-Indonesian demarcation for example is based on the 1824 adopted territory treaty between the former colonial rulers, the British and the Dutch (see page 50f), and does not coincide with the cultural boundary within the region (Wertheim 1980:104).

"Trading networks are social processes of exchange [...] in the sense that social interaction takes place between persons with the primary purpose of exchanging goods over more or less greater geographical distances.
[...]
It is important to note that these intermediate trading networks [...] do not have to be bounded by national boundaries."[188]

If cultural and political boundaries do not coincide, territorial claims and conflicts may emerge. Trans-boundary interactions, moreover, continuously weaken nation borders and integrate areas across established political and geographical boundaries (Gerke 2005). Regular trans-boundary interaction between members of the same or affiliated ethnic groups, furthermore, lead to the founding of diasporas, which favour trans-boundary trade and labour migration (ibid 2005). Therefore, one initial aim of the survey was to detect cross-boundary movements under consideration of a significant coherence between trans-boundary trading networks and labour migration.

So far, the survey revealed all relevant factors for a comprehensive description of functioning Batak trading networks. From the identification of the involved traders, trading forms, traded goods, transportation routes and chains up to the market places, it was possible to trace trade back to several starting points (from any place in the highlands to Medan and vice versa as well as from the highlands directly to Jakarta by overland transportation). But as soon as the international component was added, it became more and more difficult to pursue these networks.

188 Evers 1991:145.

Photo 28: Wall relief showing Karo traders in Berastagi. (Photo: Situmorang 2007)

I accompanied several traders from the highlands on their trips to Medan. They took me to the next nodal point in the marketing chain (or on the next level in a trading network), be it a wholesaler somewhere in the business district of Medan, a shopping centre or a trading partner at one of the numerous traditional markets. At this point further investigation was stopped. In some cases, it was, nevertheless, possible to identify one or two further intermediary traders participating in a long chain of selling and buying. But at the very end, I always met a Chinese wholesaler, who refused to answer any of my questions, referring to trade secrets he or she was bound to.

As a consequence, I tried to detect the networks in starting from the end of the field with some traders in, and in the close surroundings of, Medan. But due to the fact that only one third of the traders in Medan who belong to my sample (N=199 traders) purchase their commodities from wholesalers while the remaining receive it from sales and agents (see page 120), this attempt failed in a very early stage. Hence, it was not surprising that most of the sales and agents were Chinese or of Chinese descent.

Acknowledging that sufficient data is not available, there is of course the possibility that Batak trading networks do exist. A primary hint for the existence of networks can be derived from Table 17 (page 125) which portrays the origins of the sold vegetables, fruits and spices for the research areas respectively. The data, on the one hand, prove the

enormous significance of the Kabupaten Karo for the production of agricultural commodities. Not surprisingly, traders in the highlands and in the lowlands preponderantly sell local commodities from the highlands.[189] On the other hand, the results give an indication of a possible existence of Batak trading networks since 66 % of the greengrocers, fruit and spice traders on Batam declare that they sell commodities directly from the highlands. But this high value can also be explained with the fact that some traders may ignore the intermediary trading level in Medan as will be explained later on (see page 145).

Table 17: Origin of vegetables, fruits and spices

	Greengrocers, Fruit & Spice Traders acting...		
	… in the Highlands (N= 50)	**… outside the Highlands (N=48)**	**… on Batam Island (N=50)**
	...trade commodities from... (percentage of traders)		
… Kab. Karo	78 %	83,3 %	66 %
… Medan	24 %	18,8 %	50 %
… Sumatra*[190]	10 %	31,3 %	20 %
… Java[191]	2 %	27,1 %	18 %
… Malaysia	0 %	0 %	32 %
… Singapore	0 %	0 %	6 %

*Sumatra excluding Medan and the Kabupaten Karo.
(Source: field research data, based on Part B in the questionnaires, page 218ff.)

Since no one on Batam island (nor in Medan) could really name a network or a Batak wholesaler cooperating directly with the highlands and/or vice versa, it was impossible to verify a network. If such networks exist, it is supposed that one of their main features must be the direct management of goods, which means no, or only few, intermediary trading steps (and, as a result, no or little chance for intermediary traders to interfere). Indeed, every attempt to find a valuable hint leading to a Batak exporter or importer, or

189 The 34 % traders in the highlands who state that they sell products from Medan or other parts of Sumatra mainly deal with spices and products that cannot be cultivated in the highlands and hence have to be "imported".
190 Mentioned origins in Sumatra: Aceh, Pancur Batu, Tongging (Bumbu), Bukittinggi, Padang, Pematangsiantar, Tanjung Pinang and Daerah Toba Batak.
191 Mentioned origins in Jawa: Bandung, Jakarta and Malang.

at least to a trading family serving Batak trade on Batam island got lost in the multi-ethnic melting pot Medan with it's apparently unmanageable and chaotic trading system.

Summary

Chapter four added further significant components of trade to the description of Batak trade organisation. It contains an exemplary list of tradable goods, categorised in local, national and international commodities and also did not neglect the vegetable, fruit and spice sector. Furthermore, the most frequented trade and supply routes were determined and analysed according to their capacities and impacts on local and regional trade. Lastly, the depiction of marketing channels and market places completed the comprehensive description of the Batak market system.

Medan was a turning point for the survey. Since it became clear that any further pursue of trading networks crossing nation-states was constrained by somehow insurmountable challenges[192], I tried to find out more about the reasons why Batak traders do not achieve to participate in and to benefit from the existing trade potentials. Hence, research focused on two significant factors determining local trade, namely 1) potential mutual influences between multi ethnicity and trade (concretely the relationship between Chinese and Batak traders) and 2) cultural constraints that can be derived from Batak culture itself. The following chapter will deal with ethnicity and trade before focusing on the cultural angle in chapter six (page 161ff).

192 Other constraints were the mere extensiveness of Medan and the unmanageable dimensions of trade and traders acting in the capital. Even though I tried, I got no contacts or help from the respective department of the University of North Sumatra (USU). Furthermore, my research permits from LIPI, the Indonesian Institute of Science (indo = Lembaga Ilmu Pengetahuan Indonesia) unfortunately did not include Medan. Against all expectations, many traders (primarily wholesalers, Chinese and male traders) asked to see the permits from LIPI. It was also impossible to leave Indonesia for a short field trip to Malaysia or Singapore due to strict residency orders that included regular visits at the mayor of Berastagi. By far, other problems emerged when the interviewed trader was considerably older than me. The situation even became complicated when I tried to interview older male traders who had to use every chance to show their superiority in a system that somehow still favours men over women.

Chapter 5: Ethnicity and Trade
Chinese & Batak Traders

Trans-boundary Batak network analysis failed due to the overwhelming Chinese presence at the urban node points of trading networks in Medan. Chinese traders bestride and control the lucrative urban wholesale sector as well as significant import and export activities. Furthermore, they manage some of the most successful shops and enterprises in the highlands and constitute the majority of the local agents. Against this background it appeared to be obvious to examine the aspect of (multi-) ethnicity in regard to trade activities as well as the mutual relationships of traders belonging to different ethnic groups. Although the title refers to Chinese traders, the chapter does not aim at giving a comprehensive description of Chinese trading activities in Indonesia. It rather focuses on the aspect of multi-ethnicity and trade, with the Batak and the Chinese being the main protagonists. The chapter consists of three main sections: 1) an introductory part about multi-ethnicity, also containing background information about the Chinese, 2) the analysis of the related field research data and 3) the examination of self and social perceptions of Batak and Chinese traders.

Introduction: (Multi-) Ethnicity and Trade

Which ever way the figure is turned or twisted, through trade, people get connected to each other. Trade can happen in a relatively bounded area (e.g. barter trade in a defined village) with two individuals belonging to the same group, but it also can, and very often does, cross over ethnic boundaries. The use of "ethnicity" and "ethnic boundaries" as analytical tools[193] is widespread especially among sociologists and anthropologists, but slowly can also be found in other disciplines as proved by the previously presented historical research of Andaya, L. (2002:370ff). Most studies on ethnicity deal with the identification of the determining factors which contribute to the formation of ethnic groups. Furthermore, there are a manifold of conceptualizations of the terms "ethnicity", "ethnic groups" and "ethnic boundaries"; each approach varying greatly.[194]

193 There has been a great amount of publications to the subject in general: see, among many others, Smith Kipp (1993) (The book contains a synthetic approach to ethnicity in general as well as the application to the Karo Batak in particular) and Andaya, L (2002:370ff) for ethnicity and early trading networks. Barth published several works on the topic, see among others: Barth (ed) (1969:9ff) for a collection of essays about social organization of culture difference and Barth (1994:11ff) dealing with enduring and emerging issues in the analysis of ethnicity.

194 Among the most prominent approaches are those, who "argued that each group recognized certain 'primordial' elements as the core of their identity, while others claimed that each ethnic community is

A detailed description of Batak (and Chinese) group understanding and identity[195] is a subject matter that would cover volumes of books and thus goes far beyond the scope of this study.[196] However, some general remarks on the topic are useful for a better understanding of the further context.

"Multi-ethnic" trade, here defined as trading actions of at least two traders belonging to different ethnic groups (or being of different ethnic affiliation), is not bound to nation states since people always were and still are able to pass national and ethnic borders. An ever more developed infrastructure is facilitating this process. The issue of ethnicity is omnipresent in a multi-ethnic nation-state like Indonesia.[197] Discussions and conflicts on ethnicity regularly appear all over the archipelago and influence the government and the overall political decision making. In the past, the fear of ethnic motivated riots reached such a point that, for example, former Indonesian governments decided to exclude analyses of ethnicity from census data collection. This explains why primary data on ethnicity is not available in the population censuses from 1930 until 2000:

> During the New Order under President Soeharto[198] when Indonesia was at the stage of nation building, the concept of SARA (*Suku Agama, Ras dan Antar Golongan*)[199] was considered sensitive, especially ethnicity and race. Discussion on issues related to

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the outcome of specific historical circumstances and situations. More and more, however, studies have taken the middle ground and acknowledged the importance of 'primordial' sentiments, but argue that such sentiments are in fact constantly undergoing change in response to specific circumstances" (Andaya, L. 2002:370).

195 The issue of ethnicity becomes even more complicated "[...] within Sumatra, where borderlands provide the opportunity for individuals to move in and out of ethnicities. Evidence of ethnic shifts from Batak to Malayu and vice versa has been noted by Milner (1982) and Perret (1995); less well documented but equally revealing have been the historical ethnic shifts between the Batak and the Minangkabau and the Batak and the Acehnese" (Andaya, L 2002:373).

196 For a short introduction to Batak identity see page 25 and for more details see Smith Kipp (1996). For an introduction into the Chinese identity debate see e.g. Tan 1997:33ff or Mackie 1995:37ff.

197 Ethnic groups of Indonesian citizens (Indonesia 2000): 1) Javanese: 41,71 %, 2) Sundanese: 15,41 %, 3) Malay: 3,45 %, 4) Madurese: 3,37 %, 5) Batak: 3,02 %, 6) Minangkabau: 2,27 % […] 15) Chinese: 0,86 % […] 17) Acehnese: 0,43 % [… last entry:] 43) Kerinci: 0,13 % (Suryadinata/Arifin/Ananta 2003:7). That Indonesia is a multi-ethnic state also becomes clear when looking at the national motto which is explained on page 11.

198 In fact, this period had already started with the Soekarno regime, right after the proclamation of independence in 1945. Soekarno, the first president of the Republic Indonesia ruled the state from 1945-1965. He was displaced by Soeharto in 1965 (officially in 1968), who coined the term *Orde Baru* (New Order) for his political system. Soeharto ruled the state until 1998 when the political circumstances forced him to step down from his function as president.

199 Suku Agama (indo) = religious affiliation / Ras (indo) = race / Antar Golongan (indo) = inter-group relations.

> ethnicity and race was discouraged. Questions on ethnic background would only make the population ethnic-conscious, and this would be harmful to national unity. (Suryadinata/Arifin/Ananta 2003:XXI).

But as became evident through increasing ethnic motivated violence during the Soeharto regime[200], this strategy did not serve its purpose. And it was only after Soeharto's decline in 1998 that data on ethnicity was decontrolled. Thus, for the first time after seventy years, the population census in 2000 included direct data about the ethnic composition of the population.[201] But the simple release and careful analysis of this data, of course, could not solve the fundamental problem of the state: ethnicity and ethnic motivated violence always had been, and still are, serious issues for Indonesia, where relatively large ethnic groups live side by side with small ethnic minorities. Some of these minorities

> [...] are [...] minorities within the national state which do not possess a definite area where they 'belong' and form a local majority. Not only religious, but also ethnic criteria may set a group apart from the main body of the population in such a way that they constitute a minority in the whole territory over which the state extends its power. (Wertheim 1980:104f)

One of these "homeless" ethnic groups are the Chinese and those of Chinese descent or ancestry. The Chinese are a small, but very influential, ethnic minority in Indonesia as well as in many other states of South-East Asia, who "[…] largely as a consequence of their dominant position in trade, today present a serious social, economic and political problem[202] in most of the countries of that area" (Wertheim 1980:105).

200 Above all other groups, the Chinese stood in the focus of ethnic motivated discrimination and riots: "During Suharto's New Order (1966–1998), the ethnic Chinese expanded the nation's economy (and their own wealth), but, paradoxically, were marginalised and discriminated against in all social spheres: culture, language, politics, entrance to state-owned universities, and public service and public employment" (Wertheim 1980:107). An assimilation policy was launched, "[...] characterized by the elimination of the 'three pillars' of Chinese culture. These three pillars were Chinese-medium schools, Chinese organizations and Chinese media. In addition, the government also prohibited the display of Chinese symbols, including the Chinese language 'encouraged' the use of 'Indonesian names' rather than Chinese names, and introduced restrictions in the celebration of Chinese festivals. Due to political and social pressure, many Chinese Indonesians were forced to assimilate" (Suryadinata 2004:vii).

201 Before, ethnic data was indirectly derived from other indicators such as the spoken language or religious affiliation of people (Suryadinata/Arifin/Ananta 2003:XXI).

202 I would rather prefer to speak of a challenge than of a problem the Chinese constitute for the respective countries. Suryadinata explains that "in many multi-ethnic and multi-religious societies, nation-building has often become the urgent task of government. […] As the model of the Indonesian nation was based on indigenity, the ethnic Chinese, considered to be foreign were expected to be

The Chinese up to this day often had and still have to face the explosive character of ethnic prejudices and conflicts that are evident in Indonesia's history:

Photo 29: One of the numerous typical Chinese shop houses in Berastagi. (Photo: Situmorang: 2007)

> Due to their visible role in business and the failure to produce a substantial number of equally visible *primbumi* [indigenous] entrepreneurs, Indonesia's Chinese minority has often been a target of unrest and racial attacks. Victims of physical attacks and discriminatory actions are mostly petty traders, shop owners and small entrepreneurs, that is, those who are visible and seizable. (Menkhoff/Gerke 2002:7)

Because the Chinese are of great significance for the field research area (photo 29) and in the field of trade, the following paragraphs will give a short introduction into Chinese life in North Sumatra, before reverting to the field research data concerning multi-ethnicity and trade.

The Chinese in Indonesia

"Ethnic Chinese", "overseas Chinese", "Chinese-born" or "people of Chinese ancestry" are just several among many other terms referring to the Chinese who, for various reasons, live outside their home country.[203] Furthermore, there are many more terms "[...] to describe the second-, third- or fourth generation offspring of the first generation Chinese who often married indigenous women, integrating local life-styles and cultural traits of their host society into their own everyday life" (Menkhoff/Gerke 2002:3).[204] It is also

absorbed into the 'native population'" (Suryadinata 2004:1).

203 For detailed explanations about the manifold of terms see Menkhoff/Gerke (2002:3f) or Suryadinata (1997:1ff). For good and comprehensive primary overviews about the Chinese in South-East Asia see, among many others, Heidhues (1999:365ff), Suryadinata (1995:3ff).

204 In the 1990's, about 20 million ethnic Chinese lived in Southeast Asia, of whom only 5-10 % were of Chinese citizenship. The huge part of ethnic Chinese acquire the citizenship of the countries they live in (Heidhues 1999:365). In Indonesia, "in 2000, the number of foreign ethnic Chinese was only 0,05 % of the total population. […] They may be poor ethnic Chinese who cannot afford to pay the

possible to distinguish between ethnic Chinese with, for example, Indonesian citizenship, and those who still hold a foreign passport. The classification becomes even more complicated if one considers that ethnic Chinese are by far no homogeneous group since "[...] they possess different cultural, linguistic and religious peculiarities, habits, lifestyles and worldviews and are exposed to different issues" (ibid 2002:4). In addition, they "widely differ in their rate of adaptation to the cultural environment of South-East Asia" (Wertheim 1980:106).[205] Some do not even identify themselves as Chinese because they already feel assimilated (Suryadinata 2004:vii). Furthermore, it is also imaginable that some ethnic Chinese or people of Chinese descent do not want to be identified or to identify themselves as ethnic Chinese because they fear to become the goal of anti-Chinese riots, as happened many times before (Suryadinata/Arifin/Ananta 2003:75). These reflections point out the difficulty and complexity of the issue. To define the term, however, the study follows the approach of Suryadinata/Arifin/Ananta, who

> […] use the term "ethnic Chinese" to distinguish the Chinese population from the Chinese in the People's Republic of China. The "ethnic Chinese" in Indonesia include those Chinese who migrated to, or were born and grew up in Indonesia, regardless of whether they are Indonesian citizens or foreigners. (Suryadinata/Arifin/Ananta 2003:73)

Or in other words: the term "ethnic Chinese" […] is meant to include both Chinese nationals and those of Chinese ancestry who have acquired local citizenship" (Wertheim 1980:106). An advantage of this broad definition is that it is value-free: all Chinese subgroups are included without listing or grouping them along some criteria. But this, at the same time, entails the problem of proving the group membership. For the survey at hand, as was also true for the data collection for the 2000 population census in Indonesia, the classification into the ethnic groups is mainly based on own declarations of the respondents (self-identity). Group membership was not controlled by the researchers in a scientific way. Only the physical outlook of the respondent, the

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cost to become Indonesian citizens. There may also be some who do not care about citizenship" (Suryadinata/Arifin/Ananta 2003:76).

205 To learn more about the different degrees of assimilation and cultural adaptation, see Wertheim (1980:106ff). Suryadinata's essay (2004:1ff) about Indonesian state policy towards the ethnic Chinese propose another angle of the issue.

family/clan name and the preferred interview language could serve as confirmatory hints[206]. But essentially there was no need of cross-checking in any case.

Number and Percentage of Ethnic Chinese living in Indonesia

Although the population census in 2000 included data on ethnicity, it was, nevertheless, incomplete though it only contained information on ethnic Chinese for the eleven major provinces (Suryadinata 2004:vii). The lack of data from the remaining nineteen provinces, as well as the circumstance that data was based on self-identity, still make a calculation of how many Chinese actually live in Indonesia difficult (Suryadinata/Arifin/Ananta 2003:75ff). Suryadinata and his colleagues made great efforts to get a realistic estimation that is mainly based on data of the 2000 population census, replenished by several carefully drawn scenarios and selected secondary data. Hence, three million Chinese, making up 1,5 % of the total population, live in Indonesia, thus less than expected previously (Suryadinata 2004:vii).[207] Since the province of North Sumatra unfortunately does not belong to the group of the eleven provinces for which data is available there are no reliable numbers for the field research regions.

Occupations, Prejudices and Misperceptions about the Chinese

Numerous popular misperceptions and stereotypes exist about the ethnic Chinese in general, and about ethnic Chinese businessmen in particular (for the latter see

206 It turned out that language is a good identification marker. Chinese traders always preferred to speak Indonesian or English with me, whereas Karo Batak traders, of course, always tried to use Karonese language and only after an explicit demand switched over to Indonesian language. Names are also useful in finding out ethnic group membership. Curiously, my family name Situmorang (subgroup name of a Toba Batak clan) served as identification helper for the Toba Batak, who were always happy to meet a European using a Toba Batak clan name. Even if some Toba Batak living in the highlands already have adapted their name to a Karonese clan, they revealed their original clan membership during the interviews to symbolise personal relationship. Hence, the differentiation between the Chinese, Karo and Toba Batak was not a big problem.

207 Before this new calculation was published, estimates greatly varied between 2,5 % and 6 %. There are several possible explanation for the relative low value, of which the following three are the most likely: 1) a low fertility rate of the ethnic Chinese in comparison to other ethnic groups (= low growth rate) declining over a long period of time 2) ethnic motivated violences and 3) the refusal of many Chinese to identify with the Chinese minority due to diverse reasons (fear of ethnic riots, assimilation, etc.). Suryadinata, Arifin and Ananta are aware that their estimation is based on incomplete data and that it is necessary to add the missing data from the remaining provinces as soon as possible (Suryadinata/Arifin/Ananta 2003:79, Suryadinata 2004:vii).

Menkhoff/Gerke 2002:4ff). The most widespread one is certainly the belief that most of the ethnic Chinese are rich and work as successful traders or entrepreneurs. In reality, by far not all are engaged in trade or run a business since "[...] a much broader range of occupations is being fulfilled by people of Chinese ancestry" (Wertheim 1980:105). Furthermore, ethnic Chinese can be found in any social strata:

> Many Southeast Asian Chinese are very wealthy and most are comfortably 'middle class' in status and income, although many others are quite poor (those in rural areas in particular) or disadvantaged in various ways. They are not a homogeneous group in their economic roles or social status at all. (Mackie 1995:39)

Without doubt, the ethnic Chinese play a significant role for Indonesia's business environment (Menkhoff/Gerke 2002:3, Heidhues 1999:375f, Suryadinata 1995:4ff) and are, in fact, "visible" all over the country. For example, Chinese shop labels do not state a clan membership as seen on photo 30: "Toko Sehat" means "Healthy Shop".[208] Furthermore, they offer a slightly different range of commodities.

Photo 30: Chinese owned shop in Berastagi. (Photo: Flade 2009)

As recently (08.10.2010)[209] titled by one of the biggest business newspapers in Germany, the "Handelsblatt", entrepreneurs of Chinese descent boost Indonesia's economy to such an extent that an Indonesian business life without Chinese participation is not conceivable anymore. The Chinese possess an enormous economic strength, fill important leading positions in the private business sector, and are among the richest inhabitants of the Republic of Indonesia (Handelsblatt online 08.10.2010). To put it in other words: "another often heard common-sense

208 For a Batak owned counterpart see photo 26 on page 119.

209 http://www.handelsblatt.com/unternehmen/mittelstand/aussenwirtschaft/einwanderer-treiben-in-donesiens-wirtschaft-an/3558148.html (Handelsblatt online, 20.02.2011).

argument is that all the Chinese in Southeast Asia are rich; a notion that is continually enhanced by media reports featuring Asia's ethnic Chinese tycoons, their achievements and the capital they have accumulated" (Menkhoff/Gerke 2002:5).

The circumstance that for a long period of time real data on ethnicity was not collected in Indonesia certainly left space for each kind of speculations and rumours.[210] Scientific studies on ethnicity hardly existed. The few works on the topic concerning the field research region only reveal some vague data without putting it into a broader context. One example is the already in 1978 published study of Jasin and Smith, dealing with the distribution of indigenous, non-indigeneous, and foreign enterprises in Medan.[211] The authors conclude "that 39,9 % of the trading firms [in Medan] are owned by indigenous businessmen while 57,9 % are non-indigenously owned [and] 2,2 % are foreign owned" (Jasin/Smith 1978:165). In other words, if leaving aside the insignificant number of foreign owned businesses, the ratio between indigenous owned and non-indigenous owned business is in general 4:6 (ibid 1978:1970). This ratio changes according to the business size (exact percentages are shown in table 18 on page 135:

1) to 7:3 (indigenous:non-indigenous) for bigger sized business,
2) to 3:7 (indigenous:non-indigenous) for small-scale business and
3) stays 4:6 (indigenous:non-indigenous) for middle-sized companies (ibid 1978:170).

The results reveal, at least in the bigger-sized company sector, an evident dominance of the indigenous economic actors. But in the course of their final conclusion Jasin and Smith (1978:171) rightly allude to the necessity to consider the real number of inhabitants of each subgroup. In doing so, the indigenous people of Medan, that

210 In regard to the exact number of ethnic Chinese in Indonesia, Suryadinata, Arifin and Ananta (2003:74) stated that "there was a rumour that Indonesian intelligence at one time attempted to gather the information but we are not convinced that there was any scientific and relible study in existence."

211 Of course, Jasin and Smith also faced the problem that ethnic Chinese holding Indonesian passports officially were merged into one category with indigenous Indonesians, since no data on ethnicity was collected. They nevertheless point out that the population of Medan in 1976 consisted of 84 % indigenous Indonesian, 8 % foreigners (holding foreign passports) and 8 % non-indigenous (holding Indonesian passports) of which the Chinese with about 90 % constitute the biggest group. This data was based on the 1930 population census, informal data from high-ranking provincial officers and data from their own survey (Jasin/Smith 1978:167).

constituted 84 % of the total population of the town in 1976, made up only 40 % of the traders and businessmen, while the 8 % of the non-indigeneous actors (including the ethnic Chinese with Indonesian citizenship) control 58 % of the business sector. The remaining 2 % are belonging to foreign economic actors, who made up 8 % of the total population (ibid 1978:172).

Table 18: Distribution of indigenous, non-indigenous and foreign owned enterprises

Type of company	Indigenous (Pribumi)	Non-Indigenous (Non-Pribumi)	Foreigners (Asing)	Sample Size
Big companies (perusahan besar)	69,3 %	30,7 %	---	300
Middle sized companies (Perusahan Mengenah)	42,5 %	55,3 %	2,2 %	1900
Small companies (Perusahan Kecil)	30,6 %	66,7 %	2,7 %	1478
				3678

(Source: adapted from Jasin/Smith 1978:170)

Due to the lack of updated comparative data resulting from the fact that no information about the ethnic Chinese in the province of North Sumatra were published after the 2000 population census, it is difficult to bring the results of Jasin and Smith into relation to the present situation. But it is "clearly apparent that there is a significant number of ethnic Chinese living in [Medan]" (Suryadinata/Arifin/Ananta 2003:76) and in the surrounding business areas as well as in the highlands. It is also evident that the Chinese took over and control significant parts of the business sector. Furthermore, the Chinese in the region are famous for innovative business ideas as will be shown in case study IV later on (see page 156).

The previously cited article in the Handelsblatt also contains information about the professional career of the ethnic Chinese, who came to Indonesia as migrants in the fifteenth century, took over important positions as intermediary traders during the Dutch colonial period and later on entered, due to lacking occupation alternatives, the private sector.[212] This would have hardly changed until today since ethnic Chinese usually do

212 http://www.handelsblatt.com/unternehmen/mittelstand/aussenwirtschaft/einwanderer-treiben-in-donesiens-wirtschaft-an/3558148.html (Handelsblatt online, 20.02.2011).

not fill significant political positions, with the single exception of the current commerce secretary of Indonesia, Ms Mari Elka Pangestu, who is of Chinese descent.

But the picture of the prosperous, successful ethnic Chinese businessmen is only half of the truth and somehow is part of a famous "constructed Chinese success story" (Menkhoff/Gerke 2002:6) that is not completely in line with the reality.[213] The numerous Chinese wage labourers who came into the country during the colonial period and who have worked on the huge plantation areas on the East Coast (compare page 53) are only one, albeit a historical, example for Chinese working in very different domains rather than leading business positions. For present times, the study reveals, and in this point also strengthen the results of the just presented survey of Jasin and Smith, that many ethnic Chinese work as intermediary small-scale traders, especially in Medan (see page 120 and 124), but also in the highlands. Wertheim (1980:105) propose to differentiate

> […] between those areas where the Chinese migrants settled among a comparatively dense local population engaged in agriculture [...] in the first place, and those mostly infertile areas where at the time of their arrival the country was still sparsely populated. In the former areas they mostly found an integrated society, in which they had no access to agriculture nor to other occupations in which sections of the native society were firmly entrenched. As foreigners they were in many cases not allowed to acquire land, and consequently they were relegated to occupations which were not yet filled by the natives, the evident avenue for migrants being trade […]. In addition they could engage in all kinds of handicrafts […]. (Wertheim 1980:105)

The differentiation between urban and rural settlement areas is also maintained by other scientists, e.g. Mackie (1995:39, also see quotation on page 133) or Heidhues. Heidhues (1999:365) explains in her introduction of an essay about the Chinese in Southeast Asia that they are usually more prosperous and better educated than the "non-Chinese" in the

213 The myth of the rich Chinese is diffused by "the frequently heard view that the Indonesian Chinese, for example, own about 70 % of the commercial wealth of that country […]. In the case of Chinese commercial wealth in Indonesia […] we should notice that agricultural land is rarely included in such calculations; yet land is one of the most important forms of capital in the country […], and one which is neither owned nor controlled by Indonesian Chinese to any significant extent" (Mackie 1995:39f). It is furthermore" […] often ignored that the Chinese entrepreneurs in Southeast Asia were frequently forced into business as a consequence of their trading minority status [...], that they do fail in business ventures, that there are significant disparities within Chinese communities etc. Both historical and contemporary studies on Chinese entrepreneurship tend to focus on the bright side of business and success stories rather than on its dark side [...] or those who did not make it" (Menkhoff/Gerke 2002:5).

region. She argues that this can be explained by the fact that most Chinese rather live in urban than in rural areas and that they, furthermore, concentrate in trade, financial affairs and industries. She, nevertheless, acknowledges that there are great differences in regard to the cultural dimensions, as well as for the economical status if considering the group of the Chinese on its own (ibid 1999:365).

In allusion to the current situation in the highlands (that is defined as a rural area in comparison with the urban Medan), it is assumed that the gap between rural and urban areas slowly disappears since there are several Chinese middle-scale entrepreneurs quite successfully acting in the highlands. For examples see the two case studies on page 150 (about Laimin Logam, a builder's merchant in Berastagi) and on page 156 (about the Chinese-owned dairy farm in Berastagi).

Open Reservation Against the Chinese

Without doubt, open reservations against the ethnic Chinese exist. Whether these are based on “real facts” or on the previously described misperceptions or rumours is, in the first instance, doubtful and has to be examined case-by-case. Ethnic Chinese of each economical status are also present in the field research area: they possess market stalls in the market areas, run shops, work as exporters, agents or mobile vendors and also carry out other (non-business) occupations. Due to the moderate climate and the reputation as a centre for tourism, the highlands in particular also attract many Chinese living in the lowlands, who, together with their families, spend their weekends/holidays in one of the numerous resorts. A certain, somehow diffuse, mistrust against the ethnic Chinese is noticeable everywhere as Sherman also observed during his field work on Samosir island:

> As in Aceh to the north and Minangkabau to the south, there is an apparent resistance of Batak society to small-scale trade by Chinese merchants. Whereas in the cities in North-Sumatra, as elsewhere in Indonesia, the most well-stocked 'general stores' are owned and run by people of Chinese descent, every Batak town has 'home-owned' stores carrying a wide variety of goods (from notebooks to lanterns, cassette decks to soap, furniture, motorcycle batteries, umbrellas, and hats), specialty shops (hardware, photography studios), restaurants, and artisans' shops (jewelers, tailors, and shoemakers). (Sherman 1990:163)

Sherman's description of a typical Batak town leads to the next section of this chapter that finally brings the previously described components together to understand the relationship between Batak and ethnic Chinese traders. In the focus will be the question how, to what extent and under which conditions both groups of traders are interacting. Furthermore, the mutual self- and social perceptions are examined.

Cooperation or Toleration? The Relationship of Chinese and Batak Traders

Multi-ethnicity or, in other words, a huge "diversity of culture, social structure, economic and political history" (Evers 1980b:2) is characteristic for many Southeast Asian states. Hence, several scientific concepts[214] had been designed from which the model of a "plural society" fit best to describe the Chinese – Batak relationship. Hence, the model will be illustrated before analysing the related field research results.

Furnivall's model of a "plural society" (released in 1939), can still be applied today, although it was already published during the late colonial period. According to Furnivall, a plural society is

> [...] a society […], comprising two or more elements or social orders which live side by side, yet without mingling, in one political unit. In this matter Netherlands India is typical of tropical dependencies where the rulers and the ruled are of different races; but one finds a plural society also in independent states, such as Siam [nowadays Thailand], where natives, Chinese and Europeans have distinct economic functions, and live apart as separate social orders. (Furnivall 1980:86)

This description almost perfectly reflects the previously cited observation of Sherman (compare page 137), who reported that "home-owned stores" or shops managed by the indigenous population are widespread in the Batakland. Indeed, in the cases of Berastagi and Kabanjahe there are almost to every Chinese shop a Batak owned alternative. Only if one is on search of a, for example, very special product of a certain brand (e.g. imports from China, Chinese medicaments or products/brands that are usually consumed by Chinese) he/she has to visit a Chinese shop. Obviously, Batak consumers in the

214 For an overview see Evers, 1980b:2ff.

highlands who have the choice, also prefer to make their purchases in Batak owned shops even if no one would dare to enunciate it like this. If asking a Batak for a shop recommendation, in most cases he/she will name, if possible, Batak shops before referring to Chinese alternatives. But one has to keep in mind, that there are recently no concrete conflicts known between the ethnic Chinese and the Batak in the highlands.

Photo 31: Chinese cemetery near by Berastagi. (Photo: Situmorang 2007)

Ethnic Chinese do not fill political positions and pursue an own (from the Batak Adat separated) cultural and social life. They usually do not assist at traditional events (Adat ceremonies) of the Batak, are normally no members of the local churches and run own social facilities like, for example, an own cemetery[215] close by Berastagi (see photo 31). Hence, the society in the field research region obviously live side by side without forming a political unit.

215 Cemeteries are still not common in the highlands. Most Batak graves can be found on the field of their families.

In his further argumentation, Furnivall gives a manifold of examples for plural societies all over the world (Furnivall 1980:86) and elaborates at least three distinctive characteristics of plural economies, summarised by Evers (1980b:3) as following:

> [First:] A plural society […] resembles a confederation of allied provinces but within one territory. Therefore 'in a plural society there is no common will' (p.449).[216] […] [Second:] there is a general disorganization of social demand as the structure of demand and economic motives is not co-ordinated by common cultural values. 'The emphasis on production', says Furnivall, 'rather than on social life is characteristic of a plural society' (p.450). Achieving equality of opportunities, social mobility and an equitable distribution of wealth is, therefore, a greater problem in a plural society than in any other type. [Third:] […] As each 'community tends to be organized for production rather than for social life' (p. 459), cultural as well as moral standards deteriorate. (Evers 1980b:3f)

Whether these features can be verified for the target group was tested in the course of data collection. In addition, data was replenished by a case study (page 156ff) that draws a slightly other picture of the scenario. The results of the survey, the description of the case study and the conclusions are presented in the following paragraphs.

The Aspect of Ethnicity in the Survey

All questionnaires[217] contained a section dealing with the aspect of multi-ethnicity, the validity and value of traditional systems (Adat) and potential inter- and inner-group relations between traders. In most cases, the respondents were asked to value a given hypothesis with the help of six possible categories of answers, ranging from “don't know” to “strongly disagree” and “disagree” (for a negative statement) to “agree” and “strongly agree” (for a positive statement). It was also possible to stay neutral. In addition, open questions were posed to collect further information. Table 19 on page 141 gives a primary overview about the ethnic affiliation of all interrogated traders. Since the Batak stood in the focus of the research, they naturally constitute the biggest group (respondents of other ethnic groups: N = 172).

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216 Evers refers to the original text: Furnivall, John S. (1939) *Netherlands India. A Study of Plural Economy.* Cambridge: University Press.

217 For an overview of the survey see page 105. A detailed methodical presentation including all questionnaire designs with translations is attached in Appendix A, page 217ff.

Table 19: Ethnic group membership of respondents[218]

Ethnic Group Membership	Number and percentage of interviewed traders	
Batak (all subgroups)	538	75,8 %
Javanese (all subgroups)	79	11,1 %
Chinese (all subgroups)	61	8,6 %
Padang / Minangkabau	22	3,1 %
Malay	7	1 %
Indian (all subgroups)	2	0,3 %
Acehnese	1	0,1 %
Total	**710**	**100 %**

(Source: field research data)

The Importance of Customs/Adat for Trade

Primarily, potential influences between the Adat and trading activities were examined to determine possible factors that might play a role in including or excluding traders from certain trading networks (group coherence). But the initial hypothesis that a cultural system often functions as a strong identity marker also serves as a good starting point for the following reflections referring to issues of multi-ethnicity.

In general, habits/Adat (see table 20, page 142), and ethnic affiliation (see table 22, page 145) are of great significance for the interrogated Batak traders. But, as will be proved later on, both become less important at a point where real business starts: namely when traders restock their commodities. Altogether 73,1 % of the Batak traders acting in the highlands agree to the statement that Adat, in fact, is important for Batak traders, and Batak trade itself. This high value can be explained by the omnipresence of Adat in daily life or, in other words, the lack of an "Adat-free" space (compare page 28ff). An Adat-based life is for most Batak self-evident, a circumstance that some of the respondents maybe never have rethought before. Hence, it has to be kept in mind that some Batak traders may not, or even unconsciously may not be able, to differentiate between private and business life in this case.[219]

218 Based on self-identity.

Table 20: Hypothesis "The Adat is important for Batak traders."[220]

	BTK		
don't know	0	**0 %**	
strongly disagree	18	**9 %**	**20,9 %**
disagree	24	**11,9 %**	
neutral	12	**6 %**	
agree	141	**70,1 %**	**73,1 %**
strongly agree	6	**3 %**	
Total	201	**100 %**	

BTK = Batak Tanah Karo / Batak traders in the highlands
(Source: field research data)

Some traders mention that through the Adat networking is easier because of the already manifold existing ties defined by Adat rules (compare page 30ff). Partnerships of high constancy are also tightened by, for example, the habit to purchase goods, if possible, always from the same wholesaler or salesmen. This method is widespread, both among traders and customers and was hence tested in the course of field work (table 21).

Table 21: Hypothesis "When I purchase commodities I try to buy them from the same trader/place."[221]

	BTK (N=201)	BLTK (N=199)	BB (N=21)	SL (N=141)	Accumulated (N=562)
don't know	**0 %**	**0 %**	**0 %**	**0,7 %**	**0,2 %**
strongly disagree	**25,9 %**	**8,5 %**	**23,8 %**	**6,4 %**	**14,8 %**
disagree	**17,9 %**	**5,5 %**	**19 %**	**7,8 %**	**11 %**
neutral	**10,9 %**	**8,5 %**	**28,6 %**	**7,8 %**	**10 %**
agree	**44,3 %**	**76 %**	**28,6 %**	**71,6 %**	**61,7 %**
strongly agree	**1 %**	**1,5 %**	**0 %**	**5,7 %**	**2,3 %**
Total	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**

BTK = Batak Tanah Karo/Batak traders in the Karo highlands
BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
SL = Suku Lain/Traders of other ethnic affiliation
(Source: field research data)

219 In the stage of questionnaire designing, I was fully aware of this problem. I decided not to delete this part because it served as a good starting point for further discussions with the traders. However, to avoid a fast, general answer, all interviewers were asked to give further explanations when posing the question. For example, the traders were animated to think about a business life without Adat elements before giving their answers.

220 Original: (indo) "Adat penting bagi pedagang Batak." This question was only posed to Batak traders in the highlands.

221 Original: (indo) "Kalau saya berbelanja barang, saya mencoba selalu berbelanja ke tempat yang sama."

The concept of constancy and the hereby emerging relationships (on wholesale and private level) assures steady prices, the possibility to buy something on credit or to place an order for certain commodities (brand, type, model, colour, quality, etc.).

Interestingly, the analysis of the field work data revealed three distinctive trends:
1) With 45,3 % acceptance and 43,8 % denial (compare column "BTK" in table 21, page 142), there seems to be at least no urgent need to establish tight connections among Batak traders in the highlands although they are still quite popular. A broad range of Batak controlled offers allow the local traders to "fade out" the aspect of benefiting linking to the greatest possible extent. If necessary, trading advantages can also be claimed by applying simple Adat rules, like, a constructed (or real) family relation[222] based on the same clan membership. In addition, Batak highland traders, who restock their commodities in the lowlands, partly explain that they are not often enough in Medan to establish really close, "effective" trading connections and hence prefer, to be non-committal. Some others pursue a double sided strategy: they first visit their usual trading partners but, nevertheless, always compare the offered commodities and prices with those of other traders.

2) Things look quite different in the lowlands where the Chinese are more present and Batak alternatives are much more rare than in the highlands. A majority of 77,5 % Batak traders in the lowlands (column "BLTK" in table 21, page 142) try to establish trading connections with certain partners to assure business advantages. Since ethnicity is also of great significance (70,4 % acceptance, column "BLTK" in table 22, page 145) it is supposed that a correlation between both exist, and hence, Batak traders, if possible, support each other.[223] Similar to the Batak living outside the highlands, 77,3 % (column

222 Of course, the category "constructed relationship" does not exist for the Batak since the terms "family" and "kinship" are defined completely differently as it is the case in Europe. Also see page 30ff.

223 The questionnaires for the Batak traders contained a provocative hypotheses to re-test the significance of Adat for trade. The respondents were asked to value the following statement: "If possible, I try to purchase my commodities from traders belonging to the same clan as me" (original [indo] "Kalau bisa, saya mencoba berbelanja ke grosir semarga"). This hypothesis was clearly denied by 70,2 % of the Batak highland traders (acceptance: 19,9 %) and by 76,2 % of the Batak traders on Batam island (acceptance: 14,3 %). Batak traders living in the lowlands of Sumatra preponderantly also refused the statement (49,8 %), but had the highest degree of acceptance with 46,2 %. This might be explained with an inherent feature of a diaspora community in which cultural elements are

"SL", table 21, page 142) of the traders belonging to other ethnic groups affirm the hypothesis. This behaviour, similar to the previously described one, can be explained with a certain loyalty of ethnic groups towards their associates.

3) The results from Batam island clearly point to another direction: 42,8 % deny the hypothesis (column "BB", table 21, page 142) that also ties in with the later on presented statement denying the significance of ethnic affiliation (52,4 % denial, column "BB" table 22 on page 145). Obviously, the trading environment of Batam is characterised by other features like profit margins, business calculations, etc. and more or less neglect the components of ethnicity and Adat. It is also evident that the diaspora situation on Batam island clearly differs from the circumstances in Medan where the Batak mainly dwell in the Batak dominated district Padang Bulan with close contacts (spatio-temporal) to the homeland.

As an intermediary result, it can be stated that the Adat plays an important role for Batak trade itself since certain components facilitate the networking and organisation of trade exclusively between Batak traders. But it obviously does not serve as an excluding factor when traders of different ethnic affiliation interact. A slight exception has to be added for Batak traders living in strong diaspora communities.

The Importance of Ethnicity for Trade

Table 22 (page 145) reflects the results of how the respondents rated the importance of ethnic affiliation for traders. Obviously, great differences among the various groups exist that mirror the degree of acquaintance to and dependency from foreigners. This becomes quite clear when looking at the vegetable, fruit and spice sector. Because the most important trading partners in this sector are the intermediary traders, of which a large number belong to the ethnic Chinese, the greengrocers fruit and spice traders on Sumatra

sometimes even more developed than in the homeland. As there is a stronger need to stick together and to prove group solidarity in a multi-ethnic environment, cultural elements are often and more intensively used within diaspora communities as distinctive identity markers.

clearly deny (BTKSB[224] 76 % denial, BLTKSB 100 % denial) the importance of ethnic affiliation of traders for trade itself. Apart from a high degree of dependency, greengrocers, fruit and spice traders are, furthermore, not (or only to a certain extent) able to select their possible trading partners due to the perishable goods they offer and the thereby limited time frame of trading actions.

Table 22: Hypothesis: "Ethnic affiliation is important for traders."[225]

	BTK (N=201)	BLTK (N=199)	BB (N=21)	SL (N=141)	BTKSB (N=50)	BLTKSB (N=48)	BBSB (N=50)	Accumulated (N=710)
don't know	**0,5 %**	**0 %**	**0 %**	**1,4 %**	**2 %**	**0 %**	**0 %**	**0,6 %**
strongly disagree	**10,9 %**	**15,6 %**	**38,1 %**	**16,3 %**	**64 %**	**39,6 %**	**30 %**	**21,1 %**
disagree	**3,5 %**	**12,1 %**	**14,3 %**	**18,4 %**	**12 %**	**60,4 %**	**12 %**	**14,2 %**
neutral	**5 %**	**2 %**	**0 %**	**1,4 %**	**2 %**	**0 %**	**8 %**	**3 %**
agree	**77,6 %**	**52,3 %**	**47,6 %**	**39,7 %**	**20 %**	**0 %**	**48 %**	**50,7 %**
strongly agree	**2,5 %**	**18,1 %**	**0 %**	**22,7 %**	**0 %**	**0 %**	**2 %**	**10,4 %**
Total	**100 %**	**100,1 %**	**100 %**	**99,9 %**	**100 %**	**100 %**	**100 %**	**100 %**

BTK = Batak Tanah Karo/Batak traders in the Karo highlands
BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
SL = Suku Lain/Traders of other ethnic affiliation
BTKSB = Batak Tanah Karo Sayur Buah/Greengrocers, fruit and spice traders in the Karo highlands
BLTKSB = Batak Luar T.K. Sayur Buah/Greengrocers, fruit and spice traders outside the Karo highlands
BBSB = Batak Batam Sayur Buah/Greengrocers, fruit and spice traders in Batam
(Source: field research data, deviation from rounding)

It was estimated that greengrocers, fruit and spice traders on Batam island also refuse to acknowledge the importance of ethnic affiliation for trade, but in contrast 50 % support the hypothesis (denial: 42 %). In searching an explanation for this phenomena, it turned out that many traders on Batam allude to the role the Batak play in the production process of vegetables, fruit and spices and hence, value the importance of ethnic affiliation against this background. Some of the traders on Batam truly state that exclusive Batak trading networks do exist in this sector. On enquiry, it became clear that this assumption is simply based on the circumstance that the production on Sumatra as well as the selling to the end-consumer on Batam island is, indeed, mainly controlled by Batak traders. The

224 BTKSB = Batak Tanah Karo Sayur Buah/Greengrocers, fruit and spice traders in the highlands, BLTKSB = Batak Luar Tanah Karo Sayur Buah/Greengrocers, fruit and spice traders outside the highlands. For a better reading, data from greengrocers, fruit and spice traders are marked in light grey.

225 Original: (indo) "Keanggotaan suku penting bagi orang pedagang."

large number of intermediary traders, most of Chinese ancestry, were, somehow, completely faded out.

From the remaining traders (who are not occupied in the vegetable, fruit and spice sector), 80,1 % trading in the highlands and 70,4 % outside the highlands, but only 47,6 % of Batak traders on Batam agree, or even strongly agree to the hypothesis that ethnic affiliation is of great significance for traders. The relative low value for the latter group certainly can be explained by 1) the (geographical) closeness to Singapore and the thereby permanent given fluctuating diversity of people, 2) the (geographical) distance to the cultural homeland and 3) the low number of respondents that might distort this value in a certain way. But since the analysis of the other answers showed that the traders on Batam "pursue a different line" than those on Sumatra, the above given result is estimated to be not completely misleading.

Unlike expected, 62,4 % of the traders belonging to other ethnic groups, nevertheless, agreed to the hypothesis. This is surprising due to the relative high dependency of the foreign traders to indigenous suppliers and customers and, hence, mirrors the self-confidence of this group (see page 149ff).

Those traders who agreed to the assumption that ethnic affiliation is important were subsequently asked to concretise their answers. The analysis of these responses was interesting since many could not give reasons for their judgement. It, however, became clear that there are three main fields in which ethnic affiliation plays a role:

1) (Often:) In the way traders mutually cooperate. For example: a customer asks for a commodity at trader A which is not available anymore. Instead of apologising and sending the customer away, trader A (or an assistant) asks trader B for help (sometimes without the customer's awareness). If trader B can help, profits are shared later on. This system functions only between Batak traders.
2) (Often:) For the classification/assessment of a business since Batak traders tend to devalue their own shops, also see page 152ff).

3) (Seldom:) Sometimes the "right" group-membership can be an advantage, e.g. when needing a trading licences or purchasing commodities from someone belonging to the same family/clan.

In the context of these three fields ethnicity is significant for the traders. But it's influence, indeed, comes to an end when real business starts, that is to say when shop owners replenish their stock of commodities. To re-test this assumption all traders were confronted with a hypothesis aiming at finding out if traders really prefer to trade with partners belonging to the same ethnic groups (table 23). The results of all groups of traders clearly show that ethnicity plays no role in the selection of possible trading partners.

Table 23: Hypothesis "I prefer trading with traders of my own ethnic group."[226]

	BLTK (N=199)	**BB (N=21)**	**SL (N=141)**	**BTKSB (N=50)**	**BLTKSB (N=48)**	**BBSB (N=50)**	**Accumulated (N=509)**
don't know	13,1 %	0 %	1,4 %	0 %	0 %	0 %	5,5 %
strongly disagree	38,7 %	71,4 %	19,1 %	90 %	85,4 %	66 %	46,8 %
disagree	36,7 %	23,8 %	63,1 %	6 %	14,6 %	28 %	37,5 %
neutral	1 %	4,8 %	2,1 %	0 %	0 %	4 %	1,6 %
agree	10,6 %	0 %	13,5 %	4 %	0 %	2 %	8,5 %
strongly agree	0 %	0 %	0,7 %	0 %	0 %	0 %	0,2 %
Total	**100,1 %**	**100 %**	**99,9 %**	**100 %**	**100 %**	**100 %**	**100,1 %**

BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
SL = Suku Lain/Traders of other ethnic affiliation
BTKSB = Batak Tanah Karo Sayur Buah/Greengrocers, fruit and spice traders in the Karo highlands
BLTKSB = Batak Luar T.K. Sayur Buah/Greengrocers, fruit and spice traders outside the Karo highlands
BBSB = Batak Batam Sayur Buah/Greengrocers, fruit and spice traders in Batam
(Source: field research data, deviation from rounding)

To underline this assumption, the traders were, in addition, confronted with several hypotheses referring to common business principles. One was the business axiom of steadily comparing prices and quality to assure high profit margins that was highly valued by all groups of traders (for the results see table 24 on page 148). Furthermore, it was

226 Original (indo): "Saya lebih suka berdagang dengan satu suku." This hypothesis was added to the questionnaire after it became clear that ethnicity, somehow, plays a significant role for trade. The interrogation of the Batak traders in the highlands was finished, hence data of this group of traders is not available.

interesting to find out from whom traders in and outside the highlands actually receive their commodities (see table 25, page 148). The results, again, clearly reflect the great influence the Chinese traders exert in the region, but it also shows the trading power of the Batak traders in the highlands.

Table 24: Hypothesis: "When I purchase commodities, I always compare prices and the quality. The ethnic affiliation of other traders does not play a role for me."[227]

	BTK (N=201)	**BLTK (N=199)**	**BB (N=21)**	**SL (N=141)**	**BTKSB (N=50)**	**BLTKSB (N=48)**	**BBSB (N=50)**	**Total (N=710)**
don't know	0 %	0,5 %	0 %	0 %	0 %	0 %	2 %	**0,3 %**
strongly disagree	0,5 %	4,5 %	4,8 %	0 %	0 %	0 %	4 %	**1,8 %**
disagree	2,5 %	1,5 %	4,8 %	4,3 %	0 %	0 %	8 %	**2,7 %**
neutral	1 %	3 %	0 %	6,4 %	0 %	0 %	4 %	**2,7 %**
agree	88,6 %	75,4 %	76,2 %	79,4 %	94 %	100 %	72 %	**82,7 %**
strongly agree	7,5 %	15,1 %	14,3 %	9,9 %	6 %	0 %	10 %	**9,9 %**
Total	**100,1 %**	**100 %**	**100,1 %**	**100 %**	**100 %**	**100 %**	**100 %**	**100,1 %**

BTK = Batak Tanah Karo/Batak traders in the Karo highlands
BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
SL = Suku Lain/Traders of other ethnic affiliation
BTKSB = Batak Tanah Karo Sayur Buah/Greengrocers, fruit and spice traders in the Karo highlands
BLTKSB = Batak Luar T.K. Sayur Buah/Greengrocers, fruit and spice traders outside the Karo highlands
BBSB = Batak Batam Sayur Buah/Greengrocers, fruit and spice traders in Batam
(Source: field research data, deviation from data rounding)

Table 25: From whom traders purchase their commodities

	Percentage of Traders acting...		Average
	...in the highlands	...outside the highlands	
	…who purchase their commodities from...		
...Batak traders	31,4 %	19,9 %	25,7 %
...Chinese traders	44,6 %	62 %	53,3 %
...Javanese traders	9,9 %	9,8 %	9,9 %
...Minangkabau traders	8,1 %	3,2 %	5,7 %
...Malay traders	0,8 %	0,6 %	0,7 %
...Indian traders	3,6 %	0,2 %	1,9 %
...Traders of other groups	1,7 %	4,3 %	3 %

(Source: field research data, derivation from rounding)

227 Original: (indo) "Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalitasnya. Suku pedagang tidak penting bagi saya."

As a preliminary conclusion, ethnicity, or in other words, simply belonging to an ethnic group, is not the crucial factor constraining the Batak to exhaust their full economical potentials.

Self-Esteem and Social Perception

Since the main reasons for the relative low economical integration of the Batak into regional trading activities were not revealed yet, the last part of this chapter is devoted to an examination of the self and social perceptions of Batak and Chinese traders respectively. For this reason, the questionnaires contained a section with open questions, aiming at finding some reasons that constrain Batak trade.[228]

"They constitute the majority"[229]: Chinese about the role of the Batak traders

Asked about the role and significance of the Batak for the regional business activities, Chinese traders offered a clear cut set of answers:

1) The Batak are of great significance for the regional business sector because they are simply constituting the majority of the local population, traders, agricultural producers and consumers, of which the roles as the biggest group of consumers and agricultural producers are the leading functions.
2) The Batak are of great significance for the Chinese traders because they fill in very important political positions that play a role for trade and traders in the region. Chinese traders are therefore to a high degree dependent on Batak decision making.
3) Batak people also fill in important positions at institutions that are important for the security of all inhabitants and traders in the region (police departments, the military, private security companies, market managements, etc.)

228 For an overview of the survey see page 105. A detailed methodical presentation including all questionnaire designs with translations is attached in Appendix A, page 217ff.

229 "[Orang Batak main peranan penting dalam perdagangan di SUMUT] karena sebagian besar penduduk SUMUT adalah orang Batak" (Melanie, a Chinese female trader at the Pajak Sore, Medan, 10.08.2007).

4) Batak traders are important middlemen between the cultures (bridging cultural distances by trading).

The trading power of the Batak traders was valued, but simply and explicitly with reference to the high number of traders, thus regionally constricted. The following presented case study is a very subjective and individual appraisal of Batak – Chinese relationships, but clearly points out that the beforehand described mistrust and reservation (see page 137) is, somehow, of reciprocal character.

Case Study III: Laimin Logam, a Chinese entrepreneur in Berastagi, about Chinese – Batak relationships in the highlands[230]

The builder's merchant Laimin Logam was born in 1971 as the oldest of twelve children. Since 1993, he has been successfully managing the enterprise in Berastagi that his father Asia Logam had founded in 1980. Logam is not married and has no children. He is well-educated and speaks Chinese, Karo language, Indonesian, English and also German.

The history of his family is quite similar to many ethnic Chinese, although not all who tried became as successful as the Logam family, who, according to own declaration, can count on a strong network of Lo families in Indonesia. Logam's grandfather, Lo, migrated to the highlands in 1930 and later on managed a candy factory in the Logam street in Medan. His 1939 born son Asia Logam preponderantly traded with salt fish and vegetables and cultivated potatoes and oranges. Later on, he expanded his business and started to trade and transport vegetables and fruits on wholesale basis in Medan. On the way back from the markets, Asia Logam brought building materials to the highlands and hence laid the foundation for the still existing family enterprise. Logam declares that it is easy to found a business in the highlands since vegetables and construction materials are always needed by the people.

230 The interview took place in January 2009 and was conducted on my behalf by Annette and Stephan Flade.

As the only known violent action in the highlands Logam's storage room was burned down in the course of the ethnic motivated riots during the fall of Soeharto (see page 128ff), but fortunately nobody was injured.

Laimin Logam today employs twenty-five labourers, of which the majority are Toba Batak (twenty Toba Batak, three Karo Batak and two Javanese). He owns fifteen trucks and pickups, valuable property, and has a clear mind about good staff management. According to him, it is indispensable to know and understand Batak behaviour to successfully run a business in the highlands. Logam's opinion about the local population, the Karo, is two-sided: On the one hand, the Karo face a lack of discipline, working structures and planning. For example, prior made arrangements with traders and customers are often not kept. Arrangements have to be realised just in time: an order has to be followed by a direct delivery and full payment. Partial payment is not possible. Logam states that it is somehow difficult to understand the decision making of the locals because they are quite unstable. On the other hand, Logam has made good experiences with Karo employees deriving from poor families who are in the need to work to satisfy their basic needs. Asked about the low number of Karo employees, he thinks that the majority of the Karo are not reliant on employed work because most of them, or their families, own sufficient farm land. The dream of the Karo would be to become a PNS (officer, teacher etc. see page 85ff) and not a successful employee.

In his opinion it makes no sense to motivate Karo labourers with premiums for extraordinary efforts. Unlike the Chinese, he says, the Karo have no ambitions to set oneself apart from the others, even if this is caused by something positive, like a reward for good work.

During the interview, Logam points out three crucial factors that are, according to him, responsible for the economical failing of the highland population: 1) the already mentioned lack of discipline, structure and planning, 2) the strong affiliation to the Adat and 3) a certain lifestyle. Referring to the Adat, Logam states that against the background of Karo understanding, orders are often not done with individuals, but with the involve-

ment of whole families or even whole clans. This is a difficult circumstance when it comes to the question of (financial) responsibilities. Furthermore, a certain lifestyle or "lifestyling" is another problem since the Karo, to his understanding, tend to live beyond their means, simply to demonstrate a certain standard of living they actually cannot afford.[231]

The fact that Logam belongs to a successful Chinese business family certainly explains that he clearly sees the role of the ethnic Chinese in the trading sector. He mentions the usual and widespread reasons for his appraisement: firstly, the fact that the ethnic Chinese are still not allowed to become civil servants or fill in similar high positions like the Batak (police, military, political positions etc.) and secondly, he adds the overall opinion that the Chinese are simply acquainted with trade and economical affairs, also based on historical factors.

According to Logam, typical Chinese controlled business sectors in the highlands are the production of milk and beef, the supply of building materials, tobacco trade and the complete, quite profitable transportation sector.

"They have a soul for trade"[232]: Batak traders about the role of the Chinese traders

Frankly asked about the reasons why so many of the ethnic Chinese traders interfere into local business actions, the following answers were given by the Batak traders:[233] The Chinese 1) ...generally possess more funds/assets and if not, have easily access to bank credits, 2) …are better educated/have competent business knowledge/expertise, 3) ...obey quality standards and requirements, 4) ...are willing to take a risk and do not fear strong competition, 5) ...have, and also realise innovative business ideas, 6) ...have a better and tightened self-esteem than the Batak, 7) ...are disciplined, work hard and have a

231 Which is maybe not a typical feature of the Karo Society but, as elaborated by Gerke (2000), a characteristic of the Indonesian middle class (compare footnote 182 on page 119).

232 "Karena mereka punya jiwa dagang" (Hita br. Tarigan, a female greengrocer in Batam, 06.09.2007).

233 Original question (indo): "Kenapa begitu banyak orang Cina campur tanggan dalam perdagangan di Indonesia?" This questions was posed to all Batak traders, regardless of their range of commodities.

better self-management, 8) ...do not hesitate to cooperate with the indigenous population, 9) ...harvest better and more and 10) ...help each other, have good networks and business connections.

Some of these points, like the assumption that ethnic Chinese are easily granted with bank credits just because they are of Chinese descent[234], or that they always harvest better and more, certainly fall in the category "misperceptions and rumours". Others cannot be denied like the circumstance that there are some ethnic Chinese entrepreneurs in the highlands who do not fear the risk and are quite successful because they have realised outstanding, innovative business ideas (for an example see case study IV, page 156ff). It is also obvious that the Chinese in the highlands, like the Batak themselves, help each other and to a certain degree stick together.[235] The aspect of education and knowledge is of great significance and will be discussed in detail in chapter six (page 180ff).

The last point that has to be carefully addressed to in this context are some characteristics that seem to be allotted to the Chinese and the Batak traders respectively. These are features like discipline, diligence, canniness, entrepreneurial spirit and self-esteem. It happens that these features in the positive connotation are automatically applied to the Chinese, while the negative counterparts appear to be "typically Batak". Strange and difficult to understand is the circumstance that both the Chinese **and** the Batak (although sometimes indirectly) conclude that a lack of discipline, self-management and diligence is responsible for the limited business success and the overall well-being of the Batak people.[236]

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234 The belief is partly based on the fact that there are some Chinese owned banks in Indonesia with branches all over the country. Furthermore, it is assumed that the famous Chinese networks play an important role in the acquisition of capital (also compare footnote 235, page 153).

235 The belief that the Chinese are "excellent (interwoven) net workers who have formed an exclusive regional Chinese network of companies, clans and villages linked by ties of blood and native place, which is part of the large global network of overseas Chinese business men" is widespread (Menkhoff/Gerke 2002:5), but to a certain extent improbable due to the "eclectic culture of the Chinese merchants, the heterogeneity of the Chinese societies and sub-cultures in Asia, folk religious influences and other alternative sources of ethics […]" (ibid 2002:6).

236 It is very important for me to underline that this appraisal was done by many Batak traders themselves without my asking. In this context, I would like to allude to the works of Hussein Alatas (1977), who published his famous book "which attempts to probe the origins and functions of the notion of the 'lazy native' who was considered indolent by nature or because of his environment from

Tikwan Raya Siregar, a Toba Batak journalist writing for several online magazines in Indonesia, found clear words for the crucial difference of Batak and Chinese business spirit:

> […] we [the Batak] are still a folk that is lazy in thinking, working and fighting when it comes to the realisation of end products that are of higher value than the raw materials they are made up. This is the reason why we prefer to sell wood, coal, oil, sand [...] and other cheap commodities. Some of them we monopolise or have at least licenses so that we do not have to struggle for them and some people really piled a lot of money from this. In contrast, others have to suffer because they, for example, have to buy expensive, imported milk […]. (Tikwan Raya Siregar, 2008) [237]

It is not easy to understand or to express in words why the Batak are used to degrade themselves to such an extent. Of course, they are neither lazy nor extremely undisciplined[238], least of all they are stupid or reluctant to work. Most Batak are quite busy with their fields, shops and other occupations, beyond that the women manage their households and assume the main responsibilities for the children.

A possible explanation could be the principle of "equality" that is of some importance among the Batak. Due to the three-fold kinship system (see page 30ff), the roles and the status of the people are clearly defined. Achievers or people being successful in any field are sometimes regarded as "disturbing" this clearly outlined system.[239] Hence, it is

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the the 16th to the 20th century in Malaysia, the Philippines and Indonesia [...]" (Faezah Ismail, 2003). Hussein Alatas' main concern was to correct a negative and wrong view on the Asian natives who, by far, do not apply to the created ideology of the colonial powers. But, unlike it is the case in my research, Hussein Alatas work was based on judgements of third parties like colonial officers, colonial historians and so on, and hence, differs a lot from the self-assessment of the Batak today.

237 (indo) "Sebagai catatan, kita memang masih bangsa yang malas berpikir, bekerja, dan berjuang untuk menciptakan produk akhir yang bernilai tambah tinggi. Itulah sebabnya kita lebih suka menjual kayu, batu bara, minyak sawit mentah, jual pasir, harga diri, dan barang-barang murah lainnya. Sebagian dengan cara monopoli atau konsesi biar tak repot, sehingga ada orang yang hidup sangat kaya raya, dan ada yang sangat menderita karena harus membeli susu impor yang mahal, misalnya. [...]." Tikwan, Raya Siregar, http://www.insidesumatera.com/?open=view&newsid=43&go=Daling%20-Farm:%20Mari%20Minum%20Susu%20Segar%20di%20Kaki%20Gunung%20Sibayak (Website "Inside Sumatra" 18.03.2011).

238 An outsider (e.g. a non-Batak trading partner) could receive the impression that the Batak are undisciplined due to their manifold obligations deriving from Adat affairs that are also time-consuming. For more details see chapter 6, page 161ff.

239 The following imaginary scenario serves as an example: The Batak are facing a dilemma when a successful, socially highly regarded businessman participates in an Adat event where he/she bears the role of the anakberu, meaning being in the duty to "work" for the successful realisation of the event. Although the Adat clearly defines the tasks, people would feel strange to see a "millionaire" cooking or distributing meals at the location of the celebration. Obeying the Adat is also a time factor: Adat

appreciated to “stay at a certain level”, being just a “suitable, equal part” of the community. This also partly explains Logam's statement that the Karo usually refuse to accept rewards for good working efforts (see page 151).

Another attempt to explain this behaviour is to mark it as a strategy to “hide” a certain indecision or hesitation of the Batak to invest bigger amounts of money or to realise innovative business concepts. Maybe the self-degradation could be labelled as the Batak way to explain/to hide the inherent weakness of the society to dare the “last step” or to seize the chance in the implementation of new, innovative concepts that would further develop the region. This part is, somehow, dedicated to the Chinese entrepreneurs who are willing to take the chance and who face no serious problems when they set themselves apart from the society. But unlike expected, this “imbalance” creates no or just little potentials for conflicts. Most of the Batak traders do not have a problem with the distribution of the economical power. In contrary, the majority of the interviewed traders stated that the situation is “good as it is” and that one could just learn from the Chinese entrepreneurs. It seems that all ethnic groups found their respective strategy and their “personal niche” in the business environment that fits to their financial potentialities as well as to their private habits and traditional systems and which furthermore guarantees sufficient profits to meet their own needs.

The following presented case study about the dairy farm “PT Putra Indo Mandiri Sejahtera” in Berastagi was chosen to close this chapter because it points to several recently brought up reflections: it is an example for the realisation of a totally new business concept (integrated farm management, including full marketing) in the highlands, realised by two siblings of Chinese descent, but with significant participation of a Karo Batak engineer. Since I know from informal sources that there are, indeed, Batak people who also thought or dreamt of the realisation of such (and many more) concepts long before the building of the farm in 2005, it also stands exemplary for “another missed

tasks are difficult (actually impossible) to delegate, but successful businessmen hardly can afford to spend the required time with fulfilling Adat duties. Money only partly solve the dilemma. For more details see chapter 6, page 161ff.

chance" for the Batak society to realise their dreams, or, in other words, to use their chances on their own.

Case Study V: Dairy farm PT Putra Indo Mandiri Sejahtera in Berastagi[240]

Photo 32: PIMS: Cow barn of PIMS. (Photo:Situmorang 2007)

The twelve hectare[241] *large modern dairy farm PT Putra Indo Mandiri Sejahtera (PIMS) (photo 32) is located just around five kilometres from the city centre of Berastagi, at the foothill of the mount Sibayak. PIMS is a perfect example for a successful co-operation of Bataks and Chinese and simultaneously points out, how innovative business ideas, together with a clear development plan, development goals and, of course, sufficient assets, can lead to sustained success. The enterprise was built in late 2005 by two brothers of Chinese descent, A. Hok, a former assembly trader operating in the highlands, and his brother Simon K. Lee. The invested capital was twelve billion Rupiah.*[242] *Because the founders had no expertise about cow husbandry they engaged Petrus Sitepu, a Karo Batak engineer (photo 33, page 157), who has been coaching the farm from the very beginning as "development director".*[243] *Most of the emplyees are well trained locals (Karo Batak). The enterprise started with 70 dairy cows and in the meantime has grown up to a huge farm, having place for more than 260 animals. The*

240 The case study is based on a personal visit at the farm in December 2007 and two articles available online: 1) Siregar (2008): http://www.insidesumatera.com/?open=view&newsid=43&go=Daling%20Farm:%20Mari%20Minum%20Susu%20Segar%20di%20Kaki%20Gunung%20Sibayak (07.02.2011). 2) Tarigan (2010): http://www.hariansumutpos.com/2010/06/51200/hasilkan-rp150-juta-per-bulan.html (07.02.2011).

241 Other sources speak about a farm size of 13 hectares.

242 Taken the average exchange rate from December 2005 as basis for the conversion twelve billion Rp were around 1,027,638 € (1 € = 11,677 RP). Currency converter: www.oanda.com (06.02.11).

243 Original position: Direktur Pengembangan (indo.).

cows partly derive from an American cow breeding in Java and are further interbred with some imported animals from Australia and the Netherlands. The cows are well adapted to the cool climate and the calm environment of the location far away from the markets and housing estates of the city.

Photo 33: Ir Petrus Sitepu, development director of PIMS with one of the dairy cows. (Photo: Imam Soeseno 2008)

PIMS is by far no simple dairy farm. Apart from some barns for the animals, the enterprise embraces an office building, a factory and farmland for agricultural purposes. In the own production site, the milk is pasteurised, packed or further processed to subsequent products like yoghurt. The products are promoted under the brand name "Daling Farm" that shall be extended with other products and flavours in the future. The fresh milk from PIMS recently was classified as halal[244] by the Majelis Ulama Indonesia[245].

244 *Halal* (also halaal, Arabic) means „permitted" or „permissible". In non-Arabic speaking countries (like Indonesia), the term *halal* is commonly used in reference to Muslim dietary laws. Food labelled as *halal* is permitted for consumption under Islamic guidelines. *Halal* also extends to the humane slaughter of animals.

245 The „Majelis Ulama Indonesia (MUI) was established in 1975. Both the traditionalist and modernist *'ulama'* are represented in the MUI […]. The MUI's operation is intended to be a 'bridge' between Islamic organizations, ordinary Muslims, and the government. MUI [plays] a significant role[...] in assisting Indonesian Muslims to cope with their social problems and face up to some of the challenges and opportunities of modern times." (Oxford Journals: Journal of Islamic Studies) http://jis.oxfordjournals.org/content/15/2/147.abstract (07.02.2011).

An "integrated farm model" is used which means that all activities on the farm are coordinated. E.g. the cows give milk and dung. The milk is sold or further processed while the cow dung is used as fertilizer in the agricultural section of the farm where fruits and vegetables are grown. The harvest is sold (or used in the factory like, for example, strawberries for strawberry flavoured products) while accrued by-products (e.g. leaves) are used for feeding the cows. The enterprise is completed by a diverse system of product allocation, serving local schools and shops in the highlands as well as some customers in the lowlands (above all Medan and nearby towns). Hence, PIMS product marketing does not stop at the farm gate with the selling of the products as usual elsewhere in the highlands.

PIMS is a modern, well-equipped enterprise with a clear structured daily routine, strict hygienic standards and ambitious plans for the future. So far, approximately 50 of the 260 cows give milk, which means about 800-1000 litres of fresh milk per day, or, in other words, a primary output of 150 million RP per months.[246] For the end of 2010, the owners set the goal to reach an output of 1,500 litres milk per day, equivalent to 300 million RP output per month with approximately 300 dairy cows. A second farm of even bigger size is planned nearby Seribu Dolok, a small village not far from Lake Toba.

Photo 34: Banner of PT Putra Indo Mandiri Sejahtera, promoting pure, pasteurised milk for a healthy life. (Photo: Flade 2009)

246 Approximately 12,315 € (exchange rate from September 2010, the month in which the article was posted). Unfortunately, it is unclear if this sum includes the profits from the selling of the male cattle, that are of no use for the farm.

The guiding idea is the wish of the owners to provide fresh, nutritious and affordable milk that enables the people in the highlands, and especially the children to live a healthy life (photo 34, page 158). So far, fresh milk had been imported from Australia, Malaysia and Europe and sold for exorbitant prices.

The farm already became a place of interest in the highlands, attracting eco-tourists as well as families and other persons who marvel at the black-and-white cows, the clean barns and the discipline of both the employed workers and the animals. People are usually proud about the modernity of the farm.

Summary

Since the search for Batak trading networks ended at Chinese wholesalers, exporters or agents in Medan, it was assumed that ethnicity plays an important role in the organisation of trade in North Sumatra. Indeed, the Chinese traders wield the overwhelming trading power at all research sites with a slight exception of the highlands where the Karo simply constitute the majority of the traders.

To put the field research results into a wider context, the chapter gave basic background information about Indonesia, inherently being a multi-ethnic state and hence, also serving as a platform for multi-ethnic trading activities. In addition, the Chinese as the most important trading minority and significant trading partners of the Batak were introduced. Diverse field research data were presented to underline, or at least to assess, the importance of ethnicity for trade. Two main conclusions were derived from this analysis:

1) The importance of the Adat (serving as an indicator for group coherence) for Batak traders was approved since certain components facilitate the networking and organisation of trade exclusively between Batak traders. But it was also acknowledged that the Adat does not serve as an excluding factor when traders of different ethnic affiliation interact. The exceptional situation of strong diaspora communities were discerned.

2) It was approved that ethnicity plays a role for trade, but that in every case the determining factors which lead to the decision where and from who to purchase commodities are the quality, the price and the availability of a good.

The last section of the chapter dealt with the mutual self and social perceptions of Batak and Chinese traders. It revealed that both found their respective strategy and their "personal niche" that fits to their financial potentialities, as well as to their private habits and traditional systems. It also guarantees sufficient profits to meet the own needs.

The assumption that the Batak – Chinese population in the highlands can be labelled as a plural society in terms of Furnivall will be maintained. Generally, Chinese and Batak entrepreneurs and traders do not work together, they do not pursue a common strategy and there is no common will. The Chinese and the Batak do not share common cultural values that would bring them together aside from the economical activities. Furthermore, an unequal distribution of economical power, wealth, and everything related to it cannot be dismissed. Only the focus on production rather than for social life has to be relativised since the daily life of the Batak is strongly interwoven and inseparably connected to cultural values (Adat) that strongly determine their social life.

Nevertheless, it has to be noticed that the presented case study about the dairy farm in Berastagi gives a first outlook on other possible forms of business organisation. The expandable cooperation of Batak expertise and Chinese capital certainly functions as an effective development catalyst, but so far has to be valued as an exceptional singular case in the highlands. Hence, it would be too early to speak of a displacement of the plural society by diverse, ethnically mixed, cooperation forms.

As proved, the aspect of multi-ethnicity is of minor significance for the lacking participation of Batak traders in the regional and trans-regional trading activities. The analysis of multi-ethnic issues, however, gave valuable hints about possible causes in the field of culture and knowledge that will be discussed in detail in the coming last chapter of this thesis.

Chapter 6: The Batak Dilemma

The last chapter aims at analysing and discussing various other trading obstacles that restrain the Batak in their trading activities. It is organised in three parts and deals with 1) the correlation between (Batak) culture and (Batak) economy, 2) the validity of Evers' traders' dilemma theory for the field research regions and, last but not least, 3) the interrelation of trade and knowledge.

Introduction: Cultural Influences on Economic Development

Culture and economic processes are closely linked and steadily influence each other as Hagen points out:

> In the countries in which the transition to economic growth has occurred it has been concomitant with far-reaching change in political organization, social structure, and attitudes towards life. The relationship is so striking and so universal that to assume that one of these aspects of basic social change is unrelated to the other is to strain the doctrine of coincide beyond all warrant. (Hagen 1962:26)

That this correlation has not changed until today is established by the economics Nobel price winner, Sen (2004:39). Almost fifty years after Hagen, Sen explains that economic development without cultural ambitions would signify a mere increase in the Gross National Product, but not a "major developmental success" for a society. To put it in Sen's words:

> In one form or another, culture engulfs our lives, our desires, our frustrations, our ambitions, and the freedom that we seek. The freedom and opportunity for cultural activities are among the basic freedoms the enhancement of which can be seen to be constitutive of development. (Sen 2004:39)

In this context, culture (music, arts, literature, etc.) is understood as an indispensable part for the well-being of a society in general and each individual in particular. Hence, culture is that special something that assures and determines a certain quality of life that goes beyond the pure satisfaction of our primary needs.

Consequently, economic activities have to be seen against the background of social and cultural context of a society (Lee-Peuker 2007:220, Sen 2004:37).[247] Culture, in a broader sense, hereby is defined as a collectively performed action that requires common institutions like a common language. This, in turn, implicates that commonly created (cultural) institutions partly constitute the basis and the direction for economic activities (Lee-Peuker 2007:220).[248]

Numerous sociologists, anthropologists and historians have complained that economists tend to neglect the socio-cultural background of their protagonists when applying a certain model or theory to a society.[249] Although Sen (2004:37) alludes to some existing counterexamples, he basically agrees with the urgent necessity to especially pay attention to the question of how and to what extent cultural affairs play a role in development processes. But the answer is complicated since culture and cultural determined institutions are also subjugated to significant changes as Singarimbun and Penny explain:

> […] [economic development] is, to be sure, a complex process, and we know that as it occurs interrelated changes in the economic, social, cultural and political elements of the relevant social system take place. The difficulty is that the form taken by these interrelated and complex changes varies from place to place, or from social system to social system. (Singarimbun/Penny 1967:31)

Today, economists, however, recognise, that an ever increasing globalised and internationalised world needs alternative, cultural-scientific aligned concepts, which include socio-cultural aspects and also considers the motivations, norms and values that determine the action of the respective protagonists (Hollstein 2007:153).[250]

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247 For a discussion about the different approaches see Lee-Peuker 2007:203ff.

248 Culture and cultural institution bear two contradictory features since they are simultaneously including and excluding individuals from group membership (Lee-Peuker 2007:220). According to Sen (2004:38), it is, however, wrong to reduce cultures simply to the aspect of including or excluding people. Instead of separating people, distinctive cultures rather provide the chance to co-operate, for example in accessing and sharing knowledge with each other (ibid 2007:30).

249 Strongly simplified, the problem of the economists is that cultural or social motivated action is in most cases not predictable and subject to all kinds of changes. It is thus difficult to calculate with a theoretical model. Hence, economists tend to value cultural and social action as a system of formal and informal institutionalised impulses which constitute the framework for any economic action of a society (Lee-Peuker 2007:204).

250 For a detailed overview about the process of including cultural aspects into economic theories see Hollstein 2007:154ff.

The Karo Case

The first who have linked economic development and cultural affairs for (parts of) the field research region were Singarimbun and Penny in 1967. In the course of their studies about economic changes in the highlands, they have recognized that in the past sixty years substantial economic development have taken place (above all increasing productivity). These processes were "accompanied by little change in customs, the family system, or in the social structure generally," what they call a "lack of major social change" (Singarimbun/Penny 1967:32f). To illustrate the interconnections, Singarimbun and Penny created a simple analytic tool (Chart 2), explaining that

> economy […] is inseparable from nature (or resources), on the one hand, and from society on the other, except in those parts of the world where economic development and the functional differentiation of society that accompanies it are both well advanced. Such is not yet the case in the Karo Batak economy, and the changes that have occurred in their patterns of economic behaviour can only be understood by considering both the nature of the society as a whole and changes in resource availability.
> (Singarimbun/Penny 1967:32)

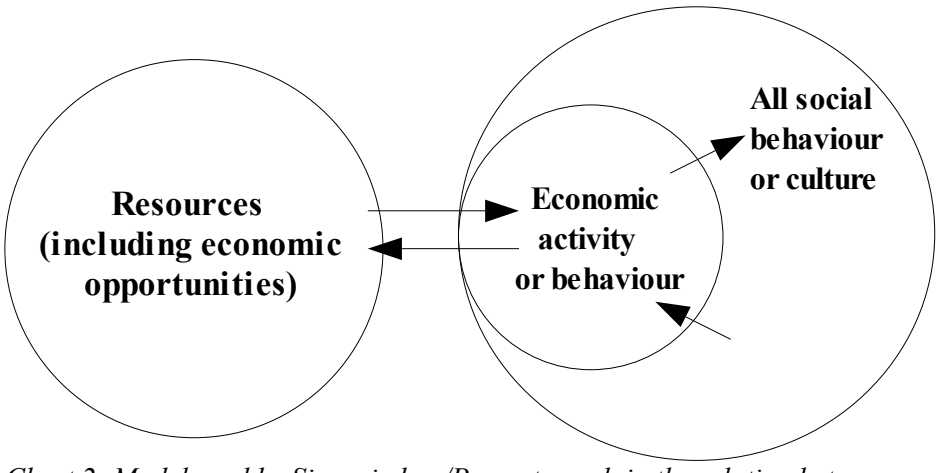

Chart 2: Model used by Singarimbun/Penny to explain the relation between culture/social behaviour and economic activities

Source: Singarimbun/Penny 1967:32

Conducive Cultural Factors for Development

In the following parts of their study, Singarimbun and Penny discuss in detail how the Karo Batak, in those days the "most development-minded and 'go-ahead' of all farmers in North Sumatra" (Singarimbun/Penny 1967:39)[251], successfully developed their economy until the late 1960's. The conclusions can be summarised as following:

Impulses from outsiders. Singarimbun and Penny (1967:39&51f) explain the gap between economical and cultural development with the fact that main impulses for the economic changes were released by the Dutch colonial powers, hence from "outsiders." They conclude that "if something had not happened […] it is likely that the Karo economy would have remained largely unchanged to the present day" (ibid 1967:39). The logical reverse would be to argue that the cultural system remained almost unchanged due to lacking/unsuccessful impulses (as, for instance, is true for the Karo Batak Mission).

The Karo seized their chance. Unlike other colonialised groups, the Karo took their chance and have become motivated, development-minded farmers, who sought out and exploited their development opportunities (Singarimbun/Penny 1967:40). They were open for new technologies (e.g. tractors, knapsack sprayers, harrows, artificial fertilisers, etc.) and have developed "new work, savings, and investment habits" (ibid 1967:42f).

Karo people are frugal. According to Singarimbun and Penny, frugality is one of the basic characteristics of the Karo, who are abstemious in the field of clothing, housing and in the purchase of furniture and other valuables (ibid 1967:46f): "the low propensity to consume from increased income explains in large part why the Karo Tabak [sic! Batak] have been able to advance economically" (ibid 1967:47). Unlike in earlier times, in which saving meant an increased social prestige, savings/profits are instead used for investments. Higher prestige is now derived from the possession of modern machines, innovative fertilizers or developed cultivation methods.

251 Singarimbun and Penny also compare the Karo case with the development processes in the Toba Batak area that took a clearly different direction. For more details, see Singarimbun/Penny 1967:53f.

Control. The Karo economy is controlled by the Karo themselves:

> The first-level sellers are, of course, Karo but so also are most of the buyers. The transport companies are mostle [sic! mostly] owned and operated by Karo businessmen as are most of the export-firms that send cool-weather vegetables to Malaya. The village stores are likewise a Karo operation. Chinese merchants are found in the two largest towns, Berastagi and Kaban Djahe [sic! Old spelling, now: Kabanjahe], but they do not dominate. (Singarimbun/Penny 1967:47)

Petty trade is seen as a "profitable supplementary economic activity for farmwives" (ibid 1967:48) and not as a widespread trading form, assuring at least the satisfaction of the basic needs for hundreds of small-scale traders.

Suitable kinship system. Singarimbun and Penny (1967:48ff) assess the traditional kinship system (part of the Adat, compare page 30ff) as conducive to economic development processes since it performs the following functions: a) it comprises a mechanism for capital accumulation, b) promising entrepreneurs, who are willing to expand their business are encouraged and supported (financially and mentally) by their relatives, c) children can enjoy schooling/education since relatives have to assist with money, rice, lodging in the city, etc., d) traders are supported because "they will get the custom of their (very many) relatives if they charge the market price [...]" (ibid 1967:48) and finally e) migrants can count on their relatives (lodging, insider knowledge, etc.) at any place for the period of establishment.

But as already mentioned above, Singarimbun and Penny also acknowledge that, unlike the kinship system, existing values and attitudes of the Karo (that are also part of the Adat) have changed little in comparison to the developments in the economic area:

> The attitudes of the Karo Batak to wealth, to savings and consumption, to borrowing and lending, and to laziness have remained essentially unchanged. That men should work <u>hard</u> is a new departure, but it is not yet wholly accepted and the coffee shops and gambling remain popular. (Singarimbun/Penny 1967:50)

This is, somehow, contradictory to the previously outlined picture of the motivated, active Karo people (see page 164) but perhaps has to be understood in a broader context

since not all Karo are successful, highly motivated farmers. But it is also possible to start exactly at this point with the analysis of the reasons why the so far successful development processes described by Singarimbun and Penny obviously has not continued until today. Even against the fact that the Karo and the Karo highlands play an important role for the local and regional agricultural sector, no one today would seriously call them "the most development-minded and innovative commercial farmers" as it was the case in Singarimbun and Pennys' days. Furthermore, and as has been shown in detail in chapter three (compare table 25 on page 148), the Karo had to render the overall business control (including the transportation, trading and export sector) to the Chinese, who have not stopped developing their businesses during the past decades. Only the production sector (commercial farming) is still tightly controlled by the Batak. Hence, the following sections of this chapter aim at identifying cultural determined obstacles that are responsible for the obvious "development stop" or at least the impeded development processes in the highlands.

Cultural determined Development Obstacles

Indeed, the beforehand praised kinship system (page 165) bears ambivalent features. All the described "services" (e.g. helping each other at ceremonies) are clearly regulated and reliably provided reciprocally by the relatives, clan mates and associates. Hence, the kinship system provides the economic and social security for every Karo in almost any circumstance. Being a part of, and participating in, this system means to have a social safeguard for life, something only few Karo would gamble with. In Western terms, one might imagine the kinship system as part of the Adat as a combined health, life and risk insurance, including, furthermore, financial (credits, funding of feasts[252] etc.) and social (helpful relatives in any circumstance) components. In case of success (e.g. start-up of a new business), economic benefits and social prestige are shared with the whole family (Singarimbun/Penny 1967:48).

252 More about the role of feasting in economic analyses can be found at Sherman 1990:9.

At first sight, this sounds convenient, but it has to be clarified that this system also constrains it's members heavily. People are normally born into the Adat[253] because they automatically belong to their father's clan. As long as they live in, or close by, their cultural homeland, they have almost no chance to break out of the system, something most Batak certainly would never think about. After achieving a certain status[254], people are pledged to participate actively in the system and to carry out their duties according to the *sangkep si telu* and other Adat principles (compare page 30ff). Hence, the provision of any kind of support is to a certain extent compulsory[255], even though there is no real enforcement. But since the system is based on the principle of reciprocity, services are "paid back" by equal terms (you get what you give).[256] Moreover, the system is founded on determined actions, rules and behaviour patterns. Individuals cannot disapprove it without bearing negative implications on themselves. The system is maintained and controlled by its' members. There is a limited scope for innovative ideas, personal choices and individual actions that go beyond the determined patterns. Last but not least, the fulfilment of Adat duties is time-consuming.

253 This does not mean that the system is self-contained. It is also possible to become a part of the community by marriage or other occasions that entail the adoption into a family clan (e.g. foreigners who stay longer in the highlands are often adopted into a Karo family).

254 The duties vary according to the status: a married man faces other obligations than a school drop-out.

255 Giving support is only relatively compulsory as Singarimbun points out: „If any individual Karo needed economic assistance (to meet his daily needs, or in the execution of a life-crisis ceremony) he could ask for help from (...). The extent which such help would be given in practice depended on a number of factors. It was a man's duty to help his relatives if they needed food or medical care, and if the person needing help was well regarded, for example, was a hard worker, known to be frugal, and always willing to help his own relatives when they were in need, then there was every likelihood that he would get the assistance he needed. If the supplicant lacked these qualities his relatives might well decide to give him no help in a time of need. In short, the formal requirement to help one's relatives is fulfilled in practice only if the person requiring help deserves it. Some needs could be met by a "small" kinship group, but under certain circumstances an individual could request - and get - a great deal of assistance from a very much larger kinship group (For example, a traveller far from home could be sure to find a remote relative who would feel obligated to help him) This has proved to be of extreme importance in the recent economic history of Karoland" (Singarimbun 1975:38).

256 For example: The Adat ceremony in the course of a marriage normally is a big event, costing a lot of money. The more people are coming, the more money is collected to support the bridal couple. If a marriage takes place, several groups have to be present, like the close anakberu or the core family members. The number of people who will attend the ceremony beyond that basic group determine if a feast will be valued as successful or not. An event of someone who always attends the ceremonies of others certainly can count on many visitors while a person who never shows up at their friends has to expect a smaller event (entailed with higher costs and less prestige).

These features entail several possible implications for trade and traders that certainly impede or restrain the development of the Karo economy:

1) People never have to fear losing their livelihood since they can fall back on a functioning, all-embracing social network that ensures (even though on a very basic level) accommodation, something to eat and (at least) mental support, facilitated by relatives, friends or other associates. This might influence their working moral in both directions (e.g. compare page 155ff).[257]
2) People often do not show up at work, or have to close their shops part times because they have to participate in an Adat ceremony (not always predictable) or to carry out other Adat duties. A divergent behaviour pattern would entail negative implication on one's own "Adat life" (for an example see footnote 256, page 167).
3) People have to share profits and social prestige (see also the upcoming section about the traders' dilemma on page 172ff).
4) People are not encouraged to broach innovative ideas or to think about new concepts of life. Autonomy and self-employment are not trained automatically.
5) Due to the *sangkep si telu* (see page 30ff), the kinship system prescribes certain alliances in advance. This might complicate the development of personal relationships based on trust, partnership or other factors aside the kinship principles. But trust and partnership are crucial features for trade and traders and should not be simply replaced by "constructed family ties".

Lack of Associations and Cooperations

Associations, cooperations or interest groups usually serve as a platform for people pursuing the same interests (like traders), facilitating knowledge exchange, bunching diverse interests and strengthening the common group position towards other groups (e.g. those of the commercial farmers towards the intermediary traders). Within a group,

257 On first sight, this resembles the current social insurance system in Germany, guaranteeing and providing basic needs for jobless people (including all debates that are conducted about this topic). But the Adat goes beyond the German system, because it also includes a personal component and duty to help. Jobless people in the highlands rather ask their families for help than visiting a job centre, as we usually have to do in Germany.

actors should be regarded as equal to ensure a fruitful, open and informative exchange between the participants.

Apart from some successful working credit unions or credit associations[258], there are no functioning cooperations, associations or interest groups existing in the highlands. In regard to the Samosir Batak, Sherman (1990:178ff) also states that cooperations in any field (trade, agriculture, manufacturing etc.) are uncommon, even if they would be clearly feasible or beneficial for the people. He continues that this is not a general problem of cooperative resource pooling among the Batak (since there are many examples for other collectively accomplished projects), but rather "a dearth of pooling directed specifically to commercial or economic purposes" (Sherman 1990:180). This issue becomes even more confusing if one considers that most interrogated traders according to their own declaration often speak and meet with other local traders (see table 26).

Table 26: Hypothesis: "I often speak and meet with other local traders."[259]

	BTK (N=201)	**BLTK (N=199)**	**BB (N=21)**	**SL (N=141)**	**BTKSB (N=50)**	**BLTKSB (N=48)**	**BBSB (N=50)**	**Total (N=710)**
don't know	0 %	1 %	0 %	4,3 %	0 %	0 %	0 %	1,1 %
strongly disagree	2 %	20,6 %	4,8 %	8,5 %	0 %	0 %	2 %	8,3 %
disagree	4 %	6,5 %	4,8 %	3,5 %	2 %	0 %	2 %	4,1 %
neutral	9,5 %	2,5 %	9,5 %	3,5 %	2 %	0 %	8 %	5,1 %
agree	83,1 %	65,3 %	81 %	74,5 %	94 %	100 %	82 %	78,2 %
strongly agree	1,5 %	4 %	0 %	5,7 %	2 %	0 %	6 %	3,2 %
Total	**100,1 %**	**99,9 %**	**100,1 %**	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**

BTK = Batak Tanah Karo/Batak traders in the Karo highlands
BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
SL = Suku Lain/Traders of other ethnic affiliation
BTKSB = Batak Tanah Karo Sayur Buah/Greengrocers, fruit and spice traders in the Karo highlands
BLTKSB = Batak Luar T.K. Sayur Buah/Greengrocers, fruit and spice traders outside the Karo highlands
BBSB = Batak Batam Sayur Buah/Greengrocers, fruit and spice traders in Batam
(Source: field research data, deviation from data rounding)

258 Credit associations have emerged in the Karoland since 1950 (Singarimbun/Penny 1967:49). They aim at accumulating and providing capital. Each credit union, as they are called in the Karolands, have their own rules. For a summary of different cases of disbursement, see Geertz 1962.

259 Original: (indo) "Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain."

It is difficult to identify provable reasons for this "atomization and fragmentation" (Sherman 1990:181) of producers (here represented by the commercial farmers), traders and knowledge. The easiest answer to assume is that some knowledge is simply treated as a trading secret that is not shared to assure, for instance, a trading advantage. Another conceivable explanation is that the Batak more or less consciously avoid formalised or organised cooperative agreements because they would probably end in a dilemma, "[...] a situation in which [they have] to choose between two courses of action, both deemed to be equally unfavourable, undesirable or at best neutral" (Evers 1994a:7). The dilemma concretely consists of the different hierarchical structures that are tightly anchored in the cultural and social system: the hierarchical level by age and status and the hierarchical level allotted by the *sangkep si telu* (Adat, see page 30ff). How can a group of people unbiasedly talk, controversially discuss a topic or freely interact with each other if they are bound to a system of mutual honour and respect? Even though people may state that the context is a totally different one, there will always be some who might fear negative implications later on. As long as there is no "Adat-free" space or time (see page 28f) people obviously cannot leave their determined roles. To put it in Sherman's words:

> It is a facet of Batak village and regional social organization that no one person is given too much trust and support in attempting to organize his fellows. […] The smooth and rationalistic, double-entry bookkeeping needed for the running of such an organization presumably is not abetted by the constraints of ties of wife-givers and -receivers, and of older-younger brother lineages, involving ascribed deference and hierarchy. (Sherman 1990:182)

A dilemma is a dilemma and as previously stated there is no satisfying solution to overcome it. Against the beforehand described function of the Adat as a form of "life assurance" it is difficult to claim the complete abolition of such an important institution. The Batak solve the problem by simply avoiding bigger associations or cooperations. Exchanges happen in a smaller context close by the working place. It is doubtful whether this is the best way to solve the dilemma since exchanges are limited to a manageable numbers of traders. But as long as no better alternatives emerge, this has to be accepted and tolerated as the Batak way to solve the problem. At this very point, the

statement that economic action is determined by commonly created cultural institutions (compare page 162) is clearly filled with life.

Batak Business Acumen

The example of lacking association and cooperation forms again points out that Asian business sticks to other rules and concepts than those we are used to from a western understanding. The differences are so significant that the colonial powers even tried to make use of it in creating the myth of the lazy natives. The natives were characterised as lazy, indolent and incapable to legitimize a superiority of western rule and western culture:

> In its historical empirical manifestation the colonial ideology utilized the idea of the lazy native to justify compulsion and unjust practices in the mobilization of labour in the colonies. It portrayed a negative image of the natives and their society to justify and rationalize European conquest and domination of the area. It distorted elements of social and human reality to ensure comfortable construction of the ideology. (Alatas 1977:2.)

Every scientist, who somehow deals with trade or business forms in a foreign region, sooner or later stumbles across, on first glance, "strange" behaviour patterns that, after a more careful analysis, just come out as a typical feature of the respective local trading group. In most cases, such behaviour patterns have their own inherent eligibility that might not be, and also do not have to be understood, against a western framework. The following examples from Sherman and Evers/Mehmet are just three of many.

Sherman starts with referring to a belief among the Samosir Batak, that businesses success stems from something more than expertise:

> Such trade [petty trade], carried on at very low or negative margins of profit, has several other parallels in Indonesia. […] People can make incredibly small margin of profit and still be willing to work long hours. Aiming the Batak, as among the Javanese and the Acehnese, making profit is attributed not so to effort on the part of the trader as to astuteness. (Sherman 1990:170)

He furthermore explains that this astuteness is not attributed to "the faculty of *akal* (reason) […], but to an acumen thought to derive from compact with supernaturals" (ibid

1990:170f). Magical issues, spirits or mediums for sure do not fit to western business concepts, marketing strategies or working morals but certainly have their own eligibility for groups of people, who have a totally different religious or spiritual perception.

Another example is that on markets goods tend to be concentrated by areas (Sherman 1990:161). Hence, most market places are divided into quarters, each group having their fixed “corner”. Such a division is very customer-friendly since it is easier to compare prices and qualities when the respective offerings are placed closed by. It also enables the traders to exchange knowledge and to help each other. But in regard to competition matters and the principle of profit maximisation, it does not seem to be an ideal concept. However, many more examples can be found pointing out that the maximisation of profits is not the primary incentive for the Batak to carry out trade. This should not be mixed up with the main goal of most traders to gain (high) profits (see page 83ff).

Evers and Mehmet close this part of the chapter with the description of another typical behaviour pattern of petty traders that perfectly bridges the previously described example with the upcoming part of the chapter, dealing with the theory of Evers' traders' dilemma:

> Petty traders are profit-seeking entrepreneurs with certain expectations. Income expectations of most petty traders are shaped largely by cultural norms. For the majority, the operating cultural norm is a fixed set of needs and satisfactions; these are typically translated into fairly constant daily income expectations. As soon as the targeted income is reached, trading operations are suspended and the income is instantaneously utilized to buy supplies to satisfy the household's basic needs. (Evers/Mehmet 1994:4)

Traders' Dilemma

Evers' theory of the “traders' dilemma” (1994a) reflects the situation of traders in rural, peasant societies in Southeast Asia as characterised by a high degree of solidarity, distinctive value systems as well as the ambition to secure the subsistence of the villagers; the latter including the principle of mutual help (Evers 1994a:7). In relation to the Batak,

this means that traders (including commercial farmers) acting in their cultural homeland are bound to valid moral rules (in this case the Adat) that implicate the offering of fair prices, credits and profit sharing to the benefit of subsistence security for everybody living under the same local rules, so to speak all other Batak (business partners as well as customers, friends and family members[260]). Hence, the traders again have to face a serious dilemma. Because many of the market places that are accessed by most of the Batak are also situated in the highlands, the dilemma touches all kinds of business actions the traders perform: from the purchase of, e.g. agricultural products from village fellows, to the offering of discounts or credits for associated customers (family members, village fellows, school mates, etc.) to the point of the moral duty to finally share the profits with the family.

The area in which the traders' dilemma take effect is not restricted to a village since it can also embrace larger areas liable to the same moral values, as it is the case in the Karo highlands. Furthermore, traders can be considered as middlemen between at least two spheres: in one sphere they act in and around their own village (or a broader cultural area like the Karo highlands), where "[...] prices are influenced, if not determined, by a 'moral economy' of fair prices and by a predominance of the use value rather than the exchange value of subsistence crops" (Evers 1994a:7). But, in the other sphere, they have to persist on the partly anonymous, open markets where the principle of supply and demand determines the market prices. The emerging difference in prices can entail both economic losses as well as (fat) profits. But the latter case would provoke another dilemma since "[... a] trader is liable to be judged amoral if he does not succumb to the moral economy of the peasants and redistribute his profits to friends, neighbours and customers" (ibid 1994a:8).

Under these circumstances, trading is far from being a profitable business. Traders have no chance to apply the most basic trading principles, like, for example, the goal to maximize one's profits or to offer high-value or innovative products that would attract new

260 It should be noted that a "family" in the Indonesian / Batak sense of the word embraces many more persons than it would be in the European case.

customers and promise high margins. Hence, it also becomes difficult to develop businesses facilities, may it be in size, in the range and/or quality of the offered products or in other fields (like the employment of labourers to ensure longer opening hours or the investment into modern selling equipments like fridges etc.).

Evers and Schrader (1999:1) state that often recognized characteristics of pre-industrial, developing, transforming or peasant societies are the high number of petty traders and the presence of trading minorities. Obviously, both characteristics fit to the field research region. In regard to trading minorities, Evers hypothesises (1994a:9) that there are two different ways of interpretation and data from field work corroborates both. When speaking about the minorities, most scientists probably refer to foreign trading minorities like the ethnic Chinese in the highlands who are culturally separated from the indigenous traders and hence, reduce the traders' dilemma for both parties (e.g. when trading with a Chinese partner, Batak traders do not have to obey Adat rules). The apposition that these trading minorities are “mostly migrants whose integration into the host society is prevented by active discrimination” (ibid 1994a:9) cannot be maintained for the field research region since data from field work did not provide evidence for open discrimination against the Chinese.

The other possibility to interpret the issue of trading minorities is, as Evers reflects, that local traders themselves could “maintain or increase cultural distance” (ibid 1994a:9). An example are traders who implemented the “harga pas” (fixed price) principle, as it is the case in most of the fixed shops at the main business roads in Berastagi and Kabanjahe. Bargaining is not possible at these shops and in most of them the offered commodities are clearly priced so consequently everybody has to pay the same. This principle clearly disobeys Adat rules because it obviously neglects, among others, the principle of the *sangkep si telu* (see page 30ff). Shop owners defend their strategy and point out to the need for clear cut rules with reference to the numerous employees working in their shops, each having his/her own family constellation. Another strategy creating cultural distance is to resist requests for credit because many traders have gone bankrupt after experiencing that debts often are not cleared by the customers (Sherman 1990:165).

Sherman finally concludes that “delinquency in paying small debts is the bane of village enterprises” (ibid 1990:165).

Further possible solutions to solve the traders' dilemma are, according to Evers (1994a:8ff), long-distance trade, the accumulation of cultural capital (“status honour”) and the formation of ethnic or religious groups whose members differ from the origin society. Evers also mentions the possibility to stop trading completely, which would lead “either [to] a high rate of failure of trading enterprises or the complete absence of subsistence markets and of local traders” (Evers:1994a:9f), both are currently not observable in the highlands.

Some years before the publication of the traders' dilemma theory, Sherman (1990), in the course of his reflections on the duty of sharing in village societies, indirectly adds another possible solution to the dilemma: instead stopping all trading activities, traders may consciously stop trading/offering certain goods that are vulnerable for the traders' dilemma effect: “[f]ew households offer items like bananas for sale in the village, perhaps fearing […] that the 'neighbours' […] and, probably more so, close relations, would ask for them. By implication, it would be unseemly to request payment” (Sherman 1990:165). Such a behaviour even can lead to a shortage of certain goods (e.g. fruits, but also rice!) in the village, since no trader dares to offer commodities that in most cases have to be give away for free because they are subjugated to a certain moral norm. Against this background, it becomes clear why traders prevent direct marketing in the villages and instead prefer to sell, for example, the bananas to strangers at the markets (Sherman 1990:166).

Solving the traders' dilemma by simply moving away also seems to be no acceptable alternative because traders outside their original hamlet do not possess the required local knowledge about customs and prices, that are indispensable for setting up a successful business. Apart of possible high profit losses traders also fear the danger of being discriminated by other traders and consumers.

To test the validity of the traders' dilemma in the highlands, the respondents were confronted with some hypotheses, aiming at different aspects of the theory, like the aspect of bargaining and giving discounts (table 27, page 176). Haggling and asking for discounts is a widespread tactic applied on the daily markets as well as in some shops. To allow discounts for relatives, associated family members, friends, neighbours or regular customers often constitutes a serious problem for traders, who take the risk of performing high economic losses. These can be explained by drastically reduced profit margins and the circumstance that customers seldom treat prices on the markets as trading secrets. For instance: Knowing the exact price a friend of mine paid for a certain good at vendor A (who is the cousin or a clan mate of my friend) with the utmost probability ensures me the same price, since vendor A at any case will try to avoid a) "losing his/her face" (a typically Asiatic feature) and b) to stir up bad feelings between his/her cousin/clan mate, his friend (= me) and himself/herself.

Table 27: Hypothesis: "I often have to allow discounts for family members, friends and other people who know me (because I trade close to my place of origin)."[261]

	BTK N=201	**BLTK N=199**	**BB N=21**	**SL N=141**	**Accumulated N=562**
don't know	0,5 %	0,5 %	0 %	1,4 %	0,7 %
strongly disagree	41,8 %	9,5 %	47,6 %	2,8 %	20,8 %
disagree	4 %	29,1 %	19 %	48,9 %	24,7 %
neutral	5 %	9 %	0 %	2,8 %	5,7 %
agree	46,8 %	51,3 %	33,3 %	41,8 %	46,6 %
strongly agree	2 %	0,5 %	0 %	2,1 %	1,4 %
Total	**100,1 %**	**99,9 %**	**99,9 %**	**99,8 %**	**99,9 %**

BTK = Batak Tanah Karo/Batak traders in the Karo highlands
BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
SL = Suku Lain/Traders of other ethnic affiliation
(Source: field research data, derivation from rounding)

According to 562 respondents (table 27), the theory of the traders' dilemma is proven as true and as wrong for the field research region because the gap between the proponents (48 %) and those traders who refuse it (45,5 %) is very small. Two conclusions can be

261 Original: (indo) "Karena toko / ruko saya dekat dengan tempat asalku (kampung), saya sering harus mengurangi harga untuk keluarga, teman dan orang yang kenal saya."

derived from this: 1) the traders' dilemma in fact exists and poses a problem for almost half of the interviewed traders. And 2) those traders who refused the hypothesis are either not affected or already make use of a certain strategy that help them to solve, or at least to reduce, the dilemma and/or to minimize it's negative effects.

In the case of the non-Batak traders, a much higher degree of denial (51,7 %) was expected since foreign traders are not bound to the Adat. But the 43,9 % acceptance of the hypothesis does not mean a total assimilation of a huge part of the non-Batak to the Batak culture. It rather can be explained by the fact that other ethnic groups also develop a kind of group solidarity, that apparently to some extent also ipmplicate price discounts for friends, family members and other associated persons. Hence, the acceptance of the hypothesis could be explained by the high number of customers belonging to the same ethnic group as the shop owner.

Because the value system (in this case the Adat of the Batak) plays an important role within the theory of the traders' dilemma, it was assumed that the negative implications of the traders' dilemma appear much stronger in areas where the Adat is still strictly applied in daily life. Curiously, the sample data only to some extent shore up this assumption. The results from the highlands just reflect the overall outcome: 48,8 % of the traders support, while 45,8 % refuse the hypothesis (compare table 27, page 176). Traders outside the Karo highlands (diaspora situation, compare footnote 223, page 143), however, clearly support it with 51,8 % by only 38,6 % refusal. This can be explained by the effort of ethnic communities in big cities to obey and keep up their passed on value system with intention to overcome the feeling of being lost, and to get a certain point of orientation right in the middle of a multi-ethnic, urban environment. A correlation between the place of trade and the distance to the cultural homeland nevertheless seems to exist, since the hypothesis is accepted by only 33,3 % of the Batak traders on Batam island while 66,6 % refuse it.

Several other hypotheses were posed to re-test the traders' dilemma. The results corroborates the first impression that many traders are seriously concerned by the traders'

dilemma but that most already apply strategies to overcome the unpleasant situation, or, at least, to minimize it's negative implications, namely economic and social losses. As a consequence of this, 88,6 % of the Batak traders do not fear negative implications when trading close to their home villages (table 28, page 178), and a majority of altogether 54,6 % of all Batak respondents also do not think that non-Batak traders have a trading advantage because they do not have to obey the Adat rules (table 29, page 178).

Table 28: Hypothesis: "Due to the strong Adat, I do not like to trade close to my place of origin (village)."[262]

	BTK N=201	
don't know	0 %	
strongly disagree	76,7 %	} 88,6 %
disagree	11,9 %	
neutral	3,5 %	
agree	8 %	
strongly agree	0 %	
Total	100,1 %	

BTK = Batak Tanah Karo/Batak traders in the highlands
(Source: field research data, derivation from rounding)

Table 29: Hypothesis: "Traders belonging to other ethnic groups have a trading advantage in the Karo highlands because they do not have to obey Adat rules."[263]

	BTK N=201	**BLTK N=199**	**BB N=21**	**Accumulated N=421**
don't know	0,5 %	3 %	0 %	1,7 %
strongly disagree	23,9 %	26,1 %	23,8 %	24,9 %
disagree	20,9 %	40,7 %	9,5 %	29,7 %
neutral	18,4 %	8 %	23,8 %	13,8 %
agree	36,3 %	21,2 %	38,1 %	29,2 %
strongly agree	0 %	1 %	4,8 %	0,7 %
Total	**100 %**	**100 %**	**100 %**	**100 %**

BTK = Batak Tanah Karo/Batak traders in the Karo highlands
BLTK = Batak Luar Tanah Karo/Batak traders outside the Karo highlands
BB = Batak Batam/Batak Traders in Batam
(Source: field research data, derivation from rounding)

262 Original: (indo) "Karena Adat kuat, saya kurang suka berdaganag dekat tempat asalku (kampung)."
263 Original: (indo): "Pedagang dari suku yang lain lebih gampang berdagang di tanah Karo karena mereka tidak harus memperhatikan Adat."

Indeed, none of the interviewed traders who actually moved away from his/her place of origin (e.g. Karo Batak who moved to Batam island or Toba Batak who now live in the Karo highlands) mention the traders' dilemma (or at least parts of it) as the reason for migration. The most stated factors for moving to another place were family affairs, marriages and the hope for better job opportunities elsewhere.

The following conclusions referring to the solution of the traders' dilemma are drawn for the field research regions:

1) In accordance to one of Evers' proposed solutions, the majority of the interrogated Batak are petty traders who are engaged in small-scale business. Profits are limited and hardly meet the basic needs. While this business practice excludes additional profits, further investments and any long-term planning, it releases the traders from any obligation to share their profits, to give discounts or to allow credits.
2) The profits of a day are often directly used for shopping the most urgent goods for daily life (women) or (partly) to have a rest at one of the numerous coffee shops (men).
3) Traders avoid offering certain goods that are vulnerable to the traders' dilemma (e.g. fruits, rice) at village level.
4) Traders maintain or increase cultural distance, e.g. through establishing “fixed prices” at their shops/market stalls or in resisting allowing credits.
5) The meaning of some moral values/rules are collectively shifted/newly interpreted since some traders explain that their relatives do not frequent their shops/market stalls because another basic principle of their traditional system is to avoid any quarrels, misunderstandings or embarrassments. Consequently, customers related to the salesman either pay more or less the usual market price (same price for everybody or fixed market prices) for a certain good or they are obliged to haggle with traders “outside the family.”

The Knowledge Factor

Apart from the traditional factors of production, land, labour and capital, the acquiring, absorbing and communicating of knowledge is a crucial precondition for sustained development (Evers/Gerke/Schweißhelm 2004:4), simply because "everything we do depends on knowledge" (World Bank 1999[264]). Therefore, knowledge development processes or the development of "human resources" are in the centre of attention in scientific research. But knowledge is a broad subject and "the capacity to benefit from [it] is governed by two basic elements: the ability to acquire and to apply knowledge that already exists, and the ability to produce new knowledge" (Evers/Gerke 2003:4). Even though much research certainly still has to be conducted, it seems that the latter aspect broached by Evers and Gerke is well explored since the production of knowledge, the creation of knowledge societies, the emergence of "knowledge hubs" and "knowledge gaps," etc. are among the most prominent interest fields in recent knowledge research (Stehr 1994, Knorr-Cetina 1999, Evers 2005, Evers/Gerke 2003, Evers/Gerke/Schweißhelm 2004, Gerke/Evers 2006, Hornidge 2006, Evers/Hornidge 2007).[265] In contrast, the aspect of how to a apply or transmit already existing and newly produced knowledge at the local level still seems to be under-represented in recent research activities in general, and particularly in the case of Indonesia. At least, Evers and Gerke point out that

264 http://wdronline.worldbank.org//worldbank/a/c.html/world_development_report_1998_99/chapter_1_power_reach_knowledge (World Development Report 1998/1999 Knowledge for Development 04.04.2011).

265 In the field of knowledge production, Indonesia is rated as of minor importance as it still has a low output rate and hence "shows a stable high level of dependence […] on global social science knowledge" (Evers/Gerke 2003:1). Furthermore, Evers and Hornidge discovered that although Medan is one of the four identified knowledge hubs along the Straits of Malacca, its function seems to be limited rather to the transmission than to the production of qualitatively high knowledge. This assumption is based on the fact, that there was no scientific output of higher learning and research institutes that have been globalised or made accessible for the international scientific world in well-known databases (Evers/Hornidge 2007:426ff). Nevertheless, it is acknowledged that "it is, of course, possible that the countries of the lower knowledge class [to which Indonesia belongs] produce reasonable amounts of local knowledge which is simply not published in internationally recognised journals and therefore not globalised" (Evers/Gerke 2003:15). But it is also stated that "in an increasingly globalising world, knowledge has to be communicated in globally understood codes of communication in order to be heard" (Evers/Hornidge 2007:430).

> […] it is not enough to transfer knowledge, e.g. knowledge embedded in a particular technology, from a country to another. Instead, in order to achieve a sustained development, it is necessary for the knowledge importing society to be able to acquire, to absorb the knowledge, to understand, to interpret it and to adapt it to local needs, and subsequently to produce knowledge endogenously along the same line. (Evers/Gerke 2003:4)

But these adoption processes at the very least require a functioning education system, a steady flow or transmission and a broad accessibility of knowledge for everyone. The following sections will shed light on these aspects before broaching some examples of knowledge based development obstacles emerging in the highlands.

Education: Although the Indonesian government had implemented nine year compulsory education[266] (Kementerian Pendidikan Nasional Indonesia[267]), the overall educational level can still be improved, especially in rural areas where many children (preponderantly girls) still drop out of school after attending the elementary level (six years). Language is a serious problem because the mandatory medium of teaching is Bahasa Indonesia, the national language which is not the mother tongue of most people in the highlands. Hence, many children only learn Bahasa Indonesia at school, often simultaneously with English that is taught as the first "foreign language". This might cause overstrained, frustrated pupils who, at home prefer to speak their mother language. There are several institutions of further education and training, e.g. the Karo University at Kabanjahe, that also offers a study programme in economics and management (Universitas Karo[268]). Furthermore, a huge diversity of universities and institutions of each subject and education level can be found at Medan.

Nevertheless, most traders have no or a deficient formal educational background in economics or management (also compare table 6, page 68) when they start to trade. They learn the basics from their parents, other family members or friends, who are engaged in trade and increase their expertise through trial and error. Since their mentors did it the same way, the "circulating knowledge" or expertise in regard to trading subjects is quite

266 Of which six years are at a primary school (SD) and three years at a junior high school (SMP).
267 http://www.kemdiknas.go.id/diknas_home.aspx (official homepage of the Ministry of Education of the Republic of Indonesia, 04.04.2011, in Indonesian language).
268 http://diktiprovsu.com/profil/UNIVERSITAS_KARO_KABANJAHE.pdf (Data sheet 05.04.2011).

limited due to lack of qualitative and valuable inputs from outsiders and professionals. Traders, who have completed higher education or professional trainings in economics or management like the beforehand introduced shoe and bag retailer Cafler Manik (see case study on page 89f), bring about completely new ideas into the highlands; for example, reflections on how to present the commodities in a manner that customers are attracted or how to keep a balance between highly qualitative goods and bulk commodities. The markets in the highlands could need more of such innovative and educated traders to launch important development processes. Against the present situation, it is doubtful if the local traders could initiate such processes on their own.

Knowledge Flow and Knowledge Transmission: There are several ways of knowledge transmission in the highlands: newspapers are (sometimes with a day of delay) brought by public bus from Medan to the highlands and sold at many small kiosks. But only few people can afford to buy newspapers, most (primarily men) read them at one of the numerous coffee shops.

Television is widespread and the reception via antenna is good (as far as there is no electrical power outage which happens often enough). Many households can afford own TV-sets and antennas, but men often prefer gathering at one of the coffee shops for discussing, drinking and watching TV. Coffee shops also serve as a platform for men where they can discuss which crops should be planted on their fields or what the best methods to combat a certain vermin are.

Radio is still the most common used medium for information, especially in regard to local affairs. All kinds of information are dispersed via radio, from the latest changes in the regional legislation to local death notices, the invitation to a marriage ceremony or announcements from the local churches. The problem is that information are available only for a short period even though some news are repeated several times. Because many radios are battery operated, they also can be used in times when electricity support fails.

Books or other printed media other than newspapers, are not widespread in the highlands and there are many households who only possess a Bible or the Koran and the school books of their children. There are, however, some shops also selling a few books (e.g. Toko Barus, see photo 26, page 119), of which the church-run book store in Kabanjahe is the biggest.

Accessibility of knowledge: Generally, men have easier access to knowledge because they are used to gather at coffee shops with the clear intent to exchange information and to collect knowledge. Women in most cases are dependent on the radio and television at home where they are usually simultaneously discharged with their domestic tasks.

Knowledge based Development Obstacles in the Highlands

The correlation between trade and knowledge is obvious.[269] Trading without understanding of the most basic market and marketing functions, without bearing in mind the current regulations and prescriptions, without obeying the effective demand and supply on the markets and without keeping trading secrets and looking for investment possibilities is, somehow, inconceivable and doomed to failure. Traders need a certain set of knowledge to stand the strong competition and to develop further. Furthermore, trading routes always have been, and still are, significant channels for knowledge. Trans-regional traders often function as middlemen between two societies, bringing commodities and (insider) knowledge from, for example, the urban Medan in the lowlands to the rural Berastagi in the highlands and vice versa.

Below, four examples for knowledge-based development obstacles are given that directly refer to trade and traders.

269 For an overview about the historical perspectives of the interrelation of trade and knowledge see Evers/Hornidge 2007.

1) Local and Regional Prescriptions

Local and regional prescriptions are rarely communicated or published in a way that every one has a chance to access it. While changes in the legislative are normally announced by radio and in the local news at television (seldomly also by flyers in coffee shops), it is difficult to access a full written version[270] as well as posing comprehensive questions to the responsibles. Changes in the legislative are common since regional governments gained authority with the implementation of the regional autonomy concept in 1998.[271]

Consequently, the regional governments (on kabupaten level) significantly increased their local revenue because "they consider that their financial capacity, especially their local revenue […], is the key to the successful implementation of regional autonomy" (SMERU 2001:ii). In practise, this means a manifold of released policies and regulations, most of which are concerned with taxes, levies or other non-tax barriers (e.g. [state-owned] monopolies), altogether "disturbing the business climate, weakening competition and impeding local economic development" (ibid 2001:iiff). The benefit is doubtful since these processes very much resemble the processes that took place during the Soeharto era, even though the backgrounds differ.

Most people in the highlands are not aware of the ongoing processes and the actual amount of taxes and levies. If taxes, for instance, increase, wholesalers normally shift the burden to the producers by paying a reduced purchase price at the farm gate

270 Some documents are available in the internet, but most Batak neither own a computer, nor internet access or a printer at home. The few internet cafés (=Warung Internet/WARNET, in 2007 there were two in Berastagi) are equipped with few, quite old-fashioned computers and not a single one has an electric generator to assure internet access during blackouts. Furthermore, the access is still quite expensive and only few people can afford to use it as an information source. Hence, this communication channel does not play a role for the local population.

271 In the course of finding a way out of the monetary crisis, Indonesia and the IMF signed a Letter of Intent (LoI, see SMERU 1999:54ff) in 1998 that entails deregulation programmes and prescriptions aiming at increasing regional autonomy (SMERU 2001:1). These steps were undertaken to abolish the "high cost economy" that emerged during the New Order period of Soeharto (also see page 128f). During the Soeharto era the country was ruled from a centralized government in Jakarta. As a consequence, local governments, who had quite limited authorities, were constrained and searched for ways to become "the master of its own domain" (SMERU 2001:1). As they could release own, local revenues (pendaptan asli daerah PAD), they created "nearly two hundred local regulations (peraturan daerah, perda) concerning taxes, levies and other fees" (SMERU 2001:1).

(SMERU 2001:33). Due to a serious lack of information, most farmers actually cannot appraise if these reductions are in line with the effective taxes or not. Likewise, traders and shop-owners are affected. This also paves the way for corruption at each level.

Another example are the weighing stations that are constructed at each kabupaten. Truck drivers usually pay the demanded fees without knowing the exact amount or the underlying legal regulations:

> Many entrepreneurs and traders are beginning to complain about the increasing number of levies appearing along transport routes, particularly with the return to the use of weighing stations by the Office of Transport [...]. [...It has been] admitted that the reopening of the weighing station under the guise of regional autonomy has created a dilemma. Basically, the main function of these stations is to limit the physical damage to the road system (particularly on the state and provincial roads), and to check on the origin and destination of the transported goods. However, it is apparent that the weighbridges are also to function as sources of local revenue. (SMERU 2001:38)

This means that truck drivers on a tour from the highlands to Medan have to pay at least three times: to the Kabupaten Karo (weighbridge near by Doulu), to the Kabupaten Deli Serdang (weighbridge between Sukamakmur and Bandar Baru) and to the kotamadya Medan (toll street). The lack of knowledge on local and regional prescriptions, but also about the own rights and duties lead to increasing costs and a licentious, non-transparent system that favours corruption and nepotism. In this case, traders, producers and customers are affected in equal measures.

2) Effective Demand on the Markets

As many traders, most commercial farmers face a crucial lack of knowledge and expertise concerning basic economic principles (compare the section about education on page 181f). The decision about which crops are planted in the future is often done in the coffee shops with some friends or family members and mostly not based on a careful analysis of the current supply and demand on the markets. Many farmers, for instance, decide to grow a product that is currently of high demand on the markets but fade out completely since many others may follow the same strategy. As a consequence, there is an over-supply at the time of harvest.

3) Quality Requirements

Another example are quality standards that are often neglected or unknown. In the course of their potato study, Adiyoga, Fuglie and Suherman (2001) interrogated potato importers in Singapore, who listed the pro and contras of obtaining potatoes from Indonesia: Advantages are the proximity of the production zones to Singapore, hence, the quick delivery and the low transportation costs. Due to the moderate climate, potatoes are available year-round and "are fresh and good for curries because they do not crumble" (ibid 2001:24). As crucial disadvantages, the importers listed the small size of the Indonesian potatoes since "the highest demand is for the large-size grade" (ibid 2001:24). Insufficient sorting, cleaning and packing practises, as well as a low quality of the products (worms, potato tuber moth and other diseases) in general, which leads to fast rotting, are further named disadvantages (ibid 2001:24).

4) Unknown & Unused Potentials of the Straits of Malacca and Batam Island

Since field work initially aimed at examining trans-boundary networks, the respondents were asked to assess the significance of the Straits of Malacca for local trade in general, and in regard to their individual trading activities. The results, that will be summarised in the upcoming paragraph, demonstrate that the respondents a) generally have a low awareness of the Straits of Malacca, b) are not used to think about processes that happen far away from their place of residence as far as they are not personally involved (this does not mean that they are stupid or incapable but that they just have never learned to think in such far-ranging contexts) and c) that there are only few and totally insufficient channels providing knowledge in the highlands.

The overwhelming majority of the interrogated traders in the Kabupaten Karo did not know where the Straits of Malacca is located.[272] As a consequence, they also could not imagine who and which groups control trade in the Straits of Malacca or gave very

272 Some of the traders even state that they have never heard of the name "Selat Malakka" and also could not name another term for it. Most traders could imagine the location when mentioning that the Straits of Malacca is the sea-lane between Belawan (port at Medan) and Penang Island (in Malysia) or Batam Island (Indonesia). The questionnaire contained a little map (map 2, page 15) showing the location of the Straits of Malacca.

vague answers. Those, who at least have heard about the shipping lane, explained that the Straits have no significant influence on their trading activities. A few mentioned the neighbouring states, namely Singapore, Malaysia and Indonesia as the most important powers in the Straits, others quoted China, the harbour police or custom regulations in general. One of the wholesalers in Berastagi stated that custom regulations affect trade because commodities from abroad often get stuck at the customs investigation office until all formalities are met. This time and cost intensive procedure often leads to delivery shortage among the small-scale traders in the highlands. In spite of this, there is no deeper awareness about the importance, vulnerability and possible impacts on trade in regards to the Straits of Malacca among Batak traders in the highlands. Although many more traders in and around Medan as well as on Batam island are aware of the existence and vulnerability of the Straits of Malacca, the answers did not differ from those mentioned above.

In regard to import/export channels, most think that goods from abroad come to Indonesia by (container) ships. Only a few considered the possibility that they can also be carried by cargo air planes. Furthermore, the majority state that most imported freights arrive the country via Batam, Jakarta or Tanjung Balai (harbour at Jakarta) from where they are further distributed mainly by overland transports (from Jakarta) or smaller ships (from Batam) to all directions in Indonesia. Polonia airport and Belawan (harbour at Medan) were only mentioned in the course of the allocation process. These appraisals preponderantly express the real transportation channels.

However, many traders agreed that Batam and some surrounding islands are of great significance, both for Indonesia in general and for the Batak people particularly. Batam as the nearest main transit, loading and trading centre for numerous commodities, is well known for its job opportunities among all Batak groups. In comparison with the local labour market, Batam offers higher wages, a better job security, a modern platform for traders (communication), and a broad market for local agricultural products that are partly exported to Singapore. In accordance with the interviewed traders, Batam facilitates private and public consume, a steady exchange of goods and is, furthermore,

continuously supported, and hence advantaged, through government investments. Many goods that are traded on the local markets on Sumatra (towels, clothes, electronic equipment, etc.) come from Batam and Batak traders seem to be involved on both sides of the trading route. But since none of the traders was aware of an exclusive Batak trading network, it has to be assumed that Chinese, Indian, Malay and other traders act as middlemen in Medan and at other important distribution centres nearby.

The local trade office at Kabanjahe is aware of the potentials and investment possibilities offered by the vegetable, fruit and spice markets on Batam island. It had even commissioned a field report that was already published in 2006[273], examining investment potentials in agricultural markets in five cities in Sumatra. But such reports, being of high value for traders and commercial farmers, are difficult to access since only few hard copies exist that are not openly published. Knowledge, in this case even insider expertises, are shut away from those groups who actually could use and implement it.

Summary

In the course of the previous chapter, cultural matters and the lacking flow and transmission of knowledge were identified as the most significant trading obstacles that are responsible for the impeded and limited participation of Batak traders in regional and trans-boundary trading activities. Cultural issues arise whenever Adat rules and norms coexist and clashes with other "norms" or "systems" that emerge in situations in which people have to act against different spheres or roles (e.g. Batak traders who act according to Adat rules and trading principles). Multi-ethnic trade defang the situation, at least for the Batak traders, since the Adat component is more or less abolished. The traders' dilemma theory was presented and applied to the situation of the Batak traders in the highlands to corroborate the significance of cultural determined trading obstacles. Furthermore, knowledge was affirmed to be a crucial factor for development. Four

273 Dinas Perindustrian Perdagangan Pertambangan dan Energi Kabupaten Karo (2006): Laporan kegiatan inventarisasi potensi daya serap pasar komoditi hasil pertanian di 5 (lima) kota besar di Sumatera (Batam, Pekanbaru, Jambi, Palembang, Bandar Lampung).

examples mirror different situations in which lacking knowledge or an interrupted flow of knowledge resulted in stagnating development processes. Hence, it was concluded that people who are able to acquire, to interpret and to adapt, in short, to actively use local and global knowledge adequately, have a good chance for sustained development. But as was also described for the highlands, many people still face a serious lack of knowledge due to insufficient educational background, lacking knowledge channels and hence, limited access to valuable information.

Conclusions, Recommendations and Outlook

"Economics is concerned with all human activities having to do with providing the necessities of life, seen in the context of the social-historical forms within and through which those activities take place."
(Van Leur 1995:35)

Roughly estimated, three quarters of the Karo Batak gain their income from agricultural production and are thus engaged in commercial farming. This implies that seasonally they also have to act as occasional traders to market their harvest (page 74ff). But due to the overwhelming trading power of the intermediary traders, non-existent associations or cooperations (that could bundle interests, enable knowledge exchange and strengthen the position of the commercial farmers) and a serious lack of knowledge profits remain low.

It was identified that for those who, due to a manifold of reasons, cannot or do not want to work in the agricultural sector, an occupation in the vast trading sector is a serious, and sometimes also last, job alternative to gain an income (page 83ff). Work in the trading sector has the reputation for being a physically easy occupation that at the same time promises fast and high profits, a perception that certainly seldom reflects the real life of hard working traders. However, lacking formal preconditions, no or little governmental control in the petty trade sector, and cultural determined obstacles lead to an ever increasing number of small-scale traders (subsistence traders) who hardly manage to gain enough income to cover their primary needs (page 99ff). Many have to carry out side-jobs or are dependent on other family members. Indeed, there is only a small number of Batak traders who run a successful market stall or shop that leaves enough margin to cover all daily expenses (and hence, disburden the owners from side-jobs).

Although the commercial farmers and the petty traders at first sight do not have much in common, it was established that the reasons for the impeded participation in trade are very similar for both groups. The identified obstacles can be grouped into four categories with blurred boundaries:

1) structural problems in the overall organisation of trade (chapter three and four),
2) insufficient infrastructure (chapter four),
3) cultural matters (chapter six),
4) a lacking flow and transmission of knowledge (chapter six).

Structural problems in the overall organisation of trade emerge in the missing linkages between producers (commercial farmers), traders, transport logistics companies, retailers, exporters etc.; in short: of all involved actors. There are no organised interest groups, associations or cooperations apart from a few credit unions (page 169f). Hence, common interests can neither be pooled nor communicated and the absence of overall organisational structures, moreover, strengthen the position of the better-off intermediary traders (page 69ff) who bridge producers or wholesalers with markets and thus review and take advantage of the needs and, more significantly, the weaknesses of both sides.

In the case of the commercial farmers, production (the usage of seeds, pesticides, fertilizers, etc.) and marketing (sorting, cleaning, packing, transporting, etc.) processes are not coordinated or standardised. The decision in regard to which products are to be cultivated on the fields is often made without considering the effective supply and demand on the markets. Furthermore, most commercial farmers highly depend on intermediary traders since they do not own transportation means (page 77). In regard to export markets, the "primary reasons for […] market absence is found in issues related to continuity of appropriate quality to importers, compliance with food import regulations, sufficient post-harvest handling practices and packaging and […] competitive pricing" (Anderson, D. 2009:4, Dinas Perindustrian Perdagangan 2006:32ff). Inadequate transportation modes, for instance, entail damage quotes up to 20 % (ibid 2006:38ff).

Small-scale and petty traders often do not have adequate educational background, professional training or expertise that enable them to organise and develop their business. Hence, most revert to the trial and error method. Marketing space and credit

availability are limited since there are neither governmental programmes for self-employed nor special credit programmes from the banks. Furthermore, small-scale traders are most affected by cultural constrains like the traders' dilemma (page 172ff) or the negative impacts of the kinship system (page 166ff).

Examples for **infrastructural constraints** are foremost the poor condition of the local road-system, as well as the supply routes, which are extremely vulnerable to all kinds of blockages like car accidents, tumbled trees, land slips and other disturbances (page 109ff). Lacking and insufficient (cold) storage room constitutes a further significant infrastructural problem.

Cultural determined problems: As was portrayed in chapter six, the economic behaviour of the Batak (Batak business acumen, page 171f) by far cannot be explained and understood in terms of economic variables alone (Singarimbun/Penny 1967:53). Culture and cultural institutions determine behaviour patterns, the protagonist's way of thinking, speaking and acting and hence, constitute the basis of each economic activity (page 161f). But since cultural affairs as well as economic affairs are subjugated to all kinds of changes, the interrelations and mutual influences are not easy to understand. Cultural determined behaviours and patterns can fasten (as it was the case until the 1960s for the Karo) but can also significantly impede development processes (as true for the current situation).

Cultural issues arise whenever Adat rules and norms coexist and clash with other “norms” or “systems” that emerge in situations in which people have to act against different spheres or roles. Hence, although the Adat is of highest significance for the Batak (page 28ff), parts of it were identified as “cultural determined trading obstacles” (page 141ff & 166ff) that lead to dilemma situations like the presented traders' dilemma (page 172ff). Furthermore, a lack of self-esteem (page 149ff) can also been valued as a culturally determined obstruction, since it also results in the low presence of Batak traders in the trans-regional and international business environment.

The **knowledge factor** is important, since many people still face a serious lack of knowledge due to an insufficient educational background, the lack of transmission channels and the limited accessibility to different kinds of information (page 180ff). In the case of the commercial farmers, lacking knowledge about effective supply and demand, as well as, for instance, food regulations on the key markets, lead to a completely random decision-making in the process of choosing crop varieties for growing. The exorbitant and partly wrong usage of pesticides and fertilizers do the rest in rendering the situation completely untenable. A lack of knowledge about the appropriate post-harvest practises, like sorting, cleaning, washing, packing, stocking, and adequate transporting, result in enormous variabilities in the product quality and availability, that clearly weaken the competitiveness of the area.

Furthermore, unknown and mostly unused transportation modes, for instance via seaway, strengthen the position of the transport companies who preponderantly offer overland loads and at the same time impede export activities to Malaysia or Singapore that depend on shipping or air traffic (page 109ff). Potential markets that could be easily reached by Karo producers and traders hence are not entered (compare page 201ff). But to reach sustained development, “there is a need to completely revise and modernize the transportation chain to make maximum use of all available transportation modes, capacities and economies, and to efficiently access all potential markets, both domestic and international” (Bulmer 2007:23).

A poorly defined and often changing range of commodities (photo 35, page 194), a sometimes inappropriate way to present products, irregular opening hours and inexistent or incomplete business concepts give evidence to the lacking or insufficient expertise of small-scale traders in the highlands. Cloth traders, for instance, sell a limited, but always changing range of clothes. Thus, it can happen that the offer shifts from small sized red shirts in one week to large blue trousers in the coming week. The range of commodities depends on what is offered at adequate prices and qualities at the cloth markets in Medan and how much of the beforehand stock was sold out since marketing space is

limited.[274] This also explains why some products are sold on rummage tables or simply stack stocking instead of adequately presenting them. The only way to attract customers is by presenting a few exceptional clothes on hangers in front of the market stall.[275] The shoe and bag retailers are an exception since they have a very well-arranged and professional fashion to present their offers (see photo 7 on page 66).

Photo 35: The range of commodities of a small-scale trader in Berastagi: dried fish is offered next to baby hats, clothes and shoes. (Photo: Flade 2007)

The circumstance under which Karo Batak traders operate in multi-ethnic trading environments does not appear to be a trading obstacle (chapter five, page 127ff). Traders of all ethnic groups apparently have found their respective strategy and their trading marketing niche that fits to their financial potentialities as well as to their private habits and traditional systems and which, furthermore, guarantees sufficient profits to meet their own needs. As portrayed in detail in chapter five, the presence of the Chinese traders in the highlands is explicitly appreciated and sometimes (unfortunately seldomly) even leads to fruitful cooperations as demonstrated through the case study about the dairy farm in Berastagi (page 156ff).

274 Some traders can afford to rent a second market stall at the fringe areas of the market that can be used as storage room.

275 Clothes are preponderantly sold on the market areas and not at "fixed shops" at the businesses roads.

Recommendations

Several steps in various fields of action are recommended to involve and empower the local population to break into new markets and to participate adequately in, and benefit from, local and regional development processes.

Infrastructure

In the course of his infrastructure report, Bulmer (2007) proposed valuable interventions that are indispensable to develop already existing and newly constructed infrastructure patterns. Of highest significance are the rehabilitation and reconstruction of the local road system a) to enhance the regions overall accessibility, b) to foster all kinds of business activities concerning trading as well as the agricultural and industrial sector, and c) to make the area attractive for tourism. In addition, regional and trans-regional supply roads, including the trans-sumatran highway, have to be repaired, (re)constructed and widened (Bulmer 2007:21).

The potentials of transportation modes other than the overland transportation by truck have to be communicated. So far "other available and cost effective modes by sea and air are not used because the producer has no knowledge or contact with these modes, nor of the potential markets served by them" (ibid 2007:23). In the Batak case, the producers are the large group of Batak commercial farmers. As was depicted in chapter four (page 109ff), the nearby port of Belawan is already adequately developed and plans for the improvement and extension are already at hand (ibid 2007:22). But due to lacking knowledge and missing marketing links, port facilities, like for instance refrigerated containers, are not used for the marketing of vegetables and fruits. This can be explained by the lack of knowledge but also by the overwhelming trading power of the intermediary traders who, to large extent, also control the transportation sector.

Furthermore, it has to be seen whether, and if yes how, the newly constructed airport at Medan after its opening will influence the transportation by airway for valuable commodities. It also remains doubtful whether the planned cargo airport will be

constructed in the highlands. Although the construction of such an airport would mean a cost intensive large-scale project for the regional government, it would bring many advantages for the region on long term scale since it a) would make the highlands independent from the vulnerable overland routes, and b) constitutes a fast and safe transportation mode for fresh vegetables and fruits given that transportation fees and conditions are suitable for producers and all involved traders. As long as the funding is unclear, however, the sea and preponderantly the overland transportation are the predominant transportation modes.

To control and guide trans-regional and export activities, Bulmer (2007:23) advises to "provide centralized grading, washing, packing and loading facilities […]" and Adiyoga, Fuglie, Suherman (2001:29) tie in with the proposed establishment of export terminals that assure "quality control and good post-harvest practises". Such centralised terminals, equipped with adequate technologies and managed by people who are regularly trained in all relevant fields (quality standards and requirements, hygiene, transportation modes and routes, etc.) certainly would assure a steady flow of commodities which meet the demands of the markets in terms of quantity and quality requirements. In addition, packing should be standardised and adapted to the respective transportation mode and destination (wooden transportation boxes, cooling boxes, etc.). The establishment of marketing terminals require:

1) a fully developed infrastructure: a local road system and supply roads that are in good condition, sufficient storage room, etc.
2) functioning networks of producers/commercial farmers who act according to the needs of the market and who obey food regulations and requirements
3) intermediary traders who assure the assembling and transportation of goods from the village level to the terminals
4) well trained and motivated staff
5) trans-regional traders and exporters who are willing to buy from such institutions instead of operating own terminals
6) a steady flow of up-to-date knowledge

7) the necessary support from the government through financial aids and the release of adequate regulations and requirements.

Whereas such centralised marketing terminals could strengthen the position of the commercial farmers (also known as the majority of the Batak in the highlands), they would at the same time clearly weaken the position of the intermediary traders since they would partly lose their transportation monopolies.

Adiyoga, Fuglie and Suherman (2001:29) also propose the improvement of existing technologies to reduce the costs of production. This also entails the application of improved varieties, better quality seeds and "more effective, economical and environmentally safe methods of pest and disease control" (ibid 2001:29).

Networking

The establishment of interest groups, associations or cooperations is of high significance in order to organise and bundle the interests of commercial farmers and traders, to strengthen their respective positions, to enable them an active participation in the field of trade and to allow a steady flow of knowledge. Bulmer even states that such a communication platform has to be provided "for producers, traders, transport logistics companies, transport operators, distributors retailers etc. to explore avenues of cooperation and joint venturing to improve the chain from producer to consumer" (Bulmer 2007:23). Since the sustained development of the region clearly depends on the access to trans-regional and export markets (see page 201f), Adiyoga, Fuglie, Suherman (2001:29) and Bulmer (2007:23) propose the establishment of export-orientated producer groups that are directly engaged in the fields of domestic and international trading, and distribution and marketing. Organised producers can "aggregate volume, smooth out supply peaks and implement common standards of preparation, grading and packing" (Bulmer 2007:23).

The same is applicable for small-scale traders, who could increase their expertise and develop their business further when attending, for instance, regular meetings of the res-

ident traders. But unlike in the agricultural sector, in which power and competition constellations are subjugated to permanent changes according to the cultivated crops and slightly shifted harvest times, the rivalry is much stronger on the permanent market areas and business roads. While commercial farmers, for instance, exchange their knowledge about fertilizers and pesticides, insider knowledge, like a cheap wholesaler offering high quality products in Medan, would rather be kept as a trading secret than sharing it with other traders (see also page 168f).

Knowledge

> *"Knowledge is like light. Weightless and intangible, it can easily travel the world, enlightening the lives of people everywhere. Yet billions of people still live in the darkness of poverty—unnecessarily" (World Bank 1999).*[276]

The fact that most traders are not aware of the importance and vulnerability of the Straits of Malacca for their own trading activities (page 186f) may lead to the assumption that traders seldomly take notes of overall trading affairs. Discussions and observations revealed that small-scale traders, for instance, just notice their immediate trading environment, namely the wholesalers and traders from whom they generally buy their goods and the traders in their close neighbourhood. Better access to comprehensive and specialised knowledge concerning, for instance, trading environments, food regulations and the duties and rights of traders, should be provided for all groups of traders at all research sites, because

> […] market information on domestic and international […] prices and trading opportunities can reduce the transaction [costs for marketing]. Better information on desired quality attributes by consumers in domestic and foreign markets can help local producers to meet market demand. (Adiyoga/Fuglie/Suherman 2001:29)

The role of the Local Government (Kabupaten Level)

Governmental reforms and deregulation measures in the course of the implementation of the regional autonomy have seriously affected trade and traders since a

276 http://wdronline.worldbank.org//worldbank/a/c.html/world_development_report_1998_99/chapter_overview (World Development Report 1998/1999 Knowledge for Development 04.04.2011).

> […] worrying trend to revert to an excessive regulatory environment [had been identified] that will recreate the high cost economy that existed during the New Order period. The burden of these numerous new local regulations will fall most heavily upon farmers, traders, small producers and consumers. (SMERU 2001:iv)

It is urgently necessary that the local (as well as the central) government implement only such tools that are a) clearly regulated and published, b) beneficial for the development of the kabupaten and the improvement of people's welfare and c) clearly go along with an improved public service. Fees and regulations that only serve to increase the kabupaten's revenues are not acceptable.[277] Of course, it is furthermore indispensable to combat corruption and nepotism on each governmental level.

To achieve sustained development, it is urgently necessary to develop, revise and modernise the agricultural sector and the transportation chain to "efficiently access all potential markets, both domestic and international" (Bulmer 2007:23). Short and long-term strategies and infrastructure programmes have to be developed and implemented to improve Indonesia's export competitiveness that will help the people to break into new markets and hence, increase their own welfare. The local government must acknowledge that those who are likely to use the new structures must be involved in its planning.

Furthermore, professional trainings, small loans, maybe in combination with the participation at a mentor programme and the provision of comprehensive knowledge offered and coordinated by the local government could help many of the small-scale traders to improve their business and to gain ground in the trading sector. It would be desirable to establish a section in the trading office that especially coach the small scale trading sector.

277 In the course of the implementation of the regional autonomy, several situations emerged entailing conflicts of interests between the central and the local government in respect to power constellations. This situation arose "because many of the technical guidelines related to Law 22, 1999 and Law 25, 1999 have not yet been drafted, some regions have attempted their own interpretation of these two laws, and have then drafted their own local regulations based on their interpretation" (SMERU 2001:39). Of course, it is indispensable to resolve these disputes before regulating the local level.

Although international development programmes, like the USAID AMARTA[278] programme with the flowery slogan "Helping Indonesia to Grow", can give valuable impulses in some fields, sustained and comprehensive changes have to emanate, due to their immense complexity, from the local stakeholders.

Cultural Changes

Without doubt, the cultural dimension is the most difficult one to approach since it affects the Batak and their existence as a whole (page 163ff). For instance, the demand of Evers and Mehmet (1994:1) that "petty traders have to solve the 'trader's dilemma' by extracting themselves from the moral obligations of sharing and redistribution to relatives and neighbours" sounds standing to reason but is quite difficult to translate when acknowledging the broad function of the moral system for the people.

Certainly, further research that focus solely on the cultural component is indispensable to achieve a solution that will be accepted by all stakeholders. However, the following two preliminary impulses are given as valuable approaches to find a way out of, or at least to weaken, the cultural dilemma: 1) the implementation of a national insurance system (that would replace parts of the Adat) and 2) the strengthening of "social categories" aside the threefold kinships system like, for instance, village communities, neighbourhoods or women's groups. Such groups would have the potential to merge into strong interest groups with equal members since the group membership is, for instance, based on the place of living and not on the *sangkep si telu.*[279]

278 AMARTA = Agribusiness Market and Support Activities. According to the official website (http://www.amarta.net/amarta/EN.aspx?mn=A1&lang=EN 12.04.2011) "the USAID Indonesia funded AMARTA project is four and a half year programme, with funding of $19.6 million from September 2006 to April 2011 to assist the Government of Indonesia to promote a robust Indonesian agribusiness system that will significantly contribute to gainful employment, growth, and prosperity. AMARTA will work with private businesses, farmers and other actors to improve efficiency, product quality in value chains such as high-value export commodities, hypermarket quality horticulture products, cocoa and coffee." AMARTA has, amongst others, "agribusiness competitiveness offices" in Medan and in Kabanjahe and focuses on the improvement of coffee and horticulture in North Sumatra.

279 Examples for such groups can be found in the environment of the Karo Batak Church that also face the cultural dilemma (see Situmorang 2005). Church members are, according to their own family status, sex and age, members of local women's groups (called Moria), men's groups (Mamre) or youth groups (Permata) organised by the respective community. These groups perform religious (e.g. bible studies) but also social components (visits at the orphanage, hospitals, retreats, workshops etc.).

But changes in the cultural system cannot be enforced from "outside". They rather happen on behalf of the directly involved people. Hence, Singarimbun and Penny conclude that

> […] more than in any other national state in the modern world the Indonesian economy consist of a conglomeration of sub-economies each following to a greater or lesser extent its own laws of growth and change. It is not surprising, however, to find many different modes of economic activity in a land of many cultures. (Singarimbun/ Penny 1967:57)

Outlook: Breaking into New Markets

The thesis has proven that there are sufficient potentials available for the Batak that could be used to induce a dynamic and overall development of the region. But it has also shown that a manifold of problems have to be negotiated in advance. By all means, development processes will change underlying structures, concepts, behaviours and perspectives that might not fit anymore to the aspired development of the region. However, to close this thesis with a promising foresight, four of many imaginable scenarios will be shortly broached that could be implemented in the near future.

As shown with the help of the positive example of the dairy farm in Berastagi (page 156ff), multi-ethnic cooperations can lead to the implantation of successful and innovative business ideas. In the case of PIMS, Chinese entrepreneurial spirit and capital is successfully accompanied with essential Batak know-how and expertise; here in the field of animal husbandry and integrated farming. Other cooperations (following this model or based on other constellations) are imaginable and much desirable.

One of the main strategies used by the AMARTA project is the improvement of the value chain. The underlying basic idea is that qualitative high valued products yield better margins and are hence also suitable for long-distance marketing (including exports) since transportation by airway is still profitable. Valuable spices like vanilla,

but also coffee (dried, sorted, crushed, packed, etc.) are products that fall in this product category.[280]

According to the local trade office of the Karo regency, there are many potential markets close by the highlands that are still not adequately served due to the overwhelming power of the intermediary traders and the limited knowledge of the small-scale producers, who show little interest in trans-regional and international trading activities (Dinas Perindustrian Perdagangan 2006:i). At this very point, several previously broached problems merge: lacking linkages between producers and traders, inexistent cooperations that would bundle interests and commodities and insufficient knowledge and infrastructural problems.

Concretely, potential enhancements of shipments of vegetables and fruits were identified for the following markets: Batam[281] (±20 %), Pekanbaru[282] (±20 %), Jambi[283] (±20 %, for tangerine even ±50 %), Palembang[284] (potentials for tangerines) and lastly Bandar Lampung[285] (potentials for tangerines) (Dinas Perindustrian Perdagangan 2006:32ff). Insufficient transportation modes (no cooling on the route), unsuitable packagings (bamboo baskets instead of wooden transportation boxes), an improper time of harvest (e.g. after rain which means an increased risk for rotting) and lacking grading lead to common damage rates of up to 20 % and hence result in a low competitiveness of products from the Karo highlands (ibid 2006:32ff).

280 For more examples, application fields and progress and success reports see the library of the AMARTA project: homepage: http://www.amarta.net/ (14.04.2011).

281 Batam, part of the province of Riau, is located just twenty kilometres away from Singapore's south coast at the southern estuary mouth of the Straits of Malacca (see page 23f for a short description). Only 0,83 % of Batam's population are engaged in farming. Vegetables like potatoes, carrots, cabbage and shallots are not at all grown on Batam island and hence need to be procured from other areas (Dinas Perindustrian Perdaganagn 2006:13ff).

282 Pekanbaru is the capital of the province of Riau and is connected to the Straits of Malacca via the Siak river.

283 Jambi is the capital of the province Jambi and is located in southern Sumatra.

284 Palembang is the the capital of the province of South Sumatra.

285 Bandar Lampung is the capital of the province Lampung in southern Sumtra, located on the supply road to Jakarta.

The study of the local trade office clearly shows that there is, indeed, a high demand of vegetables and fruits produced in the highlands, but that the involved farmers and traders are not able to make use of it. Hence, the local government seriously has to improve and implement the current situation in the highlands to enable the proper participation of the locals in trade (for detailed recommendations see page 195ff).

Of the presented markets, Batam island is, due to the following reasons, of special significance for the highland population: a) a considerable high number of Batak live here, b) it is the closest of all described market places, and c) only a minuscule percentage of the population on Batam are engaged in agriculture which means that there is a high degree of dependency on vegetables and fruits from other regions. Based on this perfect initial position, Batak traders could not only enhance their shipping quantities, but could also control the overall process of production, transporting and selling to the end-consumer. This would entail the establishment of "real" Batak trading networks. Further research on this topic would be desirable to identify concrete steps that had to be taken for the implementation and to determine to which extent the cultural component impedes this development.

In the course of his survey of the Singaporean fresh fruits and vegetables markets, that was carried out to identify new market places for the Indonesian export branch in general, and for North Sumatra in particular, Anderson (2009) detected

> […] that Indonesian farmers have only 7.85 percent or less of the Singapore fresh produce market share in both value and volume for selected fresh vegetables, and less than 1,0 percent for selected fresh fruits. Indonesian producers and exporters are not competing with producers from as far away as the United States, Australia, and the Netherlands. (Anderson 2009:2)

The reasons given to explain the situation resemble a lot to those that were listed for the national context: insufficient expertises (knowledge!) in regard to post-harvest handling, food regulations (e.g. minimum residue tolerances for pesticides allowed in Singapore), transportation facilities (lacking cold chain transporters) and an ever varying quality that impede the competitiveness of the products (Anderson 2009:3f).

Given the high demand of fresh vegetables and fruits in Singapore (over 300,000 tons/year)[286] based on its high population (around 5 million inhabitants) and the limited possibility to cultivate own crops (due to the limited territory of a city state) as well as the proximity of both countries, it is difficult to understand why the local government in the Karo highlands does not put more effort into the development of these markets.

Currently, it is impossible to state which development processes will effectively take place in the highlands and whether they really will induce the desired effects. Further research, especially in the field of cultural constraints (that seem to be the root of the problem) but also on market potentials, is much desirable.

286 Anderson (2009) identified the following high level products of very potential for exports from the highlands to Singapore: bell peppers, broccoli, lettuce, durian [fruit], papaya, pineapples and rambutan [fruit]. But he also states that further research on the local markets is indispensable to get a comprehensive overview of the market situation. Furthermore, he advices to conduct further research at the markets in Medan and Jakarta "to determine if local prices and buying conditions are more lucrative than the export markets" (Anderson 2009:11).

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Suara Pembaruan	http://www.suarapembaruan.com/home/
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Watch Indonesia!	http://home.snafu.de/watchin/

Appendix A: Methods of Data Collection I (Questionnaires)

My thesis is mainly based on data drawn from my one-year lasting fieldwork in Sumatra, Indonesia in 2007. A bundle of concepts and methods had been used to facilitate the process of data collection as well as the following analysis. Appendix A focus on the questionnaires.

Most data were gained with the help of a questionnaire that easily could be adapted to the situations and personal backgrounds of the interviewed traders. Table 30 and 31 (page 218) give an overview about the different target groups, the distribution of female and male respondents, ethnic affiliation and the time periods within the interviews took place.

Table 30: Overview about the Questionnaires

Type of Questionnaire	***Design No.***	***Abbr.***	***Amount***	***Time Period***
Batak traders living in the Kabupaten Karo (Karo Regency) / *Batak Tanah Karo*	1 (page 220)	BTK	201	17.04.– 26.07.2007
Batak greengrocers, fruit and spice traders living in the Kabupaten Karo (Karo Regency) / *Batak Tanah Karo Sayur Buah Bumbu*	2 (page 223)	BTKSB	50	11.09. – 28.09.2007
Batak traders living outside the Kabupaten Karo (Karo Regency) but within the Province of North Sumatra / *Batak Luar Tanah Karo*	3 (page 225)	BLTK	199	25.07. – 25.08.2007
Batak greengrocers, fruit and Spice traders living outside the Kabupaten Karo (Karo Regency) but within the Province of North Sumatra / *Batak Luar Tanah Karo Sayur Buah Bumbu*	4 (page 228)	BLTKSB	48	27.10. – 28.10.2007
Batak traders living on Batam island / *Batak Batam*	5 (page 228)	BB	21	04.09. – 11.09.2007
Batak greengrocers, fruit and spice traders living on Batam island / *Batak Batam Sayur Buah Bumbu*	6 (page 231)	BBSB	50	04.09. – 12.09.2007
Traders belonging to other ethnic groups / *Suku Lain*	7 (page 232)	SL	141	25.07. – 25.08.2007
TOTAL			710	April – October 2007

Table 31: Distribution of Male and Female Respondents

	Female	***Male***
BTK*	116	85
BTKSB	32	18
BLTK	116	83
BLTKSB**	25	23
BB	9	12
BBSB	18	32
SL	64	77
TOTAL	**380** (53,5 %)	**330** (46,5 %)

* Abbreviations see the table 30 on page 217.
**including non-Batak traders

Survey Design

The questionnaire design was discussed, tested and modified several times. In every case the questionnaires were filled out together with an interviewer who could help with possible misunderstandings and other problems during the process of answering the questions. The survey in the highlands was assisted by one local research assistant who stood in close contact with me so that emerging problems could be discussed daily. For the interrogation of the traders in Medan I got help from a student of the University of North Sumatra. The procedure (preparing, accomplishment and debriefing) was the same than in the highlands. About half of all interviews were conducted by myself. It turned out that especially female traders were more open-minded and willing to answer the questions when I conducted the interviews by myself. It was helpful to carry along my baby as well, because the women loved cradling my son while I wrote down their answers for them.

Most of the interviews had to be interrupted several times because of customers who wanted to buy or ask something. On average an interview took about 30-40 minutes (15-25 minutes for greengrocers, fruit and spice traders), a few up to an hour and longer. The used language was Bahasa Indonesia.

The following fields of interest stood in the focus of research: 1) the identification of trading networks and marketing channels, 2) the organisation of Batak trade and Batak traders, 3) possible reciprocal actions between multi-ethnicity and trade and, 4) the importance of international trade and the significance of the Straits of Malacca region. However, the questionnaires were divided into five blocks:

Part A: shops / market stalls: The questions at this block aimed at verifying the membership to the target group (see table 30 on page 217) and enabled a categorisation and grouping of the respondents.

Part B: Traded Goods: This section dealt with the origins of all kinds of traded goods. With intent to detect trans-boundary trading networks, the traders were asked to name the five most sold commodities of each category (national, international, local commodities, for a classification see page 106ff), including further details about the place of purchase and the traders involved. The object was to identify wholesalers, significant market places and the degree of involvement in existing trading networks.

Part C: the Straits of Malacca: The underlying leading questions for this block were: Which commodities cross the Straits of Malacca? What do the local traders know about the significance of the Straits of Malacca region? Who are the involved stakeholders controlling trade on both sides of the Straits? And what are the usual transportation modes and types?

Part D: Trade Organisation: Part D mainly dealt with the aspect of multi-ethnicity and the role of culture and behaviour patterns for trade.

Part E: Personal Data of the interviewed trader (name, sex, ethnic affiliation, religious affiliation, status).

Part F Notes: Place for all kinds of personal notes written down directly after the interrogation by the interviewer.

Questionnaire Design 1: Batak traders residing in the Karo highlands / Batak Tanah Karo (BTK)

Head

►Sample No (V1):	V1
►Interviewer:	
►Tempat Wawancara (V2) 1= Berastagi, 2= Kabanjahe, 3= lain-lain	V2
►Tanggal Wawancara:	

Part A: Toko / Ruko

►Toko atau Ruko?	
V3: 1= Toko, 2= Ruko	V3
►**Nama** (tulis XXX kalau tidak ada nama resmi):	
►Alamat / Lokasi:	
►Kategori toko / ruko?	
V4: 1= Pakaian / Kain, 2= Sepatu / Tas, 3= Perabot, 4= Kelontong / Swalayan, 5= Technnik / Elektronik, 6= Tukang Emas, 7= ATK, 8= Lain	V4
Kalau toko / ruko termasuk kategori 8, jelaskanlah apa yang dijual:	
►Apakah anggota keluarga ikut bekerja di toko / ruko?	
V5: 1= ada, 2= tidak ada	V5

Part B: Barang - Barang yang dijual di toko / ruko ini

►Apakah Bapak / Ibu / Saudara/i menjual barang yang berasal dari luar negri?		
V6: 1= ya, barang dari luar negri dijual, 2= barang dari luar negri tidak dijual		V6
Kalau ada, tolong sebutkan lima macam barang buatan luar negri termasuk negara buatannya:		
No Barang	Buatan?	
►Apakah Bapak / Ibu / Saudara/i menjual barang yang berasal dari Indonesia (selain barang lokal)?		
V7: 1= ya, barang dari Indonesia dijual, 2= barang dari Indonesia tidak dijual		V7

Kalau ada, tolong sebutkan lima macam barang buatan Indonesia termasuk tempat produksinya:			
No Barang	...diproduksi di		
►Apakah Bapak / Ibu / Saudara/i menjual barang yang berasal dari tanah Karo?			
V8: 1= ya, barang dari tanah Karo dijual, 2= barang dari tanah Karo tidak dijual			V8
Kalau ada, tolong sebutkan lima macam barang buatan Indonesia termasuk tempat produksinya:			
No Barang	... diproduksi di		
► Tolong sebutkan, di mana dan oleh siapa Bapak / Ibu / Saudara/i berbelanja barang (barang internasional, nasional & lokal):			
Barang	...dibeli di (nama, lokasi):	Suku (Batak, China, Malay, India...) Kooperasi, UD, Grosir, pribadi?	

Part C: Selat Malaka

►Apakah Bapak / Ibu / Saudara/i tahu dari mana dan bagaimana barang dari luar negri datang ke sini?	
►Apakah Bapak / Ibu / Saudara/i mengenal seorang pedagang yang mengekspor barang ke luar negri? (nama & alamat)	
►Siapa, menurut pendapat Bapak / Ibu / Saudara/i mengontrol perdagangan di Selat Malaka?	
►Apakah menurut Bapak / Ibu / Saudara/i ada kaitan antara perdagangan trans-nasional dan stabilitas (ketertipan), keamanan dan perkembangan daerah? Kalau ada tolong menjelaskan kenapa:	V9 0:tidak tahu 1: ada 2: tidak ada
►Apakah Bapak / Ibu / Saudara/i mengenal pedagang Batak di Malaysia, Singapur, Thailand atau Batam? (nama & alamat)	
► Apa kegunaan pulau Batam bagi perdagangan Batak?	

Part D: Perdagangan Orang Batak

►Berikutnya ada beberapa pernyataan mengenai perdagangan orang Batak. Tolong beritahukan untuk setiap pernyataan apakah Bapak / Ibu / Saudara/i: (V10-24): 1= tidak setuju

2= kurang setuju 3= sebagian setuju, sebagian tidak setuju 4= setuju 5= sangat setuju 0= tiada keterangan, tidak tahu, pernyataan tidak cocok bagi saya	
1) Keanggotaan suku penting bagi orang pedagang di tanah Karo.	V10
2) Adat penting bagi pedagang Batak.	V11
3) Kalau saya berbelanja barang, saya mencoba selalu berbelanja ke tempat yang sama.	V12
4) Kalau bisa, saya mencoba berbelanja ke grosir semarga.	V13
5) Saya juga berbelanja ke tempat yang sama waulaupun kadang kadang harga atau kwalitas barang tidak cocok.	V14
6) Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalit-asnya. Suku pedagang tidak penting bagi saya.	V15
7) Pedagang dari suku yang lain lebih gampang berdagang di tanah Karo karena mereka tidak harus memperhatikan Adat.	V16
8) Pada umumnya Adat dan keluarga sangat penting bagi saya.	V17
9) Kalau saya berbelanja barang yang paling penting adalah bahwa kwalitas dan harga cocok.	V18
10) Barang buatan tanah Karo hanya dibeli oleh pedagang Batak.	V19
11) Karena toko / ruko saya dekat dengan tempat asalku (kampung), saya sering harus mengurangi harga untuk keluarga, teman dan orang yang kenal saya.	V20
12) Karena Adat kuat, saya kurang suka berdagang dekat tempat asalku (kam-pung).	V21
13) Barang buatan Indonesia dijual oleh pedagang perempuan dan barang dari luar negri dijual oleh laki-laki.	V22

14) Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain.	V23
15) Di tanah Karo terutama pedagang Batak yang mengontrol perdagangan.	V24

Part E: Orang yang diwawancarai

►**Nama**:	
►**Laki-Laki / Perempuan?**	
V25: 1= Laki-laki, 2= Perempuan	V25
►**Orang mana? (Suku apa?)**	
►**Bapak / Ibu / Saudara/i agama apa?**	
V26: 1= Protestan, 2= Muslim, 3= RK, 4= Hindu, 5= Buddhismus, 6= tidak ada agama, 0= tiada keterangan, tidak mau kasih tahu	V26
►**Di Toko / Ruko ini Bapak / Ibu / Saudara/i adalah**	
V27: 1=pemilik, 2= pegawai, 3=anggota keluarga yang bantu	V27

Part F. Catatan tambahan (diisi oleh yang bertanya:)

Berapa lama perlu untuk mengisi daftar pertanyaan:
Berapa orang hadir:
Apakah wawancara sering harus dihentikan untuk sebentar karena ada pembeli?
Umur (kira-kira)?
Penejelasan tambahan (mengenai suku, Selat Malaka, dll):

Questionnaire Design 2: Batak greengrocers, fruit and spice traders residing in the Karo highlands / Batak Tanah Karo Sayur Buah Bumbu (BTKSB)

Head

►Sample No (V1):	V1
►Interviewer:	
►Tempat Wawancara: V2: 1= Berastagi, 2= Kabanjahe, 3= lain-lain	V2
►Tanggal Wawancara:	

►Sayur / Buah / Bumbu apa yang dijual:	

Part A

►Apakah Bapak / Ibu / Saudara/i mengenal seseorang yang bekerja di Batam? Siapa?	V3 1: kenal 2: tidak k.
►Apa kegunaan pulau Batam bagi perdagangan Batak yang menjual sayur / buah / bumbu?	
►Dari mana sayur / buah / bumbu yang Bapak / Ibu / Saudara/i menjual terasal? (Tempat / Suku apa?)	
►Menurut Bapak / Ibu / Saudara/i suku apa yang campur tanggan dalam perdagangan sayur / buah / bumbu di Tanah Karo & SUMUT? Tolong jelaskan:	
►Apakah ada jaringan perdagangan yang dijalankan khususnya pada orang Batak? Kalau ada tolong berikan contoh (apa yang didagang / ke mana dijual / siapa campur tanggan):	
►Kenapa begitu banyak orang Cina campur tanggan dalam perdagangan di Tanah Karo dan di Sumatra Utara?	

Part B: Perdagangan Orang Batak

►Berikutnya ada beberapa pernyataan mengenai perdagangan orang Batak. Tolong beritahukan untuk setiap pernyataan apakah Bapak / Ibu / Saudara/i: (V4-8): 1= tidak setuju 2= kurang setuju 3= sebagian setuju, sebagian tidak setuju 4= setuju 5= sangat setuju 0= tiada keterangan, tidak tahu, pernyataan tidak cocok bagi saya	
1) Keanggotaan suku penting bagi orang pedagang.	V4
2) Saya lebih suka berdagang dengan satu suku.	V5
3) Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalitasnya. Suku pedagang tidak penting bagi saya.	V6
4) Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain.	V7

5) Dalam penjualan sayur mayur / buah-Buahan pedagang suku Batak yang main peranan penting.	V8

Part C: Data Dasar

►**Nama:**	
►**Berapa Umur Bapak / Ibu / Saudara/i?**	
►**Laki-Laki / Perempuan?** 1= Laki-laki, 2= Perempuan	V9
►**Suku apa?**	
►**Bapak / Ibu / Saudara/i agama apa?** 1= Protestan, 2= Muslim, 3= RK, 4= Hindu, 5= Buddhismus, 6= tidak ada agama, 0= tiada keterangan, tidak mau kasih tahu	V10

Questionnaire Design 3: Batak traders living outside the Karo Regency (but within the Province of North Sumatra) / Batak Luar Tanah Karo (BLTK)

Head

►Sample No (V1):	V1
►Interviewer:	
►Tempat Wawancara (V2): 1= Berastagi, 2= Kabanjahe, 3= Medan, 4= P.Si-antar, 5=Samosir / Prapat, 6= lain:	V2
►Tanggal Wawancara:	

Part A: Toko / Ruko

►**Toko atau Ruko?**	
V3: 1= Toko, 2= Ruko	V3
►**Nama** (tulis XXX kalau tidak ada nama resmi):	
►**Alamat / Lokasi:**	
►**Kategori toko / ruko?**	
V4: 1= Pakaian / Kain, 2= Sepatu / Tas, 3= Perabot, 4= Kelontong / Swalayan, 5= Technnik / Elektronik, 6= Tukang Emas, 7= Lain	V4
Kalau toko / ruko termasuk kategori 7, jelaskanlah apa yang dijual:	
►**Apakah anggota keluarga ikut bekerja di toko / ruko?**	
V5: 1= ada, 2= tidak ada	V5

Part B: Barang - Barang yang dijual di toko / ruko ini

►Apakah Bapak / Ibu / Saudara/i menjual barang yang berasal dari luar negri?				
V6: 1= ya, barang dari luar negri dijual, 2= barang dari luar negri tidak dijual				V6
Kalau ada, tolong sebutkan lima macam barang buatan luar negri termasuk negara buatannya:				
No Barang		buatan?		
►Apakah Bapak / Ibu / Saudara/i menjual barang yang berasal dari Indonesia?				
V7: 1= ya, barang dari Indonesia dijual, 2= barang dari Indonesia tidak dijual				V7
Kalau ada, tolong sebutkan lima macam barang buatan Indonesia termasuk tempat produksinya:				
No Barang		...diproduksi di		
► Tolong sebutkan, di mana dan oleh siapa Bapak / Ibu / Saudara/i berbelanja barang:				
Barang	...dibeli di (nama, lokasi):	... Suku Pedagang (Batak, China, Malay, India...)	… Kooperasi, UD, Grosir, pribadi...	

Part C: "Selat Malaka" same as in questionnaire design 1 Part C.

Part D: Organisasi Perdagangan Orang Batak

►Berikutnya ada beberapa pernyataan mengenai perdagangan orang Batak. Tolong beritahukan untuk setiap pernyataan apakah Bapak / Ibu / Saudara/i: (V8-19): 1= tidak setuju 2= kurang setuju 3= sebagian setuju, sebagian tidak setuju 4= setuju 5= sangat setuju 0= tiada keterangan, tidak tahu, pernyataan tidak cocok bagi saya	
1) Keanggotaan suku penting bagi orang pedagang.	V8

2) Saya lebih suka berdagang dengan satu suku.	V9
3) Kalau saya berbelanja barang, saya mencoba selalu berbelanja ke tempat yang sama.	V10
4) Kalau bisa, saya mencoba berbelanja ke grosir semarga.	V11
5) Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalit-asnya. Suku pedagang tidak penting bagi saya.	V12
6) Pedagang dari suku yang lain lebih gampang berdagang di SUMUT karena mereka tidak harus memperhatikan Adat dan suku.	V13
7) Pada umumnya Adat dan keluarga sangat penting bagi saya.	V14
8) Saya sering harus mengurangi harga untuk keluarga, teman dan orang yang kenal saya.	V15
9) Barang buatan Indonesia dijual oleh pedagang perempuan dan barang dari luar negri dijual oleh laki-laki.	V16
10) Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain.	V17
11) Karena Adat kuat, saya tidak suka berdagang di Tanah Karo.	V19
►Sudah lama Bapak / Ibu / Saudara/i tinggal di luar Tanah Karo? (Berapa tahun?)	
► Ada alasan tetap kenapa Bapak / Ibu / Saudara/i pindah ke luar tanah Karo?	
►Apakah Bapak / Ibu / Saudara/i mengenal seseorang yang bekerja di Batam? Tolong jelaskan siapa:	V1 1: kenal 2: tidak k.

Part E: "Orang yang diwawancarai" same as in questionnaire design 1 "Part E".

Part F: "Catatan tambahan" same as in questionnaire design 1 "Part F".

Questionnaire Design 4: Batak greengrocers, fruit and spice traders living outside the Karo Regency (but within the Province of North Sumatra) / Batak Luar Tanah Karo Sayur Buah Bumbu (BLTKSB)

Head same as in questionnaire design 2 "Head".

Part A

►Apakah Bapak / Ibu / Saudara/i masih ada hubungan dengan keluarga di Tanah Karo?	V3 1: ada 2: tidak ada
►Apa kegunaan pulau Batam bagi perdagangan Batak yang menjual sayur / buah / bumbu?	
►Dari mana sayur / buah / bumbu yang Bapak / Ibu / Saudara/i menjual terasal?	
►Menurut Bapak / Ibu / Saudara/i suku apa yang campur tanggan dalam perd-agangan sayur / buah / bumbu di Tanah Karo & SUMUT? Tolong jelaskan:	
►Apakah ada jaringan perdagangan yang dijalankan khususnya pada orang Batak? Kalau ada tolong berikan contoh (apa yang didagang / ke mana dijual / siapa campur tanggan):	
►Kenapa begitu banyak orang Cina campur tanggan dalam perdagangan di Ta-nah Karo dan di Sumatra Utara?	

Part B: "Perdagangan Orang Batak" same as in questionnaire design 2 "Part B".

Part C: "Data Dasar" same as in questionnaire design 2 "Part C"

Questionnaire Design 5: Batak traders living on Batam island / Batak Batam (BB)

Head

►Interviewer:	
►Tempat Wawancara:1= Batam, 2= lain	V1
►Tanggal Wawancara:	

Part A " Toko / Ruko" same as in questionnaire design 3, "Part A".

Part B "Barang yang dijual di toko / ruko ini" same as in questionnaire design 3, "Part B".

Part C: Pertanyaan Umum

►Apakah Bapak / Ibu / Saudara/i masih ada hubungan dengan keluarga di Sumatra? Dengan siapa?	V6 1: ada 2: tidak ada
►Apa kegunaan pulau Batam bagi perdagangan Batak?	
►Apakah ada jaringan perdagangan yang dijalankan khususnya pada orang Batak? Kalau ada tolong berikan contoh (apa yang didagang / ke mana dijual / siapa campur tanggan):	
►Kenapa begitu banyak orang Cina campur tanggan dalam perdagangan di Indonesia?	

Part D: Selat Malaka

►Apakah Bapak / Ibu / Saudara/i tahu dari mana dan bagaimana barang dari luar negri datang ke sini?
►Apakah Bapak / Ibu / Saudara/i mengenal seorang pedagang yang mengekspor barang ke luar negri? (nama, suku, negara tujuan)
►Siapa, menurut pendapat Bapak / Ibu / Saudara/i mengontrol perdagangan di Selat Melaka?
►Apakah Bapak / Ibu / Saudara/i mengenal pedagang Batak di luar negri? (nama, suku, negara)

Part E: Organisasi Perdagangan Orang Batak

► Berikutnya ada beberapa pernyataan mengenai perdagangan orang Batak. Tolong beritahukan untuk setiap pernyataan apakah Bapak / Ibu / Saudara/i: 1= tidak setuju 2= kurang setuju 3= sebagian setuju, sebagian tidak setuju 4= setuju 5= sangat setuju 0= tiada keterangan, tidak tahu, pernyataan tidak cocok bagi saya	
1) Keanggotaan suku penting bagi orang pedagang.	V7
2) Saya lebih suka berdagang dengan satu suku.	V8
3) Kalau saya berbelanja barang, saya mencoba selalu berbelanja ke tempat yang sama.	V9

4) Kalau bisa, saya mencoba berbelanja ke grosir semarga.	V10
5) Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalit-asnya. Suku pedagang tidak penting bagi saya.	V11
6) Pedagang dari suku yang lain lebih gampang berdagang di SUMUT karena mereka tidak harus memperhatikan Adat dan suku.	V12
7) Pada umumnya Adat dan keluarga sangat penting bagi saya.	V13
8) Saya sering harus mengurangi harga untuk keluarga, teman dan orang yang kenal saya.	V14
9) Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain.	V15
10) Karena Adat kuat, saya tidak suka berdagang di Tanah Karo.	V16

Part F: Data Dasar

►Nama / Suku apa?	
►Laki-Laki / Perempuan? 1= Laki-laki, 2= Perempuan	V17
►Berapa Umur Bapak / Ibu / Saudara/i?	
►Bapak / Ibu / Saudara/i agama apa? 1= Protestan, 2= Muslim, 3= RK, 4= Hindu, 5= Buddhismus, 6= tidak ada agama, 0= tiada keterangan, tidak mau kasih tahu	V18
►Sudah lama Bapak / Ibu / Saudara/i tinggal di luar Tanah Karo? (Berapa tahun?)	
► Ada alasan tetap kenapa Bapak / Ibu / Saudara/i pindah ke luar tanah Karo?	

Questionnaire Design 6: Batak greengrocers, fruit and spice traders living on Batam island / Batak Batam Sayur Buah Bumbu (BBSB)

Head

►Interviewer:	
►Tempat Wawancara:1= Batam, 2= lain	V1
►Tanggal Wawancara:	
►Sayur / Buah apa yang dijual:	

Part A

►Apakah Bapak / Ibu / Saudara/i masih ada hubungan dengan keluarga di Sumatra? Dengan siapa?	V2 1: ada 2: tidak ada
► Apa kegunaan pulau Batam bagi perdagangan Batak yang menjual sayur mayur / buah-buahan?	
► Dari mana sayur / buah yang Bapak / Ibu / Saudara/i menjual terasal?	
► Menurut Bapak / Ibu / Saudara/i suku apa yang campur tanggan dalam perdagangan sayur mayur / buah buahan di Batam & SUMUT? Tolong jelaskan:	
► Apakah ada jaringan perdagangan yang dijalankan khususnya pada orang Batak? Kalau ada tolong berikan contoh (apa yang didagang / ke mana dijual / siapa campur tanggan):	
► Kenapa begitu banyak orang Cina campur tanggan dalam perdagangan di Indonesia?	

Part B

►Berikutnya ada beberapa pernyataan mengenai perdagangan orang Batak. Tolong beritahukan untuk setiap pernyataan apakah Bapak / Ibu / Saudara/i: 1= tidak setuju 2= kurang setuju 3= sebagian setuju, sebagian tidak setuju 4= setuju 5= sangat setuju 0= tiada keterangan, tidak tahu, pernyataan tidak cocok bagi saya	
1) Keanggotaan suku penting bagi orang pedagang.	3

2) Saya lebih suka berdagang dengan satu suku.	4
3) Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalitasnya. Suku pedagang tidak penting bagi saya.	5
4) Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain.	6
5) Dalam penjualan sayur mayur / Buah-Buahan pedagang Batak main peranan penting.	7

Part C: Data Dasar

►Nama: ►Berapa Umur Bapak / Ibu / Saudara/i?	
►Laki-Laki / Perempuan? 1= Laki-laki, 2= Perempuan	8
►Suku apa?	
►Bapak / Ibu / Saudara/i agama apa? 1= Protestan, 2= Muslim, 3= RK, 4= Hindu, 5= Buddhismus, 6= tidak ada agama, 0= tiada keterangan, tidak mau kasih tahu	9

Questionnaire Design 7: Traders of other ethnic identity / Suku Lain (SL)

Head same as in questionnaire design 3 "Head".

Part A "Toko / Ruko" same as in questionnaire design 3, "Part A".

Part B: "Barang yang dijual di toko / ruko ini" same as in questionnaire design 3, "Part B".

Part C: Selat Malaka

►Apakah Bapak / Ibu / Saudara/i tahu dari mana dan bagaimana barang dari luar negri datang ke sini?	
►Apakah Bapak / Ibu / Saudara/i mengenal seorang pedagang yang mengekspor barang ke luar negri? (nama, alamat, negara)	
►Siapa, menurut pendapat Bapak / Ibu / Saudara/i mengontrol perdagangan di SUMUT dan di Selat Melaka?	
►Apakah menurut Bapak / Ibu / Saudara/i ada kaitan antara perdagangan trans-nasional dan stabilitas (ketertipan), keamanan dan perkembangan daerah? Kalau ada tolong menjelaskan kenapa:	V8 0:tidak tahu 1: ada

	2: tidak ada
►Apakah Bapak / Ibu / Saudara/i mengenal pedagang Batak di Malaysia, Singapur, Thailand atau Batam? (nama & alamat, negara)	
► Apa kegunaan pulau Batam bagi perdagangan di SUMUT?	

Part D: Organisasi Perdagangan

►Berikutnya ada beberapa pernyataan mengenai perdagangan orang Batak. Tolong beritahukan untuk setiap pernyataan apakah Bapak / Ibu / Saudara/i: (V9-V15) 1= tidak setuju 2= kurang setuju 3= sebagian setuju, sebagian tidak setuju 4= setuju 5= sangat setuju 0= tiada keterangan, tidak tahu, pernyataan tidak cocok bagi saya	
1) Keanggotaan suku penting bagi orang pedagang.	V9
2) Saya lebih suka berdagang dengan satu suku.	V10
3) Kalau saya berbelanja barang, saya mencoba selalu berbelanja ke tempat yang sama.	V11
4) Kalau saya berbelanja barang, saya selalu membandingkan harga dan kwalitasnya. Suku pedagang tidak penting bagi saya.	V12
5) Pada umumnya Tradisi / Adat dan keluarga sangat penting bagi saya.	V13
6) Saya sering harus mengurangi harga untuk keluarga dan orang yang saya kenal.	V14
7) Saya sering berbicara dan berkumpul dengan pedagang lokal yang lain.	V15
► Apakah menurut Bapak / Ibu / Saudara/i orang Batak main peranan penting dalam perdagangan di SUMUT? Tolong jelaskan:	
► Apakah Bapak / Ibu / Saudara/i mengenal seseorang yang bekerja di Batam? Tolong jelaskan siapa:	V16 1: kenal 2: tidak k.

Part E & F same as "Part E & F" in questionnaire design 1.

Participants

Batak Traders, Kab. Karo

1) Raymon Sitepu & isterinya br. Tarigan, Jl Kapten Pala Bangun, Kabanjahe, 17.04.2007
2) Arman S. Gurki, Jl Kapten Bangsi Sembiring, Kabanjahe, 17.04.2007
3) Tripena br. Ginting, Pusat Pasar, Berastagi, 19.04.2007
4) Merga Ginting, Pusat Pasar, Berastagi, 19.04.2007
5) Ira br. Barus, Jl Veteran, Berastagi, 19.04.2007
6) Ester Monica br. Mani Huruk, Gang Merek, Berastagi, 20.04.2007
7) Bangkit Barus, Gang Merek, Berastagi, 20.04.2007
8) Triasta br. Barus, Jl Veteran, Berastagi, 20.04.2007
9) Jhoanes Tarigan, Pusat Pasar, Berastagi, 20.04.2007
10) Kafler Manik, Pusat Pasar, Berastagi, 30.04.2007
11) ML Sagala, Simpang Empat, Berastagi, 30.04.2007
12) Andreas Pelawi, Pusat Pasar, Berastagi, 30.04.2007
13) Bani Ara Manihuruk, Pusat Pasar, Berastagi, 30.04.2007
14) Tiarasi br. Pasarribu, Pusat Pasar, Berastagi, 01.05.2007
15) Kristine br. Siregar, Pusat Pasar, Berastagi, 01.05.2007
16) Risna br. Ginting, Pusat Pasar, Berastagi, 01.05.2007
17) Jonatan Sinulingga, Jl Veteran, Berastagi, 01.05.2007
18) Nita Riana br. Ginting, Jl Veteran, Berastagi, 01.05.2007
19) Pedoman Sembiring, Jl Veteran, Berastagi, 01.05.2007
20) Christoper Mathias Barus, Jl Jamin Ginting, Berastagi, 02.05.2007
21) Devi Erlitna, Jl Jamin Ginting, Berastagi, 02.05.2007
22) Sarianna br. Sitepu, Jl Jamin Ginting, Berastagi, 02.05.2007
23) Leni br. Karo, Jl Jamin Ginting, Berastagi, 02.05.2007
24) Eddy Ginting Manik, Jl Jamin Ginting, Berastagi, 03.05.2007
25) Hesron Sinuhaji, Pusat Pasar, Berastagi, 03.05.2007
26) Hesti br. Sinuraya, Gang Merek, Berastagi, 03.05.2007
27) Abadi Purba Se, Jl Pembangunan, Berastagi, 03.05.2007
28) Rosalita br. Perangin-angin, Puncak Gundaling, Berastagi, 04.05.2007
29) Yanti br. Ginting, Puncak Gundaling, Berastagi, 04.05.2007
30) Elvy br. Sembiring, Puncak Gundaling, Berastagi, 04.05.2007
31) Sutan Harahap, Puncak Gundaling, Berrastagi, 04.05.2007
32) Tanti br. Perangin-angin, Pusat Pasar, Berastagi, 05.05.2007
33) Rehulina br. Sitepu, Pusat Pasar, Berastagi, 05.05.2007
34) Syaiful S, Pusat Pasar, Berastagi, 05.05.2007
35) Bina S. Tarigan, Jl Veteran, Berastagi, 05.05.2007
36) Teran Sion Sembiring, Pusat Pasar, Berastagi, 05.05.2007
37) Imanuel Ginting, Puncak Gundaling, Berastagi, 07.05.2007
38) Elita br. Tarigan, Puncak Gundaling, Berastagi, 07.05.2007
39) Normianna br. Surbakti, Puncak Gundaling, Berastagi, 07.05.2007
40) Abadi Perangin-angin, Puncak Gundaling, Berastagi, 07.05.2007
41) Purnama Wati br. Surbakti, Puncak Gundaling, Berastagi, 07.05.2007
42) Perlindunan Tarigan, Pusat Pasar, Berastagi, 08.05.2007
43) Straim Tarigan, Jl Perwira, Berastagi, 08.05.2007
44) B. Bancin, Jl Veteran, Berastagi, 08.05.2007
45) Karolina, Jl Gundaling Pajak Buah, Berastagi, 08.05.2007
46) Nurlela br. Sembiring, Jl Verwira, Berastagi, 08.05.2007
47) Hilarya br. Sitanggang, Jl Verwira, Berastagi, 08.05.2007

48) Ady S; Pusat Pasar,Kabanjahe, 09.05.2007
49) Bakti Karo-Karo, Pusat Pasar, Kabanjahe, 09.05.2007
50) Rizal, Pusat Pasar, Kabanjahe, 09.05.2007
51) Kartini br. Tarigan, Pusat Pasar, Kabanjahe, 09.05.2007
52) Dewi br. Sitepu, Pusat Pasar, Kabanjahe, 09.05.2007
53) Dema, Pusat Pasar, Kabanjahe, 09.05.2007
54) Tiar, Pusat Pasar, Kabanjahe, 09.05.2007
55) Rika Theresia br. Purba, Pusat Pasar, Kabanjahe, 09.05.2007
56) Puspa Sari br. Pelawi, Pusat Pasar, Kabanjahe, 09.05.2007
57) Saptiyah br. Regar, Asrama Polisi, Kabanjahe, 09.05.2007
58) Erna br. Serasi, Pusat Pasar, Kabanjahe, 09.05.2007
59) Pendra Ginting, Pusat Pasar, Kabanjahe, 09.05.2007
60) S. br. Sitepu, Pusat Pasar, Kabanjahe, 09.05.2007
61) Esther, Pusat Pasar, Kabanjahe, 09.05.2007
62) Meriati br Bangun, Pusat Pasar, Kabanjahe, 09.05.2007
63) Mies Manyun Keiku, Jl Abdul Kadir, Kabanjahe, 09.05.2007
64) T. Pardosi, Pusat Pasar, Kabanjahe, 11.05.2007
65) Mutiara Sari br Tarigan, Pusat Pasar, Kabanjahe, 11.05.2007
66) Juli Arson Tarigan, Pusat Pasar, Kabanjahe, 11.05.2007
67) ND Oki br. Tarigan, Pusat Pasar, Kabanjahe, 11.05.2007
68) Warna br. Pinem, Pusat Pasar, Kabanjahe, 11.05.2007
69) Ita br. Ginting, Pusat Pasar, Kabanjahe, 11.05.2007
70) Peryanta br. Sitepu, Pusat Pasar, Kabanjahe, 11.05.2007
71) Yusniati br. Sembiring, Pusat Pasar, Kabanjahe, 11.05.2007
72) Erni Frida br. Munthe, Pusat Pasar, Kabanjahe, 11.05.2007
73) Mery br. Bangun, Pusat Pasar, Kabanjahe, 14.05.2007
74) Bangun Perangin-angin, Pusat Pasar, Kabanjahe, 14.05.2007
75) Libertina br. Sinaga, Jl Veteran, Kabanjahe, 14.05.2007
76) Immanuelta, Pusat Pasar, Kabanjahe, 14.05.2007
77) Erbo br. Karo, Pusat Pasar, Kabanjahe, 14.05.2007
78) Henita br. Sitepu,Se. Pusat Pasar, Kabanjahe, 14.05.2007
79) Siti br. Ginting, Pasar Buah, Berastagi, 15.05.2007
80) Ros br. Karo, Pasar Buah, Berastagi, 15.05.2007
81) H. Ahmat Ginting, Jl Veteran, Berastagi, 15.05.2007
82) Josapat Sinarta S; Pandia, Pasar Buah, Berastagi, 15.05.2007
83) Josep Rizal Sembiring, Jl Jamin Ginting, Berastagi, 15.05.2007
84) Rian Purba, Jl Jamin Ginting, Berastagi, 16.05.2007
85) Ita br. Purba, Jl Jamin Ginting, Berastagi, 16.05.2007
86) Indri br. Ginting, Jl Penghubung, Berastagi, 16.05.2007
87) Rizal K. Purba, Jl Pembangunan, Berastagi, 16.05.2007
88) Lamtio br. Saragih, Pusat Pasar, Kabanjahe, 17.05.2007
89) Junedi Tarigan, Pusat Pasar, Kabanjahe, 17.05.2007
90) Kaderria Ginting, Pusat Pasar, Kabanjahe, 17.05.2007
91) Sadrah Sitepu, Pusat Pasar, Kabanjahe, 17.05.2007
92) Ery, F. Sembiring, Pusat Pasar, Kabanjahe, 17.05.2007
93) Intan br. Karo, Pusat Pasar, Kabanjahe, 17.05.2007
94) Eva br. Tarigan, Pusat Pasar, Berastagi, 18.05.2007
95) Amir Yansyah Ginting, Jl Selamat Ketaren L; R; Munthe, Kabanjahe, 18.05.2007
96) Elfran F. Ginting, Pusat Pasar, Berastagi, 18.05.2007
97) Herawaty br. Ginting, Jl Veteran, Berastagi, 18.05.2007

98) Eddy Tarigan, Pusat Pasar, Kabanjahe, 18.05.2007
99) Riskana Surbakti, Jl Selamat Ketaren, Kabanjahe, 18.05.2007
100)Ros br. Bangun, Pusat Pasar, Kabanjahe, 19.05.2007
101)Edi Ginting, Tiga Panah, 13.06.2007
102)Bostang Nainggolan, Tiga Panah, 13.06.2007
103)Hendy Karo-Karo, Tiga Panah, 13.06.2007
104)Kristina br. Ginting, Tiga Panah, 13.06.2007
105)Florista br. Saragih, Pusat Pasar, Kabanjahe, 14.06.2007
106)Desna Wati br. Perangin-Angin, Pusat Pasar, Kabanjahe, 14.06.2007
107)Emma Nopianna br. Tarigan, Pusat Pasar, Kabanjahe, 14.06.2007
108)Esmiati br. Sembiring, Pusat Pasar, Kabanjahe, 14.06.2007
109)Merlin br. Sembiring, Pusat Pasar, Kabanjahe, 14.06.2007
110)Funeida br. Ginting, Pusat Pasar, Kabanjahe, 14.06.2007
111)Elsy br. Perangin-Angin, Pusat Pasar, Kabanjahe, 14.06.2007
112)Bapak Linda Sembiring, Pusat Pasar, Kabanjahe, 14.06.2007
113)Bapak Rikky Barus, Pusat Pasar, Kabanjahe, 15.06.2007
114)Serbi br. Ginting, Pusat Pasar, Kabanjahe, 15.06.2007
115)Marselinus Sembiring, Pusat Pasar, Kabanjahe, 15.06.2007
116)Sri Hartati br. Tarigan, Pusat Pasar, Kabanjahe, 15.06.2007
117)Elsari br. Purba, Pusat Pasar, Kabanjahe, 15.06.2007
118)Dameria br. Sembiring, Pusat Pasar, Kabanjahe, 15.06.2007
119)Ernita br. Bangun, Pusat Pasar, Kabanjahe, 15.06.2007
120)Rumiati br. Sarasih, Pusat Pasar, Kabanjahe, 15.06.2007
121)Santa br. Karo, Pusat Pasar, Kabanjahe, 19.06.2007
122)Dewi br. Karo, Pusat Pasar, Kabanjahe, 22.06.2007
123)Firmanta Karo, Pusat Pasar, Kabanjahe, 22.06.2007
124)Erlitna br. Tarigan, Pusat Pasar, Kabanjahe, 23.06.2007
125)Wasni br. Galingging, Pusat Pasar, Kabanjahe, 27.06.2007
126)Maria br. Sitepu, Pusat Pasar, Kabanjahe, 27.06.2007
127)Lusiana br. Silalahi, Pusat Pasar, Berastagi, 27.06.2007
128)Ferdiawan Girsang, Pusat Pasar, Kabanjahe, 27.06.2007
129)Lucky Bangun, Terminal Kabanjahe, 04.07.2007
130)Oma Alin br. Silalahi, Pajak Tingkat Berastagi, 04.07.2007
131)Ervinanta br. Ginting, Pusat Pasar, Berastagi, 05.07.2007
132)Nande Viktor br. Ginting, Pusat Pasar, Kabanjahe, 06.07.2007
133)Moses Ginting, Pusat Pasar, Kabanjahe, 06.07.2007
134)Robinson Tarigan, Pusat Pasar, Kabanjahe, 06.07.2007
135)Viktor Tarigan, Pusat Pasar, Kabanjahe, 06.07.2007
136)Emmy br. Sembiring, Pajak Tingkat Berastagi, 09.07.2007
137)Eka br. Batu Bara, Jl Gundaling, Berastagi, 09.07.2007
138)Mutuara br. Samosir, Pusat Pasar, Kabanjahe, 28.06.2007
139)Holden br. Ginting, Pusat Pasar, Kabanjahe, 28.06.2007
140)Sejahtera Sitanggang, Jl Jamin Ginting, Kabanjahe, 26.06.2007
141)Wiliater Sipayung, Jl Jamin Ginting, Kabanjahe, 26.06.2007
142) Kristian Tarigan, Jl Veteran Terminal, Kabanjahe, 16.06.2007
143)Robi Ginting, Jl Jamin Ginting, Kabanjahe, 26.06.2007
144)Ina br. Ginting, Jl jamin Ginting, Mesjid Raya, Kabanjahe, 26.06.2007
145)Sentosa Sinuhaji, Jl Veteran Terminal, Kabanjahe, 26.06.2007
146)Kornelius Ginting, Jl Jamin Ginting, Kabanjahe, 24.06.2007
147)Robet Ginting, Pusat Pasar, Kabanjahe, 23.06.2007

148)Daswati br. Ginting, Pusat Pasar, Kabanjahe, 21.06.2007
149)Lidia br. Sembiring Gurki, Pusat Pasar, Kabanjahe, 11.07.2007
150)Robinson Sinaga, Pusat Pasar, Berastagi, 11.07.2007
151)Rokky Sembiring, Gang Merek, Berastagi, 11.07.2007
152)Riawati br. Ginting, Jl Penghasilan, Berastagi, 11.07.2007
153)Gagah Perkasa Sitepu, Pusat Pasar, Kabanjahe, 11.07.2007
154)Siska br. Ginting, Pusat Pasar, Kabanjahe, 12.07.2007
155)Erna Wati br. Manurung, Pusat Pasar, Kabanjahe, 12.07.2007
156)Nande Devi, Pusat Pasar, Kabanjahe, 12.07.2007
157)Pilemon Sinuhaji, Jl Veteran, Berastagi, 13.07.2007
158)Legajari Sembiring, Jl. Panghubung, Berastagi, 13.07.2007
159)Jonas Purba, Pusat Pasar, Berastagi, 13.07.2007
160)Roy Purba, Jl. Jamin Ginting, Berastagi, 13.07.2007
161)Robby Silalahi, Pusat Pasar, Kabanjahe, 16.07.2007
162)Ramli Barus, Jl. Kapt. Selamat Ketaren, Kabanjahe, 16.07.2007
163)Friska Lasmaria br. Purba, Pusat Pasar, Kabanjahe, 16.07.2007
164)Jenny br. Sitepu, Pusat Pasar, Kabanjahe, 16.07.2007
165)Bunga br. Surbakti, Desa Sukandebi, 17.07.2007
166)Yrwanto Depari, Desa Sukandebi, 17.07.2007
167)Merlin br. Pelawi, Desa Sukandebi, 17.07.2007
168)Salmi br. Sitepu, Desa Sukandebi, 17.07.2007
169)Putra Ginting, Simpang Empat, 17.07.2007
170)Dalin br. Ginting, Simpang Empat, 17.07.2007
171)Kardianta Surbakti, Desa Sukandebi, 17.07.2007
172)Fernando Silalahi, Tiga Panah, 18.07.2007
173)Abdi br. Tarigan, Tiga Panah, 18.07.2007
174)Andreas Bangun, Tiga Panah. 18.07.2007
175)Anggeni br. Simarjarunjung, Tiga Panah, 18.07.2007
176)Ringan Sinuhaji, Desa Sukatepu, 19.07.2007
177)Tita Br. Pelawi, Desa Sukatepu, 19.07.2007
178)Minpin Sembiring, Desa Naman Teram, 19.07.2007
179)Rio Ginting, Desa Naman Teram, 19.07.2007
180)Inget br. Ginting, Desa Naman Teram, 19.07.2007
181)Rosmita br. Sitepu, Desa Sukatepu, 19.07.2007
182)Sentosa Sitepu, Desa Naman Teram, 20.07.2007
183)Enda Bangun, Desa Sukandebi, 20.07.2007
184)Anita br. Sembiring, Desa Naman Teram, 20.07.2007
185)Asmawati br. Ginting, Desa Gurusinga, 24.07.2007
186)Alisata br. Sembiring, Desa Gurusinga, 24.07.2007
187)Tapson Karo-Karo, Desa Gurusinga, 24.07.2007
188)Deseni Amelia br. Ginting, Desa Gurusinga, 24.07.2007
189)Rizal Tarigan, Desa Gurusinga, 24.07.2007
190)Tarsim Kaban, Desa Gurusinga, 24.07.2007
191)Ika br. Ginting, Desa Gurusinga, 24.07.2007
192)Nande Erwin br. Ginting, Jl. Simpang Perumahan Korpri, 24.07.2007
193)Hotmauli br. Simanjuntak, Jl. Simpang Perumahan Korpri, 24.07.2007
194)Warna br. Ginting, Desa Tiganderket, 26.07.2007
195)Ridawati br. Pinem, Desa Tiganderket, 26.07.2007
196)Elvyani br. Tarigan, Desa Tiganderket, 26.07.2007
197)Furriari br. Purba, Desa Tiganderket, 26.07.2007

198)Ciara br. Sembiring, Desa Gurukinayan, 26.07.2007
199)Marselina br. Sembiring, Desa Gurukinayan, 26.07.2007
200)Deriana br. Bangun, Desa Payung, 27.07.2007
201)Hermila br. Milala, Desa Gurukinayan, 26.07.2007

Batak Traders, Kab. Simalungen

202)Zetta Siagian, Jl Seribu Dolok, Pematangsiantar, 25.07.2007
203)S. Saragih, Perluasan, Pematangsiantar, 25.07.2007
204)Albin Simbolon, Jl Besar Saif Buntu, Pematangsiantar, 25.07.2007
205)R. br. Sirait, Jl Besar Sida Manik, Pematangsiantar, 25.07.2007
206)S.Damanik, Jl Besar Sida Manik, Pematangsiantar, 25.07.2007
207)A.br.Manik Saribu, Jl Besar Saif Buntu, Pematangsiantar, 25.07.2007
208)Kennedy Prapat, Jl Prapat, Pematangsiantar, 25.07.2007
209)S. Damanik, Perluasan, Pematangsiantar, 26.07.2007
210)W. Sitorus, Pajak Horas, Pematangsiantar, 26.07.2007
211)R. Sitompul, Pusat Pasar, Pematangsiantar, 26.07.2007
212)Parida, Pusat Pasar, Pematangsiantar, 26.07.2007
213)L. Penjaitan, Pusat Pasar, Pematangsiantar, 26.07.2007
214)Anamaria br. Girsang, Jl Iman Bonjol, Pematangsiantar, 26.07.2007
215)P. Siregar, Jl Sutomo, Pematangsiantar, 27.07.2007
216)F. br. Purba, Perluasan, Pematangsiantar, 27.07.2007
217)Udin Purba, Pusat Pasar, Pematangsiantar, 27.07.2007
218)A.Tampubolon, Jl Besar Sida Manik, Pematangsiantar, 27.07.2007
219)H. Tampubolon, Jl Besar Sida Manik, Pematangsiantar, 27.07.2007
220)R. br. Silalahi, Jl Seribu Dolok, Pematangsiantar, 27.07.2007
221)Joy Sidabutar, Jl Prapat, Pematangsiantar, 27.07.2007
222)Andy Sidauruk, Jl Besar Sida Manik, Pematangsiantar, 27.07.200
223)Lina br. Sida Manik, Jl Besar Saif Buntu, Pematangsiantar, 29.07.2007
224)Desi br. Penjaitan, Jl Besar Sida Manik, Pematangsiantar, 29.07.2007
225)T. Manungsong, Jl Besar Saif Buntu, Pematangsiantar, 29.07.2007
226)D. br. Dapdap, Jl Pematang Sida Manik, Pematangsiantar, 29.07.2007

Traders belonging to other ethnic groups, Kab. Simalungun / Kab. Karo

227)Anonymus (China), Pusat Pasar, Seribu Dolok, 25.07.2007
228)Nining (Jawa), Batu 8, Pematangsiantar, 25.07.2007
229)Hendra (China), Pematangsiantar, 25.07.2007
230)Giyem (Jawa), Pusat Pasar, Seribu Dolok, 25.07.2007
231)Siti (Jawa), Pematangsiantar, 25.07.2007
232)Sumardi (Jawa), Penjaitan, Pematangsiantar, 25.07.2007
233)Rian (Jawa), Jl Besar Saif Buntu, Pematangsiantar, 25.07.2007
234)Iwan (Jawa), Jl Besar Saif Buntu, Pematangsiantar, 25.07.2007
235)Suriami (Jawa) , Jl Besar Saif Buntu, Pematangsiantar, 25.07.2007
236)Awi (China), Pusat Pasar, Pematangsiantar, 26.07.2007
237)Mas Gimas (Padang), Pajak Horas, Pematangsiantar, 26.07.2007
238)Legimin (Jawa), Jl Dekora, Pematangsiantar, 26.07.2007
239)Ajt (China), Jl Dekora, Pematangsiantar, 26.07.2007
240)Supardi (Jawa), Jl Besar Saif Buntu, Pematangsiantar, 26.07.2007
241)Reni (Jawa), Jl Besar Saif Buntu, Pematangsiantar, 26.07.2007
242)Thamrin (China), Jl Mesjid, Berastagi, 26.07.2007
243)Ahong (China), Jl Sutomo, Pematangsiantar, 27.07.2007

244)Ameng Amay (China), Pajak Horas, Pematangsiantar, 27.07.2007
245)SJ Ngdimun (Jawa), Jl Sari Matonda, Pematangsiantar, 29.07.2007
246)Sadifin Tanato (China), Pusat Pasar, Berastagi, 29.07.2007
247)Acin (China), Jl Besar Sida Manik, Pematangsiantar, 29.07.2007
248)A Hui (China), Jl Dagang, Berastagi, 30.07.2007
249)Heriando Hota (China), Jl Besar Sida Manik, Pematangsiantar, 30.07.2007
250)Awi (China), Jl Jamin Ginting, Pancur Batu, 10.08.2007
251)Emman (Jawa), Jl Jamin Ginting, Pancur Batu, 10.08.2007
252)Astuti (Jawa), Jl Jamin Ginting, Pancur Batu, 10.08.2007
253)Mining (Jawa), Jl Jamin Ginting, Pancur Batu, 10.08.2007
254)Mung Ming Sih (Jawa), Pajak Atas, Pancur Batu, 10.08.2007

Batak Traders, Kab. Deli Serdang
255)Ida br. Sembiring, Jl Jamin Ginting, Pancur Batu, 10.08.2007
256)R. br. Ginting, Jl Jamin Ginting, Pancur Batu, 10.08.2007
257)Seriani br. Ginting, Jl Jamin Ginting, Pancur Baru, 10.08.2007
258)Natal br. Pinem, Pancur Batu, Jl Jamin Ginting, 10.08.2007
259)M. Purba, Pancur Batu, Jl Jamin Ginting, 10.08.2007
260)Veronica br. Tarigan, Jl Jamin Ginting, Pancur Batu, 10.08.2007
261)Putra Makabus, Jl Jamin Ginting, Pancur Batu, 10.08.2007
262)S. Hutabarat, Jl Jamin Ginting, Pancur Batu, 10.08.2007
263)Anto Sembiring, Jl Jamin Ginting, Pancur Batu, 10.08.2007
264)Romy Falentino Ketaren, Jl Jamin Ginting, Pancur Batu, 10.08.2007
265)Binta Ukur br. Tarigan, Jl Jamin Ginting / Simpang Tuntungan, Pancur Batu,10.08.2007
266)Nelson Karo-Karo, Jl Jamin Ginting, Pancur Batu, 10.08.2007
267)Joe Ginting, Jl Jamin Ginting / Simpang Tuntungan, Pancur Batu, 10.08.2007
268)Bana Nasution, Jl Jamin Ginting, Pancur Batu, 10.08.2007
269)Anna br. Purba, Jl Jamin Ginting, Pancur Batu, 10.08.2007
270)Robah Lagu Ketaren, Pusat Pasar, Pancur Batu, 10.08.2007
271)Cinur Kaban, Jl Pelita, Pancur Batu, 10.08.2007
272)Rehulina br. Sembiring, Pajak Bawah, Pancur Batu, 10.08.2007
273)Henni br. Gurusinga, Jl Jamin Ginting, Pancur Batu, 10.08.2007
274)Karyati Br. Ginting, Jl Jamin Ginting, Pancur Batu, 10.08.2007
275)Mastina br. Barus, Jl Jamin Ginting, Pancur Batu, 10.08.2007
276)Sabarina br. Sembiring, Jl Jamin Ginting, Pancur Batu, 10.08.2007
277)Iwan Tarigan, Jl Jamin Ginting km 9,5, Medan, 08.08.2007
278)D. br. Perangin-Angin, Jl Jamin Ginting / Simpang Tuntungan, Pancur Batu, 10.08.2007
279)S. Tarigan, Jl Jamin Ginting / Simpang Tuntungan, Pancur Batu, 10.08.2007
280)Dh. Ginting, Jl Jamin Ginting / Simpang Tuntungan, Pancur Batu, 10.08.2007
281)Tiha br. Sembiring, Jl Jamin Ginting / Simpang Tuntungan, Pancur Batu, 10.08.2007

All Traders, Kotamadya Medan
282)Mita Pasaribu, Jl Jamin Ginting / Simpang Kuala, Medan, 01.08.2007
283)A. Karo-Karo, Jl Jamin Ginting / Simpang Kuala, Medan, 01.08.2007
284)Riando Tinambuan, Jl Jamin Ginting / Simpang Kuala, Medan, 01.08.2007
285)N. Pinem, Jl Jamin Ginting / Simpang Kuala, Medan, 01.08.2007
286)Veri Sinaga, Jl Jamin Ginting / Simpang Kuala, Medan, 01.08.2007
287)S. Surbakti, Jl Jamin Ginting / Simpang Kuala, Medan, 01.08.2007
288)Tiber Ginting, Jl Jamin Ginting / Simpang Simalingkar, Medan, 08.08.2007
289)Iwan Tarigan, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007

290)Darman Barus, Jl Jamin Ginting / Simpang Simalingkar, Medan, 08.08.2007
291)Opin Tarigan, Jl M Vubu Surbakti, Medan, 08.08.2007
292)K. Damanik, Jl Jamin Ginting / Simpang Kongsi, Medan, 08.08.2007
293)Saloma Ginting, Jl Jamin Ginting, Km 9, Medan, 08.08.2007
294)A. Tarigan, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007
295)P. br. Sembiring, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007
296)Hendri Sembiring, Jl Jamin Ginting / Simpang Simalingkar, Medan, 08.08.2007
297)M. br. Perangin-Angin, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007
298)A. br. Ginting, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007
299)Hosilta Ginting, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007
300)Anto Barus, Jl Jamin Ginting / Simpang Kuala, Medan, 08.08.2007
301)Esion Silalahi, Jl Numbau, Medan, 08.08.2007
302)Moi br. Sitepu, Jl Jamin Ginting / Simpang Kuala, Medan, 09.08.2007
303)S. Sianipar, Jl Jamin Ginting, Km 9, Medan, 09.08.2007
304)Ria br. Nababan, Jl Jamin Ginting, Km 9, Medan, 09.08.2007
305)Adi Pinem, Jl Jamin Ginting / Simpang Simalingkar, Medan, 09.08.2007
306)Juli br. Sembiring, Jl Tembatur Raya, Medan, 09.08.2007
307)Tesa br. Tarigan, Jl Tembatur Raya, Medan, 09.08.2007
308)Asna br. Kaban, Jl Bunga Mawar, Medan, 09.08.2007
309)R. br. Bangun, Jl Jamin Ginting / Simpang Simalingkar, Medan, 09.08.2007
310)Alex Kaban, Jl Ngumbu Surbakti, Medan, 09.08.2007
311)Pera Setiawati br. Karo, Jl Tembatur Raya, Medan, 09.08.2007
312)Riana br. Purba, Medan, Pasar II, Cinta Damai, 07.07.2007
313)Mulia br. Barus, Jl Flamboyan Raya / Tanjung Slamat, Medan 07.07.2007
314)Rema br. Pinem, Jl Jamin Ginting / Padang Bulan, Medan, 23.07.2007
315)Pernando Sitepu, Jl Pales III / Padang Bulan, Medan, 23.07.2007
316)Irdra Lingga, Jl Flamboyan Raya / Tanjung Slamat, Medan, 24.07.2007
317)Rosiana br. Sembirung, Gang Mesjid / Kampung Lalang, Medan, 24.07.2007
318)Mustani Ginting, Jl Flamboyan Raya / Tanjung Slamat, Medan, 25.07.2007
319)Putra Sembiring, Jl Flamboyan Raya / Tanjung Slamat, Medan, 25.07.2007
320)B. Kaban, Jl Flamboyan Raya / Tanjung Slamat, Medan, 26.07.2007
321)Hotma br. Siringoringo, Jl Sekolah Pasar II, Cinta Damai, Medan, 26.07.2007
322)M. Sitorus, Jl Pasar II, Cinta Damai, Medan, 26.07.2007
323)Edi Bangun, Jl Kelambir V, Medan, 26.07.2007
324)Rudi Hatono Silalahi, Jl Flamboyan Raya / Tanjung Slamat, Medan, 27.07.2007
325)Langsir Ginting, Jl Flamboyan Raya / Tanjung Slamat, Medan, 28.07.2007
326)Lisma br. Sijabut, Pajak / Kampung Lalang, Medan, 29.07.2007
327)Herlina br. Marbun, Jl Binjei / Kampung Lalang, Medan, 29.07.2007
328)H.S. Hutagalung, Jl Flamboyan Raya / Tanjung Slamat, Medan, 29.07.2007
329)Ezra Lubis, Jl Pales / Simpang Simalingkar, Medan, 30.07.2007
330)Nasir Tarigan, Jl Pasar V / Kampung Lalang, Medan, 01.08.2007
331)todo Hutahuruk, Jl Gatot Subroto km 8.5, Medan, 01.08.2007
332)Andi Sembiring Milala, Jl Gereja / Cinta Damai, Medan, 01.08.2007
333)Tiur Simamori, Jl Pasar II / Cinta Damai, Medan, 01.08.2007
334)Ripka br. Ginting, Jl Jamin Ginting / Pajak Sore, Medan, 04.08.2007
335)Nurheni br. Sembiring, Jl Jamin Ginting / Simpang Bekala, Medan, 04.08.2007
336)Hendri Ginting, Jl Jamin Ginting / Pajak Sore / Padang Bulan, Medan, 11.08.2007
337)Anton (Padang), Pajak Melati, Medan, 10.08.2007
338)Sugianto (Jawa), Pajak Melati, Medan 10.08.2007
339)Yanti br. Girsang, Jl Sakura, Pajak Melati, Medan 10.08.2007

340)Ratna br. Ginting, Jl Sakura Tj Selamat, Pajak Melati, Medan, 10.08.2007
341)Lenni Saragih, Pajak Melati, Medan, 10.08.2007
342)Erni br. Ginting, Jl Flamboyan Raya, Pajak Melati, Medan, 10.08.2007
343)Zena Batubara, Pajak Inpres, Medan, 09.08.2007
344)Roma Simamora, Pajak Inpres, Medan, 09.08.2007
345)Dewi br. Siahaan, Pajak Inpres, Medan, 09.08.2007
346)Sanusi (Jawa), Pajak Inpres, Medan, 09.08.2007
347)A Guan (China), Pajak Inpres, Medan, 09.08.2007
348)Yeyen (China), Pajak Inpres, Medan, 09.08.2007
349)Wijaya (China), Pajak Simalingkar, Medan, 09.08.2007
350)Jemula Tarigan, Pajak Simalingkar, Medan, 09.08.2007
351)Lisda Saragih, Pajak Simalingkar, Medan, 09.08.2007
352)Ramos Sibuea, Pajak Simalingkar, Medan, 09.08.2007
353)Rehulina br. Ginting, Jl Tembakau / Simalingkar, Medan, 09.08.2007
354)Ernawati br. Ginting, Pajak Simalingkar, Medan, 09.08.2007
355)Siwa (India), Pasar V, Medan, 10.08.2007
356)Hendrik (China), Pasar V, Medan, 10.08.2007
357)Mena br. Mainggolan, Pasar V, Medan, 10.08.2007
358)Eron Sembiring, Pasar V, Medan, 10.08.2007
359)Modu Ginting, Pasar V, Medan, 10.08.2007
360)Rolan Ginting, Pajak Sore, Medan, 10.08.2007
361)Sinar Sinuraya, Pajak Sore, Medan, 10.08.2007
362)Romi Barus, Pajak Sore, Medan, 10.08.2007
363)Melanie (China), Pajak Sore, Medan, 10.08.2007
364)Lily (China), Pajak Sore, Medan, 10.08.2007
365)Hedo Findra (Melayu), Pajak Sore, Medan, 10.08.2007
366)A Nei (China), Pajak Sore, Medan, 10.08.2007
367)A Guan (China), Pasar Sunggal, Medan, 11.08.2007
368)Jogie Sud (Padang), Pasar Sunggal, Medan, 11.08.2007
369)Yahya (China), Pasar Sunggal, Medan, 11.08.2007
370)Rhido Pratama (Jawa), Pasar Sunggal, Medan, 11.08.2007
371)Joksen Simamora, Pasar Sunggal, Medan, 11.08.2007
372)Selviana Yong (China), Petisah, Medan, 11.08.2007
373)Chuan Hoi (China), Petisah, Medan, 11.08.2007
374)Wer Lin (China), Petisah, Medan, 11.08.2007
375)Mong Riang (China), Petisah, Medan, 11.08.2007
376)Le Young Jaya (China), Petisah, Medan, 11.08.2007
377)Ridwandi (China), Petisah, Medan, 11.08.2007
378)Rustan Yo Chu (China), Petisah, Medan, 11.08.2007
379)Le Sou Jung (China), Petisah, Medan, 11.08.2007
380)Eng Ing Hong (China), Pajak Peringgan, Medan, 12.08.2007
381)Xin Xin Lee (China), Pajak Peringgan, Medan, 12.08.2007
382)Chan Tse Zho (China), Pajak Peringgan, Medan, 12.08.2007
383)Eng Kho Yong (China), Pajak Peringgan, Medan, 12.08.2007
384)Xe Huan Ho (China), Pajak Peringgan, Medan, 12.08.2007
385)Young San / Hasni (China), Pajak Peringgan, Medan, 12.08.2007
386)Darmadi (China), Pajak Peringgan, Medan, 12.08.2007
387)Ika br. Sitorus, Aksara, Medan, 12.08.2007
388)Veria br. Purba, Aksara, Medan, 12.08.2007
389)Alemina, Aksara, Medan, 12.08.2007

390)Akek (China), Aksara, Medan, 12.08.2007
391)Rumina (Jawa), Aksara, Medan, 12.08.2007
392)Julia (China), Aksara, Medan, 12.08.2007
393)Apink (China), Kampung Lalang, Medan, 12.08.2007
394)Intan (Padang), Kampung Lalang, Medan, 12.08.2007
395)Fatmawati (Jawa), Kampung Lalang, Medan, 12.08.2007
396)Ariet (Jawa), Kampung Lalang, Medan, 12.08.2007
397)Wiwin (Jawa), Kampung Lalang, Medan, 12.08.2007
398)Ulin (Batak), Kampung Lalang, Medan, 12.08.2007
399)Juni (Batak), Kampung Lalang, Medan, 12.08.2007
400)Iskandar (Batak), Tanjung Rego, Medan, 13.08.2007
401)Ernawati (Batak), Tanjung Rego, Medan, 13.08.2007
402)Romallsi (Batak), Tanjung Rego, Medan, 13.08.2007
403)Wahyu (Padang), Tanjung Rego, Medan, 13.08.2007
404)Wita (Jawa), Tanjung Rego, Medan, 13.08.2007
405)Sira (China), Tanjung Rego, Medan, 13.08.2007
406)Poniman (Jawa), Jalan Pandu, Medan, 13.08.2007
407)Yanto (Jawa), Jalan Pandu, Medan, 13.08.2007
408)Herman (Jawa), Jalan Pandu, Medan, 13.08.2007
409)Rukun (Padang), Jalan Pandu, Medan, 13.08.2007
410)Legiman (Jawa), Jalan Pandu, Medan, 13.08.2007
411)Pandrik (Jawa), Jalan Pandu, Medan, 13.08.2007
412)Yongky (Jawa), Jalan Pandu, Medan, 13.08.2007
413)Putra (Jawa), Jalan Pandu, Medan, 13.08.2007
414)Antony Julius (China), Jalan Asia, Medan, 13.08.2007
415)Lisa (China), Jalan Asia, Medan, 13.08.2007
416)Martin (China), Jalan Asia, Medan, 13.08.2007
417)Aguan (China), Jalan Asia, Medan, 13.08.2007
418)Yuyun (China), Jalan Asia, Medan, 13.08.2007
419)Sindi Atmaja (China), Jalan Asia, Medan, 13.08.2007
420)Juna Wijaya (China), Jalan Asia, Medan, 13.08.2007
421)Suwanto (Jawa), Jalan Asia, Medan, 13.08.2007
422)Lony (China), Sambas, Medan, 14.08.2007
423)Demmi (Jawa), Sambas, Medan, 14.08.2007
424)Rani (Jawa), Sambas, Medan, 14.08.2007
425)Ernia (Padang), Sambas, Medan, 14.08.2007
426)Wati (Jawa), Sambas, Medan, 14.08.2007
427)Nando (Jawa), Sambas, Medan, 14.08.2007
428)Putri (Toba Batak), Medan Fair, Medan, 15.08.2007
429)Darno (Jawa), Medan Fair, Medan, 15.08.2007
430)Edy (Jawa), Medan Fair, Medan, 15.08.2007
431)Jenny (Jawa), Medan Fair, Medan, 15.08.2007
432)Tommy (Jawa), Medan Fair, Medan, 15.08.2007
433)Dian Pratimi (Jawa), Medan Fair, Medan, 15.08.2007
434)Lina (Padang), Medan Fair, Medan, 15.08.2007
435)Septa (Padang), Titi Kuning, Medan, 15.08.2007
436)Nico (Padang), Titi Kuning, Medan, 15.08.2007
437)Dania (Padang), Titi Kuning, Medan, 15.08.2007
438)Cindy (Padang), Titi Kuning, Medan, 15.08.2007
439)Dafros (China), Titi Kuning, Medan, 15.08.2007

440)Ira (Mandailing Batak), Titi Kuning, Medan, 15.08.2007
441)Dani (Toba Batak), Titi Kuning, Medan, 15.08.2007
442)Tania (Toba Batak), Titi Kuning, Medan, 15.08.2007
443)Elina (Toba Batak), Titi Kuning, Medan, 15.08.2007
444)Diana (Toba Batak), Medan Plaza, Medan, 15.08.2007
445)Maya Sembiring, Medan Plaza, Medan, 15.08.2007
446)Dhony (Batak), Medan Plaza, Medan, 15.08.2007
447)Dedy (China), Medan Plaza, Medan, 15.08.2007
448)Sherlie (Jawa), Medan Plaza, Medan, 15.08.2007
449)Hermawati (Jawa), Medan Plaza, Medan, 15.08.2007
450)Deddy (Padang), Medan Plaza, Medan, 15.08.2007
451)Meyrina (China), Medan Plaza, Medan, 15.08.2007
452)Sukma (Jawa), Thamrin Plaza, Medan, 15.08.2007
453)Anisa (Aceh), Thamrin Plaza, Medan, 15.08.2007
454)Budi Sinaga, Thamrin Plaza, Medan, 15.08.2007
455)Pirhot (Batak), Thamrin Plaza, Medan, 15.08.2007
456)Jundidi (Batak), Thamrin Plaza, Medan, 15.08.2007
457)Martina (Batak), Thamrin Plaza, Medan, 15.08.2007
458)Tumiar (Batak), Thamrin Plaza, Medan, 15.08.2007
459)Rudolf (Batak), Thamrin Plaza, Medan, 15.08.2007
460)Rosa Amalia Batubara, Paladium, Medan, 15.08.2007
461)Silvana Wati Nainggolan, Paladium, Medan, 15.08.2007
462)Iman Sulaiman, Paladium, Medan, 15.08.2007
463)Celia (China), Paladium, Medan, 15.08.2007
464)Pandrik (Jawa), Paladium, Medan, 15.08.2007
465)Ikwan (Jawa), Sun Plaza, Medan, 20.08.2007
466)Sukma (Jawa), Sun Plaza, Medan, 20.08.2007
467)Erica (China), Sun Plaza, Medan, 20.08.2007
468)Besdiana (Batak), Sun Plaza, Medan, 20.08.2007
469)Teti Pakpahan, Sun Plaza, Medan, 20.08.2007
470)Lusiana (Batak), Sun Plaza, Medan, 20.08.2007
471)Rotua (Batak), Deli Plaza, Medan, 20.08.2007
472)Halimah (Padang), Deli Plaza, Medan, 20.08.2007
473)Hovni (China), Deli Plaza, Medan, 20.08.2007
474)Jenni (Jawa), Deli Plaza, Medan, 20.08.2007
475)Eli (Jawa), Deli Plaza, Medan, 20.08.2007
476)Yenni (China), Deli Plaza, Medan, 20.08.2007
477)Hasna (Jawa), Medan Mall, Medan, 22.08.2007
478)Eka (Jawa), Medan Mall, Medan, 22.08.2007
479)Sanni (Padang), Medan Mall, Medan, 22.08.2007
480)Wiyono (Jawa), Medan Mall, Medan, 22.08.2007
481)Tika (Jawa), Medan Mall, Medan, 22.08.2007
482)Novi (Jawa), Medan Mall, Medan, 22.08.2007
483)Gweni (China), Medan Mall, Medan, 22.08.2007
484)Lenni Saragih, Medan Mall, Medan, 22.08.2007
485)Joice Nababan, Medan Mall, Medan, 22.08.2007
486)Aryani (Batak), Ramayana Pringgan, Medan, 22.08.2007
487)Elen (Batak), Ramayana Pringgan, Medan, 22.08.2007
488)Lewina (Jawa), Ramayana Pringgan, Medan, 22.08.2007
489)Yuyun (Jawa), Ramayana Pringgan, Medan, 22.08.2007

490)Eniati (Batak), Pajak USU, Medan, 23.08.2007
491)Deni (Batak), Pajak USU, Medan, 23.08.2007
492)Yenni (Batak), Pajak USU, Medan, 23.08.2007
493)Indri (Batak), Pajak USU, Medan, 23.08.2007
494)Ina (Batak), Pajak USU, Medan, 23.08.2007
495)Wati (Batak), Pajak USU, Medan, 23.08.2007
496)Sonia (China), Pasar Olimpia, Medan, 23.08.2007
497)Sivyn (China), Pasar Olimpia, Medan, 23.08.2007
498)Tomas Sinulingga, Pajak Marelan, Medan, 23.08.2007
499)Juliana Pakpahan, Pajak Marelan, Medan, 23.08.2007
500)Jonathan Saragih, Pajak Marelan, Medan, 23.08.2007
501)Teti Sitorus, Pajak Marelan, Medan, 23.08.2007
502)Shintia Nubaban, Pajak Marelan, Medan, 23.08.2007
503)Karpen (China), Sei Sekambing, Medan, 23.08.2007
504)Jonathan (Batak), Sei Sekambing, Medan, 23.08.2007
505)Herni br. Gurning, Sei Sekambing, Medan, 23.08.2007
506)Elias Sitorus, Sei Sekambing, Medan, 23.08.2007
507)Horhon br. Saragih, Sei Sekambing, Medan, 23.08.2007
508)Luis Naibaho, Sei Sekambing, Medan, 23.08.2007
509)Johanes Purba, Sei Sekambing, Medan, 23.08.2007
510)Edison Batubara, Sei Sekambing, Medan, 23.08.2007
511)Erni (Batak), Jalan Merdeka, Medan, 24.08.2007
512)Lani (Batak), Jalan Merdeka, Medan, 24.08.2007
513)Toni (Batak), Jalan Merdeka, Medan, 24.08.2007
514)Sihotang (Batak), Jalan Merdeka, Medan, 24.08.2007
515)Rina (Jawa), Millenium Plaza, Medan, 24.08.2007
516)Rio (Jawa), Millenium Plaza, Medan, 24.08.2007
517)Rimo (Jawa), Millenium Plaza, Medan, 24.08.2007
518)Jono (Padang), Millenium Plaza, Medan, 24.08.2007
519)Yain (Jawa), Millenium Plaza, Medan, 24.08.2007
520)Ita (Jawa), Millenium Plaza, Medan, 24.08.2007
521)Sihegas (Mandailing Batak), Pajak Ikan, Medan, 24.08.2007
522)Lubas (Mandailing Batak), Pajak Ikan, Medan, 24.08.2007
523)Manihuruk (Batak), Pajak Ikan, Medan, 24.08.2007
524)Juaga (Toba Batak), Pajak Ikan, Medan, 24.08.2007
525)Bpk Ginting, Mongonsidi, Medan, 24.08.2007
526)Yasni br. Karo, Mongonsidi, Medan, 24.08.2007
527)Evli br. Samosir, Mongonsidi, Medan, 24.08.2007
528)Ibu br. Ginting, Mongonsidi, Medan, 24.08.2007
529)Bpk Ginting, Mongonsidi, Medan, 24.08.2007
530)Nina (Batak), Pajak Hongkong, Medan, 25.08.2007
531)Imelda Sibarani, Pajak Hongkong, Medan, 25.08.2007
532)Adian (Batak), Pajak Hongkong, Medan, 25.08.2007
533)Ny Intan (Batak), Pajak Hongkong, Medan, 25.08.2007
534)Lisda (Batak), Pajak Hongkong, Medan, 25.08.2007
535)Cecilia (China), Pajak Hongkong, Medan, 25.08.2007
536)Sowanto (China), Pajak Hongkong, Medan, 25.08.2007

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537)Senang Ate Sinukaban, Simpang Kapling Lama, Batam, 04.09.2007

538)Rezeki Ginting, Simpang Kapling Lama, Batam, 04.09.2007
539)Malem br. Ginting, Perumahan Bida Ayun, Batam, 05.09.2007
540)Daniel Karo, Masyeba Indah I No 66, Batam, 07.09.2007
541)Nande John br. Sembiring, Perumahan Angara Graha, Batam, 07.09.07
542)Meriam Belina br. Pasaribu, Perumahan Angara Graha, Blok S 004, Batam, 07.09.07
543)Ahmadjais Tarigan, Anggara (Sagulung), Batam, 07.09.07
544)Shadar Maroeba Je Simamaora, Pasar PJB, Batam, 07.09.07
545)Rina br. Tarigan, Batam, 07.09.07
546)Rita br. Sirait, Perumahan Partuna Raya, Batam, 09.09.07
547)Pihuta Gaul (Toba Batak), Kavling Baru, Batum, 09.09.2007
548)Naprianto Sinuraya, MKGR (depan SP Plaza), Batam, 09.09.2007
549)Christina Kuta Barat (Batak Toba), Kavling Baru, Batum, 09.09.2007
550)Riben Sembiring, MKGR, Batam, 09.09.2007
551)Jakaria Sabayang, MKGR, Batam, 09.09.2007
552)Ross br. Purba (Simalungen Batak), MKGR, Batam, 09.09.2007
553)Juliati br. Peranging-Angin, Bida Ayu, Batam, 11.09.2007
554)Janita br. Perangin-Angin, Biday Ayu, Batam, 11.09.2007
555)P. Sitorus, Biday Ayu, Batam, 11.09.2007
556)Nande Rigwas br. Ginting, Biday Ayu, Batam, 11.09.2007
557)Karya Kaban, Perumahan MKGR, Batam, 11.09.2007
558)Tecric Kaban, Batam, 04.09.2007
559)Heriwati br. Ginting, Batam, 05.09.2007
560)Rahmat Ginting, Batam, 04.09.2007
561)Rostimita br. Perangin-Angin, Batam, 05.09.2007
562)Emy br. Sitepu, Batam, 05.09.2007
563)Gition Sitepu, Batam, 05.09.2007
564)Jusman Perangin-Angin, Batam, 05.09.2007
565)Elsa Sinulingga, Batam, 05.09.2007
566)Cikepen br. Ginting, Batam, 05.09.2007
567)Arnanda Putra Kaban, Batam, 05.09.2007
568)Hendri Ginting, Batam, 05.09.2007
569)Gloria br. Tarigan, Batam, 06.09.2007
570)Hita br. Tarigan, Batam, 06.09.2007
571)Ony, P. Munthe, Batam, 06.09.2007
572)Alexander Ginting, Batam, 06.09.2007
573)Tarsan Tampubaban, Batam, 06.09.2007
574)Hendi Tarigan, Batam, 06.09.2007
575)Lisda br. Simamora, Batam, 06.09.2007
576)Darmawan Ginting, Batam, 06.09.2007
577)Efrain Perangin-Angin, Batam, 06.09.2007
578)Sopian Ginting, Batam, 06.09.2007
579)Eva Susanta, Batam, 06.09.2007
580)Candra Ginting, Batam, 06.09.2007
581)Bantiam Ginting, Batam, 06.09.2007
582)Marikat Manik, Batam, 06.09.2007
583)Temanta Tarigan, Batam, 06.09.2007
584)Pino Bakara, Batam, 07.09.2007
585)Darli Putra Sitepu, Batam, 07.09.2007
586)Sri Mayu Dona br. Purba, Batam, 07.09.2007
587)Mery Simamam, Batam, 07.09.2007

588)Bapak Dea Kaban, Batam, 09.09.2007
589)Nita br. Sihombing, Batam, 09.09.2007
590)Normi br. Purba, Batam, 09.09.2007
591)D. Sitepu, Batam, 09.09.2007
592)Elvy br. Sinuhaji, Batam, 10.09.2007
593)Hendri Gurusinga, Batam, 10.09.2007
594)Manto Saputra Ginting, Batam, 10.09.2007
595)Jawrpe Ginting, Batam, 10.09.2007
596)Roy Sembiring, Batam, 10.09.2007
597)Citna br. Simamora, Batam, 10.09.2007
598)Supriadi Perangin-Angin, Batam, 11.09.2007
599)Martin Luter Sembiring, Batam, 11.09.2007
600)Jona Sinaga, Batam, 11.09.2007
601)Nesta Sembiring, Batam, 11.09.2007
602)Jenny br. Kaban, Batam, 11.09.2007
603)Juliawati br. Karo, Batam, 11.09.2007
604)Demon Sembiring, Batam, 11.09.2007
605)P. Sitaurus, Batam, 11.09.2007
606)Ina br. Sembiring, Batam, 12.09.2007
607)Harpianta Sembiring, Batam, 12.09.2007

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608)Asni br. Sembiring, Kabanjahe, 11.09.2007
609)R. Sinaga, Berastagi, 11.09.2007
610)Kuasa Sembiring, Berastagi, 11.09.2007
611)Hendra Lukmas Ginting, Berastagi, 11.09.2007
612)Adi Kuasa Ginting, Berastagi, 11.09.2007
613)Linda br. Karo, Berastagi, 11.09.2007
614)Darwin Perangin-Angin, Berastagi, 11.09.2007
615)Sahrul Sembiring, Kabanjahe, 11.09.2007
616)S. Sembiring, Kabanjahe, 11.09.2007
617)Warpy Silalahi, Kabanjahe, 11.09.2007
618)Selamat Simanjuntak, Kabanjahe, 11.09.2007
619)W. Poerba, Kabanjahe, 12.09.2007
620)Nande Lola br. Sembiring, Kabanjahe, 12.09.2007
621)E. br. Ginting, Kabanjahe, 12.09.2007
622)P. Sembiring, Kabanjahe, 12.09.2007
623)Nande Tala br. Karo, Kabanjahe, 12.09.2007
624)Flora br. Tarigan, Kabanjahe, 12.09.2007
625)S. Saragih, Kabanjahe, 12.09.2007
626)Santi br. Pinem, Kabanjahe, 12.09.2007
627)Dewi (Batak), Kabanjahe, 12.09.2007
628)L. br. Sitepu, Berastagi, 12.09.2007
629)Fiktor Simanjuntak, Kabanjahe, 12.09.2007
630)Lusi br. Karo, Berastagi, 12.09.2007
631)S. Simanjuntak, Berastagi, 12.09.2007
632)S. br. Karo, Berastagi, 12.09.2007
633)Erni br. Tarigan, Berastagi, 12.09.2007
634)Nande Siska br. Tarigan, Kabanjahe, 13.09.2007
635)Ida (Batak Angkola), Berastagi, 13.09.2007

636)Santi br. Karo, Berastagi, 13.09.2007
637)Hotmali br. Hombing, Kabanjahe, 13.09.2007
638)Nande Sari br. Ginting, Kabanjahe, 13.09.2007
639)Rencana Tarigan, Kabanjahe, 13.09.2007
640)Marhenny br. Sagala, Kabanjahe, 13.09.2007
641)Nande Wati br. Ginting, Kabanjahe, 13.09.2007
642)K. Simanjorang, Kabanjahe, 13.09.2007
643)Temanta br. Sembiring, Kabanjahe, 13.09.2007
644)Kelat Tarigan, Kabanjahe, 13.09.2007
645)Elveria br. Sijabat, Kabanjahe, 13.09.2007
646)Pinta br. Karo, Pasar Olimpia, Berastagi, 28.09.2007
647)Masdina br. Sinuraya, Pasar Olimpia, Berastagi, 28.09.2007
648)Anita br. Karo, Pasar Olimpia, Berastagi, 28.09.2007
649)Novita br. Harapenta, Pasar Olimpia, Berastagi, 28.09.2007
650)Tambat br. Purba, Pasar Olimpia, Berastagi, 28.09.2007
651)Acris br. Karo, Pasar Olimpia, Berastagi, 28.09.2007
652)Carles Manurung, Pasar Olimpia, Berastagi, 28.09.2007
653)Herlina br. Simbolon, Pasar Olimpia, Berastagi, 28.09.2007
654)Rima br. Milala, Pasar Olimpia, Berastagi, 28.09.2007
655)Lia br. Ginting, Pasar Olimpia, Berastagi, 28.09.2007
656)Virdaus Ketaren, Pasar Olimpia, Berastagi, 28.09.2007
657)Indo Purba, Pasar Olimpia, Berastagi, 28.09.2007
658)Batti br. Hombing, Pematangsiantar, 29.07.2007
659)Idan Siduruk, Pematangsiantar, 29.07.2007
660)M. Napitupuk, Pematangsiantar, 29.07.2007
661)Inda br. Siagian, Pematangsiantar, 29.07.2007
662)Ernie br. Manik, Jl Besar Sida Manik, Pematangsiantar, 29.07.2007
663)Wati br. Karo, Pancur Batu, 27.10.2007
664)Saur br Silalahi, Pasar Pancur Batu, 27.10.2007
665)Anton Sinaga, Pasar Pancur Batu, 27.10.2007
666)Darma Ginting, Pasar Pancur Batu, 27.10.2007
667)Lindo br. Sinukaban, Pasar Pancur Batu, 27.10.2007
668)Antoni Sitepu, Pasar Pancur Batu, 27.10.2007
669)Burhan (Minang), Pasar Pancur Batu, 27.10.2007
670)Budi Sitorus, Pasar Pancur Batu, 27.10.2007
671)Anita (Jawa), Pasar Pancur Batu, 27.10.2007
672)Deri Ginting, Pasar Pancur Batu, 27.10.2007
673)Yuni Tanjung (Minang), Medan, Sentral, 27.10.2007
674)Murni (Jawa), Medan Sentral, 27.10.2007
675)Juneidi (Minang), Medan, Sentral, 27.10.2007
676)Rames (India), Medan, Sentral, 27.10.2007
677)Musliadi (Minang), Medan, Sentral, 27.10.2007
678)Dina Nirmala (Jawa), Medan, Sentral, 27.10.2007
679)Togi Sianipar, Medan, Sentral, 27.10.2007
680)Delvi (Minang), Medan, Sentral, 27.10.2007
681)Darma Ginting, Medan, Sentral, 27.10.2007
682)Katarina br. Tarigan, Medan, Sentral, 27.10.2007
683)Dedek (Jawa), Medan, Sentral, 27.10.2007
684)Iwaw (Jawa), Medan, Sentral, 27.10.2007
685)Anto Sihotang, Medan, Sentral, 27.10.2007

686)Budi (Melayu), Medan, Sentral, 27.10.2007
687)Ismayati (Jawa), Medan, 28.10.2007
688)Sarinal (Jawa), Medan, 28.10.2007
689)Mardiani (Melayu), Medan, 28.10.2007
690)Masroni (Jawa), Medan, 28.10.2007
691)Augustina, Pasar Sayur, Pakam, 28.10.2007
692)Suandara (Jawa), Pasar Sayur, Pakam, 28.10.2007
693)Anisa (Melayu), Pasar Sayur, Pakam, 28.10.2007
694)Nani (Jawa), Pasar Sayur, Pakam, 28.10.2007
695)Harto (Jawa), Pasar Sayur, Pakam, 28.10.2007
696)Dermawan Seregar, Pasar Sayur, Pakam, 28.10.2007
697)Joni (Melayu), Pasar Sayur, Pakam, 28.10.2007
698)Sariani (Melayu), Pasar Sayur, Pakam, 28.10.2007
699)M. Fadli (Minang), Pasar Sayur, Pakam, 28.10.2007
700)Sri Ningsih (Jawa), Pasar Sayur, Pakam, 28.10.2007
701)Wulan Sari (Jawa), Pasar Sayur, Pakam, 28.10.2007
702)Mayasari (Jawa), Batang Kuis, 28.10.2007
703)Budi (Jawa), Batang Kuis, 28.10.2007
704)Udin (Melayu), Batang Kuis, 28.10.2007
705)Suryadi (Jawa), Batang Kuis, 28.10.2007
706)Dora br. Perangin-Angin, Batang Kuis, 28.10.2007
707)Indah (Jawa), Batang Kuis, 28.10.2007
708)Edy Syahputra (Jawa), Batang Kuis, 28.10.2007
709)Inda Wulandari (Jawa), Batang Kuis, 28.10.2007
710)Moriana br. Ginting, Batang Kuis, 28.10.2007

List of Research Sites

Town / Village	*Province / Kabupaten*	*Research Sites*
Berastagi	Province North Sumatra, Kabupaten Karo	Pusat Pasar Pasar Turis / Pasar Buah Pasar Olimpia Puncak Gundaling Jl Veteran Jl Pembangunan Jl Penghasilan Gang Merek
Kabanjahe	Province North Sumatra, Kabupaten Karo	Pusat Pasar Jl Jamin Ginting Jl Veteran Jl Bangsi Sembiring Jl Bambu Runcing Jl Abdul Kadir Jl Mumah Purba
Tiga Panah	Province North Sumatra, Kabupaten Karo	
Simpang Empat	Province North Sumatra, Kabupaten Karo	
Desa Sukandebi	Province North Sumatra, Kabupaten Karo	
Desa Sukatepu	Province North Sumatra, Kabupaten Karo	
Desa Naman Teran	Province North Sumatra, Kabupaten Karo	
Desa Gurusinga	Province North Sumatra, Kabupaten Karo	
Simpang Perumahan Korpri	Province North Sumatra, Kabupaten Karo	
Desa Tiganderket	Province North Sumatra, Kabupaten Karo	
Desa Gurukinayan	Province North Sumatra, Kabupaten Karo	
Desa Payung	Province North Sumatra, Kabupaten Karo	
Pancur Batu	Province North Sumatra, Kabupaten Deli-Serdang	Pusat Pasar
Medan	Province North Sumatra, Kotamadya Medan	Pasar Pakam Pasar Hongkong Pasar Ikan Pajak Peringgan Pasar Sunggul Pajak Sore Pasar V Pasar Simalingkar Pajak USU Pajak Olimpia

		Pajak Marelan Pajak Sentral Pajak Impres Pajak Melati Jalan Gatot Sutomo Jalan Merdeka Jalan Asia Jalan Pandu Petisah Tanjung Regio Tanjung Slamat Batang Kuis Mongonsidi Sei Sekambing Titi Kuning Aksara Kampung Lalang Ramayana Pringgan Sambo Millenium Plaza Medan Mall Medan Fair Deli Plaza Sun Plaza Paladium Thamrin Plaza Medan Plaza Padang Bulan Cinta Damai Simpang Bekala Simpang Kuala
Batam	Province Riau, Kabupaten Batam	Pasar BPJ Pasar SP Pasar Jodoh Pasar Piari Pasar Perum Batu Haji Batam centre Nagoya

Appendix B: Methods of Data Collection II

Further research methods of data collection were the realisation of semi-structured and informal interviews, the analysis of secondary data, participatory observation, and mapping. Appendix B contains short descriptions of each method including the respective objectives.

Semi-Structured and Informal Interviews

Semi-structured and informal interviews replenished the data gained by the questionnaires. This research method was used in particular to get an impression about typical career patterns and the motivation, expectations and alternatives to trade (see chapter 3, page 82ff). Furthermore, I have learned a lot about how traders experience and judge the present economic situation and how they value existing economical structures. Semi-structured interviews were conducted with 67 traders of all ages in the Karo Regency. 33 of them were recorded and transcribed afterwards, the rest had a more informal character. Leading questions were used to guarantee a certain flow of information.

Leading questions

Part A Basic Data

Nama / Marga / Suku:
Umur
Sudah menikah?
Sudah punya anak? Berapa?
Tamatan sekolah
Tamat universitas (fakultas/Gelar)
Pendidikan yang lain (kursus / training / latihan...)
Berusaha sebagai pedagang di tanah Karo sejak
Sebelumnya bekerja sebagai
Sedang ada pekerjaan yang lain?
Sedang jual apa:
Tempat & Tanggal wawancara

Part B Open Questions

Bagaimana Bapak / Ibu / Saudara/i menjadi seorang pedagang?
Apa alasan Bapak / Ibu / Saudara/i menjadi seorang pedagang?

Menjadi seorang pedagang pada masa ini susah atau gampang? Bagaimana dulu waktu Bapak / Ibu / Saudara/i mulai menjalankan bisnisnya?
Apa persyaratan / pengandaian untuk menjadi seseorang pedagang (hari ini dan dulu)?
Apakah hubungan dengan pedagang yang lain penting?
Apakah Bapak / Ibu / Saudara/i bisa hidup dari hasil bisnisnya (atau masih harus ke ladang dll...)?
Apakah dalam keluraga Bapak / Ibu / Saudara/i masih ada pedagang yang lain? *(*
Apakah Bapak / Ibu / Saudara/i sedang gembira dengan iklim ekonomi?
Bagaimana posisi pedagang Batak dalam perdagangan di Sumatra Utara?
Apakah Bapak / Ibu / Saudara/i pikir bahwa keangotaan suku penting dalam perdagangan? Tolong jelaskanlah!
Apakah ada jaringan perdagangan yang dijalankan khususnya pada orang Batak?
Kenapa begitu banyak orang Cina campur tanggan dalam perdagangan di Tanah Karo dan di Sumatra Utara?

Participants

Name & Age	Place	Date of Interview
1) Johnny Sembiring (37)	Berastagi	08.08.2007
2) Fitri br. Ginting (22)	Berastagi	08.08.2007
3) Abadi Pinem (28)	Berastagi	09.08.2007
4) Elvi br. Sembiring (29)	Berastagi	09.08.2007
5) Sutan Harahap (30)	Berastagi	09.08.2007
6) Rosalita br. Perangin-Angin (29)	Berastagi	09.08.2007
7) Yatni br. Silalahi (60)	Berastagi	15.08.2007
8) Mediawaty br. Tanggang (39)	Berastagi	15.08.2007
9) Elita br. Tarigan (35)	Berastagi	15.08.2007
10) Hesron Sinuhaji (19)	Berastagi	21.08.2007
11) Filemon Sinuhaji (30)	Berastagi	21.08.2007
12) Hesthi br. Sinuraya (36)	Berastagi	21.08.2007
13) Antonius Sagala (40)	Berastagi	22.08.2007
14) Ely Yani br. Purba (17)	Berastagi	22.08.2007
15) Bangkit Barus (34)	Berastagi	22.08.2007
16) Roy Bangun (21)	Kabanjahe	23.08.2007
17) Adi Sitepu (21)	Kabanjahe	23.08.2007
18) Ernie br. Munthe (29)	Kabanjahe	23.08.2007
19) Mutiara Sari br. Tarigan (34)	Kabanjahe	23.08.2007
20) Bani Maniuruk	Berastagi	30.08.2007
21) Alpran Ginting (25)	Berastagi	30.08.2007
22) Bakti Karo-Karo (25)	Kabanjahe	30.08.2007
23) Arson Tarigan (33)	Kabanjahe	30.08.2007
24) Tiwi br. Sitepu	Kabanjahe	30.08.2007
25) Dewi br. Karo (22)	Berastagi	17.09.2007
26) Nora br. Sembiring (24)	Berastagi	17.09.2007
27) Dewi br. Sitepu (23)	Kabanjahe	18.09.2007
28) Markus Ginting (24)	Kabanjahe	18.09.2007
29) Luccy Bangun (23)	Kabanjahe	18.09.2007

30) Tiara br Pasaribu (53)	Berastagi	25.09.2007
31) Donna Sembiring (24)	Berastagi	25.09.2007
32) Meydina Waty br. Sembiring (33)	Berastagi	25.09.2007
33) Cafler Manik (47)	Berastagi	25.09.2007

Secondary Data Review

Apart from primary sources I have used secondary data to replenish the study, mainly monographs, articles and data collected by online research. Publications about the topic are rare, most only deal with certain aspects of trade or do not consider the ethnic or regional component. Literature research in Indonesia was quite dissatisfying due to lacking access to libraries and publications which are anyway rare. It is, for instance, easier to obtain data from the official website of the Statistic Office than trying to buy a book from them. But online data and websites from Indonesia unfortunately disappear in more or less regular intervals so that online publications are no firm source of knowledge. Data drawn from websites therefore had been saved on disc and are attached to this thesis.

Discussion & Participatory Observation

Extended informal discussions and conversations with selected traders about several aspects of trade, the organisation of trade among the Batak and other topics, especially during the private shopping's, as well as participant observation completed the dataset. Conversation in a private framework, without questionnaire or recording equipment, often with a few close relatives and friends were of inestimable high value and provided a lot of useful (background) information, hints and impressions.

Mapping

Due to lacking primary sources, maps and data from official institutions (e.g. the Trade Office in the Highlands), mapping had been used particularly in the beginning of field research to draw a picture of the existing economical environment in the highlands. I drew maps of all main permanent markets in Berastagi and Kabanjahe (see figures 8, 10 and 11 on page 257ff) to get a rough idea about the amount of traders and the offered commodities. The same was done for the shop areas at the main roads in Berastagi (see figure 11, on page 258) . Subsequently, a shop index, listing all shops and most of the market stalls in Berastagi and Kabanjahe was compiled and of great use for the following survey.

Figure 7: Field draft of the "Pasar Buah" (Tourism Market) in Berastagi.
(Source: field research data)

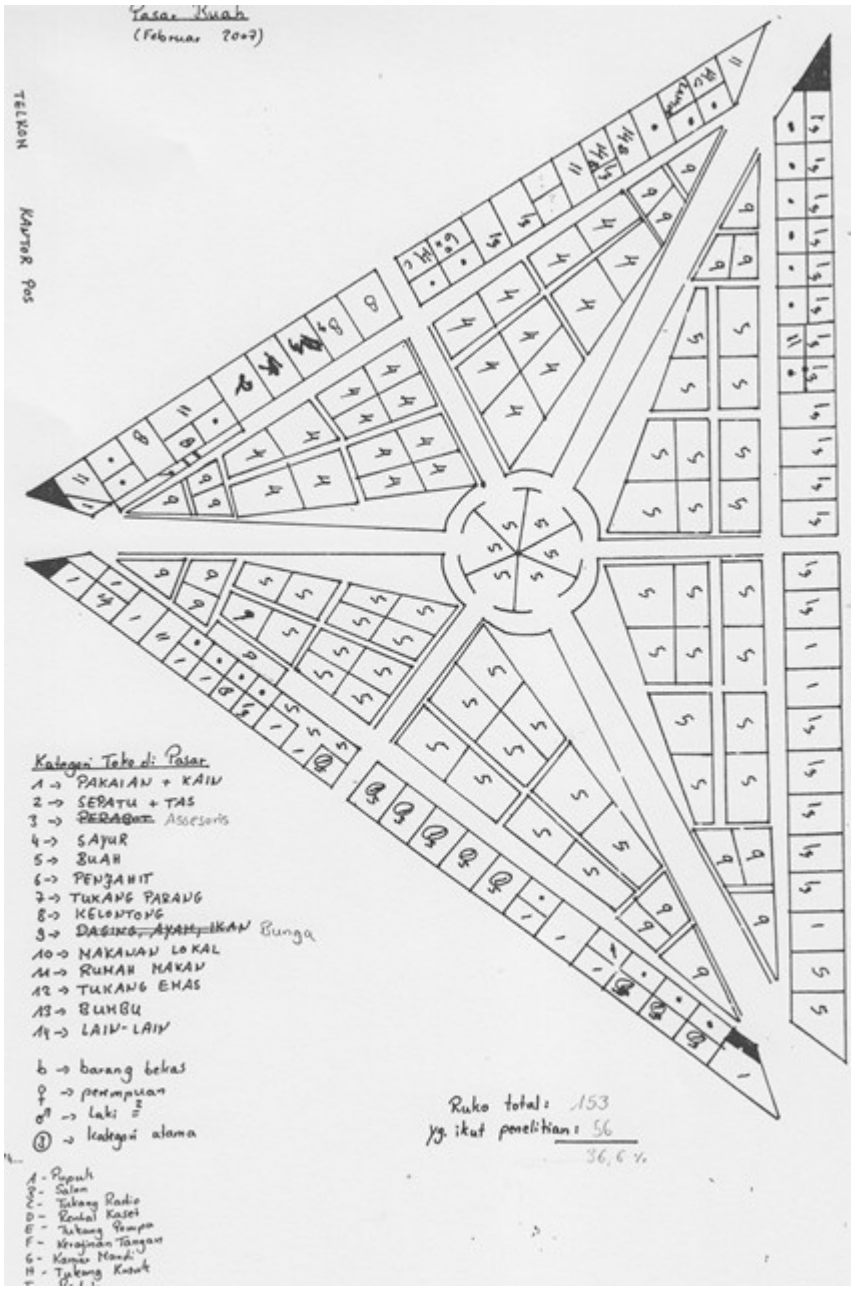

Figure 8: Tourism Market in Berastagi / Pasar Buah
(Source: field research data)

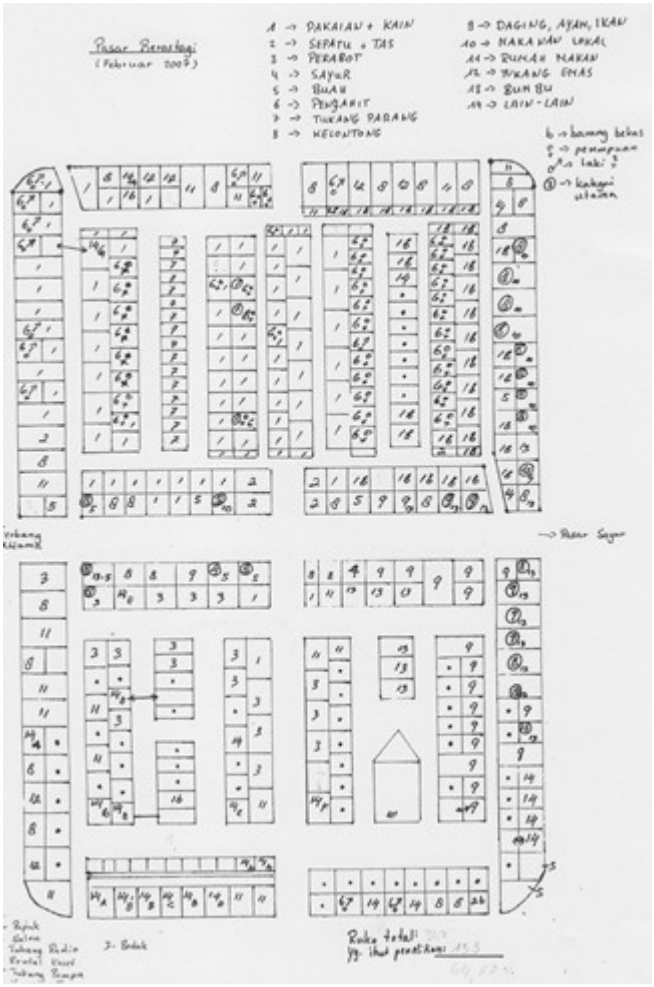

Figure 9: Central Market in Berastagi
(Source: field research data)

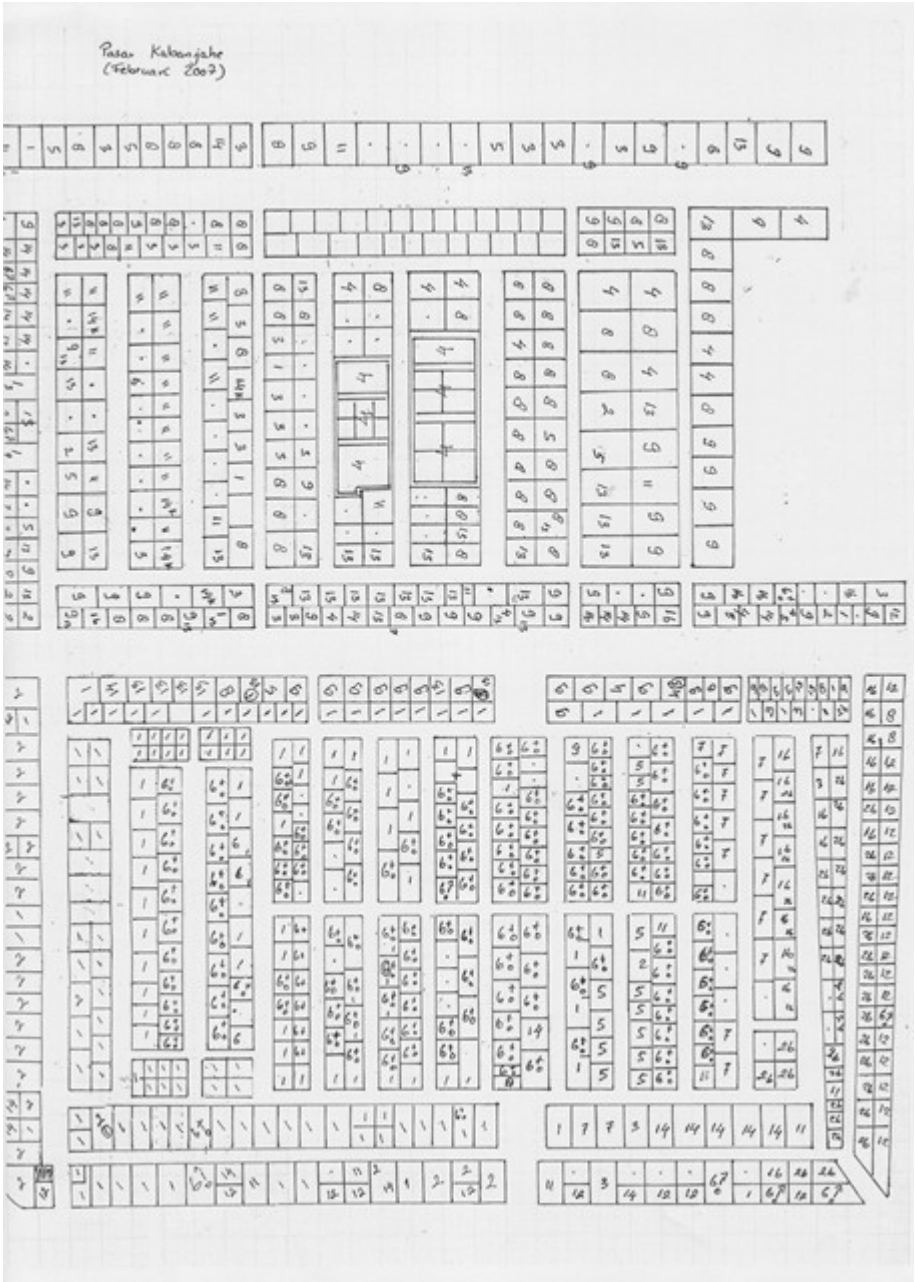

Figure 10: Central Market at Kabanjahe.
(Source: field research data)

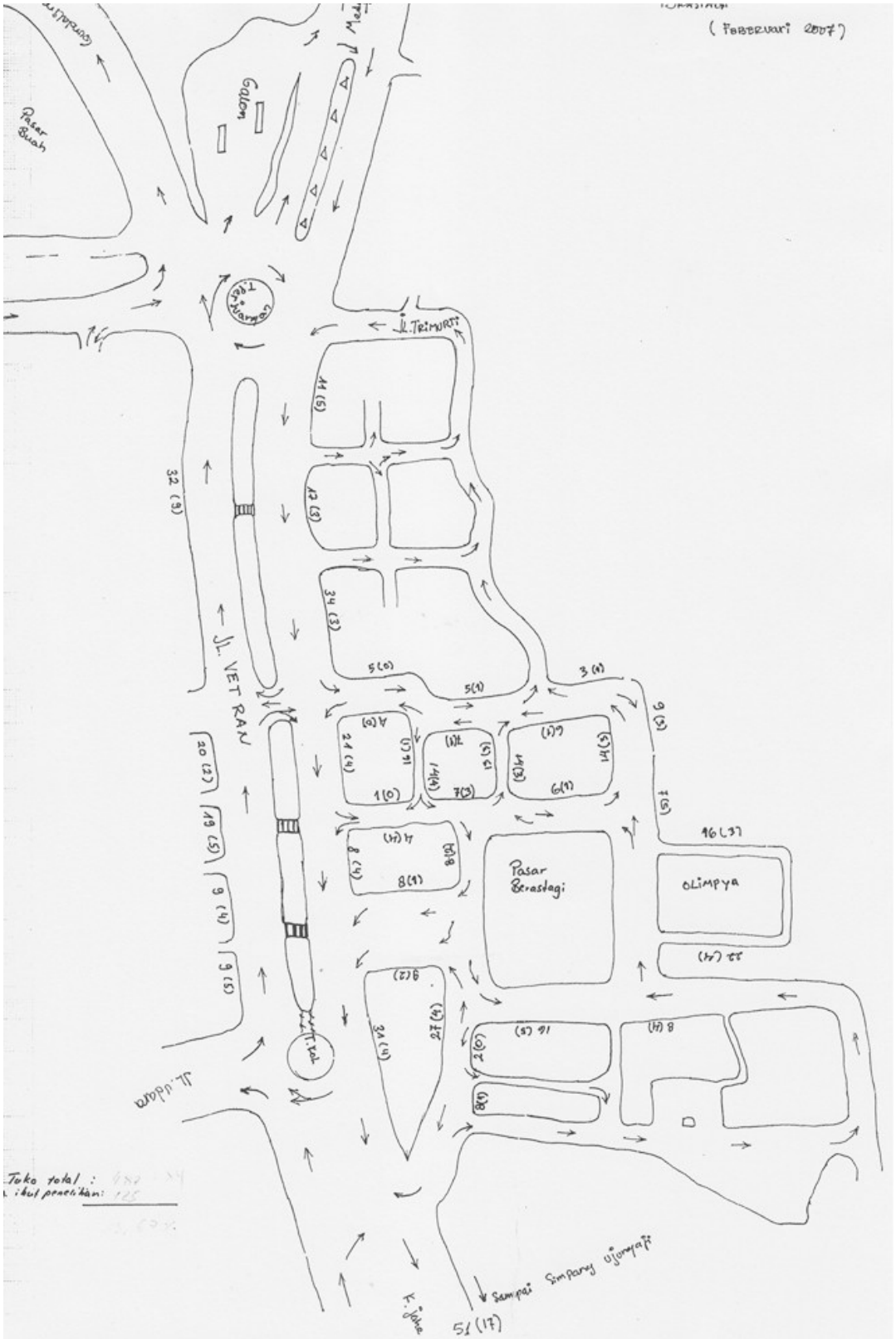

Figure 11: Town Centre of Berastagi
(Source: field research data)