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Cramb, Rob A., and John F. McCarthy, eds. 2016. *The Oil Palm Complex: Smallholders, Agribusiness and the State in Indonesia and Malaysia*. Singapore: NUS Press.

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The Oil Palm Complex offers a fascinating and detailed analysis of the oil palm boom in Indonesia and Malaysia, one of the largest agricultural expansions in recent history. Since 1975 the amount of land under oil palm in the two countries has grown from about 500,000 hectares to over 14 million hectares. The book traces the drivers and socio-economic outcomes of this process, as part of a multiyear research project. The central questions asked by Cramb and McCarthy, using a political-economy approach, are: Who benefits and who loses from the oil palm boom? And can oil palm development provide a basis for inclusive and sustainable rural development?

The authors find the answer to these questions in analyzing what they refer to as the “complexation” of the industry, which “skews the allocation of resources and distribution of benefits in favor of a powerful cross-country coalition of political, bureaucratic, and agribusiness interests” (p. 443). The conclusion they draw is that the oil palm boom has not contributed to inclusive and sustainable development in the two countries. On the contrary, this boom has been driven by an intraregional state-industrial complex that puts corporate profits before people and the environment. At the same time, however, the authors contend that oil palm is not an “evil crop.” Its cultivation supports the livelihoods of a growing number of smallholders, and Cramb and McCarthy argue that giving these people access to technology, resources, and inputs is important to make this a developmental success story.

In much detail, the contributors to this volume—including scholars, government officials, and activists—trace the politics and evolution of the oil palm complex. Following the introductory chapter and a conceptual chapter, the first part of the book examines the different modes of oil palm production in Indonesia and Malaysia. The chapters describe a “capitalist convergence” toward large, privately owned oil palm estates. A central argument is that the estate

mode is not per se more productive or efficient than smallholder farming. However, it delivers the highest returns on corporate investments. The chapters show how national and local governments played a leading role in driving this process by freeing up native land to attract big agribusiness corporations.

The second part of the book examines the various conflicts surrounding the industry. An important insight is that local farmers typically do not oppose capitalist oil palm expansion as such. Instead, most conflicts are distributional in nature, involving struggles over land use and profits between corporations, local communities, and migrant workers.

The final part of the book offers a detailed analysis of the political economy of labor that underpins the oil palm complex. It describes the strategy of agribusinesses and state actors to create a situation of labor oversupply through actively and passively supporting transmigration. This has the dual effect of undermining the power of local communities and creating a highly dependent and cheap labor force for the oil palm estates.

The Oil Palm Complex offers a rich analysis of these regional and local processes and how they interact in producing political settlements and socio-economic outcomes. This is the key strength of the book, but also one of its limitations. Adopting a regional lens means that important global developments remain somewhat under the radar. Some of these issues are addressed in a chapter on the Roundtable on Sustainable Palm Oil, a transnational private regulatory initiative. However, key trends such as the booming demand for palm oil from China and India and the emerging hybrid regulatory regime in the European Union, another major importer of palm oil, are only mentioned at the margins. These developments in the global political economy of palm oil have important implications for producer countries—for example, as external drivers of social and environmental conditions in the industry. Addressing these issues more fully would have made the analysis more complete.

A second limitation of the book is that it largely neglects the environmental dimension of the oil palm boom. While the authors recognize the importance of the issue, a more thorough analysis is missing. The rapid expansion of oil palm plantations in Southeast Asia has gone hand in hand with the large-scale transformation and destruction of the natural environment. Processes like tropical deforestation and the draining of peatlands are closely intertwined with other factors analyzed in this volume. Environmentally degraded landscapes undermine the traditional livelihood strategies of local communities and become the source of conflicts, with important regional and global repercussions, as witnessed during the 2015 Southeast Asian haze. The environment is a key factor in the political economy of palm oil—shaping the interests and interactions of agribusiness corporations, domestic and foreign governments, native communities, and international and local NGOs. Unfortunately, this aspect of the oil palm complex and its politics remains mostly unaddressed.

These shortcomings do not diminish the value of this empirically rich and well-written volume. Cramb, McCarthy, and their contributors provide a

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compelling analysis of the oil palm boom in Southeast Asia. This book is a must read for scholars and practitioners interested in the development of the region or the political economy of agricultural commodities.