

Rent Seeking and Environmental Degradation in Palm Oil Expansion in Tesso Nilo National Park

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ABSTRACT

This study aims to analyze rent-seeking practices in the expansion of illegal oil palm plantations and their contribution to environmental degradation in Tesso Nilo National Park (TNTN), Riau Province. A qualitative descriptive approach was employed using a document-based method. The study relied entirely on secondary data obtained from government reports, policy and regulatory documents, academic publications, civil society organization reports, and relevant media sources. Data were collected through systematic document analysis and analyzed using thematic and content analysis techniques guided by Rent-Seeking Theory to examine power relations, actor interactions, and institutional mechanisms that enable illegal land conversion. The findings reveal that environmental degradation in TNTN is structurally driven by a rent-seeking network involving state and non-state actors, including government officials, palm oil entrepreneurs, and land brokers. These actors exploit regulatory loopholes, weak law enforcement, and fragmented institutional authority to facilitate illegal land clearing and informal land legitimization. As a result, ecological damage occurs systematically, reflected in extensive deforestation, habitat loss, increased human-wildlife conflict, and weakened conservation governance. This study concludes that Environmental Degradation in TNTN is rooted in governance failure and unequal power relations rather than merely technical limitations. Therefore, structural reforms emphasizing transparency, accountability, and consistent law enforcement are essential to dismantle rent-seeking practices and ensure sustainable conservation management.

Introduction

The expansion of oil palm plantations in Indonesia is not only an economic and development issue but also reflects serious problems in environmental governance and natural resource politics (Intan et al., 2022). In many regions, oil palm expansion occurs through illegal practices, weak law enforcement, and the involvement of interested actors who exploit regulatory loopholes to gain economic benefits (Lingkungan et al., 2019). Tesso Nilo National Park (TNTN) in Riau Province is one of the most important lowland forest areas in Sumatra, serving a vital ecological function as a habitat for Sumatran elephants and various endemic flora and fauna species (Kusumaningtyas et al., 2019). However, in the past two decades, this conservation area has come under significant pressure due to the expansion of illegal oil palm plantations carried out by various stakeholders. Satellite imagery data shows that more than 70–78% of primary forest cover in Tesso Nilo has been lost between 2009 and 2023 (Raman, 2024). This condition shows that the main problem in TNTN is not just ecological degradation, but in the view of (Law et al., 2024) it shows rent-

seeking practices that involve collusion between state actors, corporations, and local elites in order to obtain economic benefits through the illegal and unsustainable use of natural resources.

The phenomenon occurring in the Tesso Nilo National Park (TNTN) shows the massive conversion of conservation land into oil palm plantations, accompanied by weak law enforcement that opens up space for rent-seeking practices in land ownership (Tua & Sundari, 2021). Data from the Ministry of Environment and Forestry shows that more than 42,000 hectares of the TNTN's total area of 83,068 hectares have been converted into illegal oil palm plantations, reflecting the massive scale of ecological damage and the complexity of economic interests within it (Soraya, 2025). This condition not only threatens the sustainability of biodiversity but also creates social conflict and ecological injustice for local communities. This massive ecological damage indicates that the main problems in Tesso Nilo are not merely ecological technical but are rooted in problematic governance and political-economic structures (Mukhlis et al., 2025). Academic studies also show that the expansion of illegal oil palm plantations in TNTN takes place systematically through a network of actors involving oil palm entrepreneurs, land brokers, local government officials, and law enforcement individuals who exploit regulatory loopholes and weak oversight institutions (Siahaan et al., 2025).

Based on these conditions, this study aims to analyze the relationship between rent-seeking practices and Environmental Degradation and the expansion of illegal oil palm plantations in Tesso Nilo National Park. The analysis focuses on the interaction patterns of political-economic actors, the mechanisms of interest exchange, and the gaps in policy and law enforcement exploited in the land conversion process in conservation areas. This approach is expected to reveal that environmental degradation in Tesso Nilo National Park is the result of an unequal power configuration and institutionalized rent-seeking practices, not simply a result of weak technical capacity in area management (Mohammad Bayu Irawan et al., 2024). The primary analytical framework used in this study is Rent-Seeking Theory, which understands that economic gains are often obtained not through productive activities, but through abuse of power, regulatory manipulation, and close ties with political actors (Sihidi et al., 2024; Sihidi et al., 2025; Sihidi et al., 2026; Faisol et al., 2023).

In the Tesso Nilo context, this practice is reflected in illegal land sales, certificate forgery, the issuance of permits contrary to regulations, and the involvement of various formal and informal actors (Fahmi et al., 2022). This network of actors allows the organized conversion of conservation areas despite legal prohibitions, resulting in ecological damage being a direct consequence of the interaction between economic interests, regulatory loopholes, and political power operating through rent-seeking mechanisms (Khairunnas et al., 2025).

Several previous studies have examined the expansion of oil palm plantations in forest and conservation areas from various perspectives. Hidayah, Dharmawan, and Barus (2016) emphasized that oil palm expansion in Tesso Nilo National Park has caused massive forest degradation, changes in the ecological landscape, and shifts in the livelihood systems of local communities, making them increasingly vulnerable. Other studies by Dharmawan

(2007) and Dharmawan et al. (2014) emphasized the impact of environmental change on the livelihood structure, resilience, and adaptation of farming households. Furthermore, a 2013 report from WWF Riau identified illegal land acquisition, weak law enforcement, and unclear conservation area boundaries as the main factors contributing to the rampant oil palm encroachment in Tesso Nilo National Park. However, most of these studies focused on the impacts and symptoms of damage and tended to position communities or economic pressures as the primary actors in the oil palm expansion process.

On the other hand, studies on environmental governance and natural resource politics in Indonesia have focused more on institutional issues, agrarian conflicts, and general environmental governance failures, without specifically linking them to rent-seeking practices in oil palm expansion in conservation areas (Law et al., 2024). Thus, there is a research gap in the absence of analyses explicitly linking Environmental Degradation in the National Park (TNTN) to power relations, elite interest networks, and rent-seeking practices involving state and non-state actors. This study employs Rent-Seeking Theory, complemented by a political economy perspective on environmental governance, to explain how power relations and institutional weaknesses enable the extraction of economic benefits from conservation land.

This study seeks to fill this gap by positioning rent-seeking as a key mechanism to explain why illegal oil palm expansion can occur systematically and sustainably, thereby enriching environmental governance studies with a more critical political economy perspective. Furthermore, this study not only portrays ecological impacts as the ultimate consequence but also explores the political and institutional processes that allow for the toleration, normalization, and even legitimization of these illegal practices. Accordingly, this study formulates the research problem as how rent-seeking practices operate in the process of illegal oil palm expansion in Tesso Nilo National Park and how these practices contribute to environmental degradation and governance failure. By analyzing interactions between actors, patterns of interest exchange, and gaps in policy and law enforcement, this study seeks to demonstrate that environmental degradation in the TNTN is the result of an unequal power configuration, not simply a technical failure in conservation area management. Therefore, the research findings are expected to provide theoretical and empirical contributions to the formulation of natural resource governance policies that are more accountable, fair, and oriented towards ecological sustainability.

Method

This study employs a qualitative descriptive approach to analyze rent-seeking practices and their implications for environmental degradation in Tesso Nilo National Park (TNTN). This approach is chosen because the research problem is structural and political in nature, requiring an in-depth analysis of power relations, institutional dynamics, and governance processes that cannot be adequately captured through quantitative methods. The study relies entirely on secondary data, which include official government reports, policy and regulatory documents, academic journal articles, books, reports from non-governmental organizations, and relevant media coverage. These data sources were

selected purposively based on their relevance, credibility, and ability to provide comprehensive insights into land conversion, governance practices, and actor interactions in TNTN.

Data collection was conducted through systematic document analysis, while data analysis employed thematic and content analysis techniques. The process began with data reduction to identify information relevant to rent-seeking practices, actor relationships, policy gaps, and environmental impacts. This was followed by coding and categorization into key analytical themes, which were then interpreted using Rent-Seeking Theory and a political economy perspective to explain how economic and political interests shape governance failures and ecological outcomes. To ensure validity, source triangulation was applied by comparing findings across multiple types of documents. Conclusions were drawn inductively by synthesizing patterns and relationships identified in the data, providing a coherent explanation of how rent-seeking practices contribute to environmental degradation and governance failure in TNTN.

Result and Discussion

Ecological damage in Tesso Nilo National Park cannot be understood solely as a result of economic pressures on the surrounding community or weak technical capacity in managing the conservation area. Explanations that place Environmental Degradation solely as a consequence of poverty, land needs, or limited management resources risk oversimplifying what are essentially structural and political issues. Instead, this research's findings demonstrate that environmental degradation in Tesso Nilo is the result of unequal power relations, in which access to and control of natural resources is controlled by certain actors through organized rent-seeking practices. This finding directly answers the research problem by showing that rent-seeking practices operate through structured actor interactions and contribute systematically to environmental degradation and governance failure.

These rent-seeking practices involve interactions between state and non-state actors who exploit regulatory loopholes, weak law enforcement, and formal authority to gain economic benefits from the conversion of conservation land. In this context, the state is not fully present as an entity controlling and protecting the environment; rather, some of its apparatus are part of the mechanisms that enable illegal practices to systematically persist (Law et al., 2024). This result is consistent with previous studies on environmental governance in Indonesia (Gatto & Sadik-Zada, 2024; Putri et al., 2022; Setiawan et al., 2025) that highlight institutional weaknesses, but this study extends the literature by explicitly linking these weaknesses to rent-seeking networks and power configurations.

This asymmetrical power relationship creates conditions in which the elite's short-term economic interests prevail over long-term ecological interests and environmental justice. Furthermore, environmental degradation in Tesso Nilo also reflects a gradual and ongoing process of normalizing illegal practices. Illegal palm oil encroachment and expansion are no longer perceived as deviations, but rather as "normal" and socially accepted practices due to prolonged neglect (Viny Volcherina Darlis, 2020). This situation

demonstrates that ecological damage is not simply a failure of environmental policy, but rather a product of power configurations and political-economic structures that actively reproduce such damage. Therefore, the discussion in this section focuses on three main aspects:

Actors Involved in the Rent Seeking Network in Tesso Nilo National Park

The practice of rent-seeking in the expansion of illegal oil palm plantations in Tesso Nilo National Park (TNTN) cannot be understood solely as a violation of the law committed by small communities, but rather as the result of an organized interest relationship between private and state actors (Muhammad Zamroni, 2025). Various reports from the Ministry of Environment and Forestry, Auriga Nusantara, and WALHI indicate that more than 70 percent, or approximately 50,000 hectares, of the TNTN area have been illegally occupied and planted with oil palm, while the enforcement process has been slow and has not affected key economic actors. This situation indicates that large-scale conversion of conservation land is difficult to occur without the tolerance, protection, or support of authorized parties. On the economic side, oil palm entrepreneurs and financiers play a key role, providing capital, seeds, and guaranteed market access, by exploiting conservation areas as a highly profitable source of cheap land. They are generally not directly involved in the field, but work through land brokers who organize land clearing, plot division, and disguise ownership of gardens in the name of local communities or immigrants (Wafiq et al., 2025).

From the perspective of state actors, involvement is evident at various levels of government, particularly village and sub-district governments around the National Park (TNTN), which frequently issue land certificates or cultivation permits within the national park area despite lacking the legal authority to do so (Alkadafi & Mundung, 2025). Furthermore, the regional governments of Pelalawan and Indragiri Hulu Regencies are considered to have failed to enforce spatial planning and forestry regulations, while the National Land Agency (BPN) allows overlapping land claims to persist without firm resolution. Law enforcement officials, both the police and the prosecutor's office, also tend to enforce the law selectively, targeting smallholders more often than large investors (Hidayah & Dharmawan, 2020). This configuration demonstrates that weaknesses in law enforcement are not simply a matter of capacity, but rather related to a structure of mutually protective interests.

From the perspective of private actors, the palm oil industry network connected to palm oil mills (PKS) in Pelalawan and Indragiri Hulu plays a central role in maintaining the sustainability of illegal expansion. The palm oil mills consistently source fresh fruit bunches (FFB) from plantations within the TNTN area without conducting due diligence on the origin of the land, as documented by WALHI and Auriga Nusantara (Adigeh et al., 2025). This supply chain allows companies to obtain cheap raw materials without licensing fees, taxes, or environmental restoration obligations. To secure these practices, palm oil entrepreneurs collaborate with land brokers and speculators who organize forest clearing, informal mapping, land allocation, and the disguising of ownership in the name of local communities. This relationship demonstrates a symbiotic relationship between state and

private actors, where local officials obtain informal economic rents and political support, while entrepreneurs gain exclusive access to productive land (Lingkungan et al., 2019).

Within the rent-seeking framework, the profits derived from illegal palm oil expansion are generated not through increased productivity or innovation, but rather through abuse of authority and regulatory manipulation. The involvement of state actors is a determining factor explaining why illegal practices can persist systematically. Various findings indicate the involvement of certain local government officials, village officials, and law enforcement officers with formal authority over territorial regulation and law enforcement (Berenschot et al., 2022). This involvement is often not explicit, but rather manifested through practices of inaction, indecisiveness, and selective enforcement. In some cases, village officials even issue administrative documents that provide a false legitimacy to illegal land acquisition within national park areas.

In the context of Tesso Nilo National Park, weak law enforcement and environmental oversight are better understood as structural governance issues fraught with vested interests. Reports by the Ministry of Environment and Forestry, Auriga Nusantara, WALHI Riau, and the Corruption Eradication Commission (KPK) indicate that enforcement operations are often temporary and symbolic, and fail to address key actors such as large investors and palm oil industry networks (Dermawan, 2019). Law enforcement tends to stop at the level of smallholders or field workers, while entrepreneurs, land brokers, and palm oil mills (PKS) that exploit the forest resources of the TNTN area are rarely prosecuted. This situation reflects the ambiguous position of state officials who formally carry out supervisory functions but are practically trapped in a compromising relationship with economic actors and local elites. From a rent-seeking perspective, neglect, delays in enforcement, and selective law enforcement are key mechanisms for maintaining economic and political rents.

This power configuration results in an unequal distribution of impacts and benefits that reinforces ecological injustice. Local communities living around the National Park (TNTN) area are the ones most impacted, both through lost access to natural resources, declining environmental quality, increased human-wildlife conflict, and socio-economic vulnerability (Sporthy Raman, 2025). Conversely, the economic benefits of illegal palm oil expansion are concentrated among a handful of economic elites and actors with access to institutional protection. This pattern confirms that Environmental Degradation in the TNTN is not a neutral phenomenon, but rather the result of unequal power relations and political interests.

Overall, this research's findings confirm that illegal palm oil expansion in Tesso Nilo National Park is the product of a rent-seeking network involving state and non-state actors in a mutually beneficial relationship (Info sawit English, 2025). This practice occurs through the abuse of public authority, policy neglect, and weak law enforcement, which systematically open up space for the conversion of conservation areas into sources of economic rent. In this context, the state cannot be positioned merely as a victim of limited capacity, but as an integral part of the power structure that enables environmental degradation (Naylor et al., 2019). These findings reinforce and at the same time go beyond

previous studies (Bachriadi & Aspinall, 2023; Kröger, 2024; Tellman et al., 2020) that primarily position communities as the main drivers of land conversion, by demonstrating that elite networks and state actors play a central role in sustaining illegal expansion.

Therefore, the issue of the National Park (TNTN) is not simply a technical issue of area management, but rather a systemic one rooted in a problematic political-economic configuration. As long as unequal power relations and rent-seeking remain the primary mechanisms for controlling natural resources, efforts to save the conservation area will remain partial and prone to failure. This understanding underscores the importance of a structural analysis that positions politics, power, and economic interests as key factors in formulating more just, transparent, and sustainable environmental governance policies (Khairunnas et al., 2025).

Rent Seeking Mechanism in the Process of Conversion of Conservation Land

The rent-seeking mechanism in the conversion of conservation land in Tesso Nilo National Park (TNTN) occurs through a series of interrelated stages that form a relatively consistent pattern. This process does not occur spontaneously, but rather through structured, repetitive, and organized practices, enabling the sustainable conversion of conservation areas despite legal prohibitions (Pelalawan, 2023). This mechanism demonstrates how power relations, economic interests, and institutional weaknesses intertwine in driving environmental degradation. The initial stage of the rent-seeking mechanism is generally marked by illegal land clearing within the national park. Land clearing is carried out through various methods, ranging from gradual encroachment by small groups to large-scale clearing involving the use of heavy equipment (Fahmi et al., 2022).

The initial stages of this mechanism began to emerge in the early 2000s, with the increasing expansion of oil palm plantations in Riau Province and growing economic pressure on conservation areas. Reports from the Ministry of Environment and Forestry (KLHK) and various related institutions indicate that the initial damage to Tesso Nilo was triggered by forest encroachment for illegal oil palm plantations and illegal logging activities that had been ongoing since the forestry concession era before the area was designated a national park in 2004. As a result, the TNTN forest cover has drastically decreased from approximately 83,000 hectares to only about 15–24 percent of its natural forest area today. These reports also highlight land conflicts, overlapping permits, weak oversight, and the involvement of organized syndicates, which then prompted the KLHK to conduct operations to regulate and revitalize the ecosystem through community involvement, as explained in the KLHK performance report (Life & Forestry, 2023).

Encroachment activities often begin with unilateral claims to land, whether by individuals, groups, or communities, which are then used as a basis for controlling space within conservation areas. At this stage, legal risk is relatively low because encroachment occurs gradually and is widespread, making it difficult to detect or take direct action. The next stage is the informal legitimization process for illegal land acquisition (Mashendra & Jennifer Corrin, 2017). Research findings indicate that land buying and selling practices

within national parks occur openly, despite lacking a legal basis. These transactions are facilitated by land brokers who connect investors, cultivators, and local officials. To strengthen ownership claims, various unofficial documents are issued, such as cultivation certificates, physical land ownership certificates, or other administrative documents that appear to provide a false sense of legality (Ardini et al., 2024).

These documents serve as tools of social and political legitimacy despite lacking formal legal force. Once land tenure is established, the rent-seeking mechanism enters a stage of normalizing illegal activity through policy permissiveness and weak law enforcement. Officials who should be monitoring and protecting conservation areas often become part of the rent-seeking system, accepting economic rewards or political favors to allow oil palm plantations to continue. Law enforcement is selective and sporadic, often targeting only small-scale actors on the ground, while major actors with substantial capital and powerful networks remain relatively untouched. This pattern creates the perception that the risk of legal violations is low and negotiable (Saputra et al., 2023).

Furthermore, rent-seeking mechanisms are reinforced by unclear regional boundaries, overlapping policies, and fragmented authority between institutions. This situation opens up room for interpretation, which is exploited by interested actors to maintain illegal land ownership. In some cases, discourse on rezoning, land release, or social forestry programs is used as justification to maintain the existence of oil palm plantations within national parks (Kompas.com, 2025). Thus, policies that should be aimed at resolving agrarian conflicts have the potential to be manipulated to create new sources of rent. Within the framework of rent-seeking theory, this mechanism demonstrates how state regulations and institutions are manipulated to generate economic profits without going through legitimate and sustainable production processes (Teuea & Nakamura, 2020).

The profits gained by certain actors in this context stem not from production efficiency or economic innovation, but from exclusive access to conservation areas and informal protection from the authorities. This access and protection allow them to minimize legal risks and production costs, thus making conservation areas a highly profitable source of economic rents. In such circumstances, natural resources are no longer viewed as ecological entities to be protected, but rather as political commodities to be traded through power relations. Rather than serving as instruments of environmental protection, state policies and institutions are distorted and transformed into means to facilitate the expansion of illegal palm oil (Lingkungan et al., 2025).

The distortion of institutional function is evident in selective law enforcement practices, delayed enforcement, and even the inaction of state officials. Regulations that are supposed to limit the use of conservation areas are often interpreted flexibly to serve specific interests. Management and law enforcement institutions often act as mediators for economic interests by obscuring the enforcement process. This situation suggests that the state is not entirely absent, but rather problematically present as part of a rent-sharing mechanism that benefits certain elites. This situation explains why, despite the National Park's strong legal status as a conservation area, encroachment and land conversion practices continue systematically and continuously.

Enforcement often targets only those involved in the field, while the networks of economic and political actors who profit the most remain untouched. As a result, ecological damage continues to be reproduced in a recurring cycle, despite various environmental control and restoration programs (Nilo et al., 2022). Therefore, dismantling the rent-seeking mechanism must be seen as a fundamental prerequisite for saving conservation areas and improving environmental governance in Tesso Nilo National Park. This effort requires not only strengthening formal law enforcement but also institutional reforms capable of breaking the collusive relationship between state and economic actors. This mechanism confirms the second dimension of the research problem, showing that environmental degradation is not incidental but structurally reproduced through recurring patterns of rent-seeking practices. Without structural changes that address the root causes of political-economic problems, conservation policies will remain trapped in technocratic approaches that fail to halt the rate of environmental degradation sustainably (Social & Issn, 2021; Austin et al., 2019).

The Impact of Rent Seeking on Environmental Degradation and Conservation Area Management

Rent-seeking practices in Tesso Nilo National Park (TNTN) have resulted in massive, systemic, and in many respects long-term Environmental Degradation. The large-scale loss of primary forest cover has led to the degradation of wildlife habitat, particularly for the Sumatran elephant, a keystone species, and has damaged the structure of the lowland forest ecosystem, which has vital ecological functions. According to reports from the Ministry of Environment and Forestry (2011) and Auriga Nusantara (2022), approximately 70 percent of the TNTN's total area of approximately 98,000 hectares has experienced deforestation. This reduction in forest cover has a direct impact on the loss of biodiversity, disruption of the hydrological cycle, and a decline in the area's ability to absorb carbon. Prior to encroachment, TNTN was estimated to be able to absorb approximately 15.3 million tons of carbon, but this capacity has now decreased significantly due to land conversion. Habitat fragmentation due to the opening of illegal palm oil plantations also reduces the roaming space of wildlife by 50–60 percent, cuts off ecological corridors, and threatens the sustainability of elephant populations, Sumatran tigers, and various endemic primates (Fathoni & Lovett, 2025).

This ecological damage not only impacts the ecosystem but also triggers intensified human-wildlife conflict. The reduction in wildlife habitat leads to increased negative interactions between wildlife and settlements, leading to economic losses, insecurity, and social tensions for surrounding communities. These impacts demonstrate that the problems in the National Park (TNTN) are not solely environmental but also have social and humanitarian dimensions. Furthermore, rent-seeking practices directly undermine conservation area governance. The inability of management institutions to consistently enforce regulations undermines government legitimacy and public trust in the law (Joviani et al., 2025). As a result, conservation areas are no longer viewed as protected spaces, but rather as open spaces open to competition by actors with capital and political power.

Rent-seeking practices also create unequal access to and control over natural resources. Local communities that have historically depended on forests are increasingly marginalized, while capitalist actors gain the freedom to control land on a large scale. This situation deepens ecological injustice, where economic benefits are concentrated in the hands of a small elite, while the burden of Environmental Degradation is borne by the wider community (Pellegrini et al., 2021). Furthermore, weak governance resulting from rent-seeking practices has rendered various environmental rehabilitation and restoration programs in the National Park (TNTN) ineffective. Government efforts in 2024–2025 to regulate illegal plantations, relocate cultivators, and restore the area were often hampered by resistance from actors who have long benefited from the rent-seeking system. The complexity of land legality and the lack of firm law enforcement have made restoration programs tend to be administrative in nature without substantive impact (Ito et al., 2020).

Ecological degradation in the National Park (TNNP) is a consequence of a power structure that prioritizes short-term economic interests over environmental sustainability. In this structure, natural resources are treated as exploitable economic assets, while their ecological functions are neglected. As a result, conservation policies lose their substantive meaning and become mere normative instruments with no real coercive power. This suggests that the primary problem in the TNNP lies not in the absence of regulations, but rather in the lack of political commitment and institutional integrity in enforcing the rules. Therefore, saving the conservation area cannot be achieved solely through technical approaches such as patrols or habitat restoration; instead, governance reforms that address the root causes of political and economic issues are required (Teuea & Nakamura, 2020).

These governance reforms must include firm, consistent, and non-discriminatory law enforcement against all actors involved, including the economic and political elites behind illegal palm oil expansion. Transparency and accountability of area management institutions need to be strengthened to ensure that state authority is truly used to protect ecological and social interests. Dismantling rent-seeking networks requires institutional reforms that address the relationships between state actors, business actors, and local elites (Austin et al., 2019). Furthermore, internal and external oversight mechanisms must be strengthened, along with information transparency and civil society involvement in decision-making (Cisneros et al., 2021). Without structural changes that address the political and power dimensions, conservation policies will continue to be trapped in the same cycle of failure (Saputra et al., 2023). Thus, improving TNTN governance must be understood as a political-ecological agenda that demands the state's courage to reorganize power relations and place environmental sustainability and social justice as the primary foundations of natural resource management (Gurning et al., 2024). These findings strengthen previous research on ecological impacts of oil palm expansion (Acobta et al., 2023; Bicknell et al., 2023; Gomez et al., 2023; Meijaard et al., 2020), while contributing a new perspective that places rent-seeking and power asymmetry as the core drivers of environmental degradation, thereby enriching the political ecology and environmental governance literature.

Conclusion

This study finds that environmental degradation in Tesso Nilo National Park is not merely the result of local economic pressures or technical limitations in conservation management, but is structurally driven by entrenched rent-seeking practices within the political economy of natural resource governance. The analysis reveals that ecological damage is produced through a network of interactions between state and non-state actors who exploit regulatory loopholes, weak law enforcement, and fragmented institutional authority. These practices operate through illegal land clearing, informal legitimization of land ownership, and policy permissiveness that normalizes violations. As a result, environmental degradation is systematically reproduced, leading to deforestation, habitat loss, and ecological injustice, where economic benefits are concentrated among elites while environmental burdens are borne by local communities. This finding underscores that conservation failure is fundamentally linked to governance dysfunction and unequal power relations rather than purely ecological or managerial shortcomings.

Despite its contributions, this study has several limitations, particularly its reliance on secondary data and document-based analysis, which may not fully capture informal practices and real-time dynamics in the field. Additionally, the focus on a single case study limits the generalizability of findings across different conservation contexts. Future research is therefore encouraged to employ mixed-method approaches, including in-depth fieldwork and stakeholder interviews, to better understand the micro-level dynamics of rent-seeking and community responses. Comparative studies across regions, as well as investigations into the role of civil society, digital monitoring, and anti-corruption mechanisms, are also needed to strengthen the empirical and policy relevance of environmental governance reforms aimed at dismantling rent-seeking structures.

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