

Can the Koperasi Desa/Kelurahan Merah Putih (KDKMP) Program Potentially Improve Rural Peasants' Welfare? A Bourdieusian Perspective

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Abstract

The agricultural sector is the backbone of the national economy but peasants in rural areas are often stuck in the quagmire of structural poverty due to their dependence on middlemen and long distribution chains. Presidential Instruction Number 9 of 2025 launched the Koperasi Desa/Kelurahan Merah Putih (KDKMP) program as a strategic intervention to build village economic sovereignty. This study attempts to analyze the potential of KDKMP in improving the welfare of peasants from the perspective of the Pierre Bourdieu theory of practice. The present study is qualitative in nature and uses a narrative review of literature design. Data from relevant government legislation, scientific literature and policy documents. The literature was interpreted using Bourdieu's Theory of Practice as the analytical framework. The results of the analysis show that KDKMP is not necessarily successful because of the risk of domination of local elites that can turn cooperatives into new "fields of corruption". In addition, there is a hysteresis phenomenon, where old farmers experience a devaluation of cultural capital due to their inability to adapt to the forced digitalization of agribusiness. This program risks becoming a mere administrative symbol if it only pursues bureaucratic targets without the substantive participation of the community. Without transparent governance, KDKMP can strengthen power asymmetry and reproduce the initial capital inequality between actors. Further empirical and longitudinal research is needed in various rural areas to verify the real impact of the program on the welfare of farmers and test the effectiveness of financing mechanisms and habitus transformation in the field.

1. INTRODUCTION

The agriculture sector is one of the main pillars of the national economic structure and defense of the country (Hutagaol et al., 2026; Nuroni et al., 2026). However, the reality on the ground is contradictory, as peasants as primary producers are often trapped in a cycle of structural poverty due to an inefficient trade system and the dominance of intermediary players or intermediaries (Nuroni et al., 2026). Rural communities' economic independence is increasingly challenged by globalization and modernization and the need to survive in the more competitive market (Zahro et al., 2025).

Agriculture plays a very important role in Indonesia as the main pillar of national development, the largest labor absorber, and the foundation of food security in the country. However, at the rural level, peasants still face a few structural challenges, from lack of access to capital and technology to chronic dependence on middlemen or market intermediaries who often exploit small producers (Damayanti et al., 2025). This structural poverty is worsened by the poor social capital and institutional networks at the grassroots level, making it difficult for peasants to improve their bargaining positions in a competitive global economic ecosystem.

The government of President Prabowo Subianto has initiated a strategic program to develop 70,000 to 80,000 Koperasi Desa/Kelurahan Merah Putih (KDKMP) through Presidential Instruction Number 9 of 2025. On the basis of Law Number 25 of 1992 concerning Cooperatives, Law Number 6 of 2014 concerning Villages, Government Regulation Number 7 of 2021 concerning the Facilitation, Protection, and Empowerment of Cooperatives and MSMEs, Government Regulation Number 11 of 2021 concerning Village-Owned Enterprises (BUMDes), Presidential Regulation Number 197 of 2024, and Presidential Instruction Number 9 of 2025 concerning the Establishment of 70,000 Koperasi Desa Merah Putih.

The KDKMP program is not just a savings and lending institution but also an agricultural product off taker for price stabilization, a capital provider, and a micro-business aggregator to achieve independent communities (Nuroni et al., 2026). However, it cannot be understood as an administrative or technocratic challenge of changing agricultural development through the KDKMP program. The program's success depends on a change of mindsets and power relations at the rural level. This phenomenon can be recognized in the perspective of Pierre Bourdieu's sociology through a generative notion on the interaction between habitus, capital, and field (Bourdieu, 1990). KDKMP is a new 'arena' in the village where players such as peasants, administrators, and village leaders would compete and would generate different forms of capital, for instance, economic, social, cultural, or symbolic capital.

This transition revives the peasant's "habitus," an internal disposition system that has tended to be passive owing to poverty pressure, into a more independent and competitive habitus in the modern agribusiness ecosystem. However, the existence of the KDKMP program also has societal problems in the form of dominance of local elites. There is real concern in the community that these cooperatives can be abused by certain individuals so that they risk becoming a new "corruption field" or vulnerable to potential funding coverage that only benefits a handful of groups with strong political capital and kinship (Suyitno et al., 2025).

Without transparent, responsible, and adequate human resource management, the KDKMP program is at risk of failing to become an inclusive empowerment instrument (Suyitno et al., 2025). Previous studies have consistently found the contribution of agricultural cooperatives to improving farmers' welfare through improved market access, collective marketing, financial services, and technology adoption (Ahmed & Mesfin, 2017; Ma & Abdulai, 2016; Seneerattanaprayul & Gan, 2021). However, most of these studies mainly assess economic performance and household welfare outcomes using empirical or econometric approaches. In the meantime, the research on rural institutional change usually focuses on the effectiveness of governance and cooperative management, but they do not explain enough about the reconstruction of social relations, the redistribution of power and the change of farmers' daily practice by the newly constructed cooperative institutions. Thus, the sociological mechanisms of institutional change are understudied.

Moreover, while Bourdieu's Theory of Practice has been widely used in the study of education, culture, and social inequality, few studies have employed this framework to analyze contemporary agricultural cooperative policies and rural institutional transformation. There is little existing scholarship that looks at how a newly created state-sponsored cooperative might reshape the rural field through the interplay of habitus, economic capital, social capital, cultural capital, and symbolic capital. This limitation is especially crucial when considering Indonesia's Koperasi Desa/Kelurahan Merah Putih (KDKMP). The possible impacts should not be inferred solely based on governmental policy objectives but should be subjected to a critical sociological study. Therefore, this study fills the gap by treating KDKMP as a new social field where different actors compete, negotiate and accumulate different forms of capital that may influence the welfare of rural peasants.

Thus, this study aims to conceptually analyze the potential of the Koperasi Desa/Kelurahan Merah Putih (KDKMP) program to improve the welfare of rural peasants using Pierre Bourdieu's Theory of Practice, examining how the program may reconstruct the rural field, facilitate the accumulation and conversion of different forms of capital, and transform peasants' habitus. This study extends Bourdieu's theory of practice by conceptualizing state-sponsored agricultural cooperatives as institutional mechanisms that simultaneously reshape field structures and redistribute multiple forms of capital. Rather than accepting governmental policy objectives at face value, this study critically explores the sociological conditions under which such institutional transformation may or may not contribute to rural welfare improvement.

2. RESEARCH METHOD

This study employs an interpretive qualitative approach, combining qualitative content analysis with Hjarvard's mediatization framework. This approach suits the object of inquiry, since the construction of menfess messages is a meaning-laden, mediatized process that calls for deep textual and contextual interpretation rather than statistical reduction. Qualitative content analysis allows for the systematic identification, coding, and interpretation of meaning patterns within digital communication texts, while the mediatization framework helps illuminate the processes underlying message production and distribution under platform logic. The study is non-experimental and cross-sectional, based on naturalistic observation of data already published in digital space between January and March 2026, without any manipulation of the observed phenomena. Analytical depth is ensured through source and theoretical triangulation, with Instagram and Twitter/X as the primary research sites. The main actors observed are anonymous message senders and the audiences who respond to them, with analytical focus on their perspectives and experiences regarding social-justice issues.

The research design combines elements of qualitative case study with digital ethnography, supplemented by a simple quantitative component involving frequency counts of patterns to provide a more comprehensive picture of message-construction mechanisms. The population comprises all messages containing social-justice narratives published by active menfess accounts on Instagram and Twitter/X throughout January–March 2026. Using criterion-based purposive sampling, 50 messages were selected from five curated accounts based on the following criteria: verified active menfess account status, explicit or implicit social-justice narrative, use of Indonesian or mixed language, and a minimum of 50 public interactions. Data collection relied on non-participant digital observation and digital document analysis, following Mayring's (2014) six-stage procedure: transcription, immersive reading, open coding assisted by ATLAS.ti, focused coding via the constant comparative method, theoretical interpretation, and trustworthiness verification through credibility, transferability, dependability, and confirmability, with an inter-coder Cohen's Kappa ≥ 0.70 to ensure reliability.

3. RESULT AND DISCUSSION

Doxa, Heterodoxa, and Ortodoxa for Rural Peasants

Bourdieu said that the doxa was beginning to be challenged and could only be dismantled in times of crisis or in the event of drastic socio-structural modifications. Doxa could also be described as a “taken-for-granted” order, a set of basic beliefs, opinions, and shared perceptions, which are accepted as self-evident, unquestioned universal truths. When considering traditional rural agriculture, the dependence of peasants on middlemen and the practice of “ijon” are often seen as “natural” and inevitable (Nuroni et al., 2026). The oligopsony market structure prevails, a doxa that fixes an objective social structure, subordinating the peasant permanently. The KDKMP is a structural intervention that assists in creating this “critical moment.” KDKMP challenges the long-standing assumption that the market functions through a long and exploitative distribution chain by reducing the supply chain from seven layers to just two or three.

Note that the expected reduction of the number of agricultural marketing channels from some seven layers to two or three layers is an effect of the institutional design and policy target set in the Presidential Instruction Number 9 of 2025, and not an empirically verified result. Prior studies have shown that reducing the length of value chains and collective marketing through cooperatives can increase marketing efficiency and potentially improve farmers' bargaining power, although the extent of these effects depends heavily on local institutional capacity, governance quality and market conditions (Barrett et al., 2022; Ma & Abdulai, 2016). This paper thus deals with the proposed supply chain restructuring as a conceptual mechanism of the KDKMP policy framework rather than a proven empirical fact.

Heterodoxa is the acceptance of the existence of rival beliefs, which makes it necessary to move from action to talk and to create a field of opinion. Heterodoxa acts as a critical discourse that breaks the order of doxa, a fundamental belief that is considered natural and unquestioned in an arena (Wiranata, 2020). Heterodoxa is understood as the recognition of the possibility of competing beliefs that need a shift from everyday practical action to discursive exchange and the emergence of an arena of opinion.

For decades the doxa of dependence on middlemen and the Ijon system dominated the rural economic system. For example, in the agricultural distribution chain, there are rules of the game that have existed for a long time, where agricultural products are distributed from peasants, village middlemen, sub-district traders, city towns, main markets, and retailers to consumers. This process also

often creates inefficiencies among peasants, where peasants get very low prices, while consumers pay high prices. Peasants consider long distribution chains (5–7 layers) to be something that "just happens" and is inevitable. The presence of the KDKMP program brings heterodoxy by introducing a new logic: that the supply chain can be cut to only 2–3 layers and peasants can get a fairer price through the off-taker mechanism.

The intervention of the KDKMP program is supported by state policies based on Presidential Instruction Number 9 of 2025, which created this "critical moment." With the KDKMP program presented by the government, peasants began to question their subordinate position and realized that there was an alternative to a more sovereign economic system through collective ownership and local management. Through KDKMP, peasants are no longer just market objects but subjects who have bargaining power.

The discourse of "economic independence" brought by the KDKMP became an instrument to collapse the dominance of rent hunters (mafia) in the village. The KDKMP program is not just an economic institution but a heterodox carrier that reconstructs the way of viewing the village community toward the structure of economic power, from the original resignation to exploitation to organized independence. Orthodoxy is understood as a conscious effort to maintain or restore a doxa order that has been shaken by critical discourse or structural crises. When the rules of the game that were originally considered natural (doxa) were questioned through heterodoxa, orthodoxy developed so that the dominant group or state institution had to reinstitute a set of rules as the only legitimate and correct way to act in an arena (Wiranata, 2020).

The dynamics of rural agricultural development can be seen from the relationship between orthodoxy and the KDKMP program, namely, state intervention through Presidential Instruction Number 9 of 2025, which aims to overhaul the traditional agricultural arena. Thus, the off-take system and the forward contract mechanism, both heterodox at the beginning because they challenged the dominance of the middleman, have been formalized into a new orthodoxy in modern agribusiness practices. KDKMP creates a legitimate administrative and legality standard in the village through a compact distribution system (2-3 layers).

Digital orthodoxy generates a hysteresis dynamic in which older peasants with traditional habitus are more likely to struggle with the new Standard Operating Procedures (SOPs). But the KDKMP has this in mind, to reduce it, by placing "young village operators" as a bridge so that this new orthodoxy can still be implemented without ignoring groups that experience delays in adaptation. To summarize, the KDKMP is a strategic instrument for destroying the old exploitative doxa and building a digitalized, accountable, and sovereign agribusiness orthodoxy at the rural level.

The Relevance of Pierre Bourdieu's Generative Concept for Agricultural Development

Pierre Bourdieu's thought in "Theory of Practice" provides a thorough framework to comprehend the socio-economic dynamics in rural areas. The essence of this theory is formulated in generative relationships: $(\text{Habitus} \times \text{Capital}) + \text{Arena} = \text{Practice}$ (Wiranata, 2020). When considering agricultural development based on the Koperasi Desa Merah Putih, development practices are not only viewed as a technical-administrative implementation but also as the outcome of a dialectic between peasants' mental disposition, resource accumulation, and the structure of the social space in which they are located (Hutagaol et al., 2026).

Pierre Bourdieu's concept of habitus explains social inequality in the countryside by showing how objective social structures are internalized into the subjective dispositions of individuals to produce patterns of action that naturally reproduce that inequality. Habitus can be understood as a disposition system (a scheme of perceptions, thoughts, and actions) that is obtained from past experiences and lasts a long time in a person (Wiranata, 2020). Habitus can be simplified as a habit, disposition, or behavior of peasants that is embedded through the process of interaction and socialization that makes it a life experience for a long time and is carried until now by generations.

In the context of peasant habitus, we explain the existence of social inequality due to the presence of modernization that creates social changes so that it can affect the actions and behaviours of peasants in rural areas; for example, habitus connects social and individual dimensions. Members of the same social class tend to have similar structural positions, which form similar experiences and lifestyles. In the countryside, peasants from established family backgrounds inherit cultural capital and dispositions that are aligned with the formal system (such as education or banking), while poor peasants often feel that such opportunities are "not for people like them."

The values and norms of knowledge inherited by the ancestors of old peasants are slowly disappearing because of the changing times. For example, traditional agricultural systems, the use of traditional tools, and local traditions before farming until the harvest period, which is carried out with certain traditional ceremonial activities. Meanwhile, young peasants are associated with modern agricultural systems that are directly or indirectly dominated by modern knowledge that creates a different habitus from old peasants.

Thus, in the transformation towards modern agriculture (smart farming), there is a gap between the young generation who develop digital technology habits and older peasants who have traditional habits based on local intuition and wisdom. Peasants who do not have access to or the ability to technology risk being marginalized from the increasingly competitive agricultural sector. This phenomenon has a great influence on agricultural development in indigenous villages in Indonesia.

Capital, in Bourdieu's view, is not only about money but also all forms of resources that provide benefits in the arena (Wiranata, 2020). Capital can also be said to be the "driving force" that determines and strengthens a person in the position of social structure. The development of rural agriculture involves the mobilization of four types of capital with their own critical risks. First, economic capital can be said to be a financial and material resource that can be directly converted into money or institutionalized in the form of property rights. It is the most easily recognizable form of capital and is often the basis for other types of capital.

Second, cultural capital, which includes the broad challenges of property, such as art, education, and language forms. Here we can see that the village community has a culture of cooperation, which makes it a cultural capital. Besides that, in agricultural traditions in Indonesia, usually some peasants in Indonesia have certain traditions in managing, producing, and even distributing their agricultural products.

Third, social capital is a network of relationships, trust, and solidarity between villagers that are tied through cooperative membership, which is a collective guarantee. The power of this network allows individuals in villages to gain economic access that they could not achieve alone. Fourth, symbolic capital is a form of capital that has been recognized and legitimized so that it turns into prestige, honor, or reputation. This capital works through a mechanism of recognition and respect from others.

Transformation of rural agricultural development through the KDKMP program is highly dependent on the mastery of various forms of capital. First, social capital that is rooted in the value of cooperation and trust in local figures is the main foundation for the legitimacy of the formation of cooperatives (Pakabu et al., 2025). Second, cultural capital in the form of digital literacy and managerial skills is crucial in the era of agriculture 4.0; young peasants who have technological skills are better able to occupy a dominant position in this new system (Nirwasita Daniswara & Erwando).

Third, economic capital in the form of a revolving fund loan scheme and state budget support through the Revolving Fund Management Institution, namely Cooperatives and Micro, Small, and Medium Enterprises (LPDB-KUMKM), as well as providing resilience for peasants not to be trapped in informal debt. Finally, the KDKMP program creates symbolic capital in the form of community trust and recognition of the efficiency of cooperatives, which then becomes "lubricating oil" for the work of social mechanisms in the village (Daniswara & Erwando, 2025).

Furthermore, Pierre Bourdieu defines the arena (field) as a structured social space with positions occupied by agents or institutions. The rural agricultural arena in Indonesia is currently a battleground where there is a struggle for economic authority between small peasants, middlemen, and the state (Horvat, 2003; Wiranata, 2020). The arena has long been dominated by intermediary actors or middlemen, leading to market inefficiencies due to long distribution chains, often 5 to 7 layers (Nuroni et al., 2026).

Importantly, KDKMP's intervention through Presidential Instruction Number 9 of 2025 is intended to "occupy" or reorganize this arena. However, a sociological problem arises when the state comes to bring rigid rules of the game from the center (top-down). Bourdieu reminded us that when an institution (state) dominates the arena without the substantive participation of village civil society, it risks destroying local autonomy. If KDKMP is forced only to pursue national macro targets (such as food self-sufficiency), KDKMP can turn from an empowerment tool to a bureaucratic instrument that alienates peasants.

In the context of agricultural development, villages in Indonesia are seen as a field, which is a structured social space that contains competing forces (Wiranata 2020). For decades, this arena was dominated by an oligopsonistic market structure in which middlemen acted as the dominant actor who determined prices, while peasants were in a subordinated position. Therefore, the presence of the

KDKMP program openly functions as a reconstruction of the arena, one of which aims to cut the exploitative distribution chain, which was initially seven layers into only two or three layers.

One of the mechanisms that has existed for a long time seems to be that the KDKMP program wants to try to change the "old rules of the game" that have been considered natural (such as dependence on the *ijion* system) into a fairer system through the mechanism of off-takers and forward contracts that are considered the right rules and defend peasants as a whole. In addition, in some agricultural distributors, it may be considered as a rule offered in the KDKMP program that differs from a view that is considered reasonable among the community. Thus, the forerunner of the transformation of KDKMP-based agricultural development is focused on the rural arena as a new contest space for the central government, local governments, and villages in the peasants' entire supply chain.

The Program Koperasi Desa/Kelurahan Merah Putih (KDKMP) Program as a New Arena for Rural Peasants

According to Pierre Bourdieu, the arena is a structured social space in which actors and institutions struggle and compete for different forms of capital to attain a dominant position. The existence of the Koperasi Desa/Kelurahan Merah Putih (KDKMP) has brought a significant change in the rural agricultural arena that has traditionally been controlled by intermediary actors or middlemen.

This Finding indicates that the KDKMP program has created a counter arena (*heterodoxa*) to the old trading system. This policy was positively welcomed by the farming community because it was able to strengthen the distribution of agricultural products and reduce dependence that has been rooted in middlemen (Damayanti et al., 2025). This arena forces old actors to compete with state-initiated institutions. KDKMP emerged as a *heterodoxa*, a counter-discourse that challenged the establishment of the middleman system, which had been considered "*Doxa*" (something that was considered natural and undeniable).

The argument is that the presence of the state through the KDKMP is a systematic effort to disrupt the monopoly of information and prices. If so, far middlemen have controlled the arena through economic capital (instant loans) and social capital (patron-client relations), then KDKMP offers more stable institutional capital. This arena forces speculators to deal with entities that have a formal legal umbrella so that the previously heavy power relationship begins to shift in a more egalitarian direction for producers (peasants).

From a Bourdieusian perspective, KDKMP possibly provides institutional conditions that may enhance farmers' bargaining power through collective marketing, better access to market information, and reduced dependence on informal middlemen. However, whether these institutional arrangements translate into stronger bargaining power is an empirical question that needs further field investigation (Dan et al., 2021; Ma & Abdulai, 2016).

In the new arena, KDKMP functions as an instrument for redistribution of economic capital. The cooperatives play strategic roles in the empowerment of the community, providing more inclusive access to the economy and increasing the welfare of the village (Saputri et al., 2025). In this arena, KDKMP acts not just as a business entity but as a machine for redistributing economic capital. The sociological argument is that poverty in the village is often not caused by a lack of production but by the "leakage" of value that runs out of the village through intermediaries. By functioning cooperatives as production and distribution centers (according to the mandate of Presidential Instruction 9/2025), economic value continues to revolve in the village ecosystem. Cooperatives convert the fruits of peasants' sweat into collective economic capital that can be accessed by members again, creating economic independence that is no longer individualistic-atomistic.

The government policy, supported by the state budget and revolving funds, provides for eligible cooperatives to access financing facilities up to 3 billion rupiah through Cooperative, Micro, Small, and Medium Enterprises Revolving Fund Management Institution (LPDB-KUMKM) under preferential financing schemes to support operational activities and agricultural production inputs. The financing ceiling and preferential interest scheme, then, should be regarded as components of the financing policy of the government and not as a homogeneous empirical illustration that is valid for all cooperatives. The realisation of financing support will be dependent on the implementation of regulations, eligibility of cooperatives and performance of institutions.

The effectiveness of this financing mechanism therefore needs to be empirically assessed after the full implementation of the program. The goal of this financing modality is to improve peasants' economic resilience, to decrease their dependence on informal sources of credit. The KDKMP program also supports the accumulation of cultural capital in the form of technological literacy and modern

managerial skills. In this new arena, the traditional knowledge of peasants is being translated into a valuable technological competency, such as the use of applications like Tani Link to monitor prices and smart farming systems.

The development of the KDKMP program largely relies on mobilization of social capital. The value of cooperation, deliberation traditions, and the high level of trust in traditional leaders are central in accelerating the formation of cooperatives at the grassroots. A case study in South Manokwari Regency shows that (Pakabu et al., 2025). Analysis of the formation of KDKMP shows that social capital in the form of local wisdom (*gotong royong*) is the main fuel. However, there is a paradox that arises: despite the abundance of social capital, cultural capital (in the form of financial literacy and digital managerial capacity) is still very low. The argument is that without an increase in cultural capital that is in line with the development of technology, cooperatives are at risk of becoming a signage institution. Frequently, the gap between collective intentions and administrative technical capacities serves as a loophole for institutional failure, where the spirit of cooperation is diluted by the guarantee of administering a modern and transparent system.

KDKMP enhances social capital through institutional collaboration with BUMDes, banks owned by the state, and village governments. This network builds a collective trust and solidarity, which is important to maintain the sustainability of the village economy. The “Merah Putih” identity is the umbrella of Presidential Instruction Number 9 of 2025, which provides strong symbolic legitimacy for cooperatives as one of the pillars of national economic resilience. Being a member of a modern cooperative gives peasants a new social recognition within the framework of formal institutions and global markets.

The arena created by KDKMP ignited a contest between old actors (middlemen) and new actors (cooperative administrators and young, digitally literate peasants). Young peasants with digital cultural capital tend to have dominant positions faster in this arena, while older peasants often feel the effects of hysteresis. The gap between their traditional habitus and the new digital structure. However, with the synergy of business units such as basic food outlets, village pharmacies, and cold storage, KDKMP intends to integrate all elements of the village community into a more equitable and competitive economic ecosystem. The KDKMP is not only an economic institution but also a socio-cultural force that restructures the habitus of peasants through a more equitable accumulation of capital in the reformed rural arena.

Transformation Peasant Habitus in the Ecosystem of the KDKMP Program

The transformation of the rural peasants’ habitus in the KDKMP ecosystem is an internal disposition restructuring process of the peasants who were initially based on traditional and subsistence practices into a modern agribusiness mentality that is digitally literate. Habitus, as a system of dispositional tendencies internalized from past experiences, is now forced to adapt to a new objective structure within the agricultural field that is being reconstructed by the KDKMP (Nuroni et al., 2026).

Digital agriculture platforms, farm management applications and cooperative information systems have increasingly promoted tools to improve information transparency, production planning and market coordination among farmers. The study does not focus on a specific application but instead conceptualizes digital platforms as a broader manifestation of digital agricultural innovation in recent smart farming and cooperative digitalization research (Javaid et al., 2023; Rose, D. C. et al., 2021).

Peasants who used to work on intuition, tradition, and local authority are beginning to work on a new logic based on sensor data, microclimate monitoring via smartphones, and transparent supply chain management. Not just a change of tools but a sociocultural force that re-negotiates the way peasants think, feel, and act in the field (Daniswara & Erwando, 2025).

The dependence on middlemen and the *ijon* system has been a doxa of truth for decades, which is considered natural and unquestioned in rural communities. The KDKMP ecosystem breaks this order by being an off taker (standby buyer), providing price certainty through a forward contract mechanism. This change in the rules of the game forces the habitus of peasants to change from an exploitative pattern of patron-client relations to an organized economic independence through cooperatives (Nuroni et al., 2026).

From a Bourdieusian perspective, however, changes in the objective structure of the field do not necessarily always translate into changes in habitus. Since habitus is historically embedded and reproduced through long-term socialization, peasants may continue to rely on familiar patron-client relations even when new cooperative institutions become available. Therefore, KDKMP should be viewed as providing institutional opportunities for gradual transformation rather than guaranteeing an immediate change in farmers’ practices. Studies of agricultural cooperatives also show that behavioural

change depends on accumulated capital, learning processes and local institutional contexts rather than cooperative membership alone (Dan et al., 2021; Ma & Abdulai, 2016).

Capital conversion accelerates the transformation of habitus. The KDKMP facilitates the accumulation of cultural capital in the form of technological literacy and modern managerial skills. If peasants can make production more efficient and the quality of the harvest better with cooperative technology, then that success becomes symbolic capital (trust and status). It generates a new "sense of sales confidence" in which peasants no longer feel like market objects but active subjects in the agribusiness value chain (Daniswara & Erwando, 2025).

Furthermore, the conversion of economic, cultural and social capital is unlikely to be even for all members of the cooperative. Farmers with higher levels of education, better digital literacy skills, larger social networks or better initial economic conditions are more likely to benefit from the new institutional arrangements than farmers with limited access to such forms of capital. Hence, KDKMP can both provide opportunities for empowerment and reproduce inequalities by not fully addressing the differences in initial capital (Javaid et al., 2023; Rose et al., 2021).

The transformation of the habitus does not happen evenly, leading to a phenomenon of hysteresis of mismatch between the old habits and the new arena that changes rapidly (Wiranata, 2020). Young peasants learn to build a "technological habitus" by learning on their own and quickly adapting to e-commerce platforms, which makes it easier to occupy dominant positions in new arenas. Older peasants are often trapped in traditional "social habits" based on face-to-face interpersonal trust, so they feel like "fish out of water" while undergoing digitalization and suffer from social suffering.

The transformation of habitus within the KDKMP ecosystem should be understood as an ongoing and contingent process rather than a completed outcome. By facilitating the interaction of economic capital (revolving funds), social capital (cooperation), and cultural capital (digital literacy), KDKMP provides institutional conditions that may encourage the emergence of new social dispositions supporting greater rural economic autonomy. However, whether these institutional arrangements ultimately reshape farmers' perceptions and practices requires empirical verification through longitudinal field research after the programme has matured.

"The positive impact of the establishment of KDKMP is increasing mutual trust and intensity of cooperation between peasants" (Damayanti et al., 2025). The habitus individualism began to fade because the cooperative ecosystem encouraged the strengthening of social capital in the form of work networks and the institutionalization of collective norms in managing crop yields. The habitus of peasants that had previously tended to be individualistic (mainly due to competition for survival) began to be pushed towards collectivism. The argument is that cooperatives create an "environment of action" where cooperation provides greater benefits than competition between fellow peasants. When peasants start to see the benefits of collective sales, trust becomes more than moral jargon; it becomes a rational strategy for survival.

But more collective organization does not necessarily overcome existing power asymmetries. Institutions can also produce new forms of domination through institutional transformation, as actors with more symbolic, social or political capital adapt to the new rules of the game, in Bourdieu's field conception. Thus, village elites, cooperative managers or local bureaucratic actors may occupy strategic positions in the cooperative and influence decision making processes, rather than substituting them by reproducing unequal power relation. This potential underscores the need for transparent governance, democratic participation and institutional accountability to guard against elite capture (Barrett et al., 2022).

The process of habitus transformation did not go well because there were still institutional and administrative literacy constraints in village administrators (Pakabu et al., 2025). Without systematic strengthening of human resource capacity such as mentoring and training, passive habitus will easily reappear, and old dependency will shift to the elite of the cooperative bureaucracy.

The biggest risk in this transformation is the emergence of a new "habitus of independence." If the cooperative's management is closed and not transparent, peasants will stop participating and return to passivity, just waiting for instructions from the management. The argument is that the transformation of habitus will fail if cooperative management only replaces the position of middleman with the position of the equally dominant "management elite." Therefore, members of education on an ongoing basis are indispensable to ensure that peasants remain the highest authority holders in cooperatives.

Political Dynamics and Transformation of Rural Agricultural Development

The dynamics of agricultural politics in the transformation of rural development through the KDKMP program are a manifestation of the restructuring of the social arena triggered by the massive intervention of state power. From the perspective of Pierre Bourdieu, KDKMP aims to break the old doxa, which is a belief that takes peasants' dependence on middlemen and the *ijon* system as an inevitable natural order, by bringing in heterodoxia in the form of economic independence discourse. The government hopes to create a new orthodoxy in which digital agribusiness practices, management transparency through the KOPDESA application, and offtake mechanisms become the only valid administrative standards in the village through Presidential Instruction Number 9 of 2025.

This phenomenon constitutes a political battle of power, involving contestations over different forms of capital. Here, there have been tensions between the central government and village governments regarding budget autonomy, with regulations such as PMK No. 7 of 2026 that require a 58.03% cut in village funds (or the equivalent of Rp 34.57 trillion) considered a form of budget normalization imposed from above. The use of the "Merah Putih" identity is a powerful symbolic capital to eradicate the "sectoral ego" within the bureaucracy. At the field level, however, active participation of the military (Babinsa) in supervising the project is an indication of the efforts to discipline the rural space that on occasion generates land conflicts with the local communities.

This transformation systematically causes peasants to change their habits from the traditional habits of intuition and local wisdom to the habits of agribusiness based on data and technology. However, this very rapid change in the arena towards digitalization has caused a hysterical effect, especially in the older generation of peasants who experience a devaluation of cultural capital due to their inability to adapt to digital technology, so they are at risk of being marginalized by more technologically literate actors.

Economically and politically, the state plays an active role in dismantling the oligopsony market structure of middlemen with the off-taker mechanism (standby buyer) and planting contracts (forward contracts). This dynamic also includes the contestation of modern retail capitalism and the state-normalized model of the people's economy. The government limits the expansion of large retail in the village to provide monopoly space for the business units of KDKMP.

The dynamics of agricultural transformation in the village through the Koperasi Desa/Kelurahan Merah Putih (KDKMP) is a comprehensive process of reconstruction of rural social space, including changes in economic structure, strengthening technological capacity, and shifting peasants' mentality. This transformation can be seen from the sociology of Pierre Bourdieu as a dialectic between the creation of new arenas, the accumulation of different types of capital, and a change in the habitus of agricultural agents.

For many years, the rural agricultural arena was dominated by inefficient market structures in which middlemen acted as the dominant actor. The practice of dependence on the *ijon* system has become a doxastic something that is considered natural and unquestioned by peasants despite the detriment. This can be from the presence of KDKMP to break the long distribution chain from 5-7 layers to only 2-3 layers. With the forward contract and buffer stock mechanism, KDKMP provides price certainty and market absorption. This destroyed the dominance of rent hunters and introduced a new "rules of the game" that was fairer to producers.

KDKMP acts as a collective forum to collect various forms of capital that have been limited to smallholders. Each cooperative receives a loan ceiling of up to Rp 3 billion with low interest (6%) to fund production inputs through the revolving fund scheme and state budget support. The main pillar is digital transformation, using applications such as Tanilink and the AI-integrated KOPDESA system. Online literacy is a new cultural capital that enhances operational efficiency and transparency of prices. KDKso, reinforces solidarity in the village institution on the value of cooperation and trust. The identity of "Merah Putih" has strong symbolic legitimacy for peasants against the modern banking institutions and markets.

The presence of the digital ecosystem and modern management in KDKMP stimulates changes in the habitus of peasants, which is an internal disposition system that directs the way of thinking and acting. Peasants are beginning to shift from the traditional logic of intuition to a logic of data-driven agribusiness that is planned and adaptive. Farming has become an activity that no longer only provides subsistence but is also part of a professional global value chain. This transformation produces an adaptation gap. Young peasants develop a "technological habitus" faster; older peasants often show hysteresis. The space between the old predisposition and the new digital requirements.

KDKMP addresses this by providing technical support and deploying "young village operators" to guide the older members. The dynamics in the KDKMP show that agricultural transformation is not simply a mechanical problem but rather a socio-cultural force structuring power relations in the village.

KDKMP aims to make peasants the main sovereign subjects in the rural economic ecosystem through capital synergy and habitus renewal.

4. CONCLUSION

The KDKMP program is a structural intervention that seeks to rupture the exploitative doxa of middleman dependency through the instantiation of a heterodox logic of economic sovereignty. The state attempts to reconstruct the rural field through Presidential Instruction Number 9 of 2025 by formalizing digital agribusiness as a new orthodoxy. But this analysis suggests that KDKMP is not necessarily successful. One of the main problems is the phenomenon of hysteresis, which is a devaluation of the cultural capital of older peasants due to forced digitalization, and the traditional habitus of older peasants. Furthermore, in the absence of genuine community participation, the new arena could be easily captured by local elites with better political and social capital, transforming cooperatives into new “fields of corruption”. If KDKMP remains a top-down bureaucratic instrument, it may only reproduce initial inequalities and cement asymmetries of power. There is a need for field research in each village to evaluate the real impact of the KDKMP program on the welfare of farmers.

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