

Welfare Logic: Government vs Community in Mining Development Conflict

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Abstract. Mining is often debated between stakeholders in the name of “welfare”. Different ideas have led to conflict in many cases, leads to what we called as “resources curse”, that instead of resulting in common good, mining is attributed with the source of common suffering. How is actually “welfare” idea developed differently by the government, known usually as the pro-mining, and community, known as the against mining? This article depicted differences in terms of conceptualization of welfare including understanding, orientation, and beneficiaries’ coverage that leads to tensions between different parties, especially between government and community. Applying literature reviews and a snapshot of case study, this article identifies that government understands welfare in mining as employment maker and local income source. Meanwhile, for community, despite creating few jobs, as many more others are not covered, mining is understood as destroying nature as source of their life. Welfare for community is a secured fishing and farming. Secondly, for the government, mining is oriented to solve current economic problem. For community, welfare is not for short-term. It is expected to sustain in the long term. Open unemployment and government income is not community’s current problem; it is the government’s problem. Problem for community is when they are unable to fish and go farming anymore. Finally, for government, mining is for the nation’s economic advancement. For community, it is a question for them whether what is called “nation’s economic advancement” has to be always achieved through the suffering for others, because the fact is mining has to often displace those directly affected by the development.

Keywords: Welfare Logic, Government, Community, Mining Development

1 Introduction

This paper discusses contesting discourses between the government and community about welfare that lead and explain conflict against mining development in local Indonesia. This paper is based on research in several areas having experienced conflict against mining in local level since 2019-2020. This research collected cases from the Java and outside Java areas and try to figure out common argumentations that become the source of tension between the state and community.

In many cases, welfare, becomes the debated concept between the government and community that leads to contrasting position towards mining, as between the pros and cons. On the one hand, in the name of „welfare“ government imposes policy to force community to accept the mining development. On the other hand, applying „welfare“ discourse too,

community reject the idea and form collective movement to express their refusal towards the policy.

Revealing government's debate with community towards the discourses of „welfare“ is interesting, because we use to see community, especially who in rural areas, as uneducated ones, and thus, are not able to rebut the government on particular policy issues. In fact, based on our research findings, despite the fact that people are living in rural geographic area, community are an active entity that does not have hesitation to rebut the government's argumentation.

Dealing with this, Fischer [1] has asserted that local people may form interpretive discourse together with experts through policy dialog. Yet, the idea of policy discourse is still dominated by scholarly and political elites [2][3][4]. Scholars focusing on discursive politics in public policy hardly pay attention to discourse produced by lay people [1][2]. They tend to place citizens (lay people) vis-à-vis experts, in which the first is identical with less expertise or knowledge, but counted as important in forming participatory planning, and the second has more expertise, but may not contribute to the strengthening of democracy in policy making. In accordance, the discussion of citizens in discursive politics is mostly focused on deliberative democracy [1] and how to accommodate citizens' wants and aspirations in highly complex and technological based policies [2]. With this kind of assumption, citizens remain placed in the lowest rank of parties counted in interpretive communities.

Many of us assume that local and especially rural communities are less educated than people in urban areas; they are considered weak, passive and bereft of ideas about complex policy issues such as mining. In fact, in many cases, local people are active, passionate and intelligent citizens who have the ability to debate with opposing parties, whether it be their fellow neighbors, the government, corporations, or even academicians. There are many cases where grass-roots people choose to fight against policies. In Indonesia, this can be found in the cases of gold mining in Tumpangpitu (Banyuwangi regency, East Java province), iron sand mining in Mirit (Kebumen regency, Central Java province), cement factory establishment in Sukolilo and Gunem (Pati and Rembang regency, Central Java province), oil and coal mining in Kutai Kartangera and Kutai Timur (East Kalimantan), as well as mining in East and West Nusa Tenggara.

Most of scholarly works explain conflict in natural resource governance from the policy substances as (forced) land acquisition [5], environmental impacts [6], employment relationship [7], and Corporate Social Responsibility (CSR) [8]. Some of them relate with the quality of governance in sub-national level [9]. Meanwhile, those focusing on the idea contestation is not many. Dougherty [10] is amongst the few to discuss this. In his findings, mining tends to get refused by community who prefer health and environment. For those who outweigh economy against health and environment prefer to agree mining policy. Equally, community who trust the state/government tend to agree with mining. Conversely, community who trusts more religious institution disagrees with mining. Dougherty's findings are important because they map explanation of agreement and disagreement. However, further scrutiny on how these understanding and attitudes are getting contradicted with the governments has not been much scholarly discussed.

It is realized that community is not singled in perspective. They are varied in terms of views towards mining development and policy, including especially those in the mining inner rings. However, as commonly conflict happens between the government and community, despite the variety of views in the grass root, community in this case is meant to be those against the policy.

It is expected that this study will contribute to the further mapping of policy science, especially that relates to the area of policy discourse, by including lay people as a subject of study. The topic is important, because, in the issue of development policy, assessing the discourse conflict between the state and the community is still far from sufficient. By elaborating this into research, this paper means to shed more lights on the agenda setting contestation between the subject and object of policy.

2 Method

This paper is a result of reflection from various research since 2009 up to 2020. The research itself is part of research project in natural resource governance in Java and outside Java islands. The data collection is based on direct observation, in-depth interviews and desk reviews towards the existing policy and report documents on the issue during 2009-2010, 2012, and 2018-2020 in small, medium and large scale of mining development. Research in Java are on the small and medium scale mining, while in outside Java is on large scale mining. Interviews were conducted to policy makers, non-government organization activists, and community members to capture the perspectives about mining, and how they are conflicted between one and another. This research content analysis, mapped both from media publishing and statements during interviews, as a way for data analysis.

3 Result

Based on our research findings, confirming Doughertya and Deonandan [10] roots of conflict against mining between the government and community are, first of all, related to the economy as contrasted to other interests, may it be environment, health, unequal access and so forth. In the context we study, this so called „economy“ is identified with the notion of „welfare“, contested in the definition in policy proposal and advocacy amongst the conflicting parties.

Table 1. Welfare Logic Government vs Community

| | Government | Community against the Policy |
|-------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Land issue | Not doing any facilitation for making sure that people were well informed about the mining policy planning | Not fully informed about the further use of the land being sold to broker |
| Employment access | The factory was mentioned to absorb unemployment. The factory establishment can result domino effect for community. | Only at the first stage of factory building people were employed. Afterwards, there are no many people employed in the company as miners. For community, employment means cultivating land and being farmers. |
| Income | The company for the government could increase local income | For community income is from farming, which are affected by mining, not for government budget |

| | Government | Community against the Policy |
|-----|---------------------------------------------------------------|---------------------------------------------------|
| CSR | CSR is seen as benefit of having company operated in the area | CSR is mainly for politician's political campaign |

Based on observations and desk reviews, it is found that root problems of conflict mostly and firstly deal with access. The form of problem is commonly land grabbing, in which community are forced to devote their land to corporations through repressive ways, as happened in West Nusa Tenggara during New Order.

Post-*reformasi*, land grabbing is still practiced, yet sometime manifested in the other forms of grabbing. The most common one is through unfair land selling brokerage. In the case we study in Central Java, model of brokerage is done through the spreading of false information to the community surrounded mining area by politicians. Community is not clearly informed that their area is supposed to be mining areas. Meanwhile, land of community has been long abandoned because the area is relatively dry, and the agriculture development and supervision by the regency government were not effectively conducted. Community did not see the added value of their land. Politicians came to the area to buy land. They hid the real information, and kept it for their selves, and rather told the community that their area was going to be used for castor tree plantation. They persuaded community to sell their land, and in order to encourage the community to release their land, they told the community that they could still cultivate their land, although it is no longer theirs. For those not getting used to hold cash, as community in rural area, hearing such a sweet offering was very tempting. Some community released their land, yet two years later, company came to the area and had a transaction to the rest of the land owners with a much higher price. The firstly released land was also sold to companies, and thus, the politicians gained multiple benefit. Off course, finding this fact, community who previously released their land to the manipulative politicians get mad, and thus resistance was unavoidable. Later on, when the government promoted the policy to the public, in the name of welfare, responding to the protest of the community, this, indeed, sounds non sensible.

“At first, people were not informed that the land their sold is for mining (for backing cement factory up). Because they did not cultivate the land, they agree with the selling. They just knew the exact information lately, after the company coming for observation.” (An informant, visited in 2018).

For community, it is clear, welfare is when they could cultivate their land, or, if they choose to sell it, they can have fair price and not manipulated by other parties. Where is the government when all this false-doing happens to community?

The second root of conflict is employment access. In their campaigns, sub-national government often used opportunities of employment as justification to release permission for mining development. They presented the problem of open unemployment which rooted for years in the regions, and made an image that mining is as if a miracle from God as a sudden solution. Based on our study in another part of Central Java, it is also revealed that the sub-national government considered opportunity of employment as main reason for supporting the mining policy planning, as if people in the area were not employed. The employment argument is strong, that in some cases many people surrounding the planned mining area take it as a new hope too for better future. In some areas, people could remain consolidated and consistently refused mining policy planning. In some other cases, due to new hope of employment and higher income, people were divided into pros and cons. In the early phase of planning, the company did recruit local people to be construction laborer. Afterwards, indeed,

recruitment did not happen. The only opportunity for getting job in the mining business is through being the supplier of materials, which off course not all people are enabled to do that. It would need big financial capital and strong networking with the company to be its partner in the business. As a result, only few people can access this, and those people turn to be rural elites. Welfare, again, is not distributed widely for community.

Dealing employment, what is then welfare for community? Having opportunity to remain cultivating land is welfare. Based on an interview in a regency in Central Java, a group of people asserted, "We are just enjoying our success in onion farming, after decades this land getting unproductive. We were helped by farming scholars to develop the land for years. After all the processes, we could cultivate this land, and now we have income. We enjoy farming. We do not want to sell our land for mining." Another group of people in another part of Java also asserted, "We live well with farming. Who said this is a dry area? We could still cultivate our land. You can see, we have good corn harvest and rice. We do not need mining. We only need to be allowed farming and enjoy our clean environment." Thus, the main question is, who is the mining then for? Community has their own version of employment, but government with its authority forces theirs, which in fact nothing. In some regencies in Java Island, community surrounding mining area remain excluded from job access, and thus, employment as reason to support mining for the government is only justification.

While "welfare" for the government is employment, which is often proved to be not proved, further, for community "welfare" is clean air, free from noisy days, and have good relationships with neighbors. In a regency we visited, a community member told us that their life change following the establishment of a mining company in their area. The change, instead of bringing the betterment, bringing some problems. This comes from dusty air they now have to live with, as well as sound of explosion in the mountain due to stone mining. This is not to mention health risks in the future due to the decreased quality of environment. Referring to Utembe et al. [11], amongst the risk of mining not being taken into account seriously by the government is future risk of health. There have been concerns on the bad impact of mining, including coal and cement, for community's health. Article33, an Indonesian non-profit organization, has identified that mining has caused the decreasing quality of water and air, increased prevalence of respiratory diseases and infant mortality (2018). They scrutinize Basic Health Research Report provided by the Ministry of Health, and analyze health conditions in areas surrounded by mining companies, as well as tracking the health spending funded by National Health Insurance Scheme (known as BPJS) to track the impacts. Based on Article33's identification, community in mining areas tends to have higher prevalence of respiratory diseases and infant mortality. This finding can also be traced in Juniah et. al.'s finding (2012) [12] in which respiratory diseases becomes the main issues of people surrounding mining regions.

Further, "welfare" for the government is identified with government's income. For community, this does not make sense. Who is the government to take income from the mining at the cost of community's suffering? Based on our finding, community prefers something concrete for them. Government income, if any, for them, is not something they can directly feel the benefit. Moreover, with the current law of decentralization (Law No 23/2014), the sub-national government may not charge the mining companies with tax or retribution, because they are the national government's authority object. This bureaucratic kind of benefit, for community is not beneficial at all. Therefore, the idea of government income sounds questionable.

Finally, the government also often mentions CSR (Corporate Social Responsibility) as another benefit for having mining companies operating in their area. They mention that CSR

fund can be used to train community so they have better skills in farming, home industry, support their children education, and so forth. The government places CSR as if it is a really good alternate way for community development. In theory, this seems to be promising. For community, CSR remains an inaccessible opportunity. In CSR, community remains an object. Community is deemed not to have skills to manage CSR fund, unaccountable, and unable to set a right priority in utilizing CSR fund. Therefore, company usually also does not have trust to community in order to manage the fund. As a result, the fund is devoted to the so-called professional organization, which are not always sensible towards the local context. Sometime, CSR fund is even taken by politicians utilizing their authority in the local politics. In some regencies in Java, it is not rare that the CSR fund is used to support politicians' campaign. They spend the fund to buy sarong or clothes, and put them into package, and in Eid day, they distribute the package to the people across the regions, in order to make an image that they are generous for the community. Where is the empowerment value of this? Again, community is not counted, and they are merely made as an object. Therefore, it is understandable should the community within the inner rings of mining express their protest. All of these things are carried out at the expense of their lost land, broken neighborhood relationships, and exhaustion of protests.

It is understandable that mining needs to be seen from the macro-perspective. Tax charged by national government may be used for supporting national development. However, considering the community's views and experiences, as well as expenses, towards this remains important in order to avoid the accusation that mining is only to support "national welfare at the cost of local injustice". The government needs to find a way of development policy that are not disadvantaging local people for the sake of what they call as the national interests. Considering the way the local people have their own understanding towards development, including mining development, becomes important.

Experiences of some regencies in Java and outside Java as discussed above let us know that discourses and logic of community is a crucial part of discourse construction to be counted in policy making. Based on the discussion above, we can see that somehow government's logic is not sensible and tends to be coercively applied as a justification for policy planning. This allows us to question why? Whether the government is pushed by politicians? Who does the government work for? By elaborating conflicting discourse between the government and community, we are allowed to understand the roots of conflict in mining policy in sub-national level, and how this shape the local policy dynamics.

4 Conclusion

Based on the discussion above we can see that community is a critical entity towards development. Counting the community's discursive logic as contrasted to the government's allows us to have a clear picture about the roots of conflict in mining policy. Government is too often not open for public discussion in terms of making policies as mining industry development. High political interest, high pressure towards the government from higher hierarchy (national politicians, political parties), as well as pragmatic consideration may explain the short-minded thinking of mining policy decision making. Yet, more deeply scrutinizing whether the government's logic is logical as compared to the one owned by community can be the first gate to check the policy relevance. Mining is often justified with the idea of "welfare". However, questions about "what welfare" and "whose welfare" in

decision making is never contested in the official desk. It is often the government's justification that is used as a basis for decision, although it is clear that the justification is often not sensible. By elaborating the conflicting discourse on discourse logic, this paper sheds light on the reason, why conflict is often occurred in policies like mining, and leads to the understanding that mining is a contentious politics. As long as the policy is applied an illogical logic as a justification, people will always question. Democratizing the room for policy discussion, as well improving equality access can be an alternate way for solving this problem.

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