Gold Mining Related Conflict in Tumpang Pitu Banyuwangi East Java

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Abstract: This paper examines the existence of gold mining in Tumpang Pitu Banyuwangi which impact community conflict. The presence of a gold mining company transforms the natural landscape of Tumpang Pitu from protection and water catchment areas into extractive quarry areas. The protracted conflict which involves many actors, creating tidal dynamics and escalation of the conflict like peacetime, tension, and violence, through pre-conflict, confrontation, crisis, post-conflict, and conflict. This study uses the qualitative method to obtain in-depth data about the picture of the conflict in the community. The conflict occurred as a result of gold mining companies causing degradation of the protected forests that cause water resources polluted and reduced in the communities. There is pollution of seawater and soil due to the disposal of gold waste, resulting in decreased agricultural yields and fish catch for farmers and fishers. This conflict involves various parties such as corporations, governments, non-governmental organizations, farmers, fishers and tourism activists. The period 1995-2006 is a pre-conflict that occurs between communities, companies, and governments. In 2006-2014 the confrontation phase, 2015 crisis and the peak of the conflict were anarchism, 2016-2017 stages of post-conflict and consequences of unrest and violence that harm the company and the community.

1 INTRODUCTION

The study of natural resource management conflicts in several regions in Indonesia exists everywhere, namely the perspective of regional authorities in managing these natural resources. There are two schools in analysing the perspective of natural resource governance, the anthropocentric perspective and ecological perspective (Jati, 2012). Anthropocentric perspectives see that natural resources exist to meet human needs so that people can use them as much as possible. However, an ecological perspective sees that natural resources are created, which requires a balance between the needs of nature and humans because both creatures need each other.

The conflict includes the acquisition of communal-based natural resources from the people in the name of increased income and economic growth. So at this level, the regime acts oligarchical repressive by trying to prioritize the interests of the elite economy rather than the economic interests of society. The implication that arises is that the economic resources of the community get the recognition in the economic development.

Conflict of natural resources is relatively rampant in gold mining in Tumpang Pitu, for example, conflict over water resources in Bali (Cole, 2012) and Sukabumi (Fitri, 2014); conflict in conservation areas (Kuswijayanti, Dharmawan, & Kartodihardjo, 2007) and agrarian conflicts in Urotsewu (Cahyati, 2014); and conflict over the curse of diamonds (Nashih, 2014). As quoted by Cahyati (2014), the relationship between conflict and natural resources is through three ways, according to Alao (2007), namely resources as a cause of conflict, resources as factors that extend conflict, and resources as means to overcome conflict.

When referring to Le Billon (2001) (Paivi, Gleditsch, & Gilmore, 2005) and O’Lear (2005) (Billon, 2001), the abundance or scarcity of resources can create conflict. Conflict arises due to the lust of greed to get the maximum benefit from abundant resources; conflict can also be the cause of struggle for scarce resources to survive.

Tumpang Pitu in Banyuwangi Regency has the potential of natural resource wealth in the form of gold and copper. However, the emergence of disputes or social conflicts followed the abundance of gold in Tumpang Pitu. The conflict occurred involving
various parties such as the local government (district and district DPRD), mining companies and communities around Tumpang Pitu.

The existence of gold mining in Tumpang Pitu has an impact on changes in the natural landscape and the potential for socio-economic impacts on the lives of the surrounding communities. Changes in the natural landscape can be seen from changes in the Tumpang Pitu area and its surroundings which initially included protected forest and limited production forest as the extractive mining areas. This change in the natural landscape is not only a change in the status of a region, but the operation of mining has the potential to cause environmental pollution in coastal and marine areas. Environmental pollution will have an impact on the activities or livelihoods of fishers and tourism activists. The operation of mining is suspected to result in disruption of the availability of water resources and the occurrence of drought for farmers. Therefore, one of them appears to be a rejection of mining operations.

Conflict over the existence of mining in Tumpang Pitu began in 2006. In 2006, the permission Tumpang Pitu area exploration was published and planned the scheme of the exploitation phase. This exploitation condition keeps paradoxical damage to natural resources in the surrounding environment which are increasingly severely damaging. It is the source of the conflict phenomenon because the community does not maximally enjoy the distribution of natural resources. There are many conflicts over the ownership of natural resources which involve many trinities of actors such as government, people in business, and the local community. Therefore, this research is to examine the dynamics of gold mining conflicts, relations between the parties related to resources or the environment, and environmental changes and their impact on the surrounding community.

Based on the problems described above, the research questions are as follows:
1. How did the history of Tumpang Pitu conflict arise?
2. How do the conflict and the escalation occur with the presence of gold mining in Tumpang Pitu?
3. Whom did the actors involve in the conflict at Tumpang Pitu?

2 THEORETICAL STUDIES AND LITERATURE REVIEW

2.1 Conflict

Fisher et al. (2000) interpret conflict as a relationship between two people/groups who have different goals. Unlike conflict, violence in the form of actions, words, and behavior that cause physical, psychological, social and environmental damage. According to Ritzer (2005) three main ideas that underlie conflict: (1) society is always in a process of change that is marked by a continuous conflict between its elements; (2) each element will contribute to social disintegration; and (3) the order contained in society is caused by pressure or force from above by the ruling class. Fisher (2000) divides the factors that cause conflict, namely: (1) Power is power, legitimacy, authority or the ability to force others. Power can be derived from authority, access to resources, networks, abilities/expertise, information and resources caused by one's personality; (2) Culture determines how people think and act. Cultural differences often cause conflict; (3) Identity. Conflict often arises due to the imposition of or not the recognition of a particular identity to a person or group of people or because of the appearance of prejudice; (4) Gender is a difference between men and women who are socially constructed which results in power differences between men and women. It tends to cause conflict potentially, and (5) Rights are dimensions of social and political conflict. Similarly, Fisher et al. (2000) explained that conflict changes every time, through different stages of activity, intensity, tension, and violence. Fisher et al. (2000) describe five stages in a conflict that generally arise after a group or individual can identify the cause of conflict.

The long-standing conflict of parties in Tumpang Pitu will be analyzed through conflict escalation so that the dynamics of conflict will surface.

2.2 Political Ecology

Blaikie and Brookfeld (1987) define political ecology, as quoted by Afiff (2009) (O'Lear, 2006), as the concerns of ecology and political economy in a broader sense "(an analysis that concerns ecology and what is known as political economy). The political ecology approach examines politicized environment by understanding environmental changes referring to political and economic processes (Fisher, Andi, Ludin, Smith, Williams, & Williams, 2000).
According to Robbins (2004) as explained by Cole (2012) there are four dominant narratives in political ecology, namely: (1) Degradation and marginalization; (2) environmental conflicts; (3) Control and conservation; and (4) environmental identity and social movements. Political ecology positions power as a key concept, besides involving actors such as the state, multilateral institutions, business people, environmental NGOs (environmental nongovernmental organizations), and local actors (grassroots actors). Bailey (2007) With the power of one actor can control the environment of other actors. How to control actors against the environment of other actors through: (1) controlling the diversity of environmental resources by monopolizing valuable environmental resources; (2) controlling the priority of environmental projects and programs carried out by the state to overcome problems; (3) control through discourse or ideas.

Therefore according to Bryant (1998) research on political ecology prioritizes understanding the political dynamics surrounding the material struggle and environmental discourse. In this research, political ecology approaches to analyze changes in natural resources / environment and relations between factors related to the environment so that this research attempts to trace the occurrence of environmental degradation and conflict and marginalization.

There are not many regions in Indonesia that implement ecological management in governance because it is the same as wasting themselves into rich areas. The demand to raise local revenue (PAD) is the main motivation for governance itself to be absolutely state and corporate property? The implication that arises later is that there is a structural income inequality in which the government gets richer while the people suffer even more. This phenomenon is often referred to as the curse of natural resources that the true presence of natural resources to bring prosperity, instead, presents rivalry and suffering. The weakening function of the state towards corporations and markets creates resistance from the public to rise up against these injustices.

The Tumpang Pitu gold mining research was analyzed using conflict theory, especially regarding conflict escalation. Because the gold mining conflict lasted relatively long and long so it was important to see the dynamics of the conflict. To sharpen the analysis of natural resource conflicts in Tumpang Pitu a political ecology approach is also used. This approach is to see environmental problems / changes such as pollution and so on, and their impact on society. Likewise, political ecology deepens the relationship between parties or actors related to natural resources or the environment. Therefore, this ecological-political study has always criticized and questioned the concept of political economy in developmentalism which has a significant role in environmental change. Both nature and humans have been in a binary opposition relationship where humans as regulators of natural resources in the universe, are always acting arbitrarily against the environment and damage it.

2.3 Literature Review

Some of the literature that researchers managed to find related to social conflict due to the struggle for natural resources, research on the picture of social culture and economics in Tumpang Pitu Pesanggaran Banyuwangi and conflict management in resolving conflicts in natural resource conflicts, especially mining.

Research by Robby Firman Syah and Miftah Adhi Ikhsanto (2013), entitled “Mining Gold in the Land of Using: Power and Conflict Management at the Pitu Gold Overpass in Banyuwangi District” shows the results of conflict management efforts formed by the Regent Abdullah Azwar Anas in managing gold mining conflicts Overlapping Pitu in 2011-2013. The problem in this study is that the Tumpang Pitu gold mining natural resources revenue sharing requires policies and rules that are part of development in Banyuwangi Regency. The theory used in this study refers to the concept of authority on Ralf Dahrendorf’s conflict theory and the concept of conflict management. The research method in this study uses a case study method. The results of the study show that the mining problems of Tumpang Pitu arise as a result of interactions between actors that are social, cultural and economic. Changes that occur include capital decomposition (a change in the share structure
that puts the Banyuwangi Regency Government in possession of a 10% non-dilution share free of charge. The decomposition of the workforce shows that the cooperation that has been built between the community and the corporation through the opening of access and community empowerment. The emergence of a new middle class with the increasing economic capacity of the people in the mining area of Tumpang Pitu. Based on the strategies and policies in dealing with the problem of Tumpang Pitu gold mining management, it can be concluded that the Regent Abdullah Azwar Anas succeeded in placing consensus among actors involved and in direct contact with the Tumpang Pitu gold mining. Regent Abdullah Azwar Anas built authority from conflicts of interest towards community-based sustainability development in the management of the Tumpang Pitu gold mine in Banyuwangi Regency.

Subsequent research is a study from Moerad et al. (2014), with the title Mapping Socio-Cultural Society of Sumber Agung Village, Pesanggaran Subdistrict, Banyuwangi Regency "has the purpose of research intended for; To obtain data on mapping (identification and inventory) of sociocultural communities in the area of potential mining; and looking for a community-based management model for the potential of the Mining area. The results of this qualitative descriptive study show that the level of education of respondents is relatively moderate, namely the high school level, with an active participatory level without any rejection of the presence of a mining company, provided that the local community participates in its management. The conclusion of the study that the characteristics of the community that need support for the presence of a mining company is active participation by involving all norms, values and habits that have been running in the research area.

Other research related to natural resource conflict is Baiquni & Rijanta's research on "Conflict in Environmental and Resource Management in the Era of Community Autonomy and Transition (Theoretical Understanding and Empirical Meaning)" which resulted in a policy of regional autonomy launched in the midst of a multidimensional crisis and the transition of civil society, bringing a number of implications and complications in its implementation at various levels. Regime reforms and sudden policy changes from centralization to decentralization took place in situations of uncertainty marked by economic crises, social conflicts and political turmoil. Meanwhile tensions, disputes, conflicts and even conflicts with violence are still taking place in various parts of Indonesia.

Meanwhile the research that examines the research area, namely Tumpang Pitu, was also carried out by Moerad, et al., Which was titled "Mapping the Potential and Economic Impact of Communities in the Bukit Mining Area of Tumpang Pitu Banyuwangi". This research has a purpose to see how socio-economic changes occur in Sumberagung Village community due to the Tumpang Pitu gold mining. This study uses quantitative methods. The results of the study indicate a change in economic potential. Starting from the type of livelihood, community income, to the pattern and daily lifestyle. Sumber Agung village no longer reflects inland villages but rather shows the tourist village. The settlement of the villagers has changed its function to become a Homestay, and Guest House is a private mining employee.

3 RESEARCH METHODOLOGY

The researcher uses a qualitative approach in this study. It is a process of scientific research to understand human problems in a social context by creating a comprehensive and complex picture that reports detailed views of the source of information, and carried out in a scientific setting without any intervention from researcher (Barney, 1992, 11) (Bryant & Bailey, 1997), (Creswell, 1994, 11-12) (Barney, 1992), (Strauss, 1996, 6) (Strauss & Corbin, 1996) The data collection uses primary data and secondary data. Suyanto (Creswell, 2009, 263) (Strauss & Corbin, 1996) stated that in collecting primary data, researchers obtained the data from the field or research location through results with observations, unstructured interviews, and documentation.

The interviews that the researchers used as the data collection in this study were some informants who could interview researchers, namely the Gold Mine environment community who were in pro and contra about the existence of the mine, village chief, member of the Second Regional Parliament in Banyuwangi Regency, village environmental security apparatus, employees and former employees and NGOs. Data collected by researchers is primary data that is not written in the form of words and actions, as well as secondary data in the form of written data on books, photocopies, photographs, and video recordings and news broadcast by the mass media and other documentation. The data process used categorizing technique by looking at the theory in this study to find suitable findings to answer the research questions. To ensure the validity of the data the
researcher had carried out examination techniques based on specific criteria, namely extension of participation, the persistence of observation, triangulation, examination colleagues, member checking, and referential adequacy. For the part of analysing and interpreting data, researchers organized and sorted the data into patterns, categories, and basic unit descriptions so that the theme can exist.

The process of data analysis in this study began by examining all available data from various sources, namely from observations, interviews, and documentation. Next, the researcher reduced the data, made an abstraction that could connect the categories and then compiled in units of information to determine and define the categories of units and then categorized in the next step. The categorization was carried out simultaneously with coding (Surya, 2009).

After this stage was complete, then the interpretation stage of the data commenced in processing the interim results into substantive theory using specific methods.

4 RESEARCH FINDINGS AND DISCUSSION

4.1 Research Findings

Tumpang Pitu mountain area is located in Sumberagung Village, Pesanggaran Subdistrict, Banyuwangi Regency. Tumpang Pitu area is a mountainous region which is a protected forest and production forest in Banyuwangi Regency. Mount Tumpang Pitu is surrounded by three National Parks, namely in the west is Meru Betiri National Park, in the east is Alas Purwo National Park, and in the north is Baluran National Park. In addition, the region also has three forest cutting areas (KPH) such as the West Banyuwangi KPH, North Banyuwangi KPH, and South Banyuwangi KPH. Gunung Tumpang Pitu is estimated to have a very high gold content and can produce around 70 tons per year.

Gold exploration activities in Banyuwangi have changed mining companies from 1991 to 1994 by PT Gamasiantara (Golden Eagle Indonesia), then continued by Korea Toosun Holding from 1994 to 1997. Then, conducted by Golden Valley Mines (1997), Placer Dome (1999-2000), and the Hakman Group JV. In 2006, PT Indo Multi Cipta (IMC) changed its name to PT Indo Multi Niaga (IMN) to continue exploration activities.

The licensing process for the management of gold mining has been quite long, it has been recorded since 2006 that a Certificate of Review Permit (SKIP) and Mining Proxy for General Investigation have been issued to PT IMC and subsequently in 2007 an Exploration Mining Authority in the name of PT IMN was issued in 2008 issued Exploitation Mining Authority. In 2010, along with the enactment of Law No. 4 of 2009 concerning Mineral and Coal Mining, the Exploitation KP of PT IMN is adjusted to become a Production Operation Mining Permit (IUP). Then in 2012, IMN submitted an IUP deduction to PT Bumi Suksesindo (BSI) to date.

Since 2000 the community around the Tumpang Pitu hill, Banyuwangi Pesanggaran has been aware of the existence of a gold mine, and many of them are trying to switch from agricultural activities, farming, and fishers to traditional gold miners. The gold mine in Tumpang Pitu is estimated to have a very high gold content and can produce around 70 tons per year (ICDHRE Foundation, 2008: 2).

In 2006, investors entered PT. Indo Multi Niaga (IMN) which was granted permission by the Banyuwangi Regent (Ratna) in 2008-2014 to conduct gold mining exploration in the forest area with an area of 11,621.45 Ha. Some cover conservation forest areas in Siliragung and Pesanggaran Districts. Data from Pesanggaran District (2011), initially the number of traditional miners reached 12 thousand people from the local area as well as from outside the city such as Jember, Situbondo, Bali, and Solo. Many Immigrants worked as gold miners from outside the Banyuwangi area even from abroad.

Based on the survey in the field and reinforced by news in Kompas Media in July 2012, since the mining project in the Tumpang Pitu hill area, Pesanggaran, people's lives have changed, they are no longer safe and harmonious instead compete with each other so that their households become messy. It is because family heads as traditional miners invest their capital in participating in exploration, with the aim of earning more income than as a farmer and cultivator. However, for years, what they hoped would not come, they must meet the needs of their families. The business of traditional gold miners which is considered illegal is also forcibly closed by the local government through the local authorities. So there was a social conflict in the District of Pesanggaran especially the Bukit Tumpang Pitu area, between the community and the company and the local government. The conflict began to raise because residents thought that exploitation by PT. IMN was permissible while the traditional gold mining community was not allowed to be chased and imprisoned because it was considered damaging to the environment. Thus, the number of traditional gold
miners reduced to around 250 people. However, later, IMN sold 80 percent of its shares to four corporations so that the Banyuwangi government could negotiate with the corporation (Kompas, July 2012).

The communities around Tumpang Pitu mainly come from farmers, fishers, traders, laborers, and others who only rely on small boat and nets as well as makeshift agricultural land to make ends meet. Since the existence of a gold mine in Tumpang Pitu, they have the opportunity to change jobs to become traditional miners who are more promising results. Therefore, many people change their profession to become gold miners.

The conflict emerged due to the negative ecological impacts of this mining, changes, and damage to the environment around Tumpang Pitu. Tumpang Pitu was a source of water for the surrounding community, and it reduced even contaminated with waste from the mining. The community's agriculture is also damaged, such as the peeling of dragon fruit crops, and fishermen's fish catches are reduced, due to seawater contamination of the waste. Another impact was the damage to the village roads that were passed by the transportation equipment which carried heavy equipment for mining. Coupled with the conflict that occurred between residents who worked in mining companies and those who refused, because they did not meet the requirements of the mining company.

In 2010, along with the enactment of Law No. 4 of 2009 concerning Mineral and Coal Mining, the Exploitation Mining Authority of PT IMN is adjusted to become a Production Operation Mining Permit (IUP). Then in 2012, IMN submitted an IUP deduction to PT Bumi Suksesindo (BSI) to date. The process of transferring IUP from IMN to BSI had caused problems. The reason is, Intrepid Mines Ltd, an Australian company that used to work with IMN, sued the Banyuwangi Regent, Abdullah Azwar Anas, to Surabaya State Administrative Court. The lawsuit dated March 14, 2013, demanded the revocation of the BSI exploration and production IUP. Intrepid, all this time has felt disadvantaged in the exploration of the Tujuh Bukit mine, Banyuwangi. In the project, Intrepid IMN has collaborated with Intrepid Mines Ltd with 80% share ownership. However, without the knowledge of Intrepid, IMN sold IUPs to BSI. The decision of the Banyuwangi Regent gave the approval of the transfer of the IUP for exploration and operation, considered to be legally flawed. In the Minerva Act, Article 93 paragraph 1 states that IUP holders cannot transfer IUP to other parties. The decision of the Banyuwangi Regent was legally flawed including the policy that approved changes to the share ownership composition. %). MSJ gave a 10% stake to the Banyuwangi Regional Government. The decision of the dispute resulted in an agreement that PT IMN provided compensation of US $ 80 million for Intrepid IMN Ltd.

On February 19, 2014, the Australian company announced that it had reached an agreement to settle a dispute in the ownership of the Tumpang Pitu gold and copper mine. Intrepid was willing to release 80% of the shares, and instead, they got the US $ 80 million in cash. On the official intrepid website, intrepid leader Ian McMaster stated, in the settlement agreement, the company agreed to end all claims and disputes over the proposed Seven Hill project.

With the announcement, a hot conflict of the gold mine between Intrepid Mines, BSI, and the Banyuwangi Regency Government ended. The two companies signaled that there was no more polemic regarding mining permits in Tumpang Pitu, Sumberagung Village. With that decision, all claims were deemed to be invalid. The agreement came out, establishing BSI through Merdeka Serasi Jaya as the manager of the gold mine and the Banyuwangi district government got a 10% golden share from the Tumpang Pitu gold mine.

4.2 Discussion of Research Results

Based on the 2016 Agrarian Reform Consortium report, 450 cases of land conflicts almost doubled from 2015. The conflict covered a land area of 1,265,027 hectares or tripled from 2015. The 2016 conflict involved 86,745 families, while in 2015, there were 108,714 families.

The social conflict occurred at the Tumpang Pitu village gold mine Sumberagung district Pesanggaran Banyuwangi district, was a conflict about the differences in interests between the community (farmers, fishers, traders,), NGOs, Bumi Suksesindo (BSI) mining management company, and Banyuwangi district government. People want the Tumpang Pitu Mountain not to be exploited to extract gold and minerals contained in it because Tumpang Pitu is a source of water and their lives. Also, the community around Tumpang Pitu is worried that their environment will be damaged due to mining waste that is harmful to their lives. Meanwhile, the company has an interest in Tumpang Pitu Mountain because of business benefits, while the government has an interest in improving the regional economy and the welfare of its citizens.

Thus, the social conflict that occurred in the Tumpang Pitu gold mine, Pesanggaran, is relevant
when examined with Fisher's conflict theory so that it shows how the conflict arises. The conflict escalated from pre-conflict to post-conflict, and it also revealed the dynamics and the actors who were involved in the conflict.

The emergence of social conflict in the Tumpang Pitu gold mine, when traced from the chronology of the discovery of the gold mine, has been quite a long time from 1995-1996 to 2017. The period 1995-2006 was a pre-conflict stage that occurred between the community, company, and government. Since 2006-2014 the stage of confrontation, 2015 was a crisis period and was the peak of the conflict. This year there was anarchism by the community who opposed the existence of mining by burning company facilities/infrastructure and police violence as government officials against the protesters with shootings and arrests on the protesters. 2016-2017 stages of the consequences and post-conflict of riots and violence that harm the company and the community. The company suffered material losses due to the burning of facilities and infrastructures, while the people who were shot and detained by the police suffered physical (shot) and non-physical (trauma) losses. With the riots and violence that occurred in this conflict, the Banyuwangi district government, in this case, the Regent Azwar Anas held an open dialogue with the community around Tumpang Pitu and the company to reach an agreement and end the conflict.

The actors who involved in this social conflict are from the community; there are farmers, fishermen, traders, tourism activists, NGOs, mining companies, Perhutani, Banyuwangi district government, Ministry of Forestry, Ministry of Environment and AMDAL, DPRD and East Java Governor. All of these actors joined in direct conflict with each other, and some were indirectly in conflict.

Regarding political ecology, the Tumpang Pitu gold mining is experiencing degradation and deforestation. As a result of the exploitation of gold and other minerals, the Tumpang Pitu mountain area which was initially a protected forest, then obtained part of the permit into production forest so that it can be explored and exploited. Thus the protected forest in Tumpang Pitu experienced deforestation and degradation due to the logging of the trees to be excavated by the soil, as well as the previous excavation of the soil leaving gaping holes. Furthermore, the ecological damage around Tumpang Pitu is caused by gold waste (tailings) which can pollute rivers, seas, and land if the authorities solve the waste to be environmentally friendly. Relatively long and long-standing conflicts involving many actors create conflict and escalation of conflict. Conflict escalation experienced ups and downs of relations between parties such as periods of peace, tension and violence. One party, such as the community and NGOs, maintains arguments about environmental sustainability and people's livelihoods so that there is a rejection of gold mining. While other parties such as companies and regional governments aim to increase Regional Original Revenues and profits of the company so that gold mining is needed.

After the end of the conflict with violence, there was negotiation between the company, the community and the government. Corporate Social Responsibility (CSR) is one solution to this conflict issued by the company to the surrounding community through education, economic, health and environmental assistance programs. Whereas with the Banyuwangi district government, the company provided a free 10% non-diluted share capital structure. Although violent conflict ended which caused losses on two sides (company and community), latent conflict between the people who continued to reject gold mining continued until this time.

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