

Mining Operations versus Local Societies in Indonesia; a NIMBY syndrome?

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Abstract

Mining is play important role for economic development in Indonesia. However, there are some rejections for new mining development. This phenomenon is interesting, because of the environmental awareness or NYMBY syndrome in Indonesia. This article tries to answer the question.

A. Introduction

Recently, the objection of local people against to all form of mining activities is raised in some areas of Indonesia. For instance, people reject the proposal of new development of gold mining such as in some regions in Indonesia (www.kompas.com). The rejection of people also happens not only for gold mining but also for others mining such as oil and gas mining, coal mining, or aggregate mining. The question is; what are the factors behind of this objection? Perhaps the people really aware about the quality of environmental in their neighbourhood or it were NIMBY phenomenon in local people.

As we know, Indonesia has galore mineral resources. Indonesia has the biggest copper open pit mining in the world, the second largest coal exporter, and the largest gold exporters. The economic benefit of mining operation is very essential in this country, mining is vital to the creation of wealth and prosperity. However, beside the benefits, mining operation can cause environmental deterioration such as pollution, destruction, etc. Because of the negative effect from mining operation, US is one of the famous country that applying NIMBY. As we probably know, US is one of the largest consumer for oil and minerals. The resident of US do not care about the impact of mining as long as the site does not close to their home.

According to <http://www.envirowiki.info/NIMBY>, the definition of NIMBY as follows: "NIMBY stands for Not In My BackYard, and generally refers to activists of any part of the political spectrum, who only act on issues if it directly effects them, and take no action on similar issues on a wider scale". In broader term, NIMBY also means a call to preserve the health and safety of yourself, your children, family, friends, neighbours and the surrounding environment you live in. For example, someone attempts to stop a corporation from building a new development because it would damage the quality of environmental in their village, but being happy to let the same thing happen elsewhere, or even passively supporting the destruction such as buying products from those developments, or delivering their waste to that area.

This essay will seek to discuss the practice of NIMBY in mining, Nimbyism versus Environmentalism, and the importance of mineral resources management.

B. Theoretical Background; NIMBY and Environmentalism

Actually the basis of these two concepts is same. The follower considers that environmental is vital for human live. In practice, the reason of indigenous people reject for new development proposal is either nimbyism or environmentalism. For those people who use NIMBY as reason, as long as far away from their surrounding, of course, no objection, even they tend to sacrifice of human being. But for those people who following environmentalism, their objection usually based on rational reasons, the awareness of the importance of environment.

NIMBYism from the point of view of environmentalism can range from quite helpful, to downright destructive (<http://www.envirowiki.info/NIMBY>). The followers of NIMBY often act in favour of the environment, but actually they are unaware or choose not to act on the broader issues. This can cause the new

development proposal to be forced into a less suitable area, so the new development could not succeed or indirectly cause a worse development.

Regarding new development of mining proposal, if the people is NIMBY, they will reject the proposal in term of environmental protection because the site close to them, but for environmentalism, they will talk more about how human use and interact with natural resources such as water, air, plant, forest etc (Smith et al, 2004). From the environmentalism point of views, they still accept new development and extract natural resources if the proposal can handle environmental impact such as pollutions and destructions.

According to Kraft and Clary (1991) in Smith (2004), NIMBY responses to development proposals are generally described as extreme opposition to local projects characterized by:

- (1) Distrust of project sponsors;
- (2) High concern about project risks;
- (3) Limited information about project sitting, risks, and benefits; and
- (4) Highly emotional responses to the conflict, and
- (5) Parochial and localized attitudes toward the problem, which exclude broader implications.

The first four of the list is the rationality of the objections, but the last is about selfishness.

C. NIMBY in Mining

One of the famous countries applying NIMBY is US. US have practicing NIMBY since 1960 when almost the supply of fossil fuels originated from other countries. They realize if oil drilling can cause scary environmental impact but as long as not in their country, they do not care. Actually, mining is very essential for economic development in US. Mining sector contributes 400 billion dollar for national revenue of US from finished product and they have 100,000 metal and

non metal mines (Daniels and Daniels, 2003). In general, everyone in US consume mineral as much as 3.7 pounds of metals, minerals, and fuels in their life time, as the biggest in the world. Currently, 97% of energy for transportation is provided by fossil liquids and bio fuels, and only 3% supplied by natural gas (Newell, Richard, 2011).

Total reserve of oil and gas in US is sufficient to supply the need of oil and gas. But, however, when the issue of environmental is rising, they try to minimize oil mining operation in their country. For example, the giant oil company from US, ExxonMobil, has major operation outside of US. Even, they have joint venture company with Arabic Country, ARAMCO that have giant oil field. The US citizens, who always criticize the environmental impact of mining operation, enjoying oil supply from other countries, even oil demand is tend to increase in the future. Furthermore, they also reactive not only for mining but also about the impact of climate change and push other countries, such as Indonesia and Brazil, to keep their tropical forest. Even though, they did not want to reduce CO emission resulted from their industries. As superpower country, they believe that they can have double standard for everything as long as supply of mineral and oil is enough and the environmental impact of mining does not happen in their yard.

In Indonesia, as developing country, the practice of NIMBY is still in the beginning when the people begin realizing the environmental impact of mining. Even the government encourages mining industry by trying to attract foreign investment Indonesia, and simplified the process of mining permit, now both foreign investor and local investor can have same mining permit (Mining Law No.4/2009). But, we could not say if the objection of local people for mining is not NIMBY phenomenon. Perhaps more people of Indonesia have awareness about the quality of environment.

The answer is Indonesia people also practicing NIMBY to some extent. For instance, since Indonesia has problem on electricity supply in the mid of 2007. The public pool agrees for new development of energy and use coal as energy source. The government of Indonesia promoted to build new steam electric generator. They called the programme as PLTU "Mulut Tambang", its mean that coal is produced by mining operation directly transported to electric generator as fuels. In practice, the programme, both generator and coal mining, faces rejection from local societies. The argument of local societies is usually environmental quality of their neighbourhoods and suggests moving generator or mining far away from their residential, for instance, to other provinces. As result, the project moved to other areas and tends to failure. This is also NIMBY syndrome, but because Indonesia is developing country, they do not have huge money and powers to moving mining to foreign countries as US companies do.

In short, most people are NIMBYs to some extent, as example from the citizen of US and Indonesia. However, for the sake humanity, we can not tolerate NIMBY practiced by Americans because we can not sacrifice other people only for fulfil our needs. As we discuss above, Indonesia people is crying out about electricity supply, but refusing to acknowledge the fact that coal is the answer for this problem because coal is cheap energy and since there is Clean Coal Technology, the environmental impact is solved. This behaviour make burden for national budget because we should rely heavily on oil and gas.

Most of objection for new development mining proposal in Indonesia, more or less is usually triggering by two point; highly emotional response and parochial and localized attitudes toward the problem. For example, when the issue of mercury is rising in Sulawesi, the local people easily are attacking mining office. For some cases, the people reject the proposal because of high concern about project risks, such as proposal for gold mine in Komodo Islands.

D. Mineral Resources Management

How to deal with NIMBY syndrome? Because Indonesia still need mining to finance economic development. We believe if the occurrence of mineral resources is blessing. God gives us al lot of mineral reserve in the earth. Mineral resources should have economic benefits, to make the people in that area wealthier than the area with scarcity of mineral resources. In paradox, the occurrence of mineral resources sometimes is cursing for those areas. To be specific, because of illegal mining and excessive exploration, there are many of environmental deteriorations.

There are some solutions as follows. Firstly, we should have comprehensive plan in which taking account of environmental aspect. To make comprehensive plan about mineral resources management, there are several steps as follows (Daniels and Daniels, 2003); Inventory, Analysis, Goal and Objectives, Action Strategy, Zoning Ordinance, Subdivision Regulations, Capital Improvement Program, and Development review.

Secondly, this formula is very essential how to manage mineral resources as follows (Note lecturer from Prof. Adjat Sudrajat).

$$\text{Natural resources} + \text{Technology} < = > \text{Human resources}$$

Its means, Indonesia has galore mineral resource, and Indonesia should have technology to extract mineral reserves, as the result the money come from the extraction of mineral resources should more emphasize the development of human resources than physical infrastructure, because when the reserve is depleted we still have good quality of human who can develop technology and finding other beneficial resources.

E. Conclusion and Recommendation

To conclude, natural resources is blessing from God not cursing for people in those areas. But, we should use and interact with natural resource wisely and effectively. Practicing NIMBY is constraint for development and can make the new development move to less suitable areas. As result, the project will fail to make people wealthier and prosperity.

To avoid the practice of NIMBY, there are some recommendations as follows.

1. Natural resource should have big contribution on to make society wealthier by extracting natural resources efficiently and effectively.
2. The biggest part of taxes come from mining must be to pay the development on not only for physical infrastructures but also human resource.
3. In term of sustainable energy development, the higher tax for coal mining to encourage the development of renewable energy.
4. Government should have comprehensive environmental planning for mining.

F. References

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