



## Seeing Indonesia from East Kalimantan: Coal Extraction, Social Vulnerability and Ecological Justice

- Haris Retno Susmiyati (Mulawarman University) \* Rahmawati Al Hidayah (Mulawarman University)
- \* Wiwik Harjanti (Mulawarman University) \* Siti Maimunah (Passau University)



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# *Key Questions*

How does the change of policy affect the acceleration of extractivism and their effects on environmental degradation and social vulnerability in Indonesia?

How Environmental Justice Reflection offer to the situation?



# *Thinking through:*

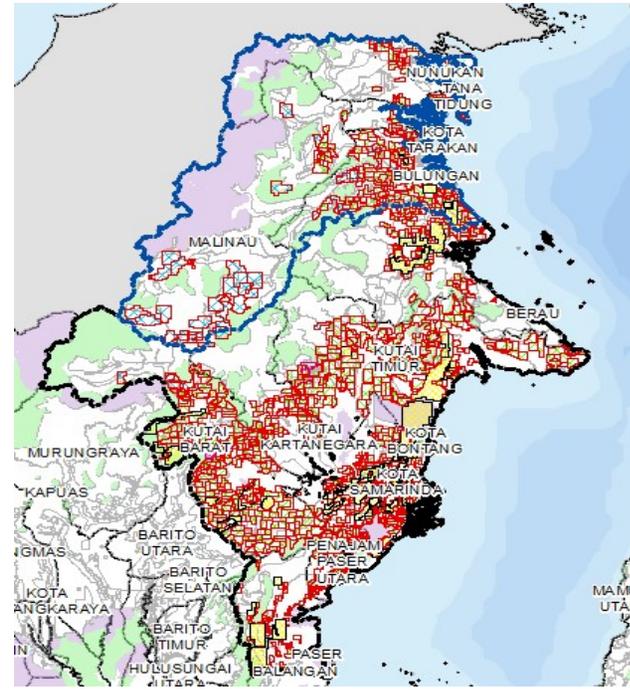
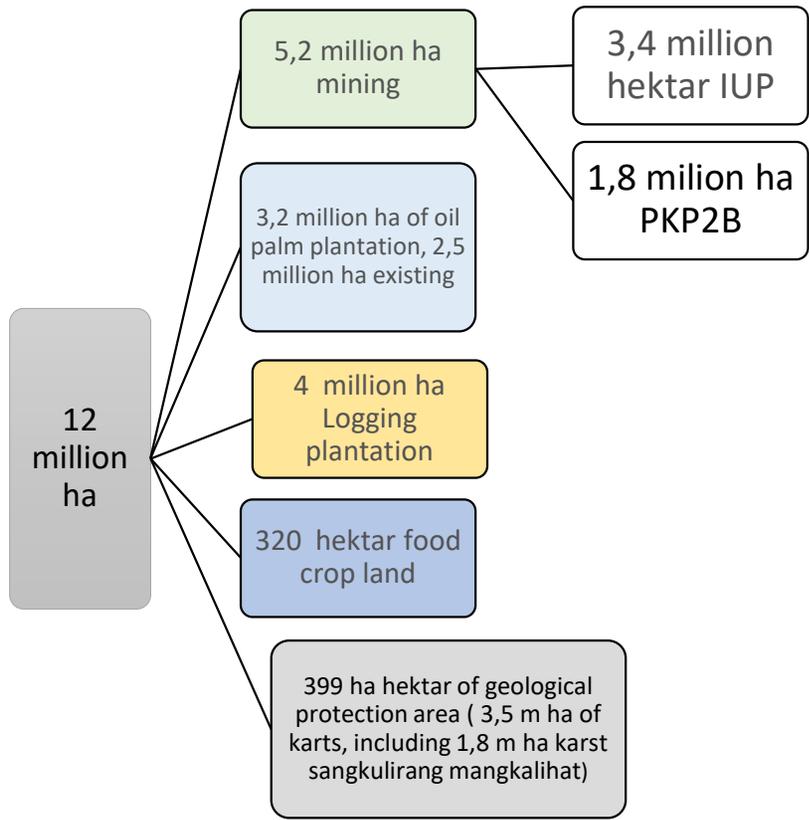
**Extractivism** is the exploitation of large quantities of raw materials or unfinished products for export purposes (Acosta 2013, Gudynas 2018).

**Cycle of Extractivism,** Understanding Extractivism as a cyclical process of digging, transporting, burning, and consuming coal. Furthermore, as a trans-territorial process, Extractivism connects the global south, which provides the raw material for the global north through a 'so-called' *climate-neutral economy*. (Gudynas, 2010; Facundo, 2017)

**Environmental Justice.** Kuehn (2000) suggests a taxonomy of environmental justice in four categories; environmental justice as distributive environmental justice, environmental justice as corrective justice, environmental justice as procedural justice and environmental justice as social justice.

- Since colonial, the island of Kalimantan has been seen as a "wild" and "underdeveloped" area that must be opened and promoted through development, especially through extractivism projects, from logging, mining, big plantations to the relocation of a new capital city.
- The perspective that has not much changed as East Kalimantan become the largest coal extraction province in Indonesia in the last 2.5 decades.





**44%**  
 province is  
 mining  
 concessions

**A series of regulation changes as a driving force for the capitalist frontier configuration through extractivism in Indonesia.**



Miners at a coal mining company in Kutai, East Kalimantan, 1888. Photo: KITLV.

- **The first phase,** Through the colonial law of 1870, 'Domain Verklaring', the colonial state claimed all the land under the colony owned by the state.

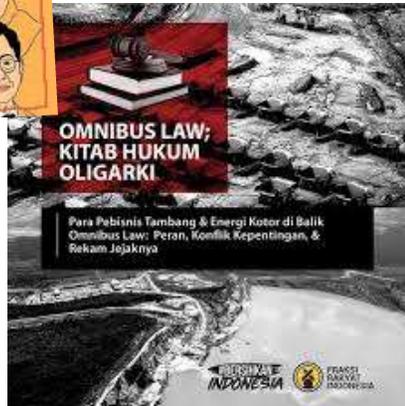


- **the second phase** of the regulation change, soon after the fallen of President Soekarno. In 1967-1968, under President of Soeharto, the state passed a series of laws designed to centralize power and boost economic growth, including the foreign Investment Act 1967, Forestry Act 1967 (later replaced by the Forestry Act 1999); Mining Act 1967 (replaced by the Mining and Coal Act 2009, and the Mining and Coal Act 2020), and National Investment Act 1968. The national government released hundreds of logging and mining permits that overlap with customary forests.



**Third phase.** After the fall of Suharto in 1998, the change of regulations transformed from centralization to a decentralization regime. There are at least three regulations changes.

- *First*, Law No. 19 of 2004 allows protected areas for open-pit mines. Together with other mining companies, PT Inco (Now Vale) has succeeded in pushing for an amendment of Forestry Act No 41/ 1999 that initially banned mining the protected forests.
- *Second*, President Decree No 63 of 2012 on the protection of the National Vital Object. It categorizes extractive projects such as mining and logging companies under exceptional security support by police and the military.
- *Third*, Act No. 4 of 2009 allows regional authorities to issue mining permits. This regulation makes the island of Kalimantan become the largest coal extraction area in Indonesia.



- **Finally**, the fourth phase of regulation changes in 2020 was marked by protests in various places in Indonesia with the issuance of the Job Creation Law Act No 11/2020 (Omnibus law) and amendments to the Mining and Coal Law 2009 (Act No 3/ 2020).
- Over the past two years, Indonesia has become the world's largest exporter of coal, nickel, and crude palm oil.

*“multiple of environmental injustice”*



Vulnerability of economy

Increasing Corruption



Deforestation

Land for agriculture decreasing

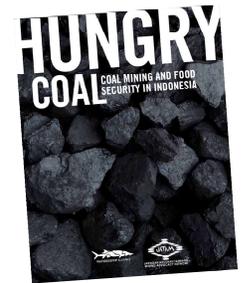


Regular flooding

“Killing” in abandoned coal pits

Health problem

Green Gas house emission



# Economy vulnerability

- 014-2015: economic growth has continued to decline, at minus 1.4%, due to the dependence of 43% of its economy on the coal mining sector.
- In 2016 – 2019 the economy grew 1-2%
- In 2020: economic growth fell to minus 5.7%



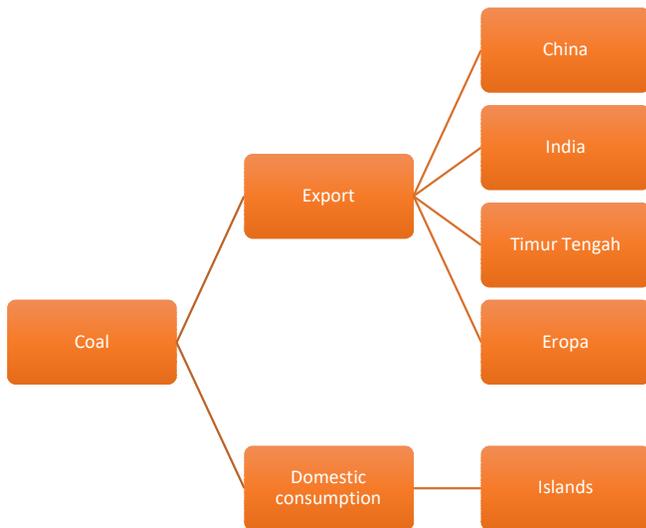
# Regulation as a tool to preserve extractivism

- Weakening the environmental standards and expand the resource extraction;
- Laws tend to be repressive and ignore the protection of the people, legal instruments criminalize people who resist to mining
- Mining law reform has in fact become a tool for capital owners to avoid legal obligations.
- Law and democracy as a means of consolidating power to increase the profits of the oligarch.



The dependence on coal extractivism creates social vulnerability and predatory characteristics, creating inequality among generations and islands.

This situation makes the most vulnerable groups, especially the poor, women, children, and people with disabilities, the most victims.



# Environmental Justice (Kuehn,2000)

## Distributif justice

- the condition of equitable utilization of resources both for **intra-generational and inter-generational**
- The condition of environmental injustice is characterized by the fact that the utilization is not evenly distributed and the distribution of risks received is not proportional

## Corrective justice

- Justice shown through the provision of sanctions, the imposition of responsibilities for recovery and compensation for those who have harmed other parties

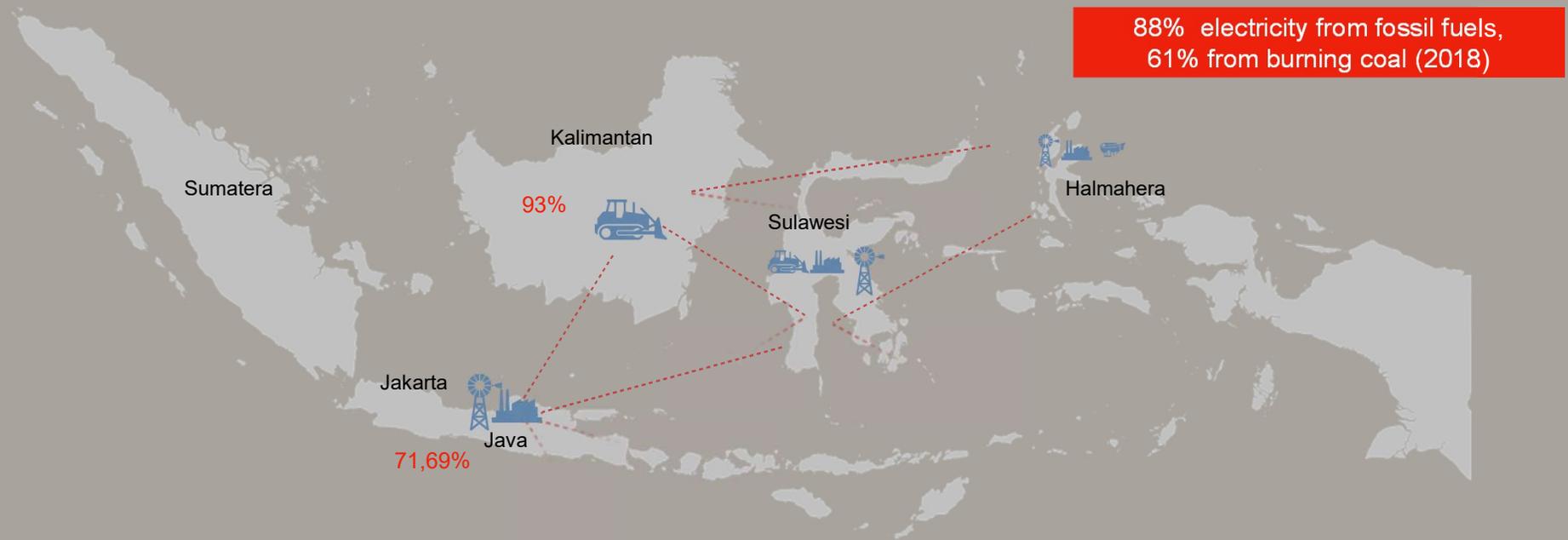
## Procedural justice

- This procedural justice focuses on the process of making a fair decision, and not on the outcome of that decision.

## Sosial justice

- The best efforts are made to ensure that the community has sufficient resources and access to live decently as human beings.

## Green Economy, Green extractivism as a predatory connections



Extractivism as a cyclical process of digging, transporting, burning, and consuming mineral and energy (Gudynas, 2010; Facundo, 2017)



Photo: Jatim Sulawesi

## Indonesia Morowali Industrial Park (IWIP)

The integration of the nickel industry in the PT. Indonesia Morowali Industrial Park (IMIP) covering an area of 2000 ha since 2015. It's an integration of nickel mining areas of 40.000 ha (PT. Bintang Eight Mineral, one of the commissioners is a retired general of Special Force ), nickel smelters (Thingsang, Tiongkok), and 2000 MW coal power plants (coal from Kalimantan). There are about 40.000 Indonesian workers and 5.000 Chinese workers.

# Indonesia Weda Bay Industrial Park (IWIP)

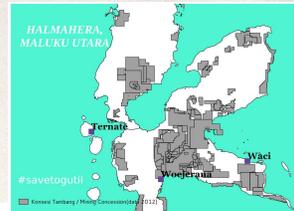


Photo: Adlun Fikri

In North Maluku, since 2017, the industrial complex of PT. Indonesian Weda Bay Industrial Park (IWIP) - 4,200 hectares establish in the Weda bay of Halmahera island, Central Halmahera. The industrial park is an integration of 54,874 ha of nickel mining (owned by PT Weda Bay Nickel - China/France/ Indonesia companies) and 11 nickel smelters (owned by Yashi Indonesia Investment, ferrous nickel), electric vehicle battery component factory (Youshan Nickel Indonesia, construction stage), and 750 MW coal power plant. It means integrating and collaborating with corporations, financing, labor, infrastructure, local and national incentives, and its supporters.

## Green extractivism and the predatory of world system



Asia



Europe,  
America



Furthermore, as a trans-territorial process, extractivism continue the colonial logic that global south provides the raw material for the global north In the predatory world system.

# Reflections

- A series of regulation issuance for supporting extractivism, especially mining in Indonesia, ignores the vulnerability of the citizens,
- The experiences of “multiple environmental injustice” and social vulnerability in East Kalimantan is important as a basis for policy reform in Indonesia.
- The law in the future should be a law that is responsive to the situation and needs of the community by taking "policy affirmation" steps that ensure intergenerational, inter-island, and climate justice.



# Thank You



Haris Retno  
Susmiyati



Siti Maimunah



Rahmawati Al  
Hidayah



Wiwik Harjanti