

## **THE GOVERNANCE OF TIN MINING IN BANGKA-BELITUNG ARCHIPELAGO PROVINCE (FROM PERSPECTIVE OF GOOD GOVERNANCE)**

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**ABSTRACT:** *The objective of this research is the governance of tin mining which has not given the prosperity effect in Bangka-Belitung Archipelago Province. The tin mining is held without certainty and it is illegal. The governance of tin mining problem was analyzed with qualitative method. Data collecting was held by interview, documentation study and observation with the stakeholders who are relevant to this research as the key informants. The conclusion showed that the governance of thin mining has not given the optimal prosperity effect. It is caused by the lack of synergy among the local government, private entrepreneurs, inhabitant and no legislation synchronization. The stakeholders still have orientation with economy. In this case, the government targeted the Original Area Income from mining sector. Entrepreneurs and inhabitant oriented to look for advantages as much as possible. Meanwhile, the governance unsure of the governance implementation in tin mining sector is still low at accountability, transparency, participation, law enforcement, eradication corruption, poverty reduction, an insight into the future, orientation deal, and decentralization, so it needs the synergy of the stakeholders like local government, private, inhabitant and experts association and the partnership between PT. Timah or private company with inhabitant has to be set.*

**KEYWORDS:** Good Governance, Tin Mining, Prosperity.

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### **INTRODUCTION**

In mining world, Indonesia is well-known as a rich country with the natural resources and energy. One of them is tin mineral. In this case, Indonesia is the world's first runner-up as the biggest producer for tin commodity. The tin commodity has given the real contribution from the Dutch colonial era until Indonesia is independent.

The tin mining management is being concentrated in Bangka-Belitung Archipelago and the dynamics occur along with the establishment of Bangka-Belitung Archipelago Province based on regulation No. 27 year 2000. The tin governance problem becomes an interesting issue because it prompts many illegal tin mining (unconventional mine) which open the job field and become the cause of the damage to land and forests so the tin existence becomes a dilemmatic phenomena, blessing and curse at the same time.

That case causes the tin mining sector in Bangka Belitung Archipelago Province becomes dominant and not followed by the development in other sectors competitively triggered the failure of natural resources management and benefits taking from the profitable of natural resources and it is known as resource curse. If we refer to other countries, it is called Dutch disease phenomena.

This research tries to examine the governance of tin mining in Bangka Belitung Archipelago Province. This research examines three synergies of governance domain which are local government, private, and inhabitant in tin mining in Bangka Belitung Archipelago Province.

The tin commodity at the New Order era as the regulation based on Government Regulation No. 27 year 1980 comes under the strategic commodity which the mining and the export activity are being monitored by the government so it is only PT. Timah and PT. Kobatin permitted to do the mining activity, whereas the inhabitant are forbidden to do the same activity.

The tin mining in Bangka Belitung Archipelago Province which is monopolized all this time undergoes the drastic changes by the time the release of the Constitution No. 22 year 1999 which was followed by the Decree of the Minister of Industry and Trade No. 146 year 1999, dated April 22, 1999 which arrange that tin is categorized as the secondhand (unmonitored) and tin status is revoked as the strategic commodities.

The phenomena circuits above become the potential conflict source which needs to be anticipated in Bangka Belitung Archipelago Province. To prevent the unfair competition between the stakeholders, it needs the synergy from the three important domains in governance at Bangka Belitung Archipelago Province.

### **Formulation of the Research**

Based on the problem identifications above, the formulation of this research is: How is the tin mining governance in Bangka Belitung Archipelago Province?

## **THE GOAL AND THE OBJECTIVE OF THE RESEARCH**

### **The Goal of the Research**

The goal of this research is to examine and to analyze the governance held by the government, private, and inhabitant in tin mining in Bangka Belitung Archipelago Province which has not given positive impact to the prosperity quality raising to inhabitant for general.

### **The Objectives of the Research**

The objective of this research is expected can give the benefits academically and practically.

### **Theoretical Aspect**

This research is expected can be a medium to develop social sciences especially in public administration so it can strengthen and develop theories related to tin mining governance in regional autonomy era.

### **Practical Aspect**

This research is expected can be the input and idea to the government, especially the government of Bangka Belitung Archipelago Province in policy organizing related to governance policy about tin mining. Besides, the objective of this research is expected can give profusely knowledge conceptually for the researcher and the institution as alma mater.

## LITERATURE REVIEW

Government is the SKK doer and one of the three subcultures society. Without the two other subcultures, there will be no government. Without SKE and SKP, there will only be power, coercion, arbitrariness, and subjugation SKK to the two other subcultures. SKE has a function to compose and to increase the value of each resource and SKK monitors SKE in order to it in a good function.

Beside that, SKK redistributes the value of civil service and public service to SKP. While SKP has function to monitor SKK in order to fulfill the duty and to use the authority with full of responsibility to SKP (payer

Based on Gambir Bhatta, generally the governance contains main unsure, they are:

- Accountability, the duty for the government apparatus to act as the responsible party and sue guarantor for all the actions and policy appointed. This unsure is the core of the good governance.
- Transparency. Good governance will be transparent to people at central level or local level. People personally can ascertain clearly with no cover-up about the formulation process of public policy and implementation.
- Openness. The openness here refers to the opportunities opening for the people to propose the responses and critics to the government which they consider it is not transparent.
- Rule of law. The rule of law principle here means that good governance has the characteristic in the form of legal certainty and public sense of justice to every public policy adopted.

On the other hand, Brain C. smith stated that governance embodies these principles:

- Accountability
- Transparency
- Participation
- Law enforcement
- Eradicating Corruption
- Poverty Alleviation
- Deal orientation
- Visionary
- Decentralization

The mining concept is a partial or total steps in order to do research, management and cultivation of mineral and coal involving public inquiries, exploration, feasibility study, mining, management and purification, post mining haulage (Mining Law No. 4/2009). In this case, the mining law is the most of stages in tin mining.

## **Tin Mining**

The tin mining in Indonesia has been going on for more than 200 years. In Bangka, it was started in 1711, in Singkep in 1812 and in Belitung since 1852. With the abundant wealth reserve, Indonesia is one of the biggest tin producer countries in the world.

Conceptually, the natural resources management especially in mining resources is not regulated in detail in constitution No. 32/2004. However, institutionally, there are three important factors which are considered in the division of authority (concern) : first, efficiency, the economic scale which concerns to sustainable development. Second, accountability. In this case is transparency. Third, the effect of natural resources management externality. The three factors are expected not only guarantee the local government for the mining resources management, but also how the local policy can run synchronously with the government policy in center level.

The government administration unification with tin management in Bangka shows that the tin management is more important than government so the geographical area of Bangka can be divided into two areas. The north side which is called as urban area with the intensive tin exploitation and the people are Chinese in major. The South side is the inhabitants agriculture area, especially pepper and rubber which is dominantly inhabited by Melayu Bangka and it is rural or hinterland area.

## **RESEARCH METHODOLOGY**

The object of this research is the governance of tin mining in Bangka Belitung Archipelago Province. The locus of this research was held in Bangka Belitung Archipelago Province because Bangka Belitung is the biggest tin producer province in Indonesia which has the drastic change in tin mining management policy since the local autonomy era. It is the revocation of tin status as the strategic goods monitored by the government becomes the free goods caused the potential of strained situation among the stakeholders. The objective of this research is focused on the synergy of the good governance of tin mining.

The methodology of this research is qualitative method. The qualitative method emphasizes to the construction and socially the nature of reality, the close relationships between the researcher and the study, also the situational tendency which can exacerbate the study. The qualitative research emphasizes the nature of things contained value, and looks for the answers of the questions which also emphasize to how social and cultural experiences are formed and given the meaning.

The qualitative research reflects an effort to gain the deeper understanding (*verstehen*) about phenomena is being studied. Since the researcher is the main research instrument, the researcher participates in observation, deep interview and documents analysis are very fundamental and often used together.

To get the required data, it needs informants and informant key. Informant key is someone who is considered as the one who knows the most and powerful about one incident or problem in the area. In this context is the implementation of good governance in tin mining in Bangka Belitung Archipelago Province. Since the informants are defined purposively, the determination of the informants in this research done while it is ongoing.

Beside informants as primary data above, secondary data sources include written documents as the empirical materials research in field. Document data sources include: study or review literature as the result of previous research, undergraduate thesis, thesis, dissertation or other scientific researches like journals, text books as theoretical references.

Based on the research methodology, the collecting data technique used as :

- a. Literature Study and documentation, collecting data from written sources related to the focus of the problems researched, both theoretical studies and documents available on the object / subject of the research like constitution regulation or other documents.
- b. Observation, the collecting data technique through the monitoring technique involved in every research subject's activity assumed that it is related to the objective of the research. Include observation is held by using guidelines for observation and field notes.
- c. Deep interview, the collecting data technique used through communication with the informant key which is considered as the one who knows and understand information related to the objective of the research. The interview is held to the related party whether in local government, private, and public.

Checking the validity of the data is done by three criteria, namely: (1) Credibility; (2) dependability; and (3) Confirmability (Muhadjir, 2000: 175). Use triangulation techniques utilizing the resources associated with the research observation, interviews, literature studies and archives. Triangulation means to compare by checking behind the informants' degree of confidence obtained through the time and different tools in qualitative methods.

The data were analyzed inductively. Data field obtained then being compiled, classified and interpreted to describe patterns and concepts by linking their relationship. A number of field notes categorized to facilitate researchers did a comparison the findings. The categorization done using triangulation techniques, which refers to the collection of information or data as much as possible from individual. Background and events using various methods and subsequent are interpreted. Data analysis procedure through data reduction, data presentation and conclusion.

In this research, data reduction done by choosing, classifying, simplifying, abstracting, and transforming data including eliminating the unnecessary things so it results final conclusion which can be verified. The data presentation done in narrative text, matrix, table and diagram.

Whereas, the conclusion done by abstracting the explanation of the indications studied based on the data gained through collecting data, data reduction, and data presentation. The conclusion is loose, open and skeptical but raising becomes more detail and strong. This research was held in Bangka Belitung Archipelago Province about tin mining from year 2009 until 2014.

### **The Strategic Environment of Bangka Belitung**

Bangka Belitung Archipelago Province made based on Constitution No . 27 year 2000, consists of two Regencies they are Bangka and Belitung, and one city , it is Pangkalpinang. in accordance with requirements and construction progress, based on Constitution No. 5 year 2003, four new regencies are formed, they are Central Bangka, West Bangka, South Bangka

and East Belitung, so until now the total of Regencies and Cities become six regencies and one city.

Geographically, the Province is located on 14°50' until 109°30' East Longitude and 0°50' until 4°10' South Latitude, consist of group of islands, they are South Bangka and East Belitung, small islands surrounding Bangka Island, they are Nangka, Penyu, Burung, Lepar, Pongok, Gelasa, Panjang and Tujuh. While Belitung Island is surrounded by small islands, they are: Pulau Lima, Lengkuas, Selindung, Pelanduk, Seliu, Nadu, Mendanau, Batu Dinding, Sumedang and other small islands.

Geographically, the location of Bangka Belitung bordering :

- West Side bordered by Bangka Strait;
- East Side bordered by Karimata Strait;
- North Side bordered by Natuna Sea;
- South Side bordered by Java Sea.

The total area reaches 81.725,14km<sup>2</sup>. The land area approximately 16.424,14km<sup>2</sup> or 20.10 percent of the total area and the vast sea is 65.301km<sup>2</sup> or 79.90 percent from the total area of Bangka Belitung Archipelago Province. The plateau region divided into six regions and one city.

The general description of the condition of the people by focusing on the prosperity and economic equality can be seen from several development indicators, they are PDRB growing per capita, the inflation rate, percentage of population above the poverty line and unemployment.

Bangka Belitung Archipelago Province located in a strategic position, which becomes the path for national shipping that can become a hub for major ports in Indonesia's western region. Bangka Belitung Archipelago Province cluster become the cruising track among the island of Sumatra, Java, Kalimantan and Riau Islands.

Bangka Belitung Archipelago Province are also rich areas for its natural resources, such as tin, quartz sand, granite, and so on. The province also has the potential inland and marine fisheries that are relatively large. Bangka Belitung Islands also has the potential of natural beauty that could become a new economic power industry of tourism development. Bangka Belitung Archipelago Province is a province that is growing as a new potential area. Bangka Belitung Archipelago Province has the relatively harmonious population in the middle of plurality that are peace in the principle of 'Serumpun Sebalai'.

Based on the internal and external analysis factors, the strategy for achieving the goals and objectives of each mission, formulated as follows:

### **Mission I**

Developing people's economy by strengthening the institutional capacity of the people to create economic development centers superior products of rural areas / districts / counties / cities in accordance with the culture of the region and the potential for realizing balanced development between regions and between sectors.

### **Mission II**

Improving Society Empowerment and quality of Human Resources (HR) through the active involvement of the community through development partnerships villages and towns independently with the fulfillment of the quality of people's basic needs in Bangka Belitung Archipelago Province.

### **Mission III**

Improving environmental management and layout control by concerning at the balancing of economic, social, cultural, utilization of natural resources infrastructure development as well as the efforts of rehabilitation, reclamation and refunctionalization of critical lands into productive lands through harmonious spatial arrangement manner based on its function by involving the government, private and society in integrated and synergistic way.

### **Mission IV**

Accelerating the regional infrastructure development and developing a strategic and fast-growing regions to improve the competition of the regions and strengthen the region's economic foundation in order to face globalization and openness of global competition.

### **Mission V**

Achieving good governance in order to achieve clean government through the creation of a work ethic and quality of service bureaucracy by institutional strengthening and arranging the regional regulations which are qualified for Bangka Belitung public service.

## **IMPLEMENTATION ACTORS OF GOOD GOVERNANCE IN TIN MINING IN BANGKA BELITUNG ARCHIPELAGO PROVINCE**

In tin mining in Bangka Belitung Archipelago Province, there is an interaction between several subcultures. Relating to this, Ndraha identifies in three Subcultures namely subculture power (SKK), ie the government, economic subculture (SKE) is a private and subculture customers (SKP) ie the public. Subcultures in this case represented by the actor as stakeholders. By emphasizing on the role and perspective of each stakeholder involved in tin mining, the relationship of the three actors phenomena will be seen. Briefly referred to the actor of the three main stakeholders in the tin mining of Bangka Belitung are local governments, private companies, investors, unconventional owners of mining, collectors and sub collector, also mining community.

In this case, the governments is the central government, provincial government, district / city and village. Central government, represented by the various departments (ministries), which became the center of the power of the state in the reformation era and decentralized political system, trying to put themselves to not act as the direct actors. Through companies whose licenses are still from the central, because it was published before the Law on Autonomy, the central government still has room to play.

Companies involved in tin sand mining in Bangka Belitung tin this time, can be divided into two types, namely: (i) the company whose license issued by the Central Government, where permission is obtained before the enforced Law on Regional Autonomy; (ii) companies whose

license is issued by the Government of Regency / City and the permits issued after the era of regional autonomy.

In classifying people as stakeholders, can actually be divided into two major groups, namely the mining community which was then incorporated in the TI and non-mining community. The mining community is the community whose livelihood as a tin miner.

In general, besides the tin mining carried out by a group of people, it also carried out by a company which will have an impact on the company itself. The impact that can be had by the company is an increasing of company's image on people's point of view, and of course a positive assessment of the local government.

Bangka-Belitung is the main tin producer region in Indonesia, where a conflict of tin basically been going on since 18 century, at certain moments have made vertices problems, which cause fluctuation in the islands of the Pacific Islands community. The fact history has shown that this commodity has become a source of prolonged conflict among the ruling elites, considering the tin has economic and strategic value.

It is understandable that it becomes one strong reason for the central government takes an action opening export wider than ever before, expecting to receive a greater income. The central government through the Ministry of Industry and Trade, which at that time was the Minister Rahardi Ramelan, released a new policy that essentially changed the status of the tin trade system through the Decree of the Minister of Industry and Trade 146 / MPP / Kep / 4/1999, which said that the word 'tin' was not only removed from the "export controlled goods", but also did not appear in the "export of regulated goods".

This development approach for growth-oriented in catching up the backwardness from advanced capitalist countries, or better known as the paradigm of growth has brought significant changes to the lives of the region's economy. Local Economic Development is a function of the natural resources, labor, capital, investment, entrepreneurship, transportation, communication, composition technology industry, the export market, the international economic situation, the ability of local and national governments. While people interpret local economic development in an effort to rid the society of all the limitations that hinder the efforts to build their welfare (Edward J Blakely, 1994).

## **THE GOVERNANCE OF TIN MINING IN BANGKA BELITUNG ARCHIPELAGO PROVINCE**

Implementation of governance in tin mining in Bangka Belitung Archipelago Province supported by elements in good governance. The elements of good governance of tin mining in Bangka Belitung Province are as follows:

### **Accountability**

Accountability is the ability to give answers to the higher authority for the actions of person / group of people to the wider community within an organization (Syahrudin, 2002: 8). The distrust occurs in tin mining because of the incompatibility between the executives with the procedures of implementation, which the government is also in accountability and oversight of the guarantee and post-mining reclamation.

## **Transparency**

Transparency is the policy opened to the monitoring, while information is the information about every aspect of government policy that can be accessed by public. The disclosure of information is expected to produce a healthy political competition, tolerant and policies are made based on public preferences. Some policies in the mining sector are maximumly socialized.

## **Participation**

Many experts defined participation meaning. Almond (in Syamsi, 1986: 112), stated that participation is defined as those whose orientation is precisely on the arranging and processing the input and involving themselves in the articulation of demands and needs in decision-making. While Bhattacharyya (in Ndraha, 1990: 102) defined participation as taking part in activities together.

In participation of the assembling and associating freedom, stakeholders have a public space to organize such as specifically the employees of PT. Timah members are incorporated with the Ikatan Karyawan Timah (IKT), which is the association of tin employer. IKT is actually the *onderbouw* organization of PT. Timah. The clash from external party of PT. Timah happened like demonstration often dealing with IKT.

## **Eradicating Corruption**

According to Mubyarto (2005: 45), corruption is a political problem more than the economy that touch the (legitimate) government in the eyes of the younger generation, the educated elites and employees in general. The impact of corruption is the reducing of supports for the government from the elites at the provincial level and regencies. Corruption meaning based on Mubyarto is highlighting the corruption from the political and economic viewpoint.

Irregularities of the tin governance and trade system will potentially cause state revenues received from mining activities will be not comparable with the tin sales export to foreign countries. This deviation will be a chance of corruption in the mining sector.

## **The Rule of Law**

When speaking of the rule of law, the thing must be understood by the law learners is what is meant by the rule of law and the affecting factors to analyze. In the constellation of the modern state, the law can be used as a tool of social engineering. Roscoe Pound (in Hadjon, 2010: 76) emphasizes the importance of the law as a tool of social engineering, particularly through the mechanism of cases settlement by the judicial bodies that will generate jurisprudence. The Decree of Minister of Industry and Trade no. 146/1999 created legal uncertainty because people feel may freely do the mining.

## **Poverty Alleviation**

Social democratic theory considers that poverty is not an individual problem, but rather structural. Poverty is caused by injustice and inequality in society due to the blockage of certain groups accesses to various sources of community. Government policy in the field of tin mining makes people are vulnerable of poverty. Revenues in the field of mining is only false prosperity, where if there is a PETI raid, then the citizen's purchasing power is decreased.

## **Visionary**

The term "visionary" nowadays is associated with leadership aspect. Leadership has distinctive characteristic which form the basic to describe the leader's attitudes and behavior who has a vision orientation. Tin commodity should not be the mainstay but the superior while changing the mindset and culture set of post tin society through diversification in plantations, fishery and tourism development.

## **Consensus Orientation**

Consensus is closely related to the content of law and Constitution. Durkheim (in Rewansyah, 2010: 97) stated that the content and the general nature of the constitution grew from a kind of "solidarity" that characterizes the society itself. So the rules made by mutual agreement and formed from people's behavior. When people do deviation, it causes the making of the rules of legislation to control the deviant behavior done by the people. In Bangka Belitung, the dualism in tin solving problems occur between the legislative and executive and also agreement neglect between PT. Timah with 23 private companies related to the monthly tin export abroad.

## **Decentralization of Political Power**

Decentralization in Constitution No. 32 Year 2004 is one of the regional administration principles which is defined as the devolution of government power by the government to autonomous regions within the framework of the Unitary State of the Republic of Indonesia as a whole and integrally was held in the Regions and Cities. This understanding is based on the nature of the decentralization : "delegation of authority and responsibility". Meanwhile, Bryan and White (1989) in Nugroho (2012: 75) defined decentralization as the authority transfer in public affairs of political officials to agencies that are relatively autonomous or the administrative functions to the lower hierarchy.

Based on the matters above, the mining sector remains in the hands of the state. It is in conformable with the Constitution of 1945 section 33 that natural resources are controlled by the state. State in this case has sovereignty either into or outside the country. In the implementation, it can be delegated either to autonomous regions or to certain companies both public and private companies, along with the authority to delegate in certain conditions and requirements.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **Conclusion**

Based on the results of research and discussion, it can be concluded that the governance of tin mining in Bangka-Belitung Archipelago Province has not impacted optimally due to the lack of accountability, transparency, participation, rule of law, eradicating corruption, poverty alleviation, visionary, the deal orientation and decentralization. The relation and interaction between stakeholders, both local government, private and community in relation tin mining is still in the seizing for the mining resources that has economic value. Interaction between local government, private and community cooperation that happens is hidden partnership which is oriented to the interests of each party.

## **Suggestion**

Based on the conclusions above, the researchers gives the following advice:

### **Academic advice**

Theoretically, this study has implications in developing governance in order to improve the policies of tin mining in the future. Therefore, the results of this study can be used as one of the main reference for the next researcher to conduct the research related to the formulation governance in the field of tin mining.

### **Practical Advice**

Practically, the researcher suggests several things as efforts to improve governance of tin mining in Bangka-Belitung as follows:

1. The research findings demonstrate the governance of tin mining in Bangka-Belitung still does not provide optimum prosperity impacts for the inhabitants. It can be seen from the elements weakness of governance such as accountability, participation, transparency, rule of law, eradicating corruption, visionary, the deal, poverty reduction and decentralization.
2. The central government needs to do reframing, restructuring, revitalization and renewal of the laws and policies in the field of tin mining, like:
  - a. Reorganizing the government's vision and mission of the tin mining through the formulation of specific rules (*lex specialis*) considering the tin mineral has strategic value.
  - b. Restructuring institutions that deal specifically with the tin mining by forming the authority bodies that regulates the tin mining from the upstream to the downstream.
  - c. Developing thr relations and interactions with the actors of association, both experts and environmental associations ad also forming *Tambang Inti Rakyat (TIR)* as a form of relation cooperation between stakeholders which are expected by mining companies as the core and the inhabitants as plasma.