## THE MYTH OF ECONOMIC GROWTH IN TUMPANG PITU GOLD MINE IN BANYUWANGI EAST JAVA

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#### **Abstract**

Growth becomes a measure in assessing the progress of both countries and regions, to pursue growth will sacrifice the environment on a large scale for the benefit of capital that will have an impact on increasing the growth of gross domestic product (GDP). The growth regime will result in environmental exploitation, as happened in the Banyuwangi Tumpang Pitu gold mine. This study uses the Degrowth approach, which provides a critical view of the forms of growth that are continuously damaging to the environment and choosing alternatives for sustainable growth and can be harmonized with the ecology. Degrowth becomes a foothold in the analysis process to reduce and even eliminate the size of growth that only looks at the aspect of GDP, which is explained as a regime that massively destroys the environment, as happened in the Banyuwangi Tumpang Pitu gold mine.

**Keyword**: Degrowth, Regime growth, Environmental Sociology

### Introduction

Human relations with nature are not only about material relation, but it is also religious relation. Various mining conflicts that occurred in Indonesia showed a substantial loss of relations between nature and humans, which were replaced by capital-based relations. These changes occur because of a form of neoliberal pressure that sees nature no longer as a partner in life. Instead, it sees nature as one of the enemies that must be tamed and exploited for the benefit of humans. Nature does not have sovereignty over her to determine her life

because it is profit-based. Cracking of human relations with nature is typical in Indonesia, as happened in the Banyuwangi Tumpang Pitu Gold Mine.

The company exploitation as a form of neoliberalism pressure transacts a free market-based economy. Interestingly, the exploitation of natural resources that occur in Mount Tumpang Pitu Banyuwangi, where the community does not enjoy the benefits of the existence of the mine, even experienced exclusion materially and non-materially. The area of land used by PT Bumi Suksesindo as an operating company has a concession area

of 4,998 hectares. Of the total land, 1,942 hectares is a Tumpang mountain protected forest area. The Tumpang mountain is the last bastion to resist tsunami waves, an experience reminiscent of 1994, where Banyuwangi was devastated by the Tsunami disaster (Jatam 2019). Therefore, the people who work in the agricultural sector, they are experiencing an economic dilemma and trauma about the event of the Tumpang Pitu area being devastated by the tsunami waves.

## Theory

## **Degrowth Theory**

The relationship between nature and humans is not limited to material relations but also relates to cultural relations. The cultural relationship that exists between nature and humans is inseparable from the ever-increasing needs of the social economy, but the depleting natural resources cannot fulfill the growing needs of humans. Degrowth tries to change the economic paradigm concerning the consumption of people who continuously exclude both the culture and nature of society. Degrowth comes from the deconstruction of economic growth, which only focuses on growth and often ignores long-term sustainability. Degrowth is a paradigm that comes from grassroots groups in France who are in a dilemma of resources that continue to experience shortages. The meaning of sustainable growth in the concept of degrowth is understood as a society built on quality rather than quantity, where humans work together to realize social justice based on ecological harmony. The concept of degrowth provides a different perspective with some other critical thinking; degrowth criticizes the idea of pro-growth in today, which is considered a failure to maintain ecological and human harmony.

The degrowth concept supports the optimization of sustainable economies of scale, where the optimization does not erode the carrying capacity of the environment over time. In its limitation, economic activities can provide the same productivity benefits compared to the concept of growth, which decreases ecosystem function in the long run. Growth regimes continue to take casualties, both from humans as labor and nature, as providers of production that are continuously exploited. Extractive industries are claimed to be able to improve people's welfare. Welfare based on GDP (gross domestic product) is seen as a way to improve welfare, but economic activity also has an impact on humans and nature.

## Method

This study uses qualitative research methods for the study of literature, using books and other literature as research objects that are used, qualitative research produces and can provide a description list of data available in the text (Mantra 2008). In qualitative research, a descriptive analysis needs to be done because it can provide a compressive analysis in the analysis process. The description analysis method of this study

describes how to see growth regimes that continue to capitalize on the environment and the poor. If we see the environmental damage that occurs in the exploitation of the Tumpang Pitu gold mine in Banyuwangi.

Data is needed at the initial stage, which is collected by using the required data and then classified and described. In the mythical study of economic growth in the overlapping gold mining area in Banyuwangi, East Java obtained primary and secondary sources. The primary source is a reference that works as the main reference in the study of the myth of Banyuwangi's economic growth. The overlapping gold mine depends on growth regimes. It drives the environment without looking at the sustainability of both the environment and society in the future. The economic growth regime has become a dilemma for countries that continue to invest by giving PT BSI the freedom to explore mines to increase GDP both regionally and nationally. Second, using secondary data is a supporting and complementary reference for primary sources in research, such as data from the Central Statistics Agency, data from the Wahana Lingkungan Hidup. They provide advocacy to communities that have an impact due to mining activities and JATAM (Jaringan Anti Tambang), together with communities fighting activities the gold mine on the overlapping mountain. Moreover, it will have a significant impact on natural disasters because the overlapping area is an area that has been designated as a tsunamiprone area.

Data collection methods in this study use a literature study, used in the form of library data that has been selected, searched, presented, and analyzed. Data that has been presented in the form of data that has been simplified using words systematically and thoroughly (Muhajir 1998). The data collected is analyzed to obtain information, but the researcher filters after its reliability beforehand (Mantra 2008). Data analysis in this study uses data analysis techniques in the form of content analysis, which is a scientific analysis of the content of data messages (Muhajir 1998)

#### **Results and Discussion**

# The Dilemma of Tumpang Pitu Gold Mining Area

Economic growth is an important element in realizing prosperity in a country. Interestingly, welfare is produced by some authorities who play in the exploitation of natural resources. Degrowth, in this case, questioned the concept of development that promised prosperity for the community. At present, the economic and social paradigm expects something to be faster, higher, further, more. This desire reveals its self through unlimited economic growth based on free competition. Its size is on welfare, which relies on the gross domestic product but without seeing or calculating the natural losses generated by the Tumpang Pitu gold mine in Banyuwangi. Resource extraction and environmental damage have an impact on the



(Source: Projection of GDP and GDP per capita table in Indonesia in 2016 - 2025 in Effendi D 2017).

marginalization of the community around the gold mine both economically and culturally, the capital accumulation that occurred in the Tumpang Pitu gold mine forced nature to continue to provide resources for carrying capacity to create a welfare concept that the state aspires to. However, the capacity that is not available structurally destroys the natural resources themselves.

Errors in policies that follow the model of western countries such as Europe and America employ GDP as economic development at the expense of southern countries or developing countries such as Indonesia through international political tactics. GDP measures domestic income, but questions arise about actors who control thousands of companies in third world countries, with a tendency for aggressive behavior that destroys the ecological order of

other countries to reap economic stability in their countries.

The table below shows the projected growth and progress of Indonesia, trying to highlight the numbers and fight for indicators of the welfare regime.

The government is trying to raise GDP then the process of environmental damage and the low standard of living of people and an increasingly vulnerable social situation occur. Vulnerable, in this case, can occur due to a marginalized both economically and culturally in the Banyuwangi Tumpang Pitu mining area. Degrowth tries to create a modest life and ecological democracy because ecology has its sovereignty not because natural human lust is the target for the gratification of lust. Degrowth tries to renew the local economic system that has sovereignty and is resilient. The existence of

the Tumpang Pitu gold mine does not generate sustainable income to the communities around the Banyuwangi Tumpang Pitu gold mine, workers absorbed by the mine do not occupy strategic positions. However, they only work in the security sector, intending to pit against those who are counter to the gold mine Tumpang. The impact of the operation of gold mines, in addition to increasing GDP, also massively destroys the environment. Post-exploitation also results in the absence of employment, reduced production and consumption, and income from mining taxes. In addition to reducing the amount of income land conflicts, poverty and unemployment also occur. In looking at the welfare dilemmas that occur in mining community communities, degrowth tries to see the damage caused by mining, and from this point of view, it can be ensured that economic growth through deep mining activities will not be able to replace the damage caused by environmental exploitation.

#### The Discourse of Tumpang Pitu Gold Mine

The growth regime is a discourse used by developed countries as a political strategy to dominate third world countries. Claims of increasing GDP as a measure of public welfare are disastrous for environmental damage. Developed countries use the discourse on the country welfare measurement, which is assessed from GDP. It can control the resources of developing countries such as Indonesia. The state also enforces (knowledge

discourse) through granting mining operation permits, as is the case in Tumpang Pitu. Tumpang Pitu is a disaster-prone area. However, the government continues to open access for capital actors to reap profits.

The welfare discourse between the government and the community generates a dilemma between the desire to increase GDP and the possibility of environmental damage and the presence of Tumpang gold mines. Mining activities carried out in the district of Jember, East Java in 1995-1996, were carried out by PT Hakman Metalindo. PT Hakman Emas Metalindo, as a subsidiary of PT Hakman Emas Metalindo has a mining area of 5,386 hectares, Hakman Platina Metalindo, with an area of 25,930 hectares, and hakman metalindo with an area of 25,120 hectares. The presence of PT Hakman Group has made Banyuwangi and surrounding cities trigger other cities around it (such as Jember and the horseshoe area) to be alert to the issue of gold mining. In 1998 the mining issue was muffled by the tragedy of cleansing the dukun santet in Banyuwangi, which spread in Bondowoso, Situbondo, and Jember areas. This propaganda carried out by the New Order government to reduce the issue of gold mining in the Banyuwangi area. Currently, the Tumpang Pitu gold mine is run by PT Bumi Suksesindo, which is a subsidiary of the Merdeka Group with a 4,998-hectare concession in Sumberagung and Pesangrahan villages, Banyuwangi Regency, East Java. The following table

shows elite actors playing in the Tumpang Pitu Banyuwangi gold mine circle.

The table above shows that the political elite in Indonesia is part of the discourse of increasing GDP in Banyuwangi. Banyuwangi's regent, who gave a mining exploitation permit known as the "seven hill project," is rated as a world-class project that has a deposit of 28 million ounces of gold and 19 billion pounds of copper. Another actor who was instrumental in opening the Tumpang Pitu mining area, which changed the status of protected forest areas into production forests, through the permission of the forestry minister was none other than Zulkifli Hasan. However, the Tumpang Pitu gold mining activity did not go smoothly because the community groups of farmers and fishermen felt the negative impact of the mining activities carried out by PT BSI. Mining in Tumpang Pitu has proven to be disrupting the economic wheels of farmers and fishers who live in subsistence.

Discourse also took place in the political arena, such as in the 2019 Presidential Election, where one of the Tumpang Pitu gold mine shareholders was involved in the political arena of the presidential election. The discourse was also felt in the realm of law, where the government elite criminalized some activists who refused to open the Tumpang Pitu gold mine. In the arena of discourse, there was a conflict between PT BSI and the people in the mining area. Besides, there is

a conflict between people; there are pros and contra to the mine.

The Tumpang Pitu gold mine in Banyuwangi will continue if the government still argues that an increase in GDP through the opening of the mining area can improve people's welfare. Welfare will only be felt by a small portion of the community, while the farming community and fishers will only feel the loss due to environmental damage

#### Conclusion

The welfare regime makes Indonesia GDP as a measure of welfare improvement. However, on the other hand, the measure used in the process of increasing prosperity is a measure of developed countries that are used as a political strategy to control the resources of developing countries. The Banyuwangi Tumpang Pitu gold mine is the result of a growth regime aimed at improving welfare. The Tumpang Pitu gold mine discourse was conducted by political elites involved in the presidential election arena in 2019. In addition to conflicts that manifested between the community and nature, latent conflicts also occurred between communities who were pro and contra with the existence of the Tumpang Pitu Banyuwangi gold mine. Therefore, degrowth tries to rethink the concept of well-being brought by neoliberal thought and seeks to harmonize sovereignty of local society with nature, for the sake of sustainability in the future.

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