

# *The Macrotheme Review*

*A multidisciplinary journal of global macro trends*

---

---

## **NATURAL RESOURCE CONFLICT IN INDONESIA : A CASE IN MANDAILING NATAL (NORTH SUMATRA PROVINCE)<sup>1</sup>**

Warjio, Alwi Bin Abdul Aziz, Dwi Endah Purwanti, Eddy Sofian

*Department of Political Science, University of North Sumatra ( USU ) and North Sumatra Province Government , Medan , Indonesia*

---

### **Abstract**

*Natural resource conflict is one conflict that often occurs in Indonesia . This conflict involves the community and the company. Around the forest, living indigenous or indigenous customary law rights of forest resources. Customary law stipulates that indigenous peoples have the right to the forest around them in the form of a right to use the land in its territory , the right to live in a certain period of time around the area, as well as the right to mamfaatkan forests around the area. The presence of big companies that get right to manage from central government, not the least in conflict with local people , even with the local government. This paper focuses on one natural resource conflicts that occurred in the area of Mandailing Natal, North Sumatra province. The results in this study, the conflict arises because of the struggle for mastery over the natural resources, in this case gold mines , among the parties in conflict. They are PT. Sorikmas Mining (company), communities and other interest groups. The involvement of the various parties to the conflict can not be separated from their respective interests . How this conflict could actually happen?*

Keywords: NATURAL RESOURCE CONFLICT, GOLD, MANDAILING NATAL, INDONESIA

### **1. INTRODUCTION**

Natural resources are, according to the World Trade Organization (WTO), "stocks of materials that exist in the natural environment that are both scarce and economically useful in production or consumption, either in their raw state or after a minimal amount of processing" (Mildner, Lauster, Wodni, 2011, Gorad, 2000). They include renewable (water, land, forest, fish, etc.) and depletable resources (minerals, metals, oil, diamonds, etc.). Natural resources can contribute to economic growth, employment, and fiscal revenues. But many resource-rich and resource-dependent countries are, in fact, characterized by disappointing growth rates, high inequality and wide-spread impoverishment, bad governance, and an increased risk of civil violence (Acemoglu & Robinson, 2012, Calvert & Calvert, 2001, Hashway & Burchfield, ,1999.) Natural resource in region of Mandailing Natal, a part of North Sumatera province, Indonesia is a huge source of

---

<sup>1</sup> This research originally from our Research funded by North Sumatera Government. We are really thanks to North Sumatera Government for funding this research in Year 2014 grant.

wealth but also a source of human, environmental, political, and socioeconomic conflict. This conflict arises when the fight over natural resources in the region, such as mining and other forest wealth. Around the forest, indigenous peoples live or indigenous peoples based on customary law have the right natural resources around the forest. Customary law establishes that the indigenous peoples have rights to the forest around them in the form of the right to use land in the territory, the right to live in a certain period of time around the area, as well as the right to mamfaatkan forests around the area (Abdullah, 2010). The presence of large companies that get right to manage from central government, not least in conflict with the local community, even with local government. In the first section of the article, I review the literature and evidence concerning the role of natural resource exploitation in Mandailing Natal.

## 2. LITERATUR REVIEW

Mildner, Lauster, Wodni, (2011) notes opinions on the explanatory power of resource scarcity for violent conflict clearly diverge. While scarcity of resources is considered an independent variable by some, others examine it as a dependent or intervening variable. Several of the reviewed studies find that scarcity has adverse effects on peace, although a few consider it to be a motor of innovation. Most of the time, when decreasing supply meets increasing demand, existing frictions in a society are exacerbated, catalyzing conflict. Migration of a different ethnic group, for example, makes the receiving region more vulnerable to conflict. However, the empirical findings remain rather weak. A clear causal relationship cannot be established convincingly. On the contrary, there are multiple mechanisms connecting demand/supply of resources, scarcity, and conflict. Scarcity (and conflict) do not develop automatically, depending on the (political, social, and cultural) context. More recent studies incorporate short- and long-term context-specific factors, such as integration into international markets, economic development, property regimes, government interventions, composition of the community, historical inequalities, and community-specific values and norms. More research concerning the causal mechanisms is needed.

It is admittedly difficult to draw a clear line between environmental degradation and population growth as sources of scarcity. Nonetheless, some authors have shifted the focus from the variable population to environment. The most prominent of these projects is the Swiss Environments and Conflict Project of Bächler, Böge, and Klötzli (1996), who summarize their theoretical and empirical results on degradation and armed conflict in three volumes. The project concludes, first, that degradation of renewable resources contributes to violent conflicts in regions of political, economic, and social instability. Second, armed conflict related to environmental degradation only erupts if several of the following conditions occur simultaneously: degraded resources are not substitutable and people depend on them for their existence; powerful institutions to ensure sustainable use of resources are not present; environmental degradation is used by groups with special interests to construct group identities; organization and armament is possible; there are pre-existing conflicts.

According to Whaiteman (2002) Conflict between indigenous peoples and the international mining industry is widespread, and hostilities can be deeply entrenched and explosive.

Community blockades, lawsuits, adversarial negotiations, public protests and non-governmental campaigns are common examples of the conflictual relations that exist between many indigenous groups and mining companies around the world. At the extreme end, such conflict has also resulted in violence, civil war, death, human rights abuses, and sexual assault on indigenous women and girls. While each situation is unique, conflict over minerals can have significant costs to both companies and local indigenous communities.

In line with Whaiteman (2002), Lavaux (2006), Collier (2008) notes the natural resource-environment conflicts are based on scenarios of inequity and segregation that have been created around the oil areas during one century, affecting territories and native cultures, destroying strategic natural resources as biodiversity and fresh water, and creating and feeding conflict situations that are projected beyond the regions where this energy resource is exploited, impacting the whole nation. Based on a case in Colombia, Lavaux (2006) notes there are three complex scenarios where the actors and dynamics of internal conflict are closely related to renewable and nonrenewable resources, particularly in border areas. In addition, it assesses a scenario of initial abundance and future scarcity of those strategic resources,' one that may cause a further deepening of the conflict.<sup>6</sup>

The first scenario has to do with the direct and indirect exploitation of natural resources by the largest actors in the conflict-the state and the illegal armed groups. In the first place, the state and foreign companies have contributed to the increase of social violence in several regions, by displacing and uprooting populations-in particular native communities-and by causing major environmental damage without monitoring or control. secondly, outlawed armed groups find an important source of wealth in the exploitation of natural resources-oil and nonfuel minerals-to finance their operations. These include the control of coalmines in Cesar, goldmines in northern Antioquia and southern Bolivar, emerald mines in Boyaca, and oil exploitation in Arauca. That exploitation is possible thanks to the institutional and coercive absence of the state, especially far from the larger urban centres of the country.

The second scenario concerns the use of threats against natural resources (or the infrastructure of its exploitation) by the illegal armed groups, both as a way of increasing the conflict and political pressure on the state, and as a strategy for making their nationalist ideological struggle more acute-mainly when that infrastructure involves foreign investments and multinationals. In this context, terrorist actions against oil pipelines in the north and south of the country are much more problematic since they have become a significant cause of environmental stress-of soils, forests, and fresh water-and resource degradation.

The third scenario deals with the economic dimensions of national insecurity that leads the peasants, who live in extreme poverty, and the outlawed groups, who are involved in permanent armed fighting, to cultivate large quantities of coca and poppy plants and to produce cocaine and heroine, activities that are highly lucrative but also very harmful to the biodiversity of Colombia. Traditionally abundant fauna, flora, forests, soils, and fresh water are therefore becoming depleted and scarce due to the massive use of pesticides, fungicides, the chemical precursors to cultivate and process coca and poppy plants, and the herbicides used to eradicate them. This critical degradation and shortage-combined with other political, economic, and social factors-generates cumulative violence due to the emergence of ecological marginalization processes experienced by communities highly dependant on local natural resources for economic and social

well-being and physical survival. This ecological marginalization is reflected in: the negation of traditional environmental rights to native indigenous communities; the degradation of soils usually able to assure food security; and internal populations' removal to overcrowded areas that have not been prepared for intensive urbanization and are therefore in danger of environmental disasters, which then increases extreme poverty in society. This last scenario emphasizes the impact of drug trafficking on the loss of biodiversity, the degradation of other strategic resources, and, on the conflict, its actors, and financing sources.

How about Indonesian case? Based on the separatist conflict in Aceh, Indonesia, Aspinall (2007) notes with a case for extending social constructivist approaches to the study of grievance in natural resource conflicts. It does this by analyzing the separatist conflict in Aceh, Indonesia, which is often portrayed as a paradigmatic resource conflict due to the importance of the natural gas industry there. It is argued here, however, that natural resource exploitation promoted conflict in Aceh only because it became entangled in wider processes of identity construction and was reinterpreted back to the population by ethnic political entrepreneurs in a way that legitimated violence. Rather than any intrinsic qualities of natural resource extraction, the key factor was the presence of an appropriate identity-based collective action frame. The argument is strengthened by comparison with two other resource-rich Indonesian provinces where resource extraction patterns were similar to Aceh but where no protracted violence occurred because similar identity resources were not available to local actors.

Base on case in the island of Bangka, Erman (2010) notes since the early 18th century, tin has been exploited. Since that time, this extractive industry has been leading export commodity and has given important contribution to the state revenue. Despite already being mined for more than three centuries, only since the Reform era (1998), there has been a series of long and controversial debates over the control of tin resources and its environmental impact. The debates on this issue has been conducted intensively from 2000 until 2007. However, when the second governor of the province was nominated in 2007, criticism were reduced, particularly when Babel Hijau Lestari was created by governor in July 2007. In this case, Erman (2010) notes elucidate this issue on the control over tin resources and environmental damages as a window of opportunity to observe the political motivation of state actors and the local community behind debates. Unlike the general perception, state actors and local community are not homogeneous entities. Their view over control of mines and environmental issues are fragmented and contradictory with each other. The different point of view of actors cannot be separated from their struggles to gain political and economic acceses. By looking at a trajectory of control over tin resources, its impact on environment, and the respons of the actors to it, soon we will discover of different environmental politics in relation on the struggles of actors in the period of decentralization and local autonomy.

### 3. Methodology

Methodology that used for research activities included data collection, theoretical studies (literature review), and field surveys, which were supported by interviews with resource persons, such as those who were concerned with the preservation and by Focus Discussion Group (FGD). Semi-structured interviews that involved fixed but open-ended questionnaire framework were conducted in Mandailing Natal, North Sumatera Province, Indonesia.

After the research analysis, I formulated a conclusion for the initial outcome. Data collection techniques involved the collection of primary data from the field trip on location. Data was recorded through photographs, and interviews with resource persons. In this case, primary data was collected from field research. Secondary data was collected through literature searches for theoretical and non-archive data. Data analysis techniques qualitative data analysis. This research used Critical studies were conducted through the realm of meaning, which would be analyzed through a qualitative approach and in the academic context of the realm of facts.

Respondents were not given questionnaires. Instead, there were more intensive direct interviews about their daily life, space utilization, and their concerns about natural resources conflict. The number of respondents chosen were ten people from the Local Government, activist NGO and the local community.

In case, data analysis was conducted in the Laboratory of the Development Studies Research in the Postgraduates Studies, Faculty of Social Sciences (FISIPOL), Universitas Sumatera Utara (USU) and, while the research for field data collection was conducted in Local Community in Mandailing Natal. In the meantime, the search for archive data was conducted at Local Library in Medan. The literature search related to the theory and method of the history of architecture was obtained through the Library of Universitas Sumatera Utara (USU).

### 4. Results and Discussion

#### *A profile of Mandailing Natal*

Mandailing Natal is located at 0° 10'-1° 50' North latitude and 98° 10'-100° 10' East Longitude with an altitude range of 0-2145 m above sea level. The total area of Mandailing Natal ± 6620.70 km<sup>2</sup> or 9.23 percent of North Sumatra with boundaries as follows: North side bordered with South Tapanuli; the south bordering the province of West Sumatra; Ocean west borders with Indonesia, and the East with the West Sumatra province. Mandailing has many natural resources. Proven ground Mandailing able to exist with the potential of natural resources, such as gold mining, coffee, rice, coconut and rubber. Natural wealth and progress in a variety of sectors, ranging from traditional rice fields, water, up to the growing economic growth in the region of the west coast is then called Mandailing Godang (<http://www.madina.go.id/>). In economic and sociopolitical terms, Mandailing Natal is considered to be a medium regional power in North Sumatera province. It is, however, one of the richest countries in the world with regard to natural resources.

According to local communities, Minangkabau society are often found around the coastal areas such as Kotanopan, Panyabungan, as well as areas bordering West Sumatra. Minang people in Madina seen from the absence of such person's surname Mandailaing and Nias. Even so, some still know the name of their Minang rate similar to that in West Sumatra. Besides trade, Minang community also many who have plantations and mining. Julu Mandailaing commonly found in the former gold mining left by Agam Minang community, such as in Huta Godang there somewhere that named *Garabak ni Agom*

### *The Construction of Conflict and Impact*

Natural Resources conflict that occur in Mandailing Natal store destructive potential which can not be underestimated. Ethnic communities' societal security is also worrying. Aside from the deforestation and contamination, there are three fundamental problems with oil exploitation (Lavaux, 2006), in particular in the regions of Mandailing Natal, the loss of basic and traditional conditions for survival for local native communities dependent on natural resources; the violation of the right to integrity of their habitat; and the difficulty of survival as a culture, with their own values, identity, and socialization processes.

The conflict triggered by the presence of PT Sorikmas Mining. PT. Sorikmas Mining is a gold exploration company. PT Sorikmas Mining has been exploring gold and other minerals in North Sumatra since 1998. PT Sorikmas Mining has a work contract with the Indonesian government that allows the company to explore minerals in an area of more than 55,000 ha. PT Sorikmas Mining doing exploration in the Contract of Work, which includes Tor Tor Connect Sihayo and, since 1998 was not simply related to penguasaa economic factors, but also have given rise to very complex issues, including issues related to environmental sustainability issues, political interests and socio-cultural issues. The official site of PT Sorikmas Mining mentioned: "Sorikmas will use the art technology and world-class treatment when we build the mine. We will go beyond the minimum standards in relation to minimizing the environmental impact and will rehabilitate all land directly affected by mining activities that we do. We will place a rigorous testing program to ensure that the quality of air and water in the area around the mine is not affected by our activities". ([Http://www.sorikmas.co.id/2012/06/12/lingkungan/](http://www.sorikmas.co.id/2012/06/12/lingkungan/)).

PT Sorikmas Mining is a foreign company, the holder of the CoW Generation VII dated February 18, 1998, is engaged in gold mining and minerals other followers signed by the Government of the Republic of Indonesia, which had previously been approved by the House of Representatives and President of Indonesia. Shareholders are Aberfoyle Pungkut Sorikmas Mining Investment Pte. Ltd. which later became Sihayo Gold Limited (75%) and PT Antam (25%). Contract of work area is located in Mandailing Natal with an area of 201 600 ha initially, after twice necking region into 66,200 ha (32.83% of the area of the original work contract). This contract based on the decree of the Director General Mining No. 755.K / 20:01 / DJP / 2000 dated December 19, 2000.

Because of the prohibition of exploration / exploitation in some areas overlapping the Batang Gadis National Park, and the lack of completion of the government, the shareholders decided to postpone (suspension) exploration activities as an area of 33 640 ha contract work which has been approved by the Director-General Geology and Mineral Resources as of March 6, 2008. Furthermore, according to PT Sorikmas Mining where the company actually has had an

influence on the improvement of the welfare of the surrounding community. This is evidenced by the company's commitment to employing local labor. According to the company in 2012 from 276 employees Sorikmas, 207 (75%) of which came from Mandailing Natal and 11 (4%) were from other districts / municipalities. Still according to the company, employing local people would be more profitable for Sorikmas, in addition to not having to pay for the mobilization of employees from the outside, the company also received support from the community and local government.

PT Sorikmas Mining also gives an overview of the high commitment of the company towards community empowerment. Although Sorikmas not yet entered the stage of exploitation (operations and gold production), but the company has been implementing development programs and empowerment of community development and empowerment masyarakat. Program conducted in 2011, for example, has spent Rp 1,735,607,250. Even this amount does not include the operational costs of 1 (one) foreign experts, and some employees who carry out the program ([www.sorikmas.co.id](http://www.sorikmas.co.id)). When examined conflicts in the mining region in Mandailing Natal, as is generally the other mining areas, one of which is the conflict arising due for control over natural resources, in this case gold mines, among the parties in conflict. They are PT. Sorikmas Mining, community and other interest groups. The involvement of various parties in the conflict can not be separated from their respective interests. Surely in the vortex of conflict, people who occupy the weakest position, both in the structures of power and ownership of capital, tend to be those who are marginalized.

In the perspective of a simple, mining conflicts in Mandailing Natal is indeed the case because there are parties that are on the opposite position and both have an interest in the mastery of natural resources. On the one hand, PT Sorikmas Mining has the legal aspects such as CoW legally have the authority to carry out exploration in the area of contract work. On the other hand the community, especially in the District Naga Juang, which since hereditary occupy the gold mining region feel they have the right to live and maintain the existence and continuity of their generation. However, if done in a more in-depth assessment, the real conflict is not as simple disagreement arising between communities and companies, because the circle of the conflict can be identified the emergence of illegal mining in accordance Instruction No. 3 of 2000 termed illegal mining (Mining Without Permission) who feel they have the right to obtain a livelihood from the Natural Resources. The local mining can be done by individuals, but some are managed by the speculators, capital owners, even those who have power in the region. Based on the results of this field study, it was found that the speculators, owners of capital and those who have authority composed of legislators from various political parties and elements of civil servants in the local government. They are generally known as *Toke Lobang*. A key informant explained:

"The Toke lobang (local owner) are those who have a lot of capital. Many of them are members of parliament from various political parties, civil servants in the local government, the employers and also coming from outside the area. With its much money they normally could buy power" "

In operation, the local owner usually employ people from the island of Java. People from Java can be distinguished based on their expertise. First, the shaman. The shaman usually employed to locate the gold mine and they are usually paid a high price. From the data in the can on the ground, the shaman is paid hundreds of millions of dollars by *Toke Lobang*. With this supernatural ability, the shaman works to locate gold. Not infrequently, many of them died in the

hole because buried. Ordinary workers usually carry out their duties for extracting gold. Reasons for the selection of workers from Java is usually on the side because they have the expertise as well as the reason they can continue to survive work. Their presence is also not uncommon to generate its own conflicts with local communities. Many residents came from outside Madina and started looking for a basic life in Mandailing Natal. This process goes so fast (and encouraged by the central government), making a lot of people complained that his life began to fear losing opportunities or because they feel that they are gradually (native) were no longer recognized as a 'host'. Moreover, there is a difference of cultural expression, lifestyle, style of religiosity, power adjustment, the difference in position, and power.

Many traditional societies experience that what they appreciate and preserve for a long time suddenly rated "do not sell" anymore, because no modern or even assessed primitive. Such reality is very difficult to accept even tend to cause tension and anger at those who rated outdated; or cause feelings of inferiority on the part of the assessed traditional, while outsiders (the judge) find themselves firmly right: better, most true, weighty and others 'behavior tingka'. Such discriminatory attitudes often appear and make a lot of people hurt so deeply. It is not surprising that people who feel labeled 'stupid and poor' are not so eager to take an active role in community life, religious or social life, because they feel themselves are not recognized as a true man and smartabat with anyone from the outside. It turns out that population diversity brings with it all sorts of symptoms where the differences become more highlighted elements than elements in common. The fact is thus a fertile ground for the birth of the conflict. Findings Mining Conflicts in Mandailing Natal can be presented from the perspective of the public, mining companies and local governments as follows: Of the society in the District of Naga Juang (among other, Humbang, Tambiski, BANUA People, Khajuraho Panjang, Sayur Matua) conflict is rooted in fears they will damage the environment due to mining exploitation that cause natural disasters as happened in other areas. They do not want if disasters, such as might occur in East Java related to Lapindo, Freeport in Irian Jaya, or Newmont Nusa Tenggara also befall them. Moreover happened recently PT Sorikmas Mining exploration has reached Tor Connect that if a straight line is only 2-3 miles from the nearest village. Greater public concern in the aftermath of the flood disaster that killed 3 people in April 2013. From these events the public is increasingly aware that the environment is something that should they fought for the survival of future generations. They also completed the determination to fight against mining in Tor Connect. In addition to these reasons, the mine at Tor Connect is a source of water that flows into the pockets of rivers such as Aek Gajah, Aek Lobu, and Aek Garut that in fact as well as a source of life for people in the Naga Juang, both for drinking water and water fields because 90 % Juang Naga society are dependent on agriculture and plantation. Currently post-mining, exploration well by PT Sorikmas Mining and Mining Without Permission conducted by miners, has led to problems related to the consumption of drinking water. Many societies in the district who doubted the Dragon Juang drinking water from rivers that flow of water in the Tor Connect eyed because they felt had been contaminated with mercury that they deem harmful to health. Even one informant stated:

"Currently we are afraid to drink the water that flows in our rivers as polluted mining waste. In fact, there are indications some birth defects. Indeed, until now there is no member of the public who complain, because usually they cover up those born baby's condition is not normal "



It can not be denied that the geographical expanse of the review of the mining company's presence in the Tor Connect very closely with the livelihood of the community Dragon Juang well as the offices of the water source and the areas of agriculture and plantation. It is very risky to provoke social and economic conflicts. In addition to environmental sustainability issues related to community resistance to the presence of PT Sorikmas Mining is also linked to the official boundary region of the contract work. Initially the contract of work area wide reaching, 201 700 ha. Furthermore, shrinking into a 66,200 ha. But until now, people never know where the official boundaries of the Contract of Work area. According to one of the participants in the Forum Group Discussion (FGD):

"Since the time of the Netherlands lies the registers are at the top, above the 5 km away from the community. However, this time limit is increasingly come down so much land that has since hereditary managed by the community with rubber or cocoa plantations stated in mining region (area PT Sorikmas Mining), and the public has no longer allowed to visit plantations- their gardens".

The central government has the authority to grant permission to mine a little less responsive. Though the region boundary is considered important by the community as the basis for plantation management activities.

Conflicts between citizens with mining companies are also exacerbated by the limited access to the information society in mining activities, so create negative perceptions related to the activity of PT Sorikmas Mining. People feel the company has made a big lie with the exploration status of the company. It can be seen from the statement of an FGD participants as follows:

"What we do not assume the company is already fooling us, from 1998 he said the company was not mine but still under investigation [read: exploration]. In fact, when compared with the miners of the people that they mine the morning, afternoon already getting results. Then if you still really study every day helicopter back and forth, if we could count in a day back and forth six times, one can transport one or two large crates "

Community resistance to the presence of the mining company PT Sorikmas Mining exacerbated by the company's policy to put a security force called Security Security In (SPD) which comprises the majority of the people of Eastern Indonesia echnical [read: Ambon] that the society is composed of thugs equipped with weaponry. SPD actions that often they consider cruel in the face of society in the pursuit of even torturing members of the public who were caught in the contract of work cause antipathy and exacerbate social stigma against the existence of the mining company and gradually has cultivated a passion for fighting and resistance in the community. In FGD revealed:

"The presence of the SPD clearly pose new problems for society. They often act in an arbitrary and arrogant and cruel and have no manners. They did not hesitate to use weapons against the people. They actually thugs who deliberately to come from Jakarta"

Furthermore, the mining company conflict really is not just about the relationship with the community. Parts of the contract work is in the National Park Trunk Gadis. The contract of work area covering 66,200 hectares, ± 33 721 ha is an area of overlap or are in the Batang Gadis National Park, while only ± 32 479 others who are outside the Park Batang Gadis National

comprised  $\pm 20\,927$  hectares of protected forest areas, forest Ha  $\pm 10\,106 \pm 1446$  limited production and other uses. To clarify the boundaries of the work contract, the Minister of Forestry issued a decree No. 126 / Menhut-II / 2004 dated April 29, 2004 on the Establishment of Boundaries While Batang Gadis National Park Region (TNBG) in some parts of the Contract of Work PT Sorikmas Mining, and cause the Contract of Work is divided into two (2) blocks, namely Block Off (32 560 ha ) and Block Non-Active (33 640 ha).

Traditionally abundant fauna, flora, forests, soils, and fresh water are therefore becoming depleted and scarce due to the massive use of pesticides, fungicides, the chemical precursors to cultivate and process coca and poppy plants, and the herbicides used to eradicate them. This critical degradation and shortage-combined with other political, economic, and social factors-generates cumulative violence due to the emergence of ecological marginalization processes experienced by communities highly dependant on local natural resources for economic and social well-being and physical survival. This ecological marginalization is reflected in: the negation of traditional environmental rights to native indigenous communities; the degradation of soils usually able to assure food security; and internal populations' removal to overcrowded areas that have not been prepared for intensive urbanization and are therefore in danger of environmental disasters, which then increases extreme poverty in society. This last scenario emphasizes the impact of drug trafficking on the loss of biodiversity, the degradation of other strategic resources, and, on the conflict, its actors, and financing sources (Lavaux, 2007)

The exploitation of minerals in the regions of the Mandailing Natal is connected to the social, human, and economic dimensions of the internal conflict. In the first place, the production and transport of hydrocarbons by national and foreign companies operating jointly in the country increases human insecurity when it affects both the state of biodiversity as well as the economic and cultural survival of local communities, in particular indigenous groups. In the second place, outlawed armed organizations use armed patronage and extortion of national and foreign companies to finance a large portion of their struggle against the state

The important issue to highlight is the relationship between drug production and the destruction of the most important resource of the country-biodiversity. The Mandailing Natal biodiversity is affected by all drug production and eradication phases. All the stages of this process-from the planting of the coca bush, the cultivation and crop of leaves, the processing of coca paste and its transformation into cocaine, to eradication using air fumigation-are highly polluting.

Four significant problems have been identified related to drug trafficking and the loss of biodiversity. First, the planting of illicit crops forces indiscriminate deforestation, leading not only to the loss of tropical forests but also to the gradual destruction of several vegetable and animal ecosystems, as well as the sedimentation of national and international rivers. second, the mono-cropping of coca and poppy requires the use of 23 varieties of pesticides-fertilizers, herbicides, insecticides, and fungicides, etc.-to strengthen and produce an average of four annual crops. Third, massive use of chemical inputs-up to 20 varieties of solid and 27 liquid substances-causes irreversible ecological damage. Indeed, the transformation of coca leaves into coca paste involves a mixture of kerosene-type fuels-to dissolve the organic components-with sulphuric acid and potassium permanganate to extract the alkaloids. Once dried, the paste is transformed into the cocaine base by adding ammonia in clandestine crystallization laboratories (Lavaux, 2007). Finally, in order to obtain the end product called cocaine hydrochloride, the cocaine base is

combined with hydrochloric acid and purified with ether and acetone, among other chemicals. A similar process is used to transform poppies into morphine and then into heroine. After the processing, those chemical substances are poured directly into the soil and mainly into rivers. Although the effects of toxicity of this product on human health, biodiversity, and fresh water have not been proven so far,<sup>18</sup> several problems can be outlined: this herbicide is not selective and attacks all plants in the same way; aspersions areas cover wider surfaces than the crops themselves; the PT Sorik Mining Company's "roundup glyphosate" formula used in Mandailing Natal isn't recommended for use near freshwater sources; and, the concentration used for aspersions would be 500 times higher than that recommended by the company. Effective governance is central to preventing, minimizing, and resolving natural resource conflicts, maintains; conflicts over natural resources in Mandailing Natal have emerged because citizens do not have any control over their country's natural resource endowment, and they cannot see a way of seeking redress through existing structures. The relationship between governance and natural resource conflicts-including his exploration of the weakness of administrative structures to manage resources, the inadequacy of laws and regulations governing the sharing of the endowment, emerging demands for accountability, the role of elites, the politics of warlord governance, the changing role of civil society and globalization-will be the major contribution Natural Resources and Conflict in Mandailing Natal makes to the literature. The technocrats, dominant in local government during the Suharto years, had promoted a "marginalist ideology" that argued that rather than concentrating on politics or religion (Aspinall, 2007), Mandailing Natal should primarily be conceived as a backward region within a rapidly developing Indonesia, and that the government should concentrate on enabling it to catch up with the rest of the country. They stressed economic modernization and political stability. In this case, Erman (2010) and Aminah (2014) notes elucidate this issue on the control over tin resources and environmental damages as a window of opportunity to observe the political motivation of state actors and the local community behind debates. Unlike the general perception, state actors and local community are not homogeneous entities. Their view over control of mines and environmental issues are fragmented and contradictory with each other. The different point of view of actors cannot be separated from their struggles to gain political and economic acceses (Eisenstadt, 1998).

## 5. Conclusion

Gold, minerals, and biodiversity are some of the most important natural resources of Mandailing Natal. All are directly or indirectly connected with the country's armed conflict, social violence, and human insecurity. They constitute sources of financing for insurgent organizations and are the object of degradation and destruction, which has led in turn to scarcity. Those strategic resources deserve particular attention in the political, academic, and societal treatment of the conflict.

In this article, we have tried to go further than merely reemphasizing the significance of grievances for internal conflict. We have tried to extend the constructivist approach to the understanding of grievance itself, stressing that Mandailing Natal grievances about natural resource exploitation only arose and became politically consequential for violence as part of a wider discourse of deprivation that positioned the Mandailing Natal as victims of the Indonesian state. This discourse arose from an historical process of identity formation in the context of changing cultural and institutional relations between the local community, local government and the company . Three factors were key: the legacy of previous generations of conflict; the

institutionalization, celebration, and territorialization of Mandailing Natal identity via "local autonomy" arrangements; and the emergence of a nationalist counterelite that radically reinterpreted official discourse on identity. These factors provided the context in which primary commodities became consequential for conflict. Even so, it took hard ideological work by nationalist political entrepreneurs to transform unfocused resentments about natural resources into grievances that would mandate violence. As in many other countries around the world, parallel trade and trafficking of metals and precious stones in Mandailing Natal feed the financing of internal conflict for subversive groups and lead to an increase in violence in the creation of new types of actors such as the emerald cartels that escape state control in areas of production.

### ***Acknowledgement***

*This research originally from our Research funded by North Sumatera Government province. We are really thanks to North Sumatera Government for funding this research in Year 2014 grant.*

### **REFERENCES**

Abdullah, Mudhofir, 2010. *Al-Quran dan Konservasi Lingkungan: Argumen Konservasi Lingkungan Sebagai Tujuan Tertinggi Syariah*. Jakarta: Dian Rakyat

Acemoglu, Daron & Robinson, A 2012. *The Origin of Power, Prosperity and Poverty*, New York: Crown Bussines

Aminah, Siti, 2014. *Kuasa Negara Pada Rana Politik Lokal*, Jakarta: Penerbit Kencana

Ayres, Ron; Clark, David. "Capitalism, Industrialisation and development in Latin America: The dependency paradigm revisited", dalam *Capital & Class* 64 (Spring 1998): 89-118.

Aspinall, Edward. 2007. The Construction of Grievance: Natural Resources and Identity in a Separatist Conflict. *The Journal of Conflict Resolution*, 51(6) : 950-972

Calvert, Peter & Susan Calvert, 2001. *Politics and Society in The Third World*, England, Longmann Education, 2001.

Chaniago, Andrinof A, 2012. *Gagalnya Pembangunan: Membaca Ulang Keruntuhan Orde Baru*, Jakarta: LP3ES

Clark, Rob, 2008. Dependency, Network Integration, and Development. *Sociological Perspectives*. 51.(3) : 629-648

Collier, Paul, 2008. *The Botton Billion: Why The Poorest Countries Are Failing and What Can Be Done About it*, New York: Oxford University Press

Charles-Philippe, David; Gagné, Jean-François, 2007. Natural resources: A source of conflict?. *International Journal*, 62(1) : 5-17.

Eisenstadt, SN, 1998. The paradox of democratic regimes: Fragility and transformability. *Sociological Theory*, 16.(3) : 211.

Erman, Erwiza, 2010. Aktor, Akses dan Politik Lingkungan Pertambangan Timah Bangka, Jurnal Masyarakat Indonesia, 71 (1):71-91

Farazmand, Ali, 2004. Sound Governance: Policy and Administrative Innovation, Praeger: London

Gasper, Des, 2004. *The Ethic of Development: From Economic To Human Development*, Edinburg : Edinburg University Press .

Gorard, Stephen. 2000 “One of us cannot be wrong: The paradox of achievement gaps”, dalam journal *British Journal of Sociology of Education* 21.(3) : 391-400.

Hashway, Robert M; Burchfield, Mitchel, 1999. Developmentalism”, *Educational Research Quarterly* 23.(1) (Sep 1999): 3.

Harisson, Lawrence E & Huntington, Samuel P., Eds, 2000. *Cultures Matters: How Values Shape Human Progress*, New York: Basic Book

Lavaux, Stéphanie, 2007. Natural resources and conflict in Colombia: Complex dynamics, narrow relationships”, *International Journal*, 62(1): 19-30.

Mildner, Stormy-Annika; Lauster, Gitta; Wodni, Wiebke, 2011. Scarcity and Abundance Revisited: A Literature Review on Natural Resources and Conflict” *International Journal of Conflict and Violence*, 5(1) : 156-172.

Zaelany, Andy A, Wahyono, Ary, 2010. Konflik Pengelolaan Konservasi Laut Coremap Dengan Adat di Perairan Buton. Jurnal *Masyarakat Indonesia*, 71 (1):157-170

Website:

[Http://www.sorikmas.co.id/2012/06/12/lingkungan/](http://www.sorikmas.co.id/2012/06/12/lingkungan/).

<http://www.madina.go.id/>