

Mining Community Empowerment (A Study in Mine-Producing Areas of East Java Province, Indonesia)

Muhammad Lukman Hakim

Lecturer at Brawijaya University Faculty of Social and Political Science

Secretary at the Research and Civil Service at the Faculty of Social and Political Science
Brawijaya University
Malang, Indonesia
em.lukman79@ub.ac.id

Sihabudin

Faculty of Law, Brawijaya University
Malang, Indonesia
sihab@ub.ac.id

Abstract-- East Java is a province rich of oil and gas resources with total reserves of 249,19 million barrels of oil and 4,32 TCF of gas. Some oil and gas mining companies operating in large scales in the area of East Java, among others are; Exxon Mobil Oil, Pertamina, Santos, Petrochina, and Indo-Pacific. This research was conducted in Sumenep Regency East Java province of Indonesia. The purpose of this research is to identify the role of oil and gas companies in relation to community-empowerment and poverty reduction as well as economic prosperity because the condition of the communities living near mining areas is still underdeveloped. This study employed observational techniques of active participation. By using descriptive qualitative research obtained through several techniques. Data collection techniques used by the researchers among others involved observations, interviews, documents and records. In analyzing the data, researchers used flow models.

Keywords---empowerment, community, corporate, mining.

I. INTRODUCTION

East Java is the province rich in oil and gas resources with total reserves of 249,19 million barrels of oil and 4,32 TCF of gas. Some oil and gas mining companies operating in large scales in the area of East Java, among others are; Exxon Mobil Oil, Pertamina, Santos, Petrochina, and Indo-Pacific. East Java is rich in oil and gas, as seen from the records of the Energy and Mineral Resources Ministry identifying there are 31 (thirty-one) blocks ready for exploitation, which certainly does not include blocks that have not yet been identified. According to plan, management of the 31(thirty-one) blocks will be or are already under the control of some oil and gas companies as described below;

TABLE 1.1 OIL AND GAS COMPANIES OPERATING IN EAST JAVA

Company	Block Name	Block Type	Total Blocks
Pertamina EP	Jatim Area-4	Onshore	1
Pertamina EP	Jatim Area-2	Onshore and Offshore	1
PC Muria. LTD	Muriah	Offshore	2
Sebana. LTD	Fur	Offshore	1
Amerada Hess (Indonesia-Pangkah). LTD	Pangkah	Offshore	2

Camar Resources Canada. INC	Bawean	Offshore	2
Pertamina EP	West Madura	Offshore	4
Job Pertamina-Petrochina East Java. LTD	Tuban	Onshore	3
Pertamina EP	East Jatim Area-3	Offshore	1
Santos (Sampang) PTY. LTD	Lacquer	Offshore	1
Knock Nemone. LTD	NE. MADURA - II	Offshore	1
Santos (Madura Offshore) PTY. LTD	Madura Offshore Block	Offshore	1
Huski Oil (Madura) Ltd.	Onshore and Offshore Madura Strait Area	Onshore and Offshore	5
Pertamina ED.	Poleng	Offshore	1
South Madura Exploration Company PTE.LTD	South Madura	Onshore and Offshore	1
Job. Pertamina Medco Madura	Onshore Madura Island	Onshore	1
Conoco Philips (Ketapang) LTD	Ketapang Block	Offshore	1
Knock Nemone. LTD	NE. Madura - I	Offshore	1
EMP. Kangean LTD	Onshore and Offshore Kangean	Onshore and Offshore	4
Anadarko Petroleum CORP	NE. Madura - III	Offshore	1
Petronas Carigali Karapan LTD	North East Madura - IV	Offshore	1
Petronas Carigali Karapan LTD	Karapan	Offshore	2
PT. Easco East Throughout	East Throughout	Offshore	1
PT. Far East Energy	East Kangean	Offshore	1
Lapindo Brantas INC	Brantas	Offshore	5

Source; East Java Indonesian Environmental Forum -Walhi East Java, 2013.

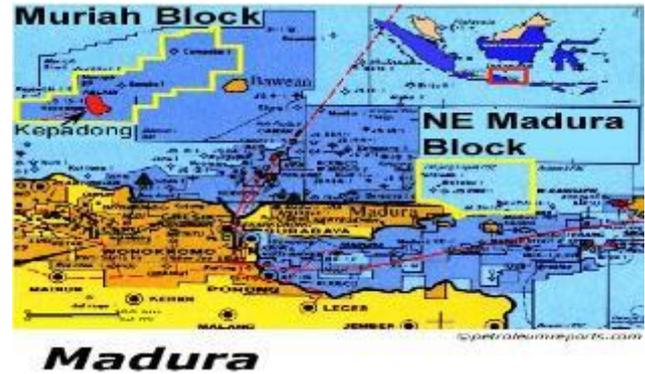
Until the year of 2018 there are 17 (seventeen) companies conducting exploration and exploitation of oil and gas in the development area of Madura as listed in the following:

1. Bawean Block Operator: Camar Resources Canada Inc. Contractors: Kerr-McGee of Indonesia Inc. (USA).
2. Bulu Block Operator: Pearloil Satria Ltd (United Arab Emirates) Contractor: Sebana Ltd.
3. Pangkah Block Operator: Amerada Hess Indonesia-Pangkah Ltd. (USA) Contractor: Premier Oil Pangkah Ltd.
4. Onshore and Offshore Madura Strait Area Block Operator: Husky Oil (Madura) Ltd. Contractor: Hubday Oil International Ltd (UK).
5. Karapan Block Operator: Amstelco Karapan Pte Ltd (UK) Contractor: Amstelco Karapan Pte Ltd East Bawean I block Operator: East Bawean.
6. East Bawean I Block Operator: East Bawean Ltd. (Canada) Contractor: CJSC Sintezmorneftegaz (Russia).
7. South East Madura Block Operator: PT Energy Minerals Lasting Contractor: PT Energy Minerals Lasting.
8. East Bawean II Block Operator: Bawean Husky Oil Ltd. (Canada) Contractor: Bawean Husky Oil Ltd.
9. North East Madura III Block Operator: Anadarko Indonesia Company (USA) Contractor: Anadarko Indonesia Company.
10. Madura Offshore Block Operator: Santos Madura Offshore Pty Ltd Contractor: Talisman Madura Ltd (Canada).
11. Mandala Block Operator: PT Bumi Hasta Mukti-Fortune Empire Group Ltd Contractor: Consortium of PT Bumi Hasta Mukti-Fortune Empire Group Ltd.
12. West Madura Block Operator: Kodeco Korea (May 6th 1981-6 May 2011), Pertamina (May 7th 2011-7 May 2031). Contractor: Kodeco Energy Company Ltd (1981-6 May 6 May 2011), Pertamina (May 7th 2011-7 May 2031).
13. North Madura Block Operator: Australian Worldwide Exploration Consortium North Madura Madura NZ Ltd.-North Energy Ltd. Contractor: Consortium Australian Worldwide Exploration NZ Ltd North - North Madura Madura Energy Ltd.
14. Ketapang Block Operator: Petronas Carigali Ketapang II Ltd (Malaysia) Contractor: Gulf Resources Ketapang (Conoco Phillips-USA).
15. Coral Block Operator: Australian Worldwide Exploration Coral NZ Ltd Contractor: Australian Worldwide Exploration Coral NZ Ltd.
16. South Madura Block Operator: South Madura Exploration Company Pte Ltd Contractor: PT Eksindo South Madura.
17. Madura Block Operator: Society of Petroleum Engineers Petroleum Ltd (China) Contractor: Society of Petroleum Engineers Petroleum Ltd.

FIGURE 1.1 PROJECT LOCATION MAP OF OIL AND GAS IN MADURA ISLAND

The map in the picture above shows locations of oil and natural gas projects on the Madura Island. The north coast of East Java, including the island of Madura, is the center of oil and gas exploitation. The regions involved range from Tuban,

Gresik, Lamongan, Bojonegoro, Bangkalan, Pamekasan to Sumenep, but approximately 20-35% of the population live



below the poverty line. Especially in Sampang regency, more than 35% of the population lives below the poverty line. It is completely in contrast with areas in the South shore such as; Blitar, Malang, Lumajang, Jember, Banyuwangi in which only 15-20% of the population lives below the poverty line.

To identify the role of oil and gas companies above in relation to community empowerment and poverty alleviation as well as economic prosperity, seeing the impacts caused is required. How the presence of these companies have significant contributions to the fundamental livelihoods of communities living near the mining areas. Nevertheless, this statement can be seen from the conditions of the Madura Island communities living near mining areas being under-developed despite the abundance of oil and gas in the territory.

II. DISCUSSION

The previous data shows the on-shore and off-shore areas of Sumenep Regency, one of the Regencies in Madura Island, many oil and gas companies, be it local nor international ones have explored natural gas in the area. Some of the companies, among others are; PT. Arbani (Arco Bali North Indonesia), Medco, Amoco, Beyond Petroleum (BP), Energi Mega Pratama Inc. (EMP), EMP Kangean Ltd. PT. Santos, and a Korean company namely Korea Knock Nemone Ltd. Since 1982 PT. Arbani has conducted exploration in Kangean Sumenep. The name "Arbani" was used due to the company's opinion that the islands rich in oil and natural gas were administratively a part of North Bali. After making sure oil and gas were located in the island of Terang, Sakala, Igangan, Sirasun I, Sirasun II, a year later in 1985 PT. Arbani sold 40% of their shares to *Beyond Petroleum* (BP). Around the beginning of 1985 PT. Arbani and BP conducted drilling on the Pagerungan-1 Block and following that, drillings at Pagerungan Blocks 2, 3, 4, and 5. In February 1988, PT. Arbani also conducted exploration in West Kangean-1 Block and found gas reserves. Then, in a sustainable manner, it also found West Kangean Block 2 and 3. In 1993, PT. Arbani found new gas reserves in Sirasun-1 Block, Appraisal Block (Sirasun-2). Also, this year PT. Arbani is conducting a 3-Dimensional Siesmic Survey in the Blocks of Terang, Sirasun, and Batur.

Many oil and gas companies are coming to this Regency of 127 (one-hundred twenty seven) islands. Starting from the oil and gas company namely *Korea Knock Nemone Ltd.*, Ever since the year of 2005 occupied Wulan I and Wulan II Blocks

in the waters of Dungkek and Pasongsongan sub-districts in Sumenep Regency. *Santos Oyong Australia* occupies Maleo I and II Blocks in the waters of Gili-Raja in the Gili-Genting sub-district, Sumenep Regency which is the second largest oil and natural gas reserves after Kangean. Even since 2006, the Malaysian government-owned enterprise (*Petronas*) has signed a contract to manage a block of oil and natural gas in the waters of Podai, Sumenep Regency. In order to simplify, the author has provided the information in a table.

TABLE 1.2 LIST OF OIL AND NATURAL GAS COMPANIES IN SUMENEP

No.	Company name	Year	Area contract	Information
1.	PT. Arbani	1982	Kangean Block	Kangean is an island in the Sumenep Regency distanced from the Kalianget port, Sumenep by 12 hours of travel by the sea.
2.	PT. Arbani	1984	Terang, Sakala, Irgan, Sirasun I, Sirasun II.	
3.	PT. Arbani and BP	1985	Pagerungan Blocks 1,2,3,4,5	
4.	PT. Arbani and BP	1988	West Kangean block 1,2,3	
5.	PT. Arbani and BP	1993	Sirasun Block-1, Appraisal Block (Sirasun-2)	Conducted 3D Siesmic survey in the Blocks of Terang, Sirasun, and Batur.
6.	BP-Amoco	1998		Shares of PT. Arbani were taken over by BP and collaborated with Amoco to become BP- Amoco
7.	BP-Kangean Ltd.	2000		PT. Arbani rejoined into BP BP-Amoco-Kangean Ltd.
8.	EMP-Kangean Ltd.	2004	33 Islands in Kangean and Sapeken, Sumenep Regency	BP-Kangean Ltd was bought by Energi Mega Pratama Ltd. became EMP-Kangean Ltd.
9.	Korea Knock Nemone Ltd.	2005	Wulan Block I, 2	In the waters of Dungkek and Pasongsongan sub-districts in Sumenep Regency
10.	Korea Knock Nemone Ltd.	2005	East Madura Block I	Waters of Dungkek and Raas Island, Sumenep Regency.
11.	Santos Oyong Australia	2005	Maleo Block 1.2	In the waters of Gili Raja, Gili Genting Sub-District and Talango in the Sumenep Regency as the second largest oil and natural gas block after Kangean.
12.	Petronas Malaysia	2006	Podai Block	Podai waters, Sumenep Regency

Source: compiled from various sources

The flow of natural gas to consumers since 31st January 1994 through the 28-inch undersea pipeline with a length of 360 kilometers (km) and 70 km on-shore pipe line with a cargo of 175 MMCFD, EMP Kangean Ltd. has transmitted the natural gases to following places: (1) PLN Gresik 3 as much as 168.500 MCF with an average of 117.352 MCFD; (2) Petrokimia Gresik an amount of 226.400 MCF with an average of 7606 MCFG; (3) National Gas Company in Porong, Sidoarjo with an amount of 17.800 MMCF with the average of 659 MCFD. The flow towards the three companies as stated above is pegged at \$1.78 (US Dollars) per MMBTU at the wellhead. Meanwhile, the number of gas wells that have been drilled amounts to 9 out of 16 that has been planned beforehand. The previous can be seen in the following data:

FIGURE 1.2 NATIONAL GAS PIPELINE NETWORK



Source; National Oil and Gas Industry Fixed Guidelines and Patterns 2005-2020, Blueprint Implementation of Law No. 22 of 2001 concerning Oil and Gas, Ministry of Energy and Mineral Resources.

FIGURE 1.3 INDONESIA GAS PIPELINE
Indonesia
Integrated Gas Transmission Pipelines



Source; National Oil and Gas Industry Fixed Guidelines and Patterns 2005-2020, Blueprint Implementation of Law No. 22 of 2001 concerning Oil and Gas, Ministry of Energy and Mineral Resources.

Based on the results of the oil and gas exploitation that has been conducted by the above-mentioned company since 1982, gas companies operating on the island of Pagerungan Besar were able to build a gas facility management with the capacity of 2x175 million cubic feet of natural gas per day. Condensate storage facilities (*Single Point Mooring System*) with a capacity of 125,000 tons dwt is completed with a 2.5 Km loading pipeline system to the Pagerungan gas field pipeline system. Other infrastructures that has been built in the area amount to a quarter more than the total island area of Pagerungan Besar, among others; pavilion, planes bases,

roads, and other facilities for oil and gas companies. The following is an aerial photography of a gas refinery in Sumenep Kangean island, which occupies almost all available island areas.

FIGURE 1.4 GAS REFINERY IN KANGEAN ISLAND, SUMENEP REGENCY



Source; EMP-Kangean Ltd. Progress Report

In reality, the beneficial outcome of the natural gas exploitation in the afore-mentioned Kangean block area until now could not be enjoyed by the communities that live near the mining area. Electricity is only available to people who live on the island of Kangean and Sapeken, yet the availability is also limited from 05.00 PM until 07.00 PM, whereas in the meantime several other smaller islands around Kangean and Sapeken which have been the natural gas fields such as, Pagerungan Besar, Pagerungan Kecil, Paliat, and Sepanjang until now have never used electricity. It is an ironic reality if seen from the results of the natural gas used by these companies. Out of 6 (six) production wells, PGA 1, 2,3,4 and PGB 1,2 have been able to produce 200 million cubic feet per day. Even the exploitation result of this gas has already peaked with great figure which is approximately 334 million cubic feet per day.

Based on the description above, the real conflicts within the community living around the mine are economic and social inequalities experienced and by the absence of legal remedies capable of solving the ongoing problems, resulting in helpless communities living among the abundance of oil and natural gas, as compared with other areas in East Java that do not rely on mining oil and gas.

Local mining community empowerments are often done with the presence of many operating oil and gas companies, in the context of this discussion it is not merely empowering the community living near the mine alone, but it must also be based on justice for the community. The compensation funds for exploitation is done by administering funds for the community, later known as Community Development Funds from the development around the mining areas, community development funds issued by the Mining Company accepted by the society are merely related to a physical development whereas the community around the mine area remains dependent.

III. MINING COMMUNITY EMPOWERMENT

The term "empowerment" is often equated with poverty reduction in various projects to reduce the number of people living in poverty. In the context of empowerment,

development is often associated with the activities of public participation in the process of determining the grants or financial aid given to the village or district level. Public participation in determining whether the aid would be used to build a road or a bridge is believed to be a process to empower communities.

The most recent development approach that emphasizes the public participation is believed to be able to reduce poverty compared to giving financial aid in a top-down concept without a public dialogue process, which then creates and develops the concept and theory of empowerment, rights relation in the effort to reduce poverty.

Empowerment is the process of increasing the capacity of a person or group in determining how to perform the desired action or output. Empowerment is a combination of two interrelated factors which are: agency and the opportunity structure. Agency is defined as an ability of a person to decide a choice that is significant to him/her. Whereas, the opportunity structure is the various aspects that could make a person do something because of the ability to choose. Hence, the empowerment can be defined as a situation when there is an imbalance of power relations, then someone who has enough capacity could perform effective decisions and can take advantage from various efforts/projects to suppress poverty rate.

Approach to development and poverty reduction through empowerment is closely connected with the so-called rights-based approach or RBA. RBA concept is based on the idea that every person who has a variety of fundamental rights, where every state is obliged to promote, improve, and protect the rights of its citizens. The rights in general, can be interpreted as a legitimate claim against a number of persons, groups or organizations such as social or economic institutions, a country, or an international community. They are required to meet the demands of rights holders. In the context of development and efforts to reduce poverty, human rights can be interpreted as a "power relation," where the state must fulfill the rights of its citizens,

Human rights are related to poverty, the relevance of freedom, human rights and development. By incorporating the concept of rights, the ability (and capacity), opportunity, liberty, and individual rights into the discourse of poverty, then poverty can be categorized as a contradiction to fundamental human rights [1].

Related to this research, mining management is often a problem faced by East Java provincial government in the form of:

1. Land disputes;
2. Environmental degradation; and
3. Social and economic inequality.

The empowerment of local mining communities is an attempt to improve the quality of the communities living around the mine so as to catch up in the field of life, hence normative arrangements of that is necessary.

Local mining community empowerment which has been carried out is the object of criticism of this research by treating critically the legal principles of mining exploitation along with projection methods and scenario construction.

With its autonomous character, it is believed that the law can control repression and maintain its own integrity. Law is a tool for humans. It is an instrument to serve human needs. In this sense, the isolation of the legal system from the various social institutions around it, in fact, has a bad impact in terms of human needs themselves. Law, easily transforming into a self-serving institution, is no longer serving humans. Law can no longer be relied upon as a tool of change and as a tool to achieve substantive justice. The result is clear, the social legitimacy of the law has dropped sharply [2]. The danger sign of the erosion of the authority and the stagnation of substantive justice have become the focus of criticism of the law.

Actually, under the legal autonomy doctrine, the status quo ideology is hidden. And the status quo itself is a canopy or a protection fortress for the rich. This is the first point of criticism by Neo-Marxists. The biased law is very clear. It benefits the rich yet harms and deceives the poor. By doing so, legal institutions have been unnoticeably polluted, and it has contributed to the lack of social order in general. It works as a tool of power. The second point that was criticized by Neo-Marxist is liberal legalism, particularly regarding the idea that the purpose of justice can be achieved through a system of rules and procedures that are objective, impartial, and autonomous. According to Neo-Marxists, factually, the rule of law is not able to overcome the fundamental issues of social justice. Even worse, the rule of law is a "hidden enemy" of social justice itself. Not social justice achieved in the rule of law, but victory for the rich. The court is not the place where the lower class society gets social justice, but it becomes the platform for the upper classes to judge those of the lower classes [3].

In the midst of the series of criticisms on the legal authority crisis, Nonet-Selznick proposes a responsive [4] legal model by giving special attention to variables related to law which consist of: the role of coercion in law, the relationship between law and politics, the state, moral order, place of discretion, role of purpose in legal decisions, participation, legitimacy, and conditions of compliance with the law. Social change and social justice require a responsive legal order. This need, in fact, has become the main theme of all experts who agree with functional, pragmatic, and purposive (goal-oriented) spirit, as well as Roscoe Pound, adherents of legal realism, and contemporary critics. The model of rules proposed by Dworkin, can no longer be relied upon to handle the dynamics of social needs in the midst of change.

Through this model, Nonet and Selznick put the law as a means of response to the provisions of social and public aspirations which are open by nature. This law emphasizes the type of accommodation to accept social changes in order to achieve justice and public emancipation. Concern to accommodate social aspirations causes this theory to be classified in the area of sociological jurisprudence, that is, a philosophical approach to law that emphasizes socially-relevant legal design efforts.

Government Regulation No. 47 year 2012 on Corporate Social and Environmental Responsibility of Limited Liability Companies in Indonesia is a venture of sustainable development in mining areas. The rule asserts that social

responsibility and environmental mining companies are as institutional responsibility, and they are formally bound with the applicable laws (mandatory) and are not an interactional responsibility which is voluntary.

Under these provisions, the mining company must implement a program of social responsibility and environmentally sustainable company if they want their business to proceed because, on one hand, the social and environmental responsibility has become a requirement for mining companies to gain support from the people living around the mining site. Therefore, there is no legal reason for mining companies in Indonesia to refuse to implement the social and environmental responsibility in its business activities.

Social responsibility and the environment, especially for mining companies under Government Regulation No. 47 year 2012 on Corporate Social and Environmental Responsibility of Limited Liability Companies in Indonesia are deeply encouraged to ensure the guarantee of the environmental damage recovery, so that it is expected that there will be a balance between profit, environment and society. However, there are differences in the understanding of the contradictory implementation of CSR in Indonesia, in which one side that is interactional and voluntary and, on the other hand, is institutional in nature, which is formally bound to the laws and regulations. This raises the pros and cons concerning that the implementation of CSR in the mining sector is a dual system in nature.

Sumenep Regency as an area that has a relatively unique number and area, consisting of 126 islands separated from Madura Island as its main island, the northernmost island, Karamian Island, located in Masalembu District with a distance of approximately 151 nautical miles from Kalianget Port. The distance from Kalianget Port to the island is about 15 hour drive, further than the trip from Sulawesi Island which is only 3 hours away. Meanwhile the easternmost island is Sakala Island with a distance of approximately 135 nautical miles from the Kalianget Port or about 12 hour drive, whereas from the island of Bali it is only 4 hours away. Therefore, socio-economically, people depend more on other islands nearby rather than on Sumenep Regency itself.

Sumenep Regency is a part of East Java Province, precisely at the eastern end of Madura Island and is located northeast of the capital of East Java Province (Surabaya City). Geographically, Sumenep Regency is located between 113°32'54" - 116°16'48" East Longitude and 4°55'00" - 7°24'00" South Latitude. The distance between Sumenep Regency and the Capital City of East Java Province (Surabaya City) is approximately 200 Km, whereas the distance is a sum of additional distance for crossing the Madura Island and the Madura Strait. The administrative boundaries of Sumenep Regency are as follows:

- North : Java sea
- West : Pamekasan
- East : Java Sea / Flores Sea
- South : Madura Strait

The geography consists of lands and islands with a total area of 2093.46 km². The regional divisions are as follows:

- The land area as the wider area of the archipelago with an area of 1146.93 km² or 54.79% of the overall Sumenep, consisting of 18 (eighteen) districts on the island of Madura and islands in the District of Dungkek.
- The islands have a wide area of 946.53 km² or 45.21% of the total area of Sumenep. The number of islands is 126 islands, consisting of 48 inhabited islands, 78 uninhabited island, 104 named islands and 22 nameless islands.
- The islands consist of 9 (nine) districts, namely: Giligenting, Talango, Nonggunong, Gayam, Ra'as, Arjasa, Sapeken, Kangayan and District Masalembu.

Meanwhile, data in 2011 showed that the population of Sumenep District was 1,042,312 people with a sex ratio of 90.75. This shows that every 100 inhabitants there are 91 to 92 men, which means the growth of female population is more than that of men. Whereas, the Population Vulnerability Ratio accounted for 81.81, meaning that every 100 working population, 81 to 82 people are employed, hence Sumenep has a low vulnerability ratio.

TABLE 3.3 POPULATION RATIO IN SUMENEP REGENCY

No.	Age range (years)	Population		Source	Information
		Male	Female		
1	0-14	148 769	163 925	BPS	The productive age is between 15-55 years of age where people are able to work.
2	15-55	272 743	300 529	BPS	
3	56 +	74 384	81 962	BPS	
Sub-Total		495 896	546 416		
Population Total				1042312	
Sex ratio (male / female) x 100				90.7542 9709	Women > Men
Population Vulnerability Level Ratio (Productive Age / non-productive) x100				81.8180 5495	Low
Total Productive Age				573 272	
Total Non-Productive Age				469 040	
Vulnerability ratio				81.81805495	

Source: Adapted from Sumenep in Numbers, Year of 2012

The largest job opportunity in Sumenep Regency is trade and commerce due to the rapid development of the tourism sector in Sumenep.

TABLE 3.4 FIELD OF WORK

No.	Field of work	Amount	Data source
1	Agriculture	93.149	BPS
2	Mining	3.715	BPS
3	Industrial Management	45.705	BPS
4	Electricity, Gas, and Water	2.586	BPS
5	Building / Construction	7.664	BPS
6	Trading and Commerce	110.923	BPS
7	Transport / Transportation	35.172	BPS
8	Services	9.216	BPS
9	Finance and Banking	11.144	BPS

Source: Adapted from Sumenep in Numbers, Year of 2012

The general unemployment rate in the last 3 years decreased in line with the development of Sumenep Regency. In 2009 the unemployment rate of high school graduates was

very high but in the following year 2010 it dropped dramatically. The phenomenon had been evaluated by the government in 2010 to increase the use of labor from high school graduates. In 2011, high school graduates accounted for the highest unemployment.

TABLE 3.5 UNEMPLOYMENT RATE

No.	Unemployment Rate	Amount		
		2009	2010	2011
1	Not finished Primary School	16 704	12 298	7,700
2	Elementary School	52 662	10,620	6.823
3	Junior High School	58 306	9503	9.961
4	High School / Vocational School	131 802	7826	16.773
5	Diploma / University	75 052	12.297	11 094

Source: Adapted from Sumenep in Numbers, Year of 2012

The data on places of worship is based on spiritual activities. The growth rate of Islamic worship houses increases every year due to the population growth and the desired decisions of religious leaders to build more, quite on the contrary to the Churches, as due to the decreasing number of Christians in the area.

TABLE 3.6 PLACES OF WORSHIP

No.	Worship Place	2009	2010	2011
1	Mosque	1435	1441	1502
2	Church	1	1	1
3	Temple	na	na	na
4	Monastery	na	na	na
5	Others	na	na	na

Source: Adapted from Sumenep in Numbers, Year of 2012

In majority, primary school is the highest education degree earned by the locals in addition to the fact that high school infrastructures are rare in the village, and informal educational institutions such as islamic dormitories of Salafiah are developed in the Regency of Sumenep

TABLE 3.7 EDUCATION LEVEL

No.	Level	amount	Data source	Information
1	Pre-School	na	BPS	
2	Kindergarten	372	BPS	
3	Primary School	1192	BPS	
4	Junior High School	350	BPS	
5	High School / Vocational School	163	BPS	
6	Academy	na	BPS	
7	University	4	BPS	

Source: Adapted from Sumenep in Numbers, Year of 2012

In general, the development of health facilities is improving. At this time what needs to be improved is the Puskesmas (public health center) facility which continues to increase every year, the PUSYANDU (pre- and post-natal healthcare and information) also needs to be improved. And the main thing in health improvement is that health programs for the poor are still lacking attention. Many poor people cannot gain access to health despite the government programs.

TABLE 3.8 HEALTH FACILITIES

No.	Facility	2009	2010	2011
1	Regional Public hospital	1	1	3
2	Private Hospital	na	na	na
3	Maternity Clinic	4	4	335
4	Pharmacy	14	14	14

5	Doctor's Clinic	na	na	na
6	PHC (Public Health Center)	30	30	30
7	Subsidiary Health Center	68	68	68
8	Polindes (Village Maternity Center)	179	179	290
9	IHC (Information Health Centre)	1352	1352	1401

Source: Adapted from Sumenep in Numbers, Year of 2012

The development of road infrastructure for the districts increases every year, but the provincial and state roads remain the same. Current issues related to the road infrastructures near oil and gas exploitation sites are extremely underdeveloped, and this triggers complaints from local communities.

TABLE 3.9 ROAD INFRASTRUCTURES

No.	Variables	2009	2010	2011
1	The length of provincial roads	69600 Km	69600 Km	69600 Km
2	The length of district roads	1512304 Km	1517134 Km	1629900 Km
3	The length of State roads	48 830 Km	48 830 Km	48 830 Km

Source: Adapted from Sumenep in Numbers, Year of 2012

Population of Sumenep Regency from year to year has experienced an increase, a growth rate of 10% on average per year. If there is no strategic plan from the government, then this will cause occupational issues, including the lack of job opportunities that leads to social conflict and crime. Based on information from the Department of Social Welfare, several Districts that have higher crime rate also have a higher rate of population and unemployment.

TABLE 3.10 POPULATION GROWTH RATE

No.	Population growth rate	2007-2008	2009-2010	2011-2012
1	Sumenep Regency	0.39%	0.39%	0.38%

Source: Adapted from Sumenep in Numbers, Year of 2012

There are no changes of the population growth rate in Sumenep Regency in the last three years, which is 0.39%, however in 2011 – 2012, the growth rate of the population has decreased due to the government's family-planning program which proves effective. There are no links between the growth rate of the population with oil and gas, despite the activities on oil and Gas in Pagerungan. Sumenep was temporarily suspended.

IV. CONCLUSION

Based on empirical data analysis it is known that in general the CD program in Sumenep Regency which is carried out by the KKKS is still as a "Charity" but has not yet led to Community Development. This is reinforced by the many grant-based assistance with very little community participation to plan, implement and monitor it, thus triggering conflicts caused by the differences in perceptions between the community and the KKKS.

TABLE 4.11 CSR PROGRAM IN SUMENEP REGENCY

ComDev Program	Company (sample)	Scope of Community Development Program	Program Objectives
Education	PT Santos &	Education infrastructure	Targets include renovation of

	HCML	development activities limited to renovation of buildings in villages, covering kindergartens, Elementary / Primary Schools/ Madrasah and middle schools	buildings in the village including Kindergartens, Elementary / Primary Schools/ Madrasah and middle schools
Health	PT Santos & HCML	The provision of clean water infrastructure includes the manufacture of spring water protection (PMA), drilling wells (SBR), public hydrants (HU), piping systems, digging wells, rainwater storage and bathing, washing and toilet facilities.	Targeted programs aimed at communities or areas that lack water, toilets or latrines.
Agriculture	PT Santos & HCML	Rural area irrigation development is prioritized in network rehabilitation, improving rural irrigation, new rural irrigation development.	Objective of the program is aimed at the agricultural land surrounding the oil and gas exploitation site.
Environment	PT Santos & HCML	Development of Street-lighting facilities	Programs for the poor
economy	PT Santos & HCML	Development of village markets and fish auction centers.	Program targets rural markets and fish auction centers.

Source: Adapted from various sources , Year 2012-2014

Mining companies in East Java must implement corporate social and environmental responsibility programs if they want to be sustainable business because social and environmental responsibility has become a necessity for mining companies to get support from the people who live around the mining site. Therefore, there is no legal reason for mining companies in Indonesia not to carry out social and environmental responsibilities in their business activities.

REFERENCES

- [1] Amartya Sen, Development As Freedom (New York: Anchor Bookss), 1999..
- [2] S. Rahadjo, Law and Social Change: A Theoretical Review and Experiences in Indonesia, Bandung, Alumni, 1983..
- [3] Empowerment team, Poverty Reduction and Economic Management (PREM) Group, World Bank, 2010.
- [4] B. L. Tanya, Law Theory, Bandung: Alumni, 2007.
- [5] Empowerment team, Poverty Reduction and Economic Management (PREM) Group, World Bank, 2010..
- [6] B. L. Tanya, Teori Ilmu Hukum, Bandung, Alumni., Bandung.