

# To Break Dependence on Tin Mining

## *The Analysis of Dependency Theory on Constructive Policy in Economic Development of Bangka Belitung After Tin Mining*

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**Abstract**—This study is a qualitative approach through study of post-tin economic development in Bangka Belitung. Economic development is carried out in order to realize the people equality of welfare and also in line with the development environment and people life. The purpose of this research is to know the policy of constructive is held by Erzaldi-Fatah and constructive policy analysis through dependency theory. The results of this research show that there are eight constructive policies Erzaldi – Fatah issued to resolve a dependency will tin. The eight policies include empowering of small medium enterprises, Green Babel, Sovereign Babel, Babel Bright, Blue Babel, Babel Prosperous, Babel wealthy and Babel Smart. The presence of those policies is certainly attempting to release a price monopoly of Tin which is often done by developed countries of export destinations. Not only that, this policy also expected eight capabilities of positive effect to the needs of the purchasing power of society in meeting the full range of their everyday staples. Constructive policies in the development of the economic sector of the peoples in Bangka Belitung is being in line with the concept of dependency theory which states that the development model is to maximize the internal factors mentioned in theory modernization as a barrier to the development of motion.

**Keywords:** *constructive policy, tin mining, economy development*

### I. INTRODUCTION

Development is a planned process of change to improve various aspects of people life to be better. According to Effendi [1], the development is an effort to improve all resources which conducted in planning and sustaining as a principle power to spreading system. The development is also a process of change included the whole social systems, economy, politic, education, culture, infrastructure, and other sectors. This research focus on development which is often formulated through economic development. According to Meler and Baldwin (1957) [2], the economic development is a process, with in it the real nation income will increase the economy during long period of time. In other words, it can be said that economic development is an activity that is directed to have a better life in economy for the community, such as the increasing in economic prosperity which marked by an increase in the production and consumption so that it can create social welfare for the people.

As in Bangka Belitung Islands Province (Babel) is also currently improved the economic development in order to increase people prosperity and welfare. For such reason, after

the election of Governor and Vice Governor in February 2017 and the elected governor and vice governor Erzaldi Rosman and Abdul Fattah (in this paper the author uses Erzaldi-Fattah) are facing main challenges, it is to break the economic dependence on tin.

There are some basic reasons why Babel economy in Bangka Belitung must break on tin dependency, they are the potential lack of unrenewable natural resources, the decreasing global tin prices, the rise of the tin illegal trafficking, and natural devastation impact which caused by the emergence of illegal mining.

The conditions make Erzaldi-Fatah must construct a policy that served as their priorities policy in Bangka Belitung economic development after tin. It is really put people at a prosperous evenly and it is in line with environmental development and social life. As any development concepts of Galtung definition, which as a meeting effort of human basic need, both individual and group, in ways would no damage caused, good against social life and the natural environment [3].

Number of studies that some of them are, the research was conducted by Wardana [4] that looked at about government spending the education and health sectors to strengthen the influence of economic growth and the level of poverty to the development of the human beings in East Kalimantan. The research results showed that the variable government spending the education and health sectors is the variable moderator. Variable government spending the health sector have had a positive impact and significant to strengthen the influence of economic growth toward economic development.

Similar research was also carried out by Gugy and Utomo [5] that looked at about identification sectors which can seed and can administer results fairly well as expected as the alternative solution, so it can support other sectors with an undeveloped such in the Malang Regency.

The Methods in data collection used special methods and types of data were collected from secondary data. The research results showed that the first base sector is the agricultural sector which becomes superior sector. The second base are mining and quarrying sectors. Third base sector is the other service sector.

Another research was also conducted by Tri and Satria [6] about business sector classification based on value Static

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Location Quotient and Dynamic Location Quotient. The purpose of this research was to know economic growth pattern districts in East Java province, through any sectors; potential, main, prospective, and remote area in East Java. The results of this analysis are potential sector, main sector, prospective sector, and remote area sector.

Based on the discussions above, it can be formulated that the focus on this study is to identify and to analyze the constructive policy of Erzaldi-Fatah in order to develop Bangka Belitung economy after tin. Meanwhile, the purpose of this study is to find whatever constructive policy has been done by Erzaldi-Fatah and then the analysis of constructive policy through the dependencies theory.

## II. RESEARCH METHOD

This research is the qualitative method. According to Creswell [7], the qualitative study is a method to explore and understand the meaning by individuals or people group ascribed of social problems or humanity. The kind of approach of this research is descriptive, such research describes the problems solving which exist based on data. The kind of qualitative descriptive research used in this research was intended to obtain information about constructive policy conducted by Erzaldi-Fatah in efforts to break Bangka Belitung (Babel) economy from tin dependency.

This is in line with the qualitative study objective, the research methodology used to scrutinize on condition objects the physical, (as an adversary is experiment) which researcher was as an instrument key, the data collection technique was conducted in triangulating (combined), data analysis was an inductive, and the result of the qualitative study was emphasized on the meaning of a generalization [8]. In other words, this research focus conducted on efforts which carried out to collect descriptive data both set many and incorporated in a form of report and the discussion.

Meanwhile, the data collection process conducted in this research is to observe technique and interview. The observation that conducted through an observation (primary data) as actor. Researchers also supervised the in local media as secondary data. While the interviews conducted in this research was interview not structure. The goal was to provide opportunities for researchers in developing more research questions.

## III. RESULT AND DISCUSSION

Bangka Belitung continues to be one of the first settled province which can continue to evolve and progress. One of the improvements being undertaken focus is economic development. It is very reasonable because economic growth suffered a weakening during the past five years. The weakening of economic growth rate in Babel is inseparable from the weakening price of tin since the 2012 as responded with a reduction in production and export of tin. This is very clear indication that economic development is heavily dependent on Tin Babel.

### A. Constructive Policy Analysis Erzaldi-Fatah Through Dependency Theory

Dependency theory is a theory as a criticism of the theory of modernization. If according to the theory of modernization that the construction was supposed to be used and follow the example of western countries in advance of the forward, and does not cause the development of a country due to factors within those countries become developed slowly. Then the dependency theory and the different use of point view with the theory of modernization, as they look at the various problems faced by the third world countries, from the perspective of the third world itself, i.e. the poverty in the developing countries caused by more developed countries [9].

Dependency theory itself was born in Latin America to give a response of the failure program running by the ECLA (United Nation Economic Commission for Latin America) during the early 1960's. Not only that, dependency theory was also born over the scientific response against Classical Marxist opinions about development run in developed and developing countries. As well as the economic development which is executed in Indonesia (generally) and Babel (specially) that still rely on the mining of unrenewable natural resources such as oil, gold, coal, tin, and others.

In this study, researchers utilize concept of Theotonio Dos Santos [10] which explains that relationship of two or more countries contain a form of dependency if some countries dominant can develop and has autonomy in its construction, while other countries (hanging) can do a similar thing, only reflection on the development country's dominant [9]. The thesis submitted by Santos is a dependence of subdivision has three types:

#### a. Colonial Dependency

The most visible of the colonial dependence due to colonization of the Netherland in Babel is the existence of dominance and monopoly in the form of tin mining. It was when the Netherlands took over all mining folks as well as mining which formely ruled by the Sultanate of Palembang. After the colonial era, domination and monopoly of tin mining was followed by the Central Government through PT. Timah Tbk. This is what expressed by Santos that at colonial dependency, the country's dominant working with the elite of the country depends, to monopolize the ownership of land, mining, labour, as well as the export of minerals and produce goods of possessions [9].

Dominance and monopoly was then strengthened with the establishment of the tin exchange or ICDX (Indonesia Commodity and Derivatives Exchange) on February 1, 2012.

To counter this monopoly and dominance, Erzaldi-Fatah then issued the policy in the field of agriculture, which was given the name of Green

Babel. The presence of this policy very reasoned, because before the rampant illegal mining, agriculture is a mainstay of pepper people in Babel. In other words, through this Babel Green, Erzaldi-Fatah

wants to resurrect the glories of pepper (white Muntok Pepper) who are already well known to the international community, such as the United States, Netherlands, France, Germany, United Kingdom, Italy, Singapore, and Vietnam.

Not only that, according to Bambang Ari Satria [11] which is a special staff of the Governor's political sphere, Erzaldi-Fatah also strives to conduct procurement of (at least) one million seedlings pepper to the Ministry of Agriculture to share to the community. Not only that, Erzaldi-Fatah also asked the Central Government to conduct the evaluation or the dissolution of the ICDX. This is because the presence of the ICDX is not considered to contribute to the Babel peoples. *"If there is no provincial government to their benefit, I think it's too late if you want to provide aid. If you want help from past don't urged from the heart. They delivered a letter to the met, invited to meet also hadn't. I do not want to be the things that we do not want if I meet ICDX,"* said Erzaldi. [11]

In order to resolve this colonial dependence, Erzaldi-Fatah also issued a policy named Babel Blue. Babel Blue is directed to the development of the economy of Babel through the tourism sector. Therefore, it would do the construction and development of supporting infrastructure in the various attraction.

b. *Dependence of Financial Industry*

According to Santos, the dependence of the state sector of the economy view more dependent on exports of raw materials and agricultural products [9]. Associate with this research it is clear that lead to this day remains one of the flagship product export Indonesia and of course being the main products that sustain economic sectors in Babel at this time. The main tin export destination country this is Babel to Singapore. It is not surprising then if the export of raw this material the decline in the resources of the state, while the added value obtained is very small [9]

In other words, it can be said that the presence of tin in *Negeri Serumpun Sebalai* actually does not give sufficient added value both for the welfare of the people. The existing welfare only felt by a handful of people, mostly employees who get all the excellent facilities. While agricultural products in Babel earlier, namely pepper retired because peoples prefer to mine the tin. This is because the mining of tin more quickly makes money farming compared to pepper.

To overcome this financial industry dependence, Erzaldi-Fatah then do the strengthening of small medium enterprises. According to Bambang Ari Satria [12] through a field of this creative effort, Erzaldi-Fatah attempts to do the empowerment and integration of small medium enterprises online. This policy was subsequently applied through dissemination of halal certification, the inaugural education and training, strengthening of the institutional and oversight of cooperatives, as well as increasing business volume of small medium enterprises.

In order to do this, small medium enterprise strengthening against Erzaldi-Fatah also issued a policy of Babel. Policy in the field of energy, seeks to bring in investors who focus in the field of energy. This policy is also directed to conduct procurement of new renewable energy equipment capable of generating energy for household needs as well as small industry, specifically used for coastal peoples and small islands in Babel.

Not only that, to further prosper society, Erzaldi-Fatah also issued a policy of Babel ia sovereign. According to Bambang Ari Satria [11], this policy was more faocused on controlling inflation. It is very reasonable because the Babel economy release efforts against Tin will have a direct impact on the purchasing power of the community to the needs of their daily staple.

This inflation-control effort by performing basic food price control through optimization of the role team role and optimize market operations governing the regional inflation team.

c. *The Dependence of Industrial Technology*

The form of the dependence of industrial technology is clearly visible on the tools used in conducting mining tin. Among the current modern society believed that the advancement of industrial technology, in addition to speeding up the production process, it can also address the environmental problems that occur. The damage of energy and natural resources as a result of the exploration system, can be preventes with a more sophisticated new system [13]

Therefore, the original mining done traditionally, i.e. using buckets, small plates (dinner plate), a large plate made of wood, now, using diesel engines, excavators to dig into the ground, and use the ship dredger, as well as the suction vessel production for mining activities in the sea.

Nevertheless, such confidence was not completely correct. Many people have rejected him, among others, by stating that technology is not a solution, instead adding new problems. Environmental pollution cannot be stopped by new technology [12]. There is some contamination going

on, namely the widespread environmental damage occurs, not only on land but also at sea. This occurs because not all the land the former tin mining on land greening done again. As well as the damage occurred at sea, coral reef and sea water pollution which have a direct impact on the fishing and tourism sectors. The Chairman of the coral reef exploration in University of Bangka Belitung team, Indra Ambalika says that in the year 2010 alone the damage to coral reefs due to tin mining increasingly ill. *"It could be said, there is no worst mining activity other than in Babel. Mining of Tin in the sea, 50 percent of the coral reefs here are badly damaged,"* said Indra [14]. According to Indra [14], data obtained by sensory evaluation team reef Bangka Belitung mention the condition of coral reefs most severe damage occurred on the Bangka island. *"The coral reefs is still good only in Tuing and Pejem, Bangka, as well as the small islands of Bangka Island,"* he said. *The rest, the damage is almost evenly across the waters of Bangka. On the island of Belitung damage only exists in the waters of Kelapa Kampit and Membalong* [15].

Therefore, it is not surprising if the presence of tin natural resources not bring significant impact towards the welfare of the Babel peoples. But instead, the presence of natural resources leads this highly destructive and polluting the environment in Babel, to undermine the moral education system and society.

The impacts include increasing the numbers drop-out children of the age of compulsory education, fostering market alcoholic beverages, drugs, prostitution and gambling, turn off the reading culture and education, health and low safety, destroy farming culture/gardening, cultivating a culture of instant, contaminates villages with negative attitude and behavior of his workers, deprive young people of the village of mosque/religious, stunt of violation democracy against the law [16].

To solve the complicated problems, Erzaldi-Fatah issued several policies, one of which is Babel Smart. According to Bambang Ari Satria [12] through this policy of Babel Smart, Erzaldi-Fatah is committed to providing scholarships for students who are less able and performs operational provision for the school or boarding school for secondary schools and outside regular school. This policy is also directed to the formation of the smart villange by setting up itinerant school library (smart car) as much as two units. It also added that one village has one school, early childhood education. The formation of the early childhood education and for each village is also supported by print early childhood education magazines and as much as ten thousand copies per month, and the production will begin starting October 2017.

In addition, to further strengthen the policy of Babel Smart, Erzaldi-Fatah according to Bambang Ari Satria [12] issued a policy of Babel Prosperous is concerned on development of human resources, as conducting education and training skills the overall job seekers in the country or the city of Babel. It aims at addition to working to improve the quality of human resources in order to be ready to compete in the world of work is growing, also aims to shed dependency on tin mining employment sector. Furthermore, the policy of the Babel Prosperous reinforced again with the Babel policy of prosper. According to Bambang Ari Satria [12], this policy is directed to undertake institutional strengthening capacity of Government and undertake the construction of the Village-Owned Enterprises through a grant provided by the province. This policy itself aims to accelerate equitable prosperity throughout the village.

In addition, the release of economic development from tin, Erzaldi-Fatah also actually attempt to break away from dependence towards the countries of destinations of exports of the main tin. Based on the country of destination, tin Babel exports to dominant is Singapore. About 35.78 percent Tin exports in January-March 2017 sent into the land of the white lion. Compared to January-March 2016, exports Lead to Singapore this year increased 104.66 percent. Netherlands, South Korea, Japan, and the United States again entered in five countries the main aim of Tin exports in January-March the year 2017. The five main countries importing this Bangka Belitung Islands Province Lead to 78.53 percent [17]. Developed countries export tin sometimes attempt to do a monopoly price so often happens a decrease in the price of tin. Therefore, to overcome this price drop, PT. Timah Tbk. as this mine of goods contracting companies often do the restrictions on sales. The goal, the company is waiting for the positive trend that could raise the price of tin.

The occurrence of a monopoly against the tin price this can as a form of exploitation that are wrapped with through the world of industry. This then resulted in a small profit in may ultimately have implications for low levels of well-being that is in Babel as the owner of this natural resource.

These conditions are in line with the view of Santos [10] to the effect that the exploitation of these resources is done through the nodes of an existing industry in developing countries but developed countries on investment, so that the advantage obtained by industry many are drawn to the developed countries, Whereas the weights assigned to the impact of industrialization of developing countries where industrialization [18].

#### IV. CONCLUSION

Based on the results of descriptive analysis analyzed before in discussion, it can be drawn some research conclusion. A policy to develop the economic sector in

Bangka Belitung is a development program devoted to lower dependence the economy of community Bangka Belitung of the mining sector. Not only that, these programs also aim at improving resource utilization that is, so that economic condition of the community will be better or an increasing.

To deal with this problem, Erzaldi-Fatah govern several constructive policies. There are eight categorizations of policies, including the micro, small and medium scale business, Green Babel in agricultural sector, Sovereign Babel in food, Babel Bright in energy, Blue Babel focused on infrastructure, Babel Prosperous in human resource development, Babel Wealthy in rural development and Babel Smart that focuses in education. In addition, to overcome Babel economic dependence of tin, this policy seeks to release monopoly tin prices often time done by countries export destination. On the other hands, it can be concluded that policies govern by Erzaldi-Fatah as a development model after tin to maximize natural resources potentials and improve human resources to be superior and able to compete in the workplace.

When viewing the policies issued by the Erzaldi-Fatah, then it can be said that it is actually in line with the concept of dependency theory which states that the development model is to maximize the internal factors calles in the theory of modernization as a barrier to the development of motion. The internal factors are developed as a model of development this is the utilization of natural resources in addition to tin mining and also the utilization and development of human resources in order to beable to compete so superior, whether locally national, and international level.

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