Oil & Community Welfare: A Case Study on People Oil Mining in Indonesia

by Nugroho Brata

Submission date: 08-Jul-2020 08:02AM (UTC+0700) Submission ID: 1354779884 File name: Oil_and_Community_Welfare_A_Case_Study_on_People_Oil.pdf (297.23K) Word count: 6176 Character count: 30300



Jurnal Komunitas 6 (2) (2014): 271-279. DOI: 10.15294/komunitas.v6i2.3306

K NUNITAS



Remarch & Learning in Sociology and Anthropology http://journal.unnes.ac.id/nju/index.php/komunitas

Oil & Community Welfare: A Case Study on People Oil Mining in Indonesia

Nugroho Trisnu Brata[⊠]

Department of Sociology and Anthropology, Semarang State University, Indonesia

Permalink/DOI: http://dx.doi.org/10.15294/komunitas.v6i2.3306

Received : July 2014; Accepted: August 2014; Published: September 2014

Abstract

Usually in the oil mining area was exploited by oil company that under licensed from the state. Nevertheless on an oil mining field in East Java Province in Indonesia there is people oil mining that exploited and distributed by the people. They are working on the people oil mining area. Working is a phenomenon inherent to adults in satisfying their needs. People work for a multitude of motivation. Working may lead a particular worker to occupy certain social status within the society. This paper aims to examine the phenomenon of people working in the oil distribution link from people oil mining to consumer. More specifically, this study aims to describe the impacts of working in the oil mining on the miners' social and economic life. The method used in this research is ethnography. Data were collected through observation, in-depth interviews, note taking, and recording. The location of research is in a petroleum artisanal mining area in East Java Province. The results showed that the impact of working in the oil distribution link from people oil mining to consumer is the generation of income used to meet the basic needs, to purchase personal means of transportation, to purchase some piece of land, and to pay for the children's education.

Abstrak

Biasanya ladang minyak dieksploitasi perusahaan yang memperolehy ijin dari negara. Akan tetapi ada ladang minyak di Jawa Timur yang dieksploitasi oleh masyarakat. Mereka bekerja pada ladang seperti itu. Pekerja memiliki motivasi bermacam-macam dalam pekerjaanya. Bekerja membantu seseorang memperoleh status tertentu dalam masyarakat. Artikel ini bertujuan untuk menelaah fenomena pekerja ladang minyak. Pertanyaan yang ingin dijawab dalam penelitian ini adalah: (1) mengapa orang bekerja di ladang minyak; (2) bagaimana kesejahteraan mereka?; dan (3) bagaimana pengaruh bekerja di ladang minyak pada kehidupan sosial dan ekonomi para pekerja?. Penelitian menggunakan metode etnografi. Penelitian dilakukan di Jawa Timur. Hasil penelitian menunjukkan bahwa pendapatan yang diperoleh digunakan untuk memenuhi kebutuhan dasar, membeli alat transportasi pribadi, membeli tanah dan membayar pendidikan anak.

Keywords: oil distribution; community welfare; oil artisanal mining; employment system

How to Cite: Brata, N.T. 2014. Oil & Community Welfare, A Case Study on Oil Distribution Link From People Oil Mining to Consumer. *Jurnal Komunitas*, 6 (2): 271-279 doi: 10.15294/komunitas.v6i2.3306

© 2014 Semarang State University. All rights reserved

Corresponding author :

Address: Kampus Sekaran, Gunungpati, Semarang 50229, Indonesia E-mail: trisnubrata@yahoo.com ISSN 2086-5465

INTRODUCTION

The phenomena of oil and gas mining are often seized the attention of Indonesian society in areas which is rich of natural resources in the form of a variety of minerals, but the reality is they cannot enjoy the natural resources which is lied in their own land, thus often led to conflict between people who are dealing with the company and state officials.

Mining activities by various companies, for many parties often assumed to have no significance to improving the welfare of communities around the mining area. By paying royalties and taxes to the central government which has given mining license then it becomes a reason to break away from the corporate responsibility to welfare the society. In *Suara Warga* uploaded on July 5, 2010, 13:04, mentioned that;

> The activities of petroleum and natural gas mining is not considered to give prosperity to the people around the mine site. Oil and gas mining activities actually bring suffers to the people. As stated in Halaqoh "Membincang Eksplorasi Tambang Migas Dampak dan Manfaat bagi Masyarakat Jombang." In Pengurus Cabang Nahdlatul Ulama (PCNU) office, Jombang, Saturday (3-7-2010).

> According to Bambang Catur Nusantara, Regional Executive Director (WALHI) East Java, as if the mining activity would bring many benefits to the residents in the area. However, based on the facts of some areas that become the mining area, the area becoming oil and gas exploration areas are just miserable. They remain poor and the promises of abundant advantages over oil and gas exploration has never been filled.

> "As seen in oil and gas exploration at Block of Cepu, Bojonegoro, what people got there? In fact there remains poor communities," said Catur. According to him, it is not appropriate to the amount which is gained from the exploitation of Natural Resources in Cepu.

> Apart from Block of Cepu, oil and gas exploration in the region of Kangean, Madura also does not give much help to the life of local people. Another fact is the waste of the Porong, Sidoarjo citizen because of

Lapindo mudflow which still comes out up to now. Not to mention, the condition of the people in Papua are not improved, even though there are mining activities in this area by Freepot corporation. "From the facts that occurred in many areas, we can say that the mining industry will not bring prosperity to people," said Catur.

Catur reveals, at the beginning of mining exploration, citizen around the area would have many benefits. "The roads would be built, some public facilities were also provided. But, if we all knew that the funds used were from APBD? It was not the result of mining, but from our APBD," he continued.

On the other hand, Vasta C Choesin, Exsploration of Public and Government Affairs Manager, Exxon Mobil Indonesia company (EMI) said the prosperity of people around the abandoned mining area is not under the authority of the mining company. Mining companies are only doing oil and gas exploration and the results will be shared with the state.

Various regulations were issued to legitimate the operation of mining companies in accordance permit issued by the central government. Correspondingly, some were issued to ban for those who did not have permission to do the mining activity. For those who did mining without getting permission from the government then they got bad label. As proposed by Aspinall, "It is not surprising that nearly 90 percent of the mining community, or often also called miner / informal mining (ambang Informal / TI) or miners without permission (Penambang tanpa izin / PETI), and then classified as illegal mining (Aspinall, 2001)". Furthermore Wiriosudarmo also said, "Actually, state law recognizes the existence of artisanal mining, but its limitations are formulated too narrow and the permissions are made too convoluted (Wiriosudarmo, 2001)".

Along with the headline of *Kedaulatan Rakyat* (12-12-2009) tells;

> Blora is 260 years old. Although this region has known for the production of exported-quality teak wood and is rich in oil and gas since the Dutch colonial, but

it still has not been able to prosper the people. Poverty and unemployment still haunt them. Even it has been homework for the elite leaders in the region bordering of Bojonegoro (East Java). The information obtained from the local Bappeda, the number of poor in 2007 was 90.211 households and 2008 has decreased to 86.363

Furthermore, an internet site that was downloaded on August 16, 2010, 02:06 PM mentioned that;

> The history of oil mining in Block Cepu is quite long. It then becomes an irony when the data show that Blora and Bojonegoro is one of the poorest districts in Central Java and East Java. Currently, Blora poverty reaches approximately 30% of the total population or 297.000 people. In Bojonegoro, poor population reaches 560.000 of total population about 1,2 millions people.

This fact becomes sad since that area stores abundant mineral resources such as oil and natural gas.

Oil and gas mining are important sectors in Indonesia. There are also coal, tin, and gold mining sectors which are also very vital for Indonesian mining. In the petroleum mining activities there are many companies that perform mining activities and process petroleum in Indonesia. Pertamina becomes the only BUMN that operates the mining activities of oil and gas in Indonesia. In addition there are Medco Energy Co., Exxon, Petrochina, Petronas, British Oil, Haliburton and many more private companies operating in Indonesia.

From a lot of oil and gas mining companies operating in Indonesia, Pertamina and Exxon are two major companies that have oil and gas mining permits at the Cepu area covers Bojonegoro, Tuban, and Blora.

In the area of oil and gas mining in Cepu, beside of Pertamina and Exxon, there are groups of miners who do the petroleum mining activities. They dig and clean up the old Dutch colonial wells which is not considered productive anymore by Pertamina. Due to the absence of petroleum mining

Jurnal Komunitas 6 (2) (2014): 271-279 273

permit from the state (Ministry of Energy and Mineral Resources) as well as the license owned by the oil companies, the oil mining community is often referred as illegal mining (Mining Without Permit), Unconventional Mine, or the illegal mining.

This phenomenon becomes interesting to study because the mining companies such as Pertamina and ExxonMobile are not able to provide jobs for citizen in the Block of Cepu region, while natural resources in the form of oil and gas have been taken. On the other hand, people in the mining area that do not have access to the oil companies then initiate to do their own mining. People who do the mining of petroleum is considered as illegal miners, but why does this activities have run for decades? As a Javanese people who are in the agrarian structure of rural and geographically remote from the big city of course they do not have access to the control and management of high tech modern workplace to conduct petroleum mining activities which the oil wells have hundreds meters depths, but why can they do oil mining activities?

The presence of state, in its capacity as a regulator and regulations enforcement are also guestionable when there are activities performed by the people or enterprise (market). Furthermore, a reasonable question appears when the state and the company cannot guarantee the welfare of the people whose land has some vital natural resources. This phenomenon becomes a sample of the Basic Law disavowal (Constitution) of 1945 section 33 where; "The earth, and water, and natural resources therein shall be controlled by the state and used for the greatest prosperity of the people." Natural wealth is really controlled by the state and then through mining concession license, state authorities shift to oil and gas companies. However, the natural resources have not been fully used to make people in the oil concession area into a prosperous society. The proof is there are reports that people in Bojonegoro and Blora are still poor and do not have broad access to work in a mining company operated in Block of Cepu.

Fighting against poverty by working is

one way which is done by community. The work phenomenon is identical to adults in the way to complet their needs. Working people have a variety of motivations. This paper aims to examine the phenomenon of people who work in the petroleum distribution chain from the petroleum artisanal mining site to the consumer.

METHODS

The method used in this research is an ethnographic method. Data were collected by observation, depth interviewing, noting, and recording. Research site is a petroleum artisanal mining area in the province of East Java.

I stayed for several days at the home of a petroleum miner. By a way of overnights in one of a miner's house I could observe the life of the petroleum mining community when they are working in the petroleum artisanal mining area, and when they were at home. I also observed miners' living environment. There were some people who became informants and some works in the petroleum distribution sector, they are Kamito, Eva, Sapuan, Sunaryo, and Teguh.

RESULTS AND DISCUSSION

In the petroleum distribution process, it can be described how the chain or distribution channels start from; distillery, purification, buyers from outside of the area, skipper owner of oil collectors base or retail sellers on the roadside, until up to the consumer that is the owner of the large car-trailer trucks or buses for inter-city and industrial diesel burning / drying and oil stoves for household.

Crude oil is the result of the mining process done by people in the petroleum artisanal mining then it is sold to anyone who wants to buy. The process of buying and selling crude oil is carried in an area which is close to the petroleum artisanal mining at each oil wells. The buyer are the people from Hargomulyo, Kedewan, and the village located near to Wonocolo TMR area. The buyers of crude oil are then cultivate or refine crude oil in the area of TMR.

Distillation was initially a job that

can provide wages from the controller of oil wells. Then there was a status shift from which that people could get more when did distill, they could also do distill independently, by buying crude oil and then distilled by themselves. After crude oil was distilled into diesel or kerosene and then sold to buyers who were coming from outside the region. The distillations of diesel and kerosene have very low quality which is shown by its feculent color. Diesel with this quality when is used to fuel a car or a diesel engine will quickly damage the engine, as well as low-quality kerosene if it is used for industrial oil stove and domestic stoves will be broken because it provides a lot of dirt and

Starting in 201, diesel and kerosene distillates was bought by the collectors (traders) from the local village communities of Hargomulyo, Kedewan, and Wonocolo then do the purification process of diesel and kerosene by using sulfuric acid as a liquid and a blessing in the form of powder. Then, after the diesel and kerosene became clear, the quality is improved and the quality is almost the same as the quality of diesel and kerosene produced by Pertamina. Diesel and kerosene that have been through purification processes then purchased with a higher price by buyers from outside the region.

the smoke is very thick.

Diesel and kerosene distillates purified by mixing "drugs" so that diesel and kerosene be more clear. There are 2 kinds of drugs used to purify kerosone and diesel, they are sulfuric acid (H2SO4) and blessing. Sulfuric acid serves as germs killer, dirt destroyers, and destroyer of the molecule. The procedure is kerosene and diesel were put into a large plastic bucket, and then it littered with dilute sulfuric acid, stirred, set aside for 10 to 15 minutes. Then move into a large plastic bucket, sprinkled blessing, stirred, after an hour move again into another bucket.

Plastic bucket was used because it will not be porous or damaged if it exposed to sulfuric acid, because if you use a metal bucket, it will be brittle and easily damaged if exposed to sulfuric acid. Finally, diesel ready for the market and the buyers or tra-

ders usually come to the diesel purification location. If Sulfuric acid (H2 SO4) exposed the body, it can burn skin and human flesh. To neutralize the sulfuric acid reaction is by flushing the affected body part of the sulfuric acid using clean water or flush with water soda.

The diesel and kerosene purification activity so that residue or dirt sediments by mixing cleaner materials. Diesel that is already clear is considered have good guality and fit for use as an automobile fuel, kerosene is already clear is also good for the industrial fuel burning / drying as well as for domestic oil stove in the kitchen and in the restaurant. With a motorcycle equipped with *rengkek* and 6 big cans, the buyers from outside the region as Bojonegoro, Tuban, Rembang, Ngawi, Madiun and Surabaya come to the collectors in the Hargomulyo to "kulak" diesel then sell it to the collectors outside the area or sell it in retail on the edge of the street.

The buyers from outside do not carry diesel and kerosene with tank car or truck, because they could be stopped by police on the highway, could even got ticket and be fined up to Rp. 10.000.000,000 (ten million rupiahs). This phenomenon is the implication of the protest movement of mining communities against the monopoly of crude oil procurement by KUD Bogasasono in cooperation with Pertamina in 2006. The end of the mining community protest movement was KUD Bogasasono stopped monopolizing the crude oil procurement, so the miners are free to sell crude oil to anyone.

The community is also free to distill or process crude oil so could be produced into diesel and kerosene. The community are free to sell diesel and kerosene distillates by community. It's just that there are some sort of unwritten rule that were agreed by the petroleum mining community, the security forces (police and military), and Pertamina that the sales of diesel and kerosene should not be in large amounts, people are only allowed to sell diesel and kerosene in average numbers, so that it able to complete the needs of oil miners and those who work in the TMR.

Jurnal Komunitas 6 (2) (2014): 271-279 275

Sales of diesel and kerosene in huge amounts can be considered with the use of cars and tank trucks for transport, so the use of a car and tank truck is prohibited by security forces. The miner community around this by using motorcycle that is equipped by *rengkek* (basket) and 6 big cans.

The drum is the unit most commonly used by petroleum mining community to calculate the crude oil mining results, sales results, and determine outcome to be divided between the petroleum miners. 1 drum has a capacity of 210 liters oil and it is equivalent to 6 cans of 35 liters capacity each can. In the next stage, the buying and selling of crude oil do not counted with liter but counted in every 1 drum. Every one drum of kerosene sold Rp. 600.000 (equivalent to Rp 2.857 x 210 L) to the buyer.

Before 2006, Pertamina through KUD Bogasasono would buy the crude oil, only Rp. 87 (eighty-seven rupiahs) per liter, but if the miners soldit to buyers who come from Bojonegoro, Tuban, Surabaya, or Cilacap then the price could reach Rp 2,857 per liter. The difference is quite large, so people get a greater profit from their independent distilling process and then sell it by themselves.

One of the people worked to distill the crude oil independently is Eva, the villagers of Kedewan. Eva was married and has 1 child. Eva distilled the crude oil by buying kerosene then she distilled it in the TMR location. Distillates such as kerosene, which was later bought by people from Kedewan, then accommodated in the buyer's house, be treated in order to separate the dirt and make it become more transparent, then visited and purchased by traders from Blora.

In one day Eva can distill 1 drum crude oil to be kerosene and diesel, then there is buyer coming. A can of kerosene costs Rp 150.000 and one can of diesel is Rp 100.000. After deducting the cost of production in the form of wages for *Ajok* (lift transport workers) and Rp 50.000 to buy *rencek* (firewood), Rp 50.000 to fuel, then Eva will get revenue Rp 100.000 to Rp 110.000 each day. If she works every day in a month then she gets a net income of Rp. 3.000.000 to Rp. 3.300.000, an income which is high enough

while compared to working in construction projects per month wage is about Rp. 1.200.000 to Rp. 1.500.000.

By these income, Eva started to be married and blessed with 1 child. She arrived in the distillery at 6.00 A.M. but usually she started to distill at 7.00 A.M. This month, she went home at 12.00 A.M. because the TMR airfield is very hot while she was fasting. The teak trees that made the distillery became shady were gone. They were stolen.

Another example of people who worked to purify diesel and kerosene is Sapuan. He is Dangilo village civilian. His house is near Dangilo traditional market. Sapuan has kerosene base. He bought kerosene from the distillery. Every can that contains 35 liters of kerosene was cost Rp. 160.000 (one hundred and sixty thousand rupiah). After he clarified his kerosene in the plastic drums (not metal drum) with sulfuric acid and blessing, he sold it again Rp. 5.700 (five thousand seven hundred rupiah) per liter. As we know the retail price of kerosene refinery production of PT Pertamina currently is at Rp. 10.000. To get the oil purifier (sulfuric acid and blessing) Sapuan bought them from Haji Arif Lasmito at a price: sulfuric acid (H2SO4) = Rp. 205.000 / 50 kg, or Rp. 140.000 / 40 kg, and blessing per 1 sack = Rp. 85.000, or puler blessing (super) per 1 sack = Rp. 100.000. Haji Arif Lasmito obtained sulfuric acid and blessing by kulakan (buying item in a large of amount) in Wonocolo, where Wonocolo civilians were also kulakan from Gresik. According to Sapuan, 50 kg of sulfuric acid can be used to purify 5 drums of diesel, or 10 drums of kerosene.

The buyers of Sapuan's purified kerosene came from Tulungagung, Nganjuk, Kediri, Malang, and Surabaya. By those buyers from the outside area, the purified kerosene was sold again at retail price or the market price in Rp. 7.000 (seven thousand rupiah) per liter. They got profit Rp. 1.300 per liter. Then, it reduced by the transportation costs. The calculation of profits are Rp. 1.300 x 210 liters = 273.000 as gross income. If the transportation costs and consumption costs approximately is Rp. 100.000, so the net income of that traders are Rp. 173.000 for each day. If they worked one time in two days because the distance is quite far, then in a month the traders have an income of approximately 15 days x Rp. 173.000 = Rp. 2.595.000.

Sunaryo is the example of people who gained a fortune by buying refined oil from the distillers and collectors in the TMR field. By using motorcycle as an oil carrier, he could buy a drum of diesel or kerosene with a capacity of 210 liters. The oil of the drum is divided into 6 cans of 35 liters capacity. Behind the steering handlebar he put one drum and behind his saddle he mounted basket (rengkek) to put 5 jerry cans. The oil transportation motorcycle is equal to 1 drum or 210 liters. Using that way he could carry the oil from TMR field to Tuban. He re-sold the oil to a reservoir skipper diesel and kerosene so he got profit from the difference between the purchase price in the TMR field and the sales pitch to the skipper in Tuban and deducting it by the cost of transportation in the form of motorcycle fuel and consumption costs during the work.

The reservoir skipper re-sold the diesel to trucks and large buses that crossed the Tuban highway. The kerosene was re-sold by the skipper to frying/drying industrials, restaurants, and households. There are another people who worked as a buyer of diesel or kerosene like Sunaryo did. They bought it from the TMR field and transported on a motorcycle that is capable of carrying 6 cans (equivalent to 1 drum). The diesel and kerosene were re-sold in the outside areas such as in Ngawi, Bojonegoro, Madiun, Surabaya, Blora, even to Cilacap.

Teguh has a different story. He is an elementary school teacher (elementary, basic school). He is a part time teacher, not a civil servant. His income as honoree elementary school teacher is very less to fulfill his family's needs, so he worked part time in the civil oilfields (TMR) as the diesel and kerosene purifier. Further, Teguh became a broker of crude oil by buying it from mining community. He sold the crude oil to PT Pertamina in Menggung.

In the beginning of 2006, the crude oil refiners produced refined oil which they call "diesel" and sold it. In 2008, when Jusuf

Kalla served as the Vice President issued the government's policy to raise the price of kerosene so it is more expensive than the price of petrol and diesel. Previously the price of kerosene is much cheaper when it compared to petrol and diesel. This policy is used to support the government's policy to promote gas as a fuel substitution for oil, as well as to prevent mixing/ blending with gasoline or kerosene and diesel as a fuel which can damage the engine. In 2008 the TMR field refiners began producing kerosene because the selling price is more expensive than diesel. Edy is the volunteer of this activity. Eva Yulianto's older brother who also works in the distribution sector of crude oil. Since then, there are many refiners produce kerosene. Kerosene price became high due to the government's policy in order to promote the substitution program from kerosene to LPG gas for domestic needs. People were forced to switch from using kerosene to consume LPG in fulfilling their needs of households.

In the past, the consumers of refined oil from civil oilfields (TMR) in form of diesel is the limestone burning industry, tilemaking industry, brick burning industry, ceramics burning, and fishing boats. After the diesel is purified, the amount of customer increases from trucks and large buses. According to Teguh, H-7 and H+7 of Eid influenced the TMR field atmosphere. Indonesian government made regulation for goods transporting trucks to not to operate during H-7 and H+7. It happened to decrease the congestion on the highway. In the atmosphere of Eid, usually there is a phenomenon of migration or mobility society called "mudik lebaran" and "arus balik lebaran" by utilizing the highway. The highway became congested. The congestion is bigger than usual days. The goods transporting trucks was banned on the highway whereas one of the major consumers of TMR fields solar products is the trucks. The costumers stopped buying the diesel so the collectors (tengkulak, brokers) found the difficulties to sell their diesel. They stopped buying diesel from kerosene mining community in the TMR fields. Eventually the diesel will be stacked because no one is buying.

Jurnal Komunitas 6 (2) (2014): 271-279 277

To respond the stacked diesel in TMR fields, some of kerosene mining community distilled the crude oil to be used later. The refined oil is leaving low quality diesel they used to call "solar tuwekan" with traits tend to be lumpy and green. The "solar tuwekan" is only for consumption in the production process of bricks burning, limestone burning industry, ceramics burning, and the tile-burning process. Solar tuwekan cannot be consumed by an engine truck. If it will be consumed by trucks, tuwekan should be mixed or blended with diesel fuel from the gas station. TMR kerosene in the fields every 1 jerry can (35 liters) is sold at Rp. 150.000 to Rp. 170.000 (Rp. 4.285,7 per liter to Rp. 4.857,1 per liter) while the price of crude oil production of Pertamina in the retail market reached Rp. 10.000 per liter.

In addition, to respond the stacked crude oil in the TMR field and distill it to become kerosene, most refiners sell crude oil to PT Pertamina Cepu Menggung through KUD SP intermediaries (Cooperative Food Resources Business Unit) and UJB KUD (Village Unit Cooperative Joint Service Business). This process was starting in February 2013.

As a S1 certified teacher who taught in Wonocolo elementary school but still a nonpermanent, Teguh earned Rp. 150.000 per month. As a kerosene purifier, he could earn Rp. 150.000 per day or the equivalent salary as a teacher in a month. In one month, he could earn Rp. 150.000 gross income x 30 days = Rp. 4.500.000. On the other hand, he still become a teacher because he hoped to be appointed as civil servant and get a retirement fee when he get old. In addition to being a teacher will get more value or social status in the society and can serve the students.

CONCLUSION

By paying royalties and taxes to the state, gas and oil mining companies feel there is no obligation to welfare the society around the mining area. Poor road network, especially if the damage is more severe in rainy season, the electricity network in the resident areas are often dead, and poverty is a picture of

oil and gas mining phenomenon in Indonesia. To respond such condition, the people are starting to dismantle the old wells in an oil field named Dangilo-Wonocolo field formerly owned and operated by NV BPM (Shell). After the oil wells were abandoned and covered with concrete by Shell, the state oil and gas company PT Pertamina Indonesia turned out this field. The people began claiming Dangilo-Wonocolo field is free land area, then they diassemble and mine the old wells. In this article, I call this sector the Civil Oil Mines (TMR) area. One sector that is the focus of the study is the work in the oil distribution chain from the field to the TMR costumer.

Why did the people work in the oil distribution chain sector from TMR? They did because of the implication of the monopoly cessation purchases of crude oil from TMR field by KUD Bogasasono in cooperation with PT Pertamina. This monopoly lasted from 1988 to 2006. The monopoly successfully abolished after petroleum mining community made several protests against the monopoly purchase that is considered detrimental to the mining society because the price of crude oil is determined by KUD Bogasasono at Rp. 87 per liter. More precisely, this price is wage lift and transport the petroleum mining community because KUD Bogasasono and PT Pertamina regarded the miners as laborers who worked in the oil field owned by Pertamina. PT Pertamina claimed it was theirs. The society cannot accept the fact but they feel a sense of fear to fight. Once the monopoly is running about 17 years, they finally disposed their fear and demonstrated at the PT Pertamina office for several times demanded the abolition of the monopoly. Monopoly was abolished and instead people are free to sell crude oil to anyone and process crude oil into refined oil products such as diesel and kerosene. This new work structure is open to the public employment sector of oil distribution chain from the field to get to the TMR consumers. These include the distribution chain; refining, purification, buyers from outside the area, skipper wholesalers, and retailers.

How can welfare enjoyed by the people who work on the petroleum distribution chain? Working in the oil sector distribution chain can be a source of income or source of fortune for the people who work in it. The advantage is obtained from the difference between the purchase price and the selling price of oil is the economic aspect that could improve the life of them. With a monthly net income of approximately Rp. 3.000.000 to Rp. 3.300.000 as Eva's experience, or oil buyers from outside the area who use motorcycles and jerry cans which had net income per month on average Rp. 2.595.000, or an elementary school teacher named Teguh who have income from a side job at the oil distribution sector average of Rp. 4.500.000 per month could be a description of how this type of work is able to improve the life of people who work in it. The job is not a prestigious job categories that could put workers at high social status in the society. Dirty clothes and body oils that smell stung by a nose, the location in the middle of the mountains and forests of teak, and an extremely hot air is the description of a place to work that far from feeling comfortable and good. So it is not surprising that True was still working as a teacher even though his income in the form of a fee of Rp 150.000 per month, but he felt the need for social status are met with a teacher who is still considered a noble society and respectable Meanwhile, to meet the economic needs of the household he relied on income from working in the oil distribution sector.

REFERENCES

- Adrial. 2006. Pertambangan Rakyat di Sawahlunto, dalam Alfan Miko (Ed) "Dinamika Kota Tambang Sawahlunto dari Ekonomi Kapitalis ke Ekonomi Rakyat". Padang: Andalas University Press.
- Aspinall, C. 2001. Small-Scale Mining in Indonesia. Mining, Minerals, and Sustainable Development No. 79 (September).
- Atkinson, P. & Martyn, H. 2009. Etnografi dan Observasi Partisipan dalam Norman K. Denzin & Yvonna S. Lincoln "Handbook of Qualitative Research". Yogyakarta: Pustaka Pelajar.
- Breman, J. 1994. Wage Hunters and Gatherers Search for Work in The Urban and Rural Economy of South Gujarat. New York: Oxford University Press.

- Bogdan, R. & Tylor, S. J. 1992. Pengantar Metode Penelitian Kualitatif Suatu Pendekatan Fenomenologis terhadap Ilmu-ilmu Sosial. Surabaya: Usaha Nasional.
- Denzin, N. K. & Lincoln, Y. S. 2009. Pendahuluan: Memasuki Bidang Penelitian Kualitatif dalam Norman K. Denzin & Yvonna S. Lincoln "Handbook of Qualitative Research". Yogyakarta: Pustaka Pelajar.
- Dwiyanto, A. 2007. Peranan Penambangan Minyak Tradisional dalam_Pembangunan Masyarakat Desa (Studi Kasus Desa Ledok, Kecamatan Sambong, Kabupaten Blora). *Tesis*. Prodi Magister Teknik Pembangunan Wilayah dan Kota. Semarang: Universitas Diponegoro.
- Erman, E. 2009. Dari Pembentukan Kampung ke Perkara Gelap Menguak Sejarah Timah Bangka-Belitung. Yogyakarta: Ombak.
- Husken, F. 1998. Masyarakat Desa dalam Perubahan Zaman: Sejarah Diferensiasi Sosial di Jawa 1830-1980. Jakarta: Grasindo.
- Indriyo, D. W. 2008. Politik Harga BBM Eksplorasi Politik Kebijakan Subsidi Harga BBM Pemerintahan SBY-JK. Malang: Averroes Press.
- Kiroyan, N. 2009. CSR dalam Penyelenggaraan Lingkungan dan Sumber Daya Alam Indonesia, dalam Bambang Widianto & Iwan Meulia Pireous (ed) "Kumpulan Tulisan Koentjaraningrat Memorial Lectures I-IV/ 2004-2008 Perspektif Budaya". Jakarta: Rajagrafindo Persada.
- Liebow, E. 1993. Manusia dan Pekerjaan dalam Parsudi Suparlan (ed)., "*Kemiskian di Perkotaan*". Jakarta: Yayasan Obor Indonesia.
- Miko, A. 2006. Dinamika Kota Tambang Sawah Lunto dari Ekonomi Kapitalis ke Ekonomi Rakyat. Padang: Andalas University Press.
- Mizuno, K. 1996. Perubahan Sektor Ekonomi Nonpertanian dan Perpindahan Tenaga Kerja di Desa Karang Tengah dan Desa Pesantren dalam Hiroyosi Kano dkk., "Di Bawah Asap Pabrik Gula Masyarakat Desa di Pesisir Jawa

Jurnal Komunitas 6 (2) (2014): 271-279 279

Sepanjang Abad Ke-20". Yogyakarta: Gadjah Mada University Press.

- Salim, H. S. 2005. *Hukum Pertambangan di Indonesia*. Jakarta: Raja Grafindo.
- Spradley, J. P. 1997. *Metode Etnografi*. Yogyakarta: Tiara Wacana.
- Sutedi, A. 2011. *Hukum Pertambangan*. Jakarta: Jakarta: Sinar Grafika.
- Strauss, A. & Corbin, J. 2003. Dasar-Dasar Penelitian Kualitatif Tata Langkah dan Teknik-Teknik Teoritisasi Data. Alih bahasa oleh Muhammad Sodiq dan Imam Muttaqien. Yogyakarta: Pustaka Pelajar.
- Vidich, A. J. & Lyman, S. M. 2009. Metode Kualitatif; Sejarahnya dalam Sosiologi dan Antropologi, dalam Norman K. Denzin & Yvonna S. Lincoln "Handbook of Qualitative Research". Yogyakarta: Pustaka Pelajar.
- Wallman, S. 1979. Social Anthropology of Work. London: Academic Press.
- Wiriosudarmo, R. 2001. Baseline Study and Gap Analysis on Mining in Indonesia. Mining, Minerals, and Sustainable Development No. 183 (October).
- PPT MIGAS. 1994. 100 Tahun Perminyakan di Cepu. Cepu: PPT MIGAS.

Mass Media:

- Kedaulatan Rakyat,12-12-2009.
- Kompas rubrik Jawa Tengah. 29 Juni 2009. *Memungut Sisa-sisa "Lantung" Londo*. Halaman A.

Kompas, 27-10-2011. Freeport "Force Majeur".

Internet:

- www.pbase.archiaston/texas_van_java, diunduh 16 Agustus 2010.
- www.inz-myjourney.blogspot.com/2009/07.untukmenikmati-blok-cepu.html

www.wikipedia.org

Oil & Community Welfare: A Case Study on People Oil Mining in Indonesia

 ORIGINALITY REPORT

 9%
 9%
 0%
 3%

 SIMILARITY INDEX
 INTERNET SOURCES
 0%
 3%

 MATCH ALL SOURCES (ONLY SELECTED SOURCE PRINTED)
 8%

 * journal.unnes.ac.id
 Internet Source

Exclude quotesOnExclude matches< 15 words</th>Exclude bibliographyOn