

# Nationalization mining and oil Industries is all people need

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## **‘On Behalf of the Poor’?**

*“Let’s seek the opportunity out of the World’s crisis. In responding to the increase on global food price, let us improve the productivity. Amidst the oil crisis and prices rise, let’s be thrifty. Let’s develop the energy resources”*

Indonesian President, Susilo Bambang Yudoyono, Redressed on 1 May 2008. The poor will benefits from the increase of Fuel prices rise, he said on 7 may 2008.

While vice president Yusuf kalla said so far the fuel subsidy has been benefiting the rich. He added “The protestors who oppose this policy means that they are helping the poor.

Acting as if they do it ‘on behalf of the Poor’, Indonesian government plants to impose 30% rise on petroleum prices. It will be the third oil price rise under Susilo Bambang Yudoyono government. Nothing is new from their pretext – oil subsidy is available only for one who deserves it. Therefore, to help the poor survive from this unpopular policy by granting direct cash transfer amounted 100,000 Rupiah per month per family (US\$ 10,3). The direct cash transfer ‘gift’ were also implemented in oil price rise on 2005.

## **Will this repeating oil price rise scenario benefiting the poor?**

How about the increasing of poverty rate under their government? Currently, 40 million people, nearly a quarter of Indonesian population are living under poverty rate. Year on year inflation rate (April) is 8,7 % mostly in food and energy. Sofyan Wanadi, members of Indonesian Employers Association (Apindo) admitted that the petroleum price rise has drop the purchasing power and threat the Industries.

The subsidy has absorb outnumber allocation of the state budget, government said. Let’s talk about the State budget allocation to pay foreign debts which absorb nearly US\$ 90 billion compare to 46, 7 billion allocations for petroleum subsidy.

## **It takes independency to set people free from oil crisis**

In anticipating world’s oil price rise, Indonesian government likely to have favorite instant solution, increase oil

Country’s Daily production on oil and gas is 979.000 barrel. Even the Oil and gas department has said it likely climb to 1 million barrel per day on July from the new exploration in Cepu.

Meanwhile 90 % mining and Oil Corporations are owned by foreign company. Chevron, Exxon are benefiting from the doubling oil price, while Indonesian people are line up desperately for a liter of oil.

If you step your feet on Riau Province, you can amazed with the large-area Chevron exploration area

and office, palm plantation as well as wood Plantation. But you also shocked to find that majority of the people in the hundred-thousand hectares area of Riau sub districts has no access to electricity.

14 kilometer to reach closest station to be able to put fill 2 liter diesel fuel to operate their generator. Therefore most of them prefer to stay in the dark from the afternoon to dawn. While Chevron's exploration, dormitories and offices complexes are enjoying bright and clear a whole day.

### **The Poor Refusing their "Gift"**

On 11 May 2008, 300 protestors from Indonesian Poor Union (SRMI) marched to Yusuf Kalla's house in South Sulawesi to defy the petroleum price rise. Then they continue their march to Local House of Representative. " Do not say that this is for the poor, the experience has taught us that this policy has trapped the poor into deeper poverty. Said Anca, PAPERNAS South Sulawesi leader.

On 12 May 2008, 3000 protestors from SEGERA (Central movement of Riau People) surrounded to the Local House of Representative. In this two-days demonstration, they urged government to Nationalization of mining and oil industries as well as to take the local government words around the land dispute.

These workers, farmers and the poor who also members of The National Liberation Party of Unity (PAPERNAS) took 6-8 hours drive from their settlements to the local house representative building.

Surrounded the house of representative people chanting the slogan " enough become coolies nation, now time to be independent nation. Papernas chairperson Agus Priono said that. Selling out the national assets is violating the constitution. To rescue this country from the trap of the crisis we must radically change the economic policy from pro capital policy to pro- people policy. After succeeding to pass the police barricade, they stayed and build a tent in House of Representative.

PAPERNAS

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