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ABSTRACT

Many problems that salt ponds farmer have experienced. The problem is potential conflict between salt farmers, salt farmers association, and industry in Sampang District that happens for years with no solution. The problem related to the salt import in Sampang District affecting the community salt price. The research was conducted to examine how big the conflict potential in Sampang District and the factors. The research conducted from March to October 2012. Sampang District is one of salt production centre in Indonesia with high potential conflict compare to other district in Madura. Production and institutional issues in Sampang District is quite complex. The similar problem of Sampang salt sector players are purchasing and selling price. This problem causing blaming between parties because of their sectoral ego and lack of communication with the other parties that leads to prejudice and the possibility of a bigger and prolonged conflicts, such as farmers protest against association. One of policy implication is to regulate the salt abortion and price control by setting strict sanctions.

Keywords: Potential conflict, salt, sampan, price, absorption.

1. INTRODUCTION

Many problems in salting ponds area have experienced by the salt farmer. The problems are the availability of sea water for the salt production due to shallowing the salting water canal, the availability of salting production tools are somehow hard to get in the area, so that the salt farmer have to buy by their own from the district provider, and the most important are the capital support and the unstable and fluctuated sale price (Kurniawan dan Erlina, 2012; Kurniawan dan Manadiyanto, 2012). The shallowing causing the main raw material namely sea salt could not enter the salt ponds, this problem will affects salt production time. The availability of the production tools caused a number of time wasted in order to seek the tools providers and it will led to the fewer production time. The salt farmer selling price are depends to the salt collectors, while the collectors value the farmer salt from the price that were given by the salt consumption industry reduced by the costs and the collectors’ profits. The price from the industry depends on the salt stock in the warehouse and the cheapest deals that they can get. The salt stocks in the warehouse were influenced by salt import from the previous year.

Besides the problems in salt production, the human resources and institutional especially capital institution, distribution, and salt processing are the additional problems for the salt farmer. The average salt qualities among the salt farmers are 3rd grade production quality (KP3) for west and central java, while for east java especially in Madura island the average quality is 1st grade production quality (KP1). This problem happened because the average farmers’ production time between 3-4 days due to the farmer needs for living while the standard production time should be 7-10 days (Kurniawan dan Erlina, 2012; Kurniawan dan Manadiyanto, 2012). The low salt production quality will make a lower salt farmers’ income (Kurniawan dan Erlina, 2012; Kurniawan dan Manadiyanto, 2012). This implies that the salt farmer did not having maximal benefit. In addition, there was no capital institution that are willing to provide assistance to the salt farmer except several coop and several bank with collateral, such as letterland or letter for vehicles. On the other hand, distribution and processing institutional become a problem, especially in the salt production centre like Sampang District because they are the price determination at the farmer level.

Rochwulaningsih (2007) explains that the salt farmers since the VOC era to the present time are below the poverty line. The problems in salt ponds were never finished because it is happened since the ancient time. Salt is an
important commodity but lacking of attention so that there are no strict policy for this commodity. While today is the openness era so that anybody could access the information. The salt farmer have notice the policy from the Directorate General of Foreign Trade in Ministry of Trade number 02/DAGLU/PER/5/2011 about the determination of salt selling price in the farmer level. The farmer is starting to complain and questioned the commitment of this policy. These lacks of clarity could contribute to the potential for conflict.

The current research is discussing the potential conflict arising from the conflicts of interest (Lan, 2009). Besides the conflict of interest, there is no salt farmers’ bargaining position so that the farmer couldnot bargain for higher salt price due to the lack of salt production quality (source). Salt farmer do not have representation in import decision making that leads to no one will defend the salt farmer side. The existing salt farmer associations are not groups of salt farmers, but the salt collectors or the salt ponds owner so that they could not represent the inspiration of the salt farmers.

The problem that occurs is there are a quite big conflict potential between the salt farmers, salt farmers association and salt industry in Sampang District. These problems become important because this conflict has been going for years and there are no solutions for these problems. These problems become large because it involves the amount of import that occurred in Sampang District that will affect the community salt price. On the other hand, Sampang is one of the salt production centres that will affect the other salt production centres which do not have salt consumption industry.

The purpose of this study is to examine how big the conflict potential happened in Sampang District also whatever would cause it. If the source of the conflict can not be solve, so that in the long run it will cause the potential conflict. The potential conflict in Sampang District chis is one of the salt production centre maight affected to the other areas that have the same conflict potential. Thus, the source of conflict must be described and find out the solution for that.

2. METHODS

The research was conducted in March to October 2012. The location was in Sampang District, Madura Island which determined by the Secretary General exposure MMAF’s reference on March 5 to 7, 2012 in Bandung on the Rakernis event for Marine and Fisheries Research Agency BBPSEKP, 2012a, 2012b). The event stated that the location priority for Salt Production Centre is Indramayu, Cirebon, Pati, Rembang, Pamekasan, Sumenep, and Sampang District (Ditjen KP3K, 2011a, 2011b). This research are focused to the Sampang District because this district is one of the salt production centre in Indonesia that have potential conflict of interest is quite high compared to other districts in Madura Island.

This study was conducted using primary and secondary data. The Primary data used comes from interviews from several informants in the research sites. The secondary data in form of supporting data from each research sites to explain the conditions. The data were collected in form of interview data and descriptions of the informants, then groups according to their respective to the land management typology. Once grouped, the data will be narrated using descriptive qualitative method.

Data analysis method that used is descriptive methods. This method is used in order to explain in depth the circumstances and a more detailed explanation. The descriptive analysis method is a method of presenting a summary in descriptive while the explanation inform of table and/or graphics in order to straighten and highlight the explations. The descriptive explanation is important in order to achieve the objective in explaining the facts that have been observed (Rahmat, 2005). The methods is used to collect the actual information in detail to be able to described the symptoms of conditions happened in the study field (Marshall dan Rossman, 1989). In addition, Agung (2011) explains that the descriptive analysis can be classified into two groups, among others:

a. The statistic summary shows the background or demographics characteristics also the social economy status from the informant or the selected object for studies. The summaries consist of locations or areas with space constraints; salt farmers were grouped based on ages, gender, capital ownership and also educational level.

b. The statistics summary shows the cause and effect between events with another event according to the specific purpose of the study.

Besides the descriptive analytics, the research is also using qualitative analysis. The qualitative data analysis is a tracing tools for general statements relating to the relationship among the various data category derived from the available data (Marshall dan Rossman, 1989). That is inline with Patton’s opinion (2006), which explains that the qualitative data analysis is a process of arranging the data in correct order, organizing into a certain pattern, categorizing and one basic description. Therefore, the analysis data acivity is to organize shor, classify, and
categorize the data related to the research question, after that it will be interpreted and presented in form of description analysis.

3. RESULT AND DISCUSSION

The Production and Institutional issues in Sampang District is quite complex. The similarity of the problems in Salt sector players in Sampang districts is the capital and profit while those will derived from the purchase price and selling price (Table 1). The price is influenced by supply and demand of salt. Salt can be categorized into highly inelastic product, while salt could not be replaced or substituted. In the absence of salt substitutes, then the salt price is very dependent to the buyer (Gans et.al., 2005; Adetama, 2011; Firdaus, Alfa. 2012; Siregar, B.W.S. 2012). In conclusion, the salt farmer as the seller could not have the power to offer the salt with higher selling price except there is no salt stock in the market or there is an additional in the number of salt industry in Indonesia.

Table 1. The Table of Problems occurred in Sampang District in 2012.

<table>
<thead>
<tr>
<th>No</th>
<th>Description</th>
<th>Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Production</td>
<td>The Availability for sea water, Chanel sallowing, Water reservoir, Water capital.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The availability for salt production tools, Capital for salt production tools provider.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Price, Price Fluctuation and The ability to deposit salt as the capital for next production.</td>
</tr>
<tr>
<td>2</td>
<td>Human Resources</td>
<td>Education, Life need, Capital</td>
</tr>
<tr>
<td>3</td>
<td>Capital institution</td>
<td>Thrust, Working Capital</td>
</tr>
<tr>
<td>4</td>
<td>Distribution</td>
<td>Infrastructure, Distance, Profit</td>
</tr>
<tr>
<td>5</td>
<td>Salt Processing</td>
<td>Salt Stocks, Salt shrunk, Profit</td>
</tr>
</tbody>
</table>

Source: Analysis from Primary data processed, 2012

The salt stocks in the salt industry are the salt stock from salt import at the previous year plus the absorption of community salt production this year (Sutardjo, 2011). While the determination of salt import last year were determined by the amount of community salt production nationally and the establishment through the joint meetings between The Ministry of Industry, The Ministry of Trade, Salt farmer association, salt importing industries, salt importing industries to make iodied salt, and at 2011 the establishment involving the Ministry for Marine Affairs and Fisheries (MMAF). Those companies had salt import quota proportionally depend to their absorbtion of community salt production. While Kurniawan and Azizi (2012) stated the salt impor in 2012 might be over 511 thousand tons because the national salt production is around 50% less that the calculation made by MMAF will lead to miss salt import calculation in 2012 (Dirjen KP3K, 2012; Kurniawan dan Azizi, 2012, Erlina, 2012).

The Quantity of imported salt is enough to meet factory warehouse for a long time (Kurniawan dan Azizi, 2012; Sutardjo, 2011). It is proven by the difficulties to sell the community salt at the beginning of the production in 2012 (Kurniawan dan Azizi, 2012). These problems leads to very difficult situation to sell the community salt in Sampang District because there are no salt processing industries in the district want to buy the community salt. Thus, the salt farmer must sell their salt to other districts such as Sumenep District. On the other hand, the salt industries in Sumenep District have met their stocks. They have to buy the community salt production in the district as well. If the salt farmers force to sell their salt, the salt industry want to buy the community salt product only at the price of Rp. 250/kg not at price that have set by the Ministry of Trade for 2nd Production Quality (KP2) at the price of Rp. 550/kg (Indonesia, 2011). The difficulties to sell the community salt have sparked the conflict potential almost at all salt.
production centre especially at Sampang District. As a result, higher quantity of imported salt will leads to a major conflict in Indonesia.

The salt farmers only rely on the middle men and iodized salt processing industry to set the salt price, whereas the salt farmer association consist of the salt collectors that are considered as the determined the quantity of imported salt which is not trusted by the salt farmers. The conflict were caused because the spreading of bad names between the association, the salt farmers and the salt collectors which is not the members of the salt associations. When we conduct the survey at Sampang District, several people from salt associations tell the unsuccesful and the dishonesty in the implementation of PUGAR program. On the other hand, the collectors say the problems of salt association in determining the salt import. The salt farmers also blame the association and the collector in determining the price but not blaming the landowners who sell their salt production or the profit sharring system. This blaming eachother will leads to huge conflict potential if not anticipated by the government and salt works related parties.

Based on the research review, the accusations were not correct. Like the accusation against the Marine and Fisheries Department in Sampang District were not correct because the application of PUGAR program have to be proven by proposals and land certificate according to the guidelines that were given by the KP3K (KP3K, 2011c). Moreover, the associations are not the only one who determines the quantity of imported salt because the association is only a member of jointly meeting between The Ministry of Industry, The Ministry of Trade, Salt Farmer Associations, Salt Importing Industry, Salt Iodized Industry, and at 2012 the meeting involving The Ministry for Marine Affairs and Fisheries. The misunderstanding arises because of emotional they cannot meet their basic needs, as a result it can leads to discrimination or even can leads to acts of violence (wulan etal., 2004, Liliweri,2005). Thus, these problems should be fixed in order to avoid the bad things that undesirable (Lan, 2009).

In addition, there are several problems in the salt farmers’ level. Those issues are salt price, the profit sharring, buying the salt without scaling it, and the employment contract. The salt price were described above, it fell at the beginning of salt production so that the salt farmer welfare fell compared to last year (Siswanto, 2008). The profit sharing system with 1/3 was received by the salt farmers and 2/3 was received by the landowners. The profit received was the salt selling result substracted by the salt production expenses. Thus, the salt farmers will receive 1/3 from the selling price substracted by all expenditure. The land owner will receive the 2/3 parts because the expenditure borne by the owner, whereas it is also charged to the salt farmers (Indonesia. 1960, 1980; Kurniawan dan Azizi, 2012). As a result, the salt farmers were disadvantaged in Sampang District.

The Purchasin in sacks without scaling in form of 50 kgs is the next conflict potential. When the 50 kg sacks were fully filled the weight could reach 60 kg or even 65 kg. It seems that the collector get huge profits, but not all salt sold by the salt farmers were fully dried and most of them lost its scale by 5% to 20%. So if the collectors did not get 10 kg profit from the scale, so that the collector will lose except the salt farmer sell the fully dried salt. The fully dried salt selling is quite hard, but possible if the salt were kept in the salt warehouse in a pretty long time.

Salt farming land in Madura Island especially in Sampang District has hereditary ownerships and almost none of them were on sale excellt it is rented because it has high profit. The salt farmers also have ties generationaly to the farm owner. This bond can be passed to their children who also want to work as a salt farmer. There are possibilities for the land owner to unemploy the salt farmer, but very small. One of the reasons for the owner to unemploy the farmer is fatal mistakes and causing huge loss. If a land owner unemploy a salt farmer then it is the end of their livelihood in salt farming because there are no other salt land owner who want to employ the farmer. It it because there are some relation between the land owner and most of them knows each other.

So that, the salt farmer in Sampang District do not have bargaining power and always follow any land owner said because their lives are depending to the land owner (Siswanto, 2008). The weak bargaining position made them easier to influence by the land owner (Nugroho, 2001). The situation will be different if the salt farmer owns the land. The Impact that can arise from the long term conflict potential is the destruction of the salt price because falling in salt demand. In the future, it can cause lesser in community salt production in Sampang District. Moreover, it can cause farmer protest against farmer association that led to chaos.

Irregularity might be deliberately created by certain parties to seek personal gain that can lead to resistance from the salt farmers (Siswanto, 2008). In addition, the conflict will reduce the performance of an institution to archieve the expected result (Israel, 1990). Therefore, it is better to avoid and mitigated the potential conflict with cooperation between the government and other parties related to saltworks sector in order to improve the community welfare (Webster, 1998).
4. CONCLUSION AND POLICY IMPLICATION

Production and Institutional issues in Sampang District is quite complex. The similarities of the issues between the workers in salt sector in Sampang District are the capital and profit where all of that comes from the selling and purchasing price. While price were influence the supply and demand. The salt farmer as the salt seller do not have bargaining power to offer higher price for the salt, unless the imported salt stock were gone or there are a significant additional iodized salt industry.

This problem will made the party blaming each other that led to huge and prolonged conflict, such as salt farmers’ protest action to the salt farmer association and it will leads to chaos. Consequently, the potential conflict should be avoided or mitigated with cooperation between the government and saltworks sector related parties.

The policy implication that the government could do especially with the salt self-sufficient team is:
1. The government should issue a regulation in order to make the community salt absorbed by the salt processing industry and actually supervised by the representation of salt self-sufficient team in each district and will give any penalty if the industry did not absorb community salt product.
2. Enforce the price level in the farmer level with applying any penalty for the collectors who did not implement the regulation and it is supervised by the representation of salt self-sufficient team in each district.
3. Recalculate the salt community salt production correctly with grouping the quality of production that has set by the government.
4. Determining the needs of imported salt with grouped in to qualities except 3rd quality (KW3) for salt iodized industry that will be used for salt consumption.
5. Confirming and anticipating if there is any leaked of salt import for salt industry that will not be used for salt iodized industry. so that there are no excessive used and harmless used of the imported salt stock for Indonesian citizen because it is concerned that the salt for manufacture is lack of consumption security compared to the imported salt for salt iodized industry.
6. Stopping the imported salt with 3rd production quality (KW3) because the imported salt quality is the same with the average quality of the salt community production. It will eliminate the salt community production in the future.
7. The community salt sales should be inform of dried salt if not the collector will suffer huge loss.
8. Reviewing the work regulatory for the saltworks and the regulatory for profit sharing in the salt sector.
9. Mobilized the Indonesia citizen in order to love the community production salt in order to succeed salt self-sufficiency.

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