

The Role of Multinational Oil and Mining Companies in the Genocide and Economic Marginalisation of the People of West Papua

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Global Research, July 26, 2016

[The Economics Student Society of Australia](#)

14 April 2013

Region: [Pacific](#), [South-East Asia](#)

Theme: [Economy](#), [Society](#)

Michael Roddan gives a chilling depiction of economic manoeuvres, both past and present, undertaken by the Indonesian government in a bid to marginalise the indigenous Papuans. From the transmigration program, to the rural-urban divide and the permitted acts of multinational corporations in the region, Australia's passive stance in the face of multiple human rights violations is questioned.

Just some 300km north of our borders human rights violations are being committed on a vast scale [APR editor's note: Roddan, the author, means north of Australia, MDN]. Torture, rape, extrajudicial killings, false imprisonment, and violent suppression of peaceful demonstrations are happening en masse, and it's all being carried out in West Papua – one of Australia's closest neighbours.

There has been a movement for West Papuan independence from Indonesia for half a century and this article, amongst other things, will hopefully show how economics is exacerbating the problem faced by the West Papuan people.

A Dutch colony until 1962, Indonesia garnered the right to act as the temporary authority over the western half of the island of New Guinea until the time came when the Papuan people decided to vote for independence or Indonesian annexation.

The 'Act of Free Choice' was held in 1969. Just over a thousand village elders were handpicked to represent over a million Papuans and were instructed to vote at gunpoint for annexation under threat of death for them and their families. The result was unsurprisingly unanimous and West Papua would remain in the hands of the Indonesians. Locals know the referendum as the 'Act of No Choice'.

So how valuable is this land? Yale and Sydney University reports suggest that it is valuable enough to warrant the deaths of 500,000 Papuans. Taking place over the last 50 years, it's known as 'slow-motion genocide'.

Two years before the 1969 referendum, dictator President Suharto signed a contract with Freeport, a US mining company, giving them full rights to the Ertsberg mine in West Papua. When the Freeport-Indonesia company (of which 9.36% is owned by the State) exhausted all of the material from the Ertsberg mountain in the 1980s, they set up a new mine a few miles away at Grasberg mountain.

Grasberg mine is now the largest gold mine in the world and the third largest copper mine in the world. It is also Indonesia's sole biggest taxpayer. Pretty valuable and understandable that the government would want to hold onto it, even though the actual business deal struck under Suharto was illegal, being a 30 year lease on land that the government didn't actually own at the time.

After the fall of Suharto, many (notably Desmond Tutu) have called for a subsequent and proper referendum on West Papuan Independence. However, as it stands, Indonesia has suppressed the Papuans to the extent where this may not be feasible.

In 1961, people of Papuan ethnicity made up 96% of the population of West Papua. Indonesians are largely Javanese Muslims, as opposed to the predominately Protestant Melanesian Papuans, and thus, the division of New Guinea is one of the more perplexing colonial administrative errors.

Economically, Jakarta has sought to socially engineer this problem away and quell any chance of successful referendum, should it ever take place. Economic incentives guide Indonesia's transmigration program that seeks to entice Javanese to the archipelago's fringe islands. The urban poor are given assisted passage (read: free passage) and tax incentives to relocate to West Papua, once there they are given capital to start new businesses.

The transmigration program has meant that the demographics have swung wildly since 1961. A Sydney University estimate by Jim Elmslie using the last comprehensive data from 2000 gives us a non-Papuan majority in West Papua. Of a population of 3,612,854 in 2010, only 49.55% of people on the island were indigenous Papuans. By 2030, indigenous peoples will make but 15% of the population.

Economic marginalisation of the Papuans continues unabated, too. Grasberg mine benefits the state enormously and is impossibly profitable (\$4.1 billion in operating profit on revenue of \$6.4 billion in 2010). But the mine pays its workers, who are overwhelmingly Papuan, just \$1.50 an hour. Although it houses Indonesia's biggest taxpayer, West Papua is the nation's poorest province - profits are simply not going to the Papuans.

There is a huge divide between the rural and the urban in West Papua. Javanese constitute around 70% of the population in sizeable towns and urban areas of the province. Yet in regional and remote areas where the indigenous Papuans are still the overwhelming majority, the indigenous are largely excluded from the mainstream economy, let alone basic services such as education and healthcare.

Currently, Chevron and BP are carving up West Papua for oil and gas exploitation while deforestation and logging are executed at a terrifying pace. The economic exploitation of the land will spell disaster for Papuans, only deepening their poverty trap. The Grasberg mine discharges so much tailing into nearby waterways, around 230,000 tons daily, which arguably puts it in breach of national law. The World Bank no longer funds any such operations, and no developed country on earth disposes of their mining waste such a manner.

The Australian Rio Tinto has a joint venture agreement with Freeport, the owners of Grasberg mine, which allows a large share of resource production. Most Australian financial institutions invest in Rio Tinto, which means that we too are implicated. To top it off, Australia equips, funds and trains an Indonesian counter terrorism squad called Detachment

88 that regularly kills and tortures peaceful West Papuan Independence activists.

Bob Carr, most glorious Foreign Minister, said on the 20th March “It would be a reckless Australian indeed who wanted to associate himself with a small separatist group which threatens the territorial integrity of Indonesia and that would produce a reaction among Indonesians towards this country.”

While the issue of whether an independent West Papua would be a viable state is [another issue entirely](#), can Australians really argue that territorial integrity is more meritorious than the avoidance and eradication of genocide?

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