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Indonesia

Joint statement in solidarity with Freeport Indonesia workers

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PT Freeport Indonesia, a subsidiary of Freeport McMoran Cooper and Gold – of which 90.64 percent of the shares are owned by Freeport CEO James R. Moffet – is the largest mining company in the world. Freeport contributes 95 percent of the entire production of gold by Freeport McMoran and a significant percentage of its copper production.

The controversial corporation obtained the exploration and mining rights through Work Contract I, several months before the enactment of Law Number 1/1967 on Foreign Capital Investment and Law Number 11/1967 on the Basic Provisions of Mining during the rule of the New Order regime of former President Suharto. Odd but true!

Work Contract I was then renewed by Suharto in 1991. As a result Work Contract II will expire in 2040 and the area of exploration and exploitation was extended to cover 6.5 percent of the total territory of Papua province. It also includes the right to conduct of underground exploration. Freeport began operating 44 years ago but it was not until 1971 that the company began extracting minerals (gold, copper, silver, molybdenum and rhenium).

In the first decade of its operations, Freeport extracted more than 1 million tons of gold, copper and silver annually. By 2010 this had reached 3.4 million tons a year. Freeport reaps profits of as much as 114 billion rupiah a day, so in one year Freeport's net profit is as high as 41.04 trillion or US\$45.60 billion.

The irony is that the total combined wages of all Freeport's employees is only 1.4 trillion rupiah a year or \$2.1-3.5 dollars US per hour. This is far lower than the wages received by Freeport workers in other countries who receive US\$15 or 128,250 rupiah per hour. The proportion received by workers is only 3.4 percent of Freeport's total profits and 60 percent of its net profit are turned over to Freeport McMoran.

Based on this compression, it is understandable that the Freeport Indonesia All Indonesia Workers Union (SPSI) is demanding a wage increase of between US\$17.5 to US\$43 per hour. Never mind that Freeport workers in the US receive 30-250 dollars US per hour. Meanwhile the wage increase awarded to Freeport Indonesia workers every two years have only been US40c an hour.

The Freeport Indonesia management meanwhile has responded to workers' demands with accusations of separatism, psychological intimidation, prohibiting workers from joining the strike, criminalisation of workers and most recently repressive acts by police that resulted in the fatal shooting of two people, Petrus Ayamiseba and Leo Wandagau, and the wounding of seven others.

Acts of violence involving Freeport are not new. During its 44 years of theft, there have been numerous cases of violence in Papua and the Freeport mining area of Timika against Freeport workers and indigenous Papuans.

This clearly demonstrates that Freeport is using violence as a tool and means to secure its vital assets. And, of course, the state since the time of the Suharto regime through to the current administration of President Susilo Bambang Yudhoyono and Vice President Boediono, has fully supported Freeport's interests.

It is already public knowledge that since the 1970s Freeport Indonesia has been providing a huge sum of money for security. A number of documents have cited that between 1998 and May 2004, Freeport paid at least 20 million dollars (around 184 billion rupiah) to the TNI (Indonesian military) and the police in Papua. There has also been an additional 10 million dollars (around 92 billion rupiah) paid to the military and police over this period bringing the total

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to around 276 billion rupiah. And as admitted by the Papuan regional police themselves, out of a total of 720 police and military personnel that are deployed in the Freeport exploration area, each officer receives 1.25 million rupiah a month in additional wages outside of regular funds.

In contrast to this, in 2011 the Central Statistics Agency (BPS) recorded that the poverty rate in Papua province stood at 80.07 percent or 1.5 million people living in poverty. This is clear evidence that Freeport does not provide any contribution to the welfare of the Papuan people.

Freeport, which is the largest gold and copper mine in the world, not only steals the country's natural wealth, muzzles democracy, violates human rights and impoverishes the Papuan people, but also destroys the environment. In a single day of operation, Freeport disposes 230,000 tons of waste into the Aghawagon River and other rivers in the vicinity. The acid rock drainage, or the disposal water containing acid (around 360,000-510,000 tons a day), has already destroyed two valleys covering an area of 6.5 kilometers to a depth of 300 meters.

It becomes increasingly clear that there are no grounds to for Freeport Indonesia to be allowed to continue its exploration and mining activities. Freeport must be closed down!

Based upon the fact above we make the following demands:

- The withdraw all non-organic TNI and police personnel from the Freeport area and Papua
- The arrest of James Moffet, Freeport Indonesia President Director Armando Muhler, Freeport Executive Vice President Sinta Sirait and company spokesperson Ramdani Sirait
- The broadest possible dialogue for the Papuan people that is democratic and free from coercion
- A full investigation into human rights violations at Freeport and in Papua;
- An end to union busting
- An end to the use of contract labour
- An international standard wage
- Freeport must be held liable for its past and current crimes
- Dismiss the national police chief, the Papua regional police chief and the Timika district police chief
- Freeport must take responsibility for the environmental damage it has caused

We call on all people, let us unite. We are the 99 percent in the world who are oppressed. Freeport, James Moffet, President Yudhoyono and Vice President Boediono, the political elite and the Indonesian political parties that benefit from Freeport, are the 1 percent that oppresses the rest of us. Yesterday it was Petrus Ayamiseba and Leo Wandagau who were murdered. Next anyone who resists will suffer the same fate. We must therefore unite, act in solidarity and fight back!

44 years of theft, 44 years of state protection, end the violence and close Freeport now

Jakarta, October 20, 2011

Indonesian People Solidarity for Freeport's Workers:

The Student Alliance Against Neoliberalism (AMAN), the Working People's Association (PRP), the People's Liberation Party (PPR), the Commission for Missing Persons and Victims of Violence (Kontras), the Papua Student Alliance (AMP), the Free Women's National Network (Perempuan Mahardika), the Papuan Traditional Social Community Against Corruption (Kampak), the Indonesian Legal Aid and Human Rights Association (PBHI), the

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Indonesian Trade Union Congress Alliance (KASBI), the National Solidarity Committee (KSN), the Papuan NGO Forum for Cooperation (Foker Papua), the PT Freeport Indonesia All Indonesia Workers Union (SPSI PT FI), the National Students Front (FMN), the Association of Independent Trade Unions (GSBI), the Indonesian Independent Union (SMI), the Greater Jakarta Workers Federation of Struggle (FPBJ), the Indonesian Center for Labour Struggle (PPBI), the Student Struggle Center for National Liberation (PEMBEBASAN), the Indonesian Transportation Trade Union of Struggle (SBTPI), the Working People's Association-Organisational Saviours Committee (KPO-PRP), the Green Indonesia Union (SHI), the State Electricity Company Trade Union (SP-PLN) and the United Student Action (KAM Laksi).

[Translated by James Balowski.]