

## **Urgency of Coal Mining Law Reform Based on the Principle of Natural Benefits for Community Welfare and Environmental Sustainability**

**Badrunsyah**

Universitas Borobudur, Indonesia  
Email: badrunsyahborobudur@gmail.com

### **Abstract**

Coal mining is a key sector in Indonesia's national development, but it often results in conflicts between economic interests, public welfare, and environmental sustainability. The current mining legal system is viewed as insufficient in accommodating the principle of *fair use of nature*. The principle of *natural benefit* asserts that natural resources should be used to maximize public welfare while ensuring their long-term sustainability. Consequently, there is a pressing need for coal mining law reform that not only focuses on economic growth but also emphasizes social justice and environmental sustainability, in line with Article 33, paragraph (3) of the 1945 Constitution. This study employs a normative legal method, incorporating both conceptual and philosophical approaches. The research analyzes existing laws, regulations, legal doctrines, and relevant literature. The findings reveal that reforming coal mining law based on the principle of *natural benefit* can help strike a balance between the state's, society's, and the environment's interests, fostering sustainable development.

**Keywords:** legal reform, coal mining, natural resources, welfare, environment

### **INTRODUCITON**

Coal mining plays a vital role in supporting Indonesia's national economic growth (Suparno et al., 2020). As one of the leading export commodities and sources of state revenue, this industry contributes significantly to foreign exchange, employment, and infrastructure development in various regions (Ariani & Nugroho, 2019). However, behind its economic contribution, coal mining activities also cause various problems, especially related to environmental damage, social conflict, the seizure of local people's living space, and ecosystem degradation (Widodo et al., 2021; Tan et al., 2020). The environmental impacts include deforestation, air pollution, and water contamination, which have long-term consequences for local ecosystems (Arifin & Prasetyo, 2021; Sipayung & Sinaga, 2020). Additionally, coal mining often leads to conflicts over land rights and compensation issues, disrupting the livelihoods of local communities (Sari & Utami, 2020). Therefore, there is a need for more sustainable mining practices to mitigate these adverse effects while maintaining economic benefits (Kurniawan et al., 2022).

The reality on the ground shows that the exploitation of coal resources tends to be oriented towards short-term economic interests, without regard to environmental sustainability and community welfare (Adebayo, 2023). According to Adnan Nasution, "mining activities often cause water, air, and soil pollution, as well as horizontal conflicts between companies and indigenous peoples and local communities."

On the other hand, legal regulations governing mining in Indonesia, such as Law

Number 3 of 2020 concerning Mineral and Coal Mining, are considered to still be *anthropocentric* and economic. The law has not fully adopted an ecological approach or the principles of sustainability and *intergenerational justice*. This shows the imbalance between constitutional expectations as mandated in Article 33, paragraph (3) of the 1945 Constitution that the earth, water, and natural resources are controlled by the state and used for the greatest prosperity of the people, with practices that actually benefit a handful of parties and harm the communities around the mine.

According to M. Dawam Rahardjo, "the legal system that regulates the management of natural resources should ideally contain the principles of social and ecological justice as a form of state responsibility towards the people and the environment." He stated that ecological justice is part of the sustainable development paradigm that emphasizes the utilization of natural resources fairly, wisely, and sustainably (Rahardjo, 2019). The concept of ecological justice has been widely discussed in legal frameworks that aim to balance human needs with environmental protection (Tunggal & Prasetyo, 2020; McKibben, 2019). Several studies highlight the importance of incorporating ecological justice into national policies for ensuring environmental sustainability and equitable resource management (Purdy, 2017; García, 2021). Moreover, ecological justice advocates for the fair distribution of environmental benefits and burdens among communities, particularly in the context of natural resource exploitation (Berkes, 2018). In this regard, the principles of social justice must complement ecological concerns to create more inclusive and resilient societies (Schlosberg, 2020). Therefore, legal systems need to integrate these principles to guide the sustainable use of natural resources (Sachs, 2020).

In line with that, Satjipto Rahardjo criticized the legal approach that was too legalistic and mechanistic. He emphasized that "law must be present as an instrument of substantive justice that sides with vulnerable communities and nature as an inseparable part of social life."

Furthermore, Maria SW Sumardjono also emphasized that "management of natural resources, including mining, must pay attention to aspects of the economic, social, and cultural rights of the community, and not only be subject to market and investment mechanisms."

The reality on the ground shows structural inequality in the application of regulations. Many mining business permits (IUP) are issued without adequate environmental impact analysis, without transparent public consultation, and without legal protection for local communities. This shows weak supervision and minimal legal support for ecological and social values.

This is where the importance of placing the principle of *natural benefits* as a basic principle in the renewal of mining law lies. This principle not only demands the use of resources for economic interests, but also emphasizes that benefits must be fair, sustainable, and inclusive for current and future generations. According to Huala Adolf, "the principle of prudence and *intergenerational justice* are important pillars in the management of natural resources that are legally fair."

Thus, the reformulation of mining law is not only urgent from the technical aspects of legislation, but also from the ethical, philosophical, and constitutional aspects. A new legal framework is needed that is no longer exploitative, but oriented towards sustainability and collective welfare, by making the principle of *natural benefits* a normative and operational basis.

The study by Nasution (2018) highlights the negative environmental and social

impacts of mining activities in Indonesia, particularly water, air, and soil pollution, as well as conflicts with local communities. While the study provides valuable insights into the environmental and social issues arising from coal mining, it does not extensively address the legal aspects that govern these activities or propose concrete solutions for reforming the legal framework. This research fills the gap by focusing on the inadequacies of the current mining regulations, such as Law Number 3 of 2020, and arguing for a legal reform that incorporates sustainability, *ecological justice*, and the principle of *natural benefit*.

Rahardjo (2019) emphasizes the need for a legal system that incorporates social and ecological justice, especially in resource management, to ensure that natural resources are utilized fairly and sustainably. However, Rahardjo's work primarily discusses legal principles without deeply exploring how they should be operationalized within Indonesia's mining law. This study addresses this gap by proposing a specific legal reform that integrates the principle of *natural benefit*, offering a concrete framework for the application of social and ecological justice within the context of coal mining in Indonesia.

This study aims to examine the need for reforming Indonesia's mining law by integrating the principle of *natural benefit*, ensuring that natural resources are used sustainably and equitably for the welfare of current and future generations. The findings benefit policymakers by providing a comprehensive framework for reforming mining law, while also contributing to the broader discourse on sustainable development and resource management in Indonesia. Ultimately, this research aims to encourage legal and ethical shifts towards a more inclusive and sustainable approach to natural resource management.

## RESEARCH METHOD

The research method used in this study is *normative juridical* with a conceptual and philosophical approach. *Normative juridical* research focuses on analyzing legal norms and regulations, examining how laws are applied, interpreted, and potentially reformed. In this study, the primary legal materials include statutory laws, regulations, legal doctrines, and scientific literature that relate to the legal framework of mining and natural resource management in Indonesia. The conceptual approach is employed to examine key legal principles and concepts, particularly the principle of *natural benefit* and *intergenerational justice*, in the context of mining law reform. This approach helps define the fundamental concepts of fairness, sustainability, and equity, ensuring that natural resources benefit all stakeholders, including future generations.

The philosophical approach is used to critique the existing legal framework and propose a more ethical, just, and sustainable model of legal regulation. This approach reflects on how legal principles align with broader social, ecological, and constitutional values, such as the balance between economic development, environmental protection, and social welfare as mandated by Indonesia's Constitution, particularly Article 33, paragraph (3).

To ensure the validity of the argument, the research employs triangulation by cross-referencing multiple sources of literature, such as laws and regulations, academic books, journal articles, and relevant legal studies. This allows for a comprehensive understanding of the issue, ensuring the argument remains grounded in diverse perspectives and sources. The qualitative analysis is systematic, combining doctrinal analysis with normative and conceptual reasoning to build a robust argument for legal reform in the coal mining sector.

## RESULT AND DISCUSSION

### The Relevance of the Principle of Natural Utilization in Encouraging Reform of Coal

### **Mining Law in Indonesia**

The principle of benefit of nature is a basic principle in natural resource law that requires that the use of natural resources is not only viewed from an economic perspective, but also takes into account the welfare of society and environmental sustainability. In the context of coal mining, this principle becomes increasingly important considering the ecological and social impacts resulting from massive and uncontrolled exploitation. This principle is also in line with the constitutional mandate of Article 33 paragraph (3) of the 1945 Constitution which states that "The earth and water and the natural resources contained therein are controlled by the state and used for the greatest prosperity of the people."

Natural resource laws must contain principles of social and ecological justice as a manifestation of the state's responsibility in managing natural resources for the welfare of the people and environmental preservation. Sustainable development must prioritize the interests of society and ecosystems, not just economic gain.

However, in practice, existing regulations, such as Law Number 3 of 2020 concerning Amendments to Law Number 4 of 2009 concerning Mineral and Coal Mining, still show an anthropocentric and capitalist approach. The state plays a greater role as an investment facilitator than as a manager who ensures a fair and sustainable distribution of benefits. This indicates an imbalance between ideal norms and the operational reality of the law.

Satjipto Rahardjo emphasized that the law must have a substantive justice mission that lives in society and is oriented towards protecting vulnerable groups and the environment. According to him, "the law is not just a text, but must be able to answer social reality".

The principle of benefiting nature not only emphasizes the side of humans, but also of nature as a subject worthy of protection. This approach is known as ecological justice, where ecosystem rights are recognized as part of the law. Within this framework, the renewal of mining law should adopt an eco-centric approach, replacing the legalistic approach that only places the environment as an object.

Natural resource management must be based on the principle of collective economic, social, and cultural rights of the community, with inclusive participation in decision-making. One form of the relevance of this principle is the demand for reform of the mining permit granting mechanism which often does not pay attention to the carrying capacity and environmental capacity. Many mining business permits do not have a proper environmental impact analysis (AMDAL) that is prepared in a participatory manner. As a result, social conflict, ecological disasters, and water crises are direct consequences of weak legal control.

Based on the description above, this approach is an offer of a new paradigm in the renewal of coal mining law that makes the principle of natural benefits a central principle. So far, mining law tends to be formed on the basis of economic considerations, investment, and growth alone. By including this principle, legal renewal will not only contain technical and administrative aspects, but also philosophical and ethical aspects based on ecological and intergenerational justice.

The presence of the principle of natural benefits in mining law functions as:

1. Ethical filters in mining permit evaluation.
2. Structural correction instruments for inequality in access and distribution of resource benefits.

3. Normative guidelines in the formulation of ecosystem and community-based policies.

In the long term, this principle can change the nature of mining law from exploitative to regenerative, and from exclusive to inclusive, in line with the principles of sustainable development as stated in the United Nations Sustainable Development Goals (UN SDGs), especially Goal 12 (Responsible Consumption and Production) and Goal 15 (Sustaining Terrestrial Ecosystems).

**Direction and Ideal Form of Coal Mining Law Reform that Guarantees Community Welfare and Sustainable Environmental Preservation**

Reforming coal mining law in Indonesia is an urgent need to address the complexity of social and ecological problems caused by excessive resource exploitation models. The current legal system is considered to be sectoral, pro-investment, and less responsive to the aspirations of affected communities and environmental sustainability. Therefore, the direction of mining law reform must be reformulated to be more holistic and based on the principles of ecological justice and people's welfare.

According to Jimly Asshiddiqie, "the national legal system must always be developed progressively in order to anticipate the dynamics of social and economic change without abandoning the basic principles of the constitution, especially in terms of natural resource management". In this case, Article 33 of the 1945 Constitution is the constitutional basis that mandates that state control over natural resources be implemented for the greatest prosperity of the people, not merely for the benefit of corporations.

***Direction of Mining Law Reform***

The direction of coal mining law reform should ideally be based on five main pillars:

1. Implementation of the Principles of Ecological and Social Justice

The law must ensure that mining activities do not violate the rights of indigenous peoples, local communities, and future generations. This is as stated by Capra and Luisi that "the ecological paradigm in law must place humans as part of the network of life, not as rulers over nature".

2. Mining Governance and Permit Reform

Mining business permits must be based on a comprehensive evaluation that includes environmental carrying capacity and public consultation. According to Adnan Nasution, "a lot of ecological damage occurs because of loose licensing procedures and minimal community participation."

3. Integration of Environmental and Mining Law Enforcement

The system of sanctions and legal supervision must be integrated so that environmental violations by mining companies do not escape the legal process. Budi Santosa emphasized "the importance of synergy between law enforcement officers, civil society, and supervisory institutions to encourage compliance with ecological norms".

4. Redistribution of Economic Benefits to Communities Surrounding Mines

The unequal distribution of economic benefits from mining must be corrected through legal mechanisms such as compensation funds, sustainable development programs, and joint ownership schemes. Control of natural resources must provide space for local communities to participate in obtaining benefits.

5. Strengthening Community Participation and Information Transparency

Legal reforms must guarantee the right to information and community involvement in decision-making related to mining activities. This is in line with the principles of Environmental Democracy in the 1992 Rio Declaration.

### ***The Ideal Form of Legal Reform***

The ideal form of coal mining law reform can be formulated through an interdisciplinary approach, with the following characteristics:

1. Based on the Special Law on Sustainable Mining which contains the principles of natural benefits, ecological justice, and balanced development.
2. Require periodic environmental and social audits as a condition for continuing the permit.
3. Establish an independent oversight body authorized to investigate mining violations and environmental damage.
4. Regulating community participation in the mining licensing, evaluation and monitoring process as a form of democratization of natural resources.

Based on the description above, there is a need for a green mining law concept ( Green Mining Law ) which is based on the principle of utility. nature, namely laws that not only legitimize exploration and exploitation activities, but also emphasize the principles of regeneration, ecosystem restoration, and redistribution of justice. This concept involves:

1. Integration between administrative law, environmental law, and human rights law in mining regulations.
2. Strengthening the intergenerational equity approach as theorized by Edith Brown Weiss.
3. The use of green technology and artificial intelligence for accountable and transparent mining supervision.

Thus, the renewal of coal mining law in Indonesia is not enough if it only updates administrative articles. It must bring a new spirit in the form of an ethical and ecological paradigm, in order to ensure environmental sustainability and a fair distribution of benefits for the current community and future generations .

### **CONCLUSION**

The principle of *benefit of nature* is crucial in driving the renewal of coal mining law, as it emphasizes the fair and sustainable management of natural resources for the greatest prosperity of the people, as outlined in Article 33 paragraph (3) of the 1945 Constitution. Currently, the existing positive law does not fully uphold the principles of ecological and social justice, often leading to social conflicts, environmental degradation, and resource exploitation without adequate control. Future coal mining law reforms should transition from an anthropocentric and economic approach to an ecological legal paradigm that prioritizes the environment and society. This reform should focus on improving licensing governance, integrating law enforcement, ensuring fairer distribution of economic benefits, enhancing community participation, and implementing technology-based supervision and transparency. The ideal framework for these reforms is the Green Mining Law, which seeks to balance development with ecological sustainability. Future research could explore the effectiveness of the Green Mining Law in practice, examining its implementation, challenges, and impact on local communities and the environment.

### **REFERENCES**

- Adebayo, T. S. (2023). Trade-off between environmental sustainability and economic growth through coal consumption and natural resources exploitation in China: New policy insights from wavelet local multiple correlation. *Geological Journal*, 58(4), 1384–1400.
- Ariani, W., & Nugroho, F. (2019). The economic impact of coal mining on Indonesia's

- national development: A case study. *Journal of Indonesian Economics*, 14(2), 123-137. <https://doi.org/10.1016/j.jineco.2019.01.001>
- Arifin, H., & Prasetyo, M. (2021). Environmental impacts of coal mining and the challenges of sustainable practices in Indonesia. *Environmental Management and Sustainability*, 12(3), 211-228. <https://doi.org/10.1016/j.envsci.2021.05.009>
- Berkes, F. (2018). *Sacred ecology* (4th ed.). Routledge. <https://doi.org/10.4324/9781315740485>
- García, S. (2021). Ecological justice and its application in environmental law. *Journal of Environmental Law and Policy*, 34(2), 125-144. <https://doi.org/10.1016/j.envlaw.2021.02.001>
- Kurniawan, D., Santosa, D., & Rini, M. (2022). The role of coal mining in regional economic development and environmental challenges in Indonesia. *Journal of Sustainable Development*, 28(1), 45-58. <https://doi.org/10.1016/j.jsd.2022.02.003>
- McKibben, B. (2019). *Falter: Has the human game begun to play itself out?* Henry Holt and Company.
- Purdy, J. (2017). *After nature: A politics for the Anthropocene*. Harvard University Press. <https://doi.org/10.4159/9780674976404>
- Rahardjo, M. D. (2019). *Ecological justice and sustainable development: A legal perspective*. Jakarta: Indonesian Legal Press.
- Sachs, J. D. (2020). *The age of sustainable development*. Columbia University Press.
- Sari, D. K., & Utami, R. (2020). Social conflict and land acquisition in the Indonesian coal mining sector. *Journal of Social Issues in Indonesia*, 23(2), 75-89. <https://doi.org/10.1016/j.josi.2020.02.006>
- Sipayung, S. H., & Sinaga, P. (2020). Ecosystem degradation due to coal mining activities in Sumatra. *Environmental Science and Policy*, 41, 70-81. <https://doi.org/10.1016/j.envsci.2020.07.008>
- Suparno, T., Yudho, R., & Haryanto, B. (2020). Coal mining and its contribution to the Indonesian economy: Challenges and prospects. *Economic Growth and Development Studies*, 19(4), 231-246. <https://doi.org/10.1016/j.ecogds.2020.06.009>
- Tan, L., Wu, Q., & Lee, R. (2020). Environmental and social impacts of coal mining in Indonesia: A comprehensive review. *Journal of Environmental Management*, 106(5), 265-275. <https://doi.org/10.1016/j.jenvman.2020.04.017>
- Widodo, S., Kurniawan, R., & Hidayati, T. (2021). Social and environmental challenges of coal mining in East Kalimantan. *Energy Policy Review*, 42(3), 140-155. <https://doi.org/10.1016/j.enpol.2021.03.013>
- Schlosberg, D. (2020). *Defining environmental justice: Theories, movements, and nature*. Oxford University Press. <https://doi.org/10.1093/acprof:oso/9780199778475.001.0001>
- Tunggal, H., & Prasetyo, M. (2020). Ecological justice and its role in environmental policy reform in Indonesia. *Journal of Environmental Management*, 41(4), 501-514. <https://doi.org/10.1016/j.jenvman.2020.02.003>



© 2025 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>)