

Words that Move the Earth: Agents and Strategies in Indonesian Nickel Discourse

Gerald Yudha Putra

Wageningen University and Research, the Netherlands

E-mail: gerald.geraldjudhaputra@wur.nl

ABSTRACT

The global transition to a low-emission future has increased demand for minerals, especially nickel for electric vehicle batteries. This positions Indonesia, which has the world's largest nickel reserves, in a very strategic yet vulnerable position (Gellert, 2019). In response, President Joko Widodo's government launched an aggressive downstreaming or *hilirisasi* policy. This aims to transform the economy from a raw material exporter into a major player in the value-added industrial supply chain. This policy is supported by a strong development narrative, framing nickel extraction as a necessity for economic progress, national sovereignty, and job creation (Pandyaswargo, Wibowo, Maghfiroh, Rezqita, & Onoda, 2021).

However, behind this dominant development narrative lie perceived severe ecological and social impacts, including massive deforestation, water pollution, and the dispossession of indigenous communities' living spaces, which are often overlooked or marginalized in formal policy debates (Nasution et al., 2024). This condition creates an arena of sharp discursive contestation among various actors with conflicting interests and worldviews.

There is a significant gap in studies that specifically deconstruct how this policy narrative is shaped, maintained, and challenged through discursive practices. Previous studies tend to focus on what the impacts of the policy are but have not examined how key actors use language and discursive strategies to win the contest of meaning that ultimately legitimizes a particular development model. This research fills that gap by analyzing: How do actors within the Indonesian nickel discourse strategically shape policy narratives on development and conservation through the exercise of discursive agency?

Three sub-questions emerge: (1) What are the dominant and counter-hegemonic discourses in the Indonesian nickel policy discourse over the last five years? (2) How do key actors position themselves within the discourse? and (3) How do key actors use discursive strategies to construct and sustain these discourses?

Theoretically, this thesis uses the Discursive Agency Approach (DAA) framework developed by Leipold and Winkel. DAA allows for an in-depth analysis of how actors become relevant political agents by identifying with specific subject positions within a discourse and using various strategic practices to support their claims (Leipold & Winkel, 2017). This framework is complemented by key concepts from Argumentative Discourse Analysis (ADA), by Maarten Hajer, particularly regarding how a discourse can achieve dominance (hegemony) through the processes of discourse structuration (the acceptance of a narrative as a 'natural' worldview) and discourse institutionalization (the embedding of a narrative into formal law and policy) (Hajer, 1995).

This research is designed as an interpretive qualitative case study, focusing on the period from 2019 to 2024, which covers President Joko Widodo's second term. The empirical basis of this research is a systematic analysis of publicly available documents as the primary sites of discursive contestation. Data sources include key legislative documents such as Law No. 3 of 2020 concerning Mineral and Coal Mining (Minerba Law) and the Job Creation Law (Omnibus Law), official minutes from Hearing Meetings (RDP) and Public Hearing Meetings (RDPU) in the House of Representatives (DPR), as well as advocacy reports and investigative media from civil society organizations (CSOs) like the Mining Advocacy Network (JATAM) and alternative media such as Watchdoc. Data analysis was conducted inductively using Atlas.ti software, through a two-stage coding process to identify patterns, storylines, and strategic practices emerging directly from the data.

The main findings of this research identify two competing discourses. The dominant discourse is the "Economic Growth First" narrative, which has achieved hegemonic status. This discourse is promoted by a powerful discursive coalition, identified as the "State-Corporate Alliance". This coalition consists of central government institutions (Ministry of Energy and Mineral Resources, Ministry of Industry), State-Owned Enterprises (SOEs) like MIND ID, large corporations managing industrial parks (e.g., IWIP and IMIP), as well as newly co-opted actors such as several religious organizations that have been granted mining business permits.

This coalition effectively uses powerful storylines such as "downstreaming for value addition" and "regulatory simplification for investment". Their hegemonic power lies in the ability to institutionalise this discourse into a binding legal framework, especially through the Omnibus Law, which fundamentally restructures environmental governance and permitting to facilitate large-scale investment.

The marginalized counter-discourse is identified as "Conservation as Defense Against Destructive Development". This discourse is articulated by a looser coalition, comprising CSOs (JATAM), academics, indigenous communities (Masyarakat Hukum Adat), and some dissident factions within parliament. They actively challenge the dominant narrative by reframing "development" as a process of deceptive "greenwashing", ecological catastrophe, social dispossession, and human rights violations.

Their storylines center on irreparable environmental damage, the suffering of local communities who lose their land and livelihoods, and sharp criticism that the "energy transition" narrative is just an excuse to legitimize an exploitative extractives model. Despite having strong moral arguments and empirical evidence, this discourse is systematically marginalized through various mechanisms, including institutional barriers, the delegitimization of its supporters as "anti-development", and exclusion from crucial decision-making processes.

Overall, this research concludes that the nickel discourse in Indonesia is not a balanced debate, but rather a contest severely skewed by power relations. The dominant alliance not only wins the debate but also actively shapes the arena of debate itself by using its control over the state apparatus to rewrite the "rules of the game" through legal instruments. This shows that the most powerful strategic practice for dominant actors is the ability to institutionalise their worldview, thereby limiting the room for manoeuvre and the relevance of the discursive agency of their challengers. The Indonesian case provides an important contribution to the global debate by demonstrating how the "green transition" narrative can be strategically co-opted at the national level to legitimise a model of extraction that is considered fundamentally unjust and unsustainable.

Practically, policymakers can use these findings to design a more inclusive policy process by recognising how dominant narratives can marginalise vital ecological and social considerations. For CSOs and local communities, this analysis can serve as a tool to understand and counter the hegemonic discourses that disadvantage them. Ultimately, this research contributes to the discourse on Indonesia's future development by encouraging a shift towards an energy transition model that is not only focused on economic growth but is also fundamentally grounded in environmental justice.

Keywords: *Nickel policy, Downstreaming, Discourse analysis, Conservation, Development, Environmental Justice*

References

- Gellert, P. K. (2019). Neoliberalism and altered state developmentalism in the twenty-first century extractive regime of Indonesia. *Globalizations*, 16(6), 894–918. <https://doi.org/10.1080/14747731.2018.1560189>
- Hajer, M. A. (1995). *The Politics of Environmental Discourse: Ecological Modernization and the Policy Process*. Clarendon Press.

- Leipold, S., & Winkel, G. (2017). Discursive Agency: (Re-)Conceptualizing Actors and Practices in the Analysis of Discursive Policymaking. *Policy Studies Journal*, 45(3), 510–534. <https://doi.org/10.1111/psj.12172>
- Nasution, M. J., Tugiyono, Bakri, S., Setiawan, A., Murhadi, Wulandari, C., & Wahono, E. P. (2024). The Impact of Increasing Nickel Production on Forest and Environment in Indonesia: A Review. *Jurnal Sylva Lestari*, 12(3), 549–579. <https://doi.org/10.23960/jsl.v12i3.847>
- Pandyaswargo, A. H., Wibowo, A. D., Maghfiroh, M. F. N., Rezqita, A., & Onoda, H. (2021). The Emerging Electric Vehicle and Battery Industry in Indonesia: Actions around the Nickel Ore Export Ban and a SWOT Analysis. *Batteries*, 7(4), 80. <https://doi.org/10.3390/batteries7040080>