# The Influence of Socialization of Development Plan of Masela Block and Community Perception Concerning the Impact of Masela Block Development on Local Community Interest Related to Masela Block Development in Regency of West Southeast Maluku and Southwest Maluku

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### Abstract

Although the District Government of Southwest Maluku and West Southeast Maluku both want the gas industry in the Masela Block to be built in their respective areas, it is necessary to know the extent or perception of the people of Southwest Maluku Regency and Southeast Maluku West. Because without the interest or agreement of the people in each region (considering the impact problems from various fields), it is feared will give a new problem when the Masela Block has started to operate that is the emergence of protests from the surrounding community. For that socialization of the government associated with the construction of the Masela Block is very necessary to do. This research is conducted to answer how big the role of socialization done by the current government to the society perception about the impact of Masela Block development, if it is built in Southwest Maluku Regency and in West Southeast Maluku. In addition, this study also aims to determine whether the public perception of the impact of the Masela Block development currently affects the interest of each region's community to build the Masela Block in its area. Given the great interest of the community to build the Masela Block, it is hoped that it will minimize protests from the community towards the construction of the Masela Block in the future. This study uses a quantitative approach with Partial Least Square analysis. The results of this study indicate that the socialization of the Masela Block development has an important role to form the community perception related to the development of the Masela Block. In addition, community perceptions related to the development of the Masela Block are also significant enough to affect their interests in order for the Masela Block to be built in their areas, whether in West Maluku and Southwest Maluku districts. As well as the perception of the community plays a role as a mediation variable between socialization and interest, so that in order not to occur later in the conflict with the community then the development of the Masela Block must be socialized first to the community. We do not know which of these two areas will be chosen by President Jokowi, but the effect of socialization is very big role to the formation of perception so as to generate public interest in both places related to the development of Masela Block.

### I. Introduction

In the natural gas sector, Indonesia is still listed as one of the natural gas producing countries recognized by the world today (Hermawan, 2016). In the Percentage of Oil and Gas PPH and PNBP 2014 mentions domestic revenues The oil and gas sector plays an important role in creating added value for the State, exports and state revenues. In 2014, the oil and gas sector contributes 8.7 percent to gross domestic product (GDP), 18.5 percent for national exports, and 19.7 percent for state revenues. The development of oil and gas sector is quite sensitive to the national economy, especially the state revenue.

In the Year 2015 to 2016 the people of Indonesia in the face with information through the media with crossaction opinion between state institutions following the discovery of the potential of eternal gas in the Province of Maluku precisely in the Masela Block which is wedged by the Southeast Maluku Regency and Southwest Maluku District. Hadi Wiratma (In his research on the development model of Masela Block) explains that the Masela Block is estimated to reach 10.7 Trillion Cubic Feat (TCF) or reserve to production for 70 years that exceeds natural gas in Qatar. Some even predict the Liquefied Natural Gas (LNG) in Masela Block will be the largest natural gas project in the world with an investment value of up to USD 30 billion or approximately Rp390 trillion.

According to the perspective of the Ministry of Energy and Mineral Resources, the model or option to develop the Masela Block with offshore Floating Liquefied Natural Gas (FLNG) is considered to have a cheaper cost of USD14.8 billion compared to onshore USD19.3 billion. On the other hand, the operational cost of building gas pipelines is also more expensive, which is USD 356 million per year, while FLNG development is only USD 304 million. The development of the Masela Block with offshore will also (a) grow domestic maritime industries, such as the shipping industry, (b) more efficiently because the process does not require land acquisition, and (c) contributes more to Gross Domestic Product (GDP). State revenue is projected to reach USD 51.8 billion compared to onshore which is only USD 42.3 billion. The next government challenge is jealousy from other oil and gas producing regions to get the same treatment, such as Aceh, Kalimantan, Sulawesi, and Papua. Meanwhile, according to Kemenko Maritime and Resources, Masela Block development model onshore is considered cheaper, which is USD16 billion compared to offshore of USD22 billion. In addition, the planned 600 km gas pipeline construction from the Masela Block to the Aru Islands will have a high economic multiplier effect for the community. In addition to the production and distribution of gas safer through the pipeline, the condition will also encourage the development of inter-regional connectivity in Maluku and surrounding areas. The added value of using gas pipes can be as much as three to five times compared to using FLNG. (Hermawan, 2016).

The Masela Block gas project is under the control of Inpex Masela Ltd (65%) and Shell Upstream Overseas Service Ltd (35%). As quoted on news page Liputan6.com that on Wednesday March 23, 2016 President of Indonesia Joko Widodo has been damaging the development location of the Masela Block will be done on land (onshore). President Jokowi said the exploration on land was decided after seeing the magnitude of the impact of the project implementation and the costs incurred. The decision came after a previous cross-poll of the existence of the Masela Block exploration site between on land and sea. The plan, this block will be managed by two companies namely Inpex and Shell. The construction of a floating LNG plant is a technology concept that both companies want to apply. Currently Inpex, a Japanese company, acquired the rights to conduct exploration activities in Masela Block through the signing of Masela PSC contract on November 16, 1998. Since then Inpex through Inpex Masela Ltd undertook a hydrocarbon exploration activity in this Block, with 100 percent shareholding. The Masela Block gas reserves were officially discovered in 2000. At that time, Inpex Masela Ltd drilled the first exploration well of Abadi-1 well located in the middle of Eternal structure with 457 meters deep sea depth and total depth of 4,230 meters. Subsequently, the company on December 30, 2008 has a temporary approval of POD 1 of the EMR Minister under President Susilo Bambang Yudhyono's cabinet (Liputan6.com, 2016).

After the decision of the President of the Republic of Indonesia regarding the development model of Masela Block which has been damaged on the ground, but now the government has a new problem that is the development and development of the Masela Block, in which the West and West West Maluku both wanted to build refineries in their respective areas, namely in Babar Island, Southwest Maluku Regency and in Tiakur Island, Southeast Maluku Regency. Conflict grabbing the location of the development of the masela block between the Southwest Maluku and Southeast Maluku districts began to heat up after the decision of President of Indonesia on 23 March 2016 about the development model of masela block that is on land. Even the Special Unit for Upstream Oil and Gas Business Activities requested the Ministry of Home Affairs to mediate in the settlement of this case. Because the duties and functions Kemendagri is to divide the region and system, and also play a role in determining the sharing of natural resources in a region. SKK Migas had previously expressed concern about the reversal of the planned block of development of the Masela Block due to this social conflict.

Although the District Government of Southwest Maluku and West Southeast Maluku both want the gas industry in the Masela Block to be built in their respective areas, it is necessary to know the extent or perception of the people of Southwest Maluku Regency and Southeast Maluku West. Because without the interest or agreement of the people in each region (considering the impact problems from various fields), it is feared will give a new problem when the Masela Block has started to operate that is the emergence of protests from the surrounding community. For that socialization of the government associated with the construction of the Masela Block is very necessary to do. This research is conducted to answer how big the role of socialization done by the current government to the society perception about the impact of Masela Block development, if it is built in Southwest Maluku Regency and in West Southeast Maluku. In addition, this study also aims to determine whether the public perception of the impact of the Masela Block in its area. Given the great interest of the community to build the Masela Block, it is hoped that it will minimize protests from the community towards the construction of the Masela Block in the future.

### **II.** Literature review

### Socialization

Socialization is an individual process in studying the habits that include the ways of life, values, and social norms that exist in society to be accepted by the community. According to Soekanto, socialization is a social process in which an individual gets the formation of attitudes to behave in accordance with the behavior of the people around him (Soekanto, 1984). According to Goode, socialization is a process that young people must go through to acquire the values and knowledge of their group and learn about their social role that fits into their position (Goode, 2007). Meanwhile, according to Goslin, socialization is a learning process experienced by a person to gain knowledge of skills, values and norms so that he can participate as a member in a community group (Goslin, 1969). According to Lindriati, Socialization is a process of introducing a system to a person and how that person determines responses and reactions (Lindriati, 2017). The socialization of the Masela Block development is very important to the surrounding community so that there will be no wrong perceptions regarding the development of the Masela Block in the eyes of the masses. Because each community must have a view related to the development plan of Masela Block. Socialization also becomes a forum for exchanging ideas between the community and the government and the industry that manages the Masela Block in order to equate perception.

### **Public Perception**

Perception by dictionary is the ability to see, hear, or conscious something through the senses. Perception is a process that involves the entry of messages or information through the senses. Perception is a direct response from something. The purpose of perception is to guess the truth or reality that exists in the world (Hoffman, 2015). Perception is the process by which individuals organize and interpret their sensory impressions to give meaning to their environment (Robbin, 2008). Factors that may affect perceptions include factors in the self-factor, factors in the target self (Kurniawan, Kumadji, & Fransisca, 2014). Socialization is closely related to perceptions and intentions and interests, that is why the affection or interest (Faradiza & Suci, 2017). Socialization to the community is the effort to provide or to change the views or perceptions of the community on a matter. The success of a socialization can be seen from how much influence on the change of public perception in accordance with the purpose of a socialization.

The public perception of the impacts caused by the Masela Block is very diverse. Each person has its own perception, weighing from various factors from various fields. One of the important issues that need to be considered in industrial development including oil and gas industry is the environment (Kurniawan, Hasibuan, & Nugroho, 2017). With the good socialization, it is hoped that community perception related to the development of Masela Block can be established or also to straighten out the perception that has been built in the community before the socialization so that the people's interest in Masela Block development is also expected. From these conditions it is expected that in the future there will be no conflict with the community related to the construction of the Masela Block which is planned to be built on land.

#### **Public Interest**

Public interest is a direct action associated with pleasure or displeasure in the face of an object. There is also the opinion that interest is basically the acceptance of a relationship between yourself with something outside the self. Interest is closely related to the feeling of likes or pleased of a person to an object. Feelings of pleasure or pleasure must be caused by certain things and may vary from person to person. This is because each person has a certain assessment of each object. To be able to attract the public, then every industry must know and learn what the community wants, so that people's perceptions need to be learned to attract public interest (Yulianti, 2015). According to Taurusia, the interest or intention to perform certain behaviors is theoretically determined by the interaction between the two components of attitudes toward behavior and subjective norms about the behavior (Taurusia, 2011).

## III. Methodology

This study uses quantitative approach to measure whether there is influence of socialization on perception, and whether there is influence between perception and interest using analysis of Structural Equation Model - Partial Least Square (SEM-PLS). Research population is community of Southwest Maluku Regency and West Southeast Maluku. Sampling used in this research is purposive sampling that is done with certain consideration. Each region was taken as many as 30 respondents because it consider the time and cost limitations. The sample of 30 respondents for each region is also considered sufficient because PLS can be used for small samples.

Variable	Type Outer Model	Indicator	Questionnaire Form	Source
Socialization of Development Plan (X)	Manifest Variable	There is no indicator because of single construct	Interval (Visual Analog Scale)	Questionnaire
Perception of Development Impact (Y)	Laten Variable	Politics (Y1) Economy (Y2) Social (Y3) Technology (Y4) Environment (Y5) Law (Y6) Education (Y7)	Interval (Visual Analog Scale)	Questionnaire
Interest in Masela Block Development in the Region (Z)	Manifest Variable	There is no indicator because of single construct	Interval (Visual Analog Scale)	Questionnaire

Table 1. Research Variables

There are 3 hypotheses in this research that is H1: influence of socialization to perception and H2: influence of perception to interest and H3: influence of socialization to interest through perception. Based on Table 1, the socialization of this research is the socialization done by the government related to the development plan of Masela Block, while the perception in this research is the public perception about the impact of the Masela Block development, while the interest in this research is the community interest in the development of the Masela Block in each region. A list of previous studies related to our hypotheses can be seen in Table 2 below:

Sosialisasi Berpengaruh Terhadap Persepsi	Socialization Affects Perception	Perception Affects Interest
(Chen & Yao, 2014)	V	
(Miskahuddin, 2014)	V	
(Kalka, 2010)		V
(Kurniasari, 2016)		V
(Faradiza & Suci, 2017)	V	
(Taurusia, 2011)		V
(Susanti, 2015)		V
This Research	V	V

Based on Table 2 it can be seen that there has been a study that discusses the influence of socialization on perception and also the influence of perception on interest. In this study, we tried to combine the two so that the PLS model framework can be seen in Figure 1.

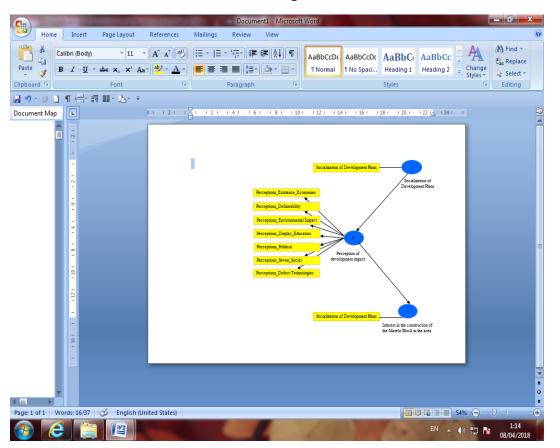


Figure 1. PLS Model Framework

### **IV.** Results and Discussion

The results of the structural model coefficients of the two regions for direct influence can be seen in Tables 10 and 11.

Table 3. Direct	Effect of	West Southeast	Maluku District
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Influence	Coefficient	P Values
Socialization of Development Plans -> Perception of Development Impacts	0.586	0.000
Perceptions of Development Impact -> Interests in the Development of Masela Blocks in the Region	0.803	0.000

Influence		P Values
Socialization of Development Plans -> Perception of Development Impacts	0.622	0.000
Perceptions of Development Impact -> Interests in the Development of Masela Blocks in the Region	0.619	0.000

Based on Tables 3 and 4 it can be seen that in both West and West Maluku regencies, the socialization of the Masela block development plan has a significant effect on the perception of development impact (evidenced by p-value (0.000)  $< \alpha$  (0.05)), coefficients in both places are equally positive, which means that the better socialization of government development plans has a significant influence on the public perception of the impact of the Masela Block development. In addition, the perception of development impacts in each region also has a significant effect on the interest of the community related to the development of Masela blocks in their respective regions (as evidenced by the p-value (0.000)  $\leq \alpha$  (0.05)), the coefficient value in both places is equally positive, which means that the more positive the public perception about the impact of development will increase the interest of the community to block the Masela block in the area.

After the measurement of direct influence, then can see the results of the measurement of indirect effects that be seen the results in Tables 5 and can 6. Table 5 Indirect Indirect Effects of West Southeast Maluku District.

Table 5 Indirect Indirect Effects of West Southeast Maluku District	
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Influence	Coefficient	P Values
Clarity Socialization of Development Plans -> Desire Development of Masela Block (Through Development Impact View)	0.470	0.000

# Table 6. Indirect Indirectly Effect of Southwest Maluku District

Influence	Coefficient	P Values
Clarity Socialization of Development Plans -> Desire Development of Masela Block (Through Development Impact View)	0.385	0.006

Based on Tables 5 and 6 it can be seen that in both West and Southeast Maluku District, the socialization of the Masela block development plan has an indirectly significant impact on the community's interest in the development of Masela block in its area through the impact of development (evidenced by the p-value of Southeast Maluku West (0.000) and p-value of Southwest Maluku (0.006)  $\leq \alpha$  (0.05)), coefficient values in both places are equally positive which means that the better socialization of the government's development plan will provide an increasingly positive perception of the development impact Masela block in the eyes of the community so that the community's interest for the development of Masela Block will be done in the area will also increase.

# V. Conclusion

Based on these results, it can be concluded that the socialization of the Masela Block development has an important role to form the community perception related to the development of the Masela Block. In addition, community perceptions related to the development of the Masela Block are also significant enough to affect their interests in order for the Masela Block to be built in their areas, both in the Southeast Maluku District and Southwest Maluku District. As well as the perception of the community plays a role as a mediation variable between socialization and interest, so that in order not to occur later in the conflict with the community then the development of the Masela Block must be socialized first well to the community. We do not know which of these two areas will be chosen by President Jokowi, but the effect of socialization is very big role to the formation of perception so as to generate public interest in both places related to the development of Masela Block.

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