

Crude Oil, Palm Oil and Sago Riau: for the Capitalists or the Residents to Stay?

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Abstract

Riau Province has natural wealth; petroleum and plantation resources. Petroleum and FFB processing attracts industrial investors from within and outside the country. The production of natural resources is managed using a modernization economic approach through the workings of capitalism. Now the potential of sago plants in Riau as a promising food source has also become the attention and investment target of capital owners.

What are the implications of managing resource production with a modernization approach and the capitalistic way of working for local residents? Where does the government's development economic-political policy take sides? What should be done so that the resources are economically and politically beneficial to local residents?

This research is a qualitative descriptive-analytic method, using secondary data from various reports and compilation of data and analyzed by the concept, approach of capitalism and modernization in exploiting resources against the concept of social economic development.

Research findings; the economic value of resource production benefits a few capitalistic investors and causes the loss of assets and local residents' access to resources. Collaboration between resources, participation of local residents and the presence of strategic state and government policies is needed when needed

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