

**DYNAMICS OF CORPORATE SOCIAL RESPONSIBILITY
IMPLEMENTATION IN COMMUNITIES AROUND
NICKEL INDUSTRIAL AREAS OF PT. IMIP IN
BAHODOPI DISTRICT, MOROWALI REGENCY**

*(DINAMIKA IMPLEMENTASI TANGGUNG JAWAB SOSIAL PERUSAHAAN
DI MASYARAKAT SEKITAR KAWASAN INDUSTRI NIKEL PT. IMIP
DI KECAMATAN BAHODOPI, KABUPATEN MOROWALI)*

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Abstract

The rise of nickel processing mining activities in Morowali Regency, Indonesia, especially in Bahodopi Sub District, has led the social cultural and economic changes. The industrialization process has quickly changed the social and economic landscape of the community, from agrarian to industrial society. The presence of some multinational companies that have been exploiting the natural resources in Bahodopi, raises hopes for the local community for improving their income. At least the companies can involve in the local community development through their Company Social Responsibility (CSR) programs. Therefore, this study seeks to uncover the dynamics of CSR implementation of the PT. Indonesia Morowali Industrial Park (PT. IMIP) at Bahodopi. This research was conducted with an interpretive approach with qualitative methodology in the form of case study. The data collection is done by an in-depth interview, focused discussions and documentation studies. The research informants are the local government officials, community leaders around the industrial park, and the executors of PT. IMIP. The result of the study found that CSR activities have long been carried out by PT. IMIP since it is still in the management of PT. Bintang Delapan Mineral (PT. BDM) which was mainly done through public facilities procurement in health, education, social and activities in the government sector. The activities however, are still carried out incidentally and are not sustainable. The allocation of CSR budgets during the initial period of the establishment of PT. IMIP in 2013 until 2017 was still largely in the form of electricity subsidies which is addressed to the community in 12 villages in Bahodopi which amounted 450 million rupiahs per year and 500 million rupiahs per year per village, especially for the four most affected villages, such as Fatufia village, Keurea Village, Bahodopi Village, and Bahomakmur village. Nevertheless, protests and demonstrations often occur from the public, demanding the company's attention to CSR activities, because the presence of PT. IMIP has damaged the environment and the economy of the community.

Keywords: CSR, Community empowerment, Local communities, Nickel industry

Abstrak

Maraknya kegiatan industri pertambangan dan pengolahan nikel di Kabupaten Morowali, terutama di Kecamatan Bahodopi telah mendorong terjadinya perubahan sosial, budaya dan ekonomi. Proses industrialisasi yang cepat, merubah landscape sosial dan ekonomi komunitas yang sebelumnya lebih dikenal sebagai masyarakat agraris menjadi masyarakat industri. Kehadiran perusahaan besar yang mengeksploitasi sumber daya alam di Bahodopi, memunculkan harapan bagi komunitas lokal akan adanya perbaikan pendapatan, melalui program Corporate Social Responsibility (CSR). Karena itu penelitian ini berupaya mengungkap dinamika implementasi CSR di sekitar kawasan PT. IMIP di Bahodopi. Penelitian ini dilakukan dengan pendekatan interpretif, dengan pilihan metodologi kualitatif dalam bentuk studi kasus. Pengumpulan data dilakukan dengan wawancara mendalam, diskusi terfokus dan studi dokumentasi. Sementara narasumber penelitian diantaranya adalah aparat pemerintah desa dan kecamatan, tokoh masyarakat sekitar kawasan industri dan pelaksana CSR PT. IMIP. Hasil penelitian menemukan bahwa kegiatan CSR sejak lama telah dilaksanakan oleh PT. IMIP bahkan semasa masih dalam pengelolaan PT. Bintangdelapan Mineral (PT. BDM) terutama terkait dengan bantuan fasilitas publik baik kesehatan, pendidikan, sosial dan kegiatan di sektor pemerintahan. Sifat kegiatan yang dilaksanakan masih insidental dan belum fokus pada kegiatan pemberdayaan. Alokasi anggaran CSR selama periode awal berdirinya PT. IMIP tahun 2013 hingga tahun 2017 sebagian besar masih berbentuk subsidi listrik bagi masyarakat pada 12 desa di Kecamatan Bahodopi yang jumlahnya masing-masing Rp. 450 juta perdesa pertahun dan Rp. 500 juta perdesa pertahun khusus untuk empat desa paling terdampak yaitu Desa Fatufia, Desa Keurea dan Desa Bahodopi dan Desa Bahomakmur. Meskipun demikian, protes dan demonstrasi kerap terjadi dari masyarakat menuntut perhatian perusahaan pada kegiatan CSR, karena kehadiran PT. IMIP telah merusak lingkungan dan perekonomian masyarakat.

Kata Kunci: CSR, Pengembangan komunitas, Komunitas lokal, Industri nikel

INTRODUCTION

In recent years of nickel boom in Morowali, Central Sulawesi marked by the expansion of the China-Indonesia consortium, the economic impacts emergence of regional income growth and local communities also left problems for some others. Inevitably, the environmental damage, social problems, foreign labor and livelihood sustainability also emerged as a negative effect on the presence of the nickel mining and processing industry. Environmental issues where land conversion has become the main cause of the agrarian sector experiencing livelihood sustainability problems. For some who have expertise and educated according to the need and still strong enough to work in the company, it is quite profitable because there are substitutes for better livelihoods. But for others, which is the vulnerable group, they are unable to keep up with the industry.

Fatufia village as a center for the development of the Industrial Estate of PT. IMIP (Indonesia Morowali Industrial Park) used to be a frail, seaside village with the absence of economic resources. In those days, the people of Fatufia mostly relied on crops and other seasonal products that were traditionally cultivated. Others depend on cocoa and cashew which are managed somewhat more modernly. Another significant economic source is cattle and goats by utilizing a stretch of peat land and swamps as a source of food, the rest depend on traditional fishermen. The residents of Fatufia sometimes had multiple income sources such as gardening and fishing, depending on which work allows to increase the income to support household needs. Even among the villagers there are still those who work searching for resin and rattan.

The presence of PT. IMIP in Fatufia has changed the landscape of the region into an area full of the dynamics of industrialization. Fatufia is now bright, busy, crowded and expensive. Citizens' activities last 24 hours because the company's electric power flows to houses with subsidies as well. Employees and local immigrants increase every day so that the activity increases many times, and the settlements become crowded by boarding houses, stalls, shops and other buildings. Open

employment and rapidly increasing business world has implications for large revenues attracting the arrival of goods and services as part of fulfilling the needs and trade distribution chain. From the initial observation and interview, SF (a migrant on Fatufia, interview on 2017) said that from the land value to the food sold, Fatufia is now expensive. Fatufia has stepped up the changes from traditional societies to industrial societies only in such a short time.

Amid these socio-economic changes, the issue of inequality in access to sources of income between local residents and more skilled migrants is increasingly apparent. Skilled migrants are relatively easier to find work which in the creative economy sector they are also superior because most migrants have a better commercial culture such as Bugis, Makassar and Java. An important problem that must be addressed is how local communities can enjoy the nickel boom and not only being spectators dominated by migrant groups. The entry of new migrants not only causes competition over economic access to be more open and full of dynamics, but also enlarges the space for differences, ethnic heterogeneity and religion that have the potential for social conflict (Hempel 2013; Lampe et al. 2017). Even recently, there are widespread demonstrations carried out by local communities, students and local NGOs that question the increasingly striking economic disparity between local residents and migrant communities who are trying to get around the company. The exploitation of natural resources characterized by local natural damage is always accompanied by an increase in consumerism driven by the charm of fashion in the consumer sector which ultimately leads to identity crises and social disintegration (Kemp 2010). The existing situation not only shows symptoms of latent conflict between ethnic relations which not only include negative talk, stigma and stereotypes between ethnic groups but also have turned into open conflict (Lampe 2018; Sjaf & Kolopaking 2012). In fact, on 28 October 2018 ethnic violence conflict broke out involving local residents, where Bungku and Toraja ethnic migrants which caused several injuries.

The company has carried out efforts on local residents by conducting community development activities as well as other forms of Corporate Social Responsibility (CSR) activities but still looks sporadic and does not have an apparent planning in accordance with the characteristics of local communities. Thus, the CD/CSR activities have no impact on improving the lives of local communities and are not sustainable. The increasing number of company activities in the PT. IMIP in turn make the impact is also getting bigger especially the more widespread social damage caused. Therefore, the main problem that is important to be elaborated is how to model CSR programs that can be implemented in the local community by considering the cultural aspects of the surrounding community.

LITERATURE REVIEW

Historically, the mining industry was referred to as devil may care to describe how the pattern of mining operations, especially in the oil and gas industry (Jenkins & Obara 2006). This is related to the fact that often the mining industry operates in an area without legitimacy, causes great damage and then leaves the former operational area after economically valuable sources are run out. In recent years the mining industry globally has shown concern in handling social and environmental responsibilities.

Many factors have contributed to this, where extractive industries are the key to debate about social and environmental sustainability (Jenkins & Obara, 2006; Sharma, Amy & Vredenburg 1999). The mining sector of CSR program tends to focus more on local community initiatives that have an impact on the economic, social and environmental sectors whose benefits are felt. However, the effectiveness of the oil and gas sector and mining CSR initiatives has raised more questions (Frynas 2009), while multinational mining companies have transformed themselves into a good corporate citizen with little evidence to gain recognition to address sustainability issues.

The main stakeholders are communities which is why the initiative towards CSR implementation is so focused and strong. Mining has a large impact on local communities including: the creation of new communities and the growth of wealth, export revenues and royalties, transfer of technology, the increasing number of skilled and trained workers, infrastructure improvements such as roads, schools and health clinics (Jenkins & Obara 2006).

While there are several issues of social and environmental impacts related to the mining industry including the issue of land access at the mining exploration stage, environmental pollution, declining quality of public health and industrial mechanization results in unemployment. The social impacts arising from mining activities are; 1) The possibility of not evenly divided opportunities and benefits; 2) The corporate community initiative can be seen as a compensation for the damage to livelihoods, environmental and community life; 3) Social tension in the community due to social and environmental changes brought by mining can lead to violent conflict; 4) Improving technical quality in the mining industry can cause a decrease in the number of workers and the skills needed; 5) Isolation of the mining sector from other sectors can negate the multiplier effect, which is often associated with the location of the main industries in the region; 6) Land ownership disputes can occur between local groups, mining companies and the government; 7) Local traditional culture will have difficulty facing extensive industrial operations and the entry of outsiders/migrants; 8) Bad and corrupt local and national government can cause companies to have too much power in the local context (Jenkins & Obara 2006).

The corporate image in the mining, oil and gas industry is different from the service industry, plantations or manufacturing in general. Viewed from the aspect of the environment and its relationship with the local community, the image of the mining industry is relatively worse than other industries (Yakoveleva 2005). This happens because the exploitation of natural resources and environmental practices carried out by the industry is in conflict with the objectives of environmental preservation and the economic interests of local communities (Lampe 2015). Therefore, to build a good image and good relationship with their stakeholders, the performance evaluation of CSR and corporate CDs in the mining and oil and gas industries is very important (O'Faircheallaigh 2013; Prayogo 2011).

A study in Papua New Guinea concluded that mining was the cause of the destruction of local communities (Imbun 2007). Mining is considered to be only a poverty trap for communities surrounding the mining area. This study also provides important social learning and social responsibility lessons which shows that CSR is only used as an effort to reduce community action and social resistance. CSR by companies is considered to be able to solve social problems that arise in the local community and assumed that the existence of the company has provided great benefits to the local community. Such CSR oriented view, causes companies to lose solutions to social problems and conflicts that occur when local communities show resistance to the existence of the company (Marnelly 2012).

Generally, the mining sector, especially nickel, which experienced a boom in Morowali in the last 10 years, has had an impact on improving welfare, opening new jobs, contributing to state revenues when viewed from an economic perspective. In addition, it has had a broad impact on the environment, ecology, and socio-culture. The discourse on the negative impact of mining is often only a marginal note from grand narrative of the industry's success in encouraging the national economy (Lampe et al. 2017). The same phenomenon also occurs in countries that already have a well-established tradition of mining, for example Canada (nickel and diamond industry) where the contribution of the mining sector to the national and regional economy is dominated by mining discourse rather than ecological-environmental impacts (Gibson 2010).

For example, the fight for identity of local communities in oil and gas mines in Tiaka, North Morowali Regency, is related to the implementation of CSR which is not in line with the expectations of local communities, especially Bajo ethnic (Lampe et al. 2017). The CSR activities carried out by the company are considered unable to restore the livelihoods of local people who were disrupted due to the existence of offshore oil and gas mining in coral clusters which for decades have become local community fishing ground areas. CSR is only considered as a form of silencing the local community to not carrying out social resistance and facilitate company activities.

RESEARCH METHODS

This research uses interpretive-qualitative approach to produce descriptive data in the form of words or spoken from people and observable behavior (Moleong 2014). Qualitative researchers believe that qualitative methods can deepen social phenomena compared to research that uses more objective quantitative methods. The research informant consisted of the CSR officer of PT. IMIP, Public Relations of PT. IMIP, Fatufia community leaders, and also Fatufia and Keurea village governments. Data is collected through in-depth interviews, observation and document study.

RESULTS AND DISCUSSION

There are two types of CSR concepts, in broad and in a narrow sense. CSR in the broadest sense, is closely related to the goal of achieving sustainable economic activity. The sustainability of economic activities is not only related to the issue of social responsibility but also concerns the accountability of the company to the community and the nation and the international community. An understanding of CSR generally revolves around three main things: first, a voluntary role in which a company helps overcome social and environmental problems, therefore the company has free will to do or not do this role; second, aside from being a profit institution, the company set aside a portion of its profits for philanthropy which aims to empower social and improve environmental damage due to exploration and exploitation; and third, CSR is a form of obligation for companies to care about and alleviate a growing humanitarian and environmental crisis.

CSR basically aims to build positive relationships that can be mutually beneficial between corporations and local communities. In addition to being a form of social responsibility, CSR is also a medium for creating social harmony in the surrounding community so that the corporation can operate properly. In fact, CSR is often a source of problems because its implementation does not guarantee accountability, the principle of equity and lack of understanding of local culture.

PT Bintangdelapan Mineral in Fatufia village, Bahodopi district is a nickel mining company that has been operating since 2010 and during its establishment, the company regularly provides funding for Corporate Social Responsibility (CSR) to the community around the Bahodopi mining village, especially in Fatufia. Provision of Corporate Social Responsibility (CSR) funds to fulfill their obligations in accordance with the mandate of Law Number 40 of 2007 concerning Limited Liability Companies and Government Regulation Number 47 of 2012 concerning Limited Liability and Environmental Responsibility.

The CSR funds that have been given to the community in Bahodopi, especially in Fatufia, focused on community empowerment in the form of business assistance, for example forming and assisting business groups of fishermen, and also assisting businesses in restaurants and kiosks. In addition, there was also assistance in building houses of worship such as providing financial assistance for the construction of mosques in Fatufia. Not only that according to the PT Bintangdelapan Mineral documents, there are grants to prepare for major holidays such as the Independence Day (17th August) and education and social compensation programs funds (e.g. funds for communities affected by environmental damage).

But from the observations and interviews of writers with several communities in Fatufia, it is found that some people consider that CSR funds are part of their source of income livelihood. Thus, the people of Fatufia do not use the CSR funds as they should. This violates the commitment between the community and the company contained in each proposal for Corporate Social Responsibility Funding Assistance to the Corporate Social Responsibility fund manager of PT. Bintangdelapan Mineral. It then can be concluded that some of the results of the CSR funding are not on target. The Corporate Social Responsibility fund has a clear goal, which is a social assistance and business stimulus for the village community in the mining circle. The goal is to prosper and empower the community to be more independent.

Based on the results of an interview with Udin (45 years old) the Head of the Village Representative Body of Fatufia stated that:

Since the existence of BDM in Bahodopi, there have been many CSR activities that have been given to the community through village and district governments. There is also assistance to repair religious and social facilities, and activities in the village through proposals submitted to the company. But what has gone through structuring has only been going on since 2012, namely IDR 500 million/village. 2013 and 2014 became IDR 450 million per village because there are additional villages in Ring II to 12 villages.

The CSR budget allocation as mentioned by the informant illustrates that the company has actually tried to give attention to the community with various social assistance, public facilities and education. Even if it is examined more closely based on field observations in related to the issued funds by the company included in the CSR component, the amount is quite large. It is noteworthy that since 2012 the BDM Group or IMIP Group has allocated a budget of IDR 7.5 billion for CSR activities whose components consist of IDR 2.5 M for electricity subsidies for the people of Bahodopi community and IDR 5 M allocated for distribution to villages in Ring I which consists of 9 villages. The number was stagnant until 2016, although there were changes in the number of villages receiving CSR funds because of the addition of villages that were included as recipients (12 villages) even though they were still in Ring II criteria.

In 2017, the budget allocation for CSR activities surged to IDR 30 Billion, which was intended for the construction of the Intermediate Electricity-Pole Network that connects the electricity network from Bahodopi to Coastal Morowali and Central Bungku, the capital of Morowali Regency. The electricity network is managed by PLN (State Electricity Company) whose energy is channeled from a steam power plant owned by PT. Thingshan in the IMIP area. The existence of these electricity subsidies has provided electricity for all residents in Bahodopi and even the entire Morowali Regency. In the past, residents only enjoyed electricity for 6 hours starting from 6:00 p.m..

According to Andi Ridwan, Secretary of Fatufia Village Representative Body, the division of affected areas which later became the basis for managing CSR activities is as follows; Ring I consists of Fatufia, Keurea, Bahodopi, Bahomakmur and Lalampu Village, Ring II consists of Siumbatu, Labota, Dampala, Makarti Jaya, Pada Baho, Le'le and Bete-Bete Village, and Ring III criteria are the District Health Office of Bahodopi and Bahodopi District Education Office. Based on the division of regions, the CSR activities of PT. IMIP is implemented.

The distribution of CSR funds in cash has become a source of its own problems within the framework of community empowerment, because there is no doubt that most of the funds allocated to affected villages are used for physical activities at village, social and religious office facilities. As stated by the Village Head of Labota, who stated that the 2016 CSR fund allocation of IDR 100 million was used to repair mosque floors and ceilings. While as stated by the Village Head of Baho Makmur in the interview, in the Baho Makmur village, it was used to construct a new village office and repair village clinic with a value of IDR 200 million.

In contrast to other villages, Fatufia village instead used the CSR budget allocation received in 2016 amounting to IDR 450 million to build 10 village boarding houses. The use of the budget according to Salim (Secretary of Fatufia village government) has been through consideration of the Village Representative Body meeting which approved the construction of the boarding house. According to Udin (the head of the Village Representative Body of Fatufia), if the funds are allocated for the construction of facilities or economic activities for residents in groups and individuals necessarily provide revenue for all citizens, even if used as business capital for citizens it will not be sustainable. The agreement on boarding monthly room rent of IDR 1 million is expected to provide continuity of local revenue of Fatufia village which can be used for the social activities of all Fatufia residents or for the construction or repair of village-owned facilities and infrastructure.

However, one of the problems that became a homework for the Community Development division of PT. IMIP, which has been recharged with the Comdev Manager position, is the difficulty for the community around the BDM or IMIP mining area to understand the principles of CSR that do not allow the distribution of funds in cash but must be in the form of empowerment programs

and health and education programs. According to the official of the CD Manager PT. IMIP, Melekias;

Although this is not something major, our challenge in efforts to empower the community is the assumption of citizens and the village government who consider that the CSR activities are in the form of cash distribution. Whereas CSR should be a program-based activity that is directed at increasing the empowerment of citizens, especially in the economic sector. One of the things I looked at from the experience of my friends was the condition created when there were still many ore being exported. At that time nickel mining was widespread where residents and the village government received significant amounts of shipping funds.

Based on this acknowledgment, the CD of PT. IMIP still uses a mechanism for channeling CSR funds with a long-standing model, in the form of channeling cash to village governments, groups and target agencies. This causes budget effectiveness in empowerment efforts is still difficult to expect. The village government and residents always expect from the company to provide funds for various activities programmed by the village and hamlet while in principle the implementation of an accountable CSR/CD must go through a clear and empowering oriented program based on Minister of Energy and Mineral Resources Regulation Number 41 of 2016 concerning Community Development and Empowerment.

The Regulation implicitly distinguishes CSR programs from CDs, although it acknowledges that CDs are a small part of the CSR concept. This regulation which applies to the mineral and coal industry has become a guideline for the implementation of activities in mineral mining activities including in the Morowali Regency nickel mining area. The difference in perspective is contained in the conception formulated by the Director General of Mineral and Coal at the Ministry of Energy and Mineral Resources of Indonesia as stated in the following table:

Table 1. Differences in Concepts and Implementation of CDs with CSR

Num.	Aspects	Community Development	Corporate Social Responsibility
1	Subjects	Field operation scale of a company	Company in general
2	Objects	Local/surrounding communities	National and international
3	Approach	Empowerment and cooperation	Charity
4	Goals	Independent communities (long term)	Branding, social responsibility (short term)
5	Programs	Empowerment, education	Donation, social activities
6	Funding	Operational funds	Company's profit

Source: Directorate General of Mineral and Coal, Ministry of Energy and Mineral Resources, 2016

Guide to the implementation of the Regulation as stated by the CD Manager of PT. IMIP has become a shared spirit that wants to be realized in the company's CD/CSR activities. Thus, it slowly tries to condition various steps to restore the function of empowering the community around the company as directed by the Minister of Energy and Mineral Resources above. More operationally, the Regulation has outlined that activities include: 1) Increasing the provincial and/or district/city human development index (education); 2) Economic development of communities around the mine up to the implementation of post-mining activities; 3) Sustainable socio-cultural and environmental development of communities around the mine (customs, religion, sports and arts and participation in environmental management); 4) Institutional development of community communities in supporting community independence; and 5) Infrastructure development that supports community development and empowerment.

Aforementioned kind of CD program orientation has changed the order that has been taking

place in the management of CD/CSR activities around the IMIP area which involves the local government and elements of the district. So far, the distribution of funds from CD/CSR activities of PT. BDM or IMIP through the Financial Management Team (FMT) whose elements consist of the Bahodopi District Government, the Police and the District Military Command. Distribution of the budget through FMT approval by considering the program proposed by the village government has also formed the Village Financial Management Team. This kind of pattern, as recognized by Melekias, is complicating the movement of company development activities because the reference outlined by the government must be carried out directly by mining companies.

According to Udin (the head of Fatufia Village Representative Body), for all this time, CSR activities were incidental in various forms such as the construction of village offices, renovation of mosques, repairs to village clinic. In the education sector there has been a capacity training activity for junior and senior high school teachers throughout Morowali Regency. In the health sector, for example, there is also assistance for medical supplies and medicines, as well as assistance with Ambulances service for Al-Khairaat Hospital in Palu City. While empowerment activities for farmers and fishermen have also been carried out over the past few years, for example the assistance of fishing gear for fishermen in Fatufia and Labota, and also assistance with cattle, chicken and goat farms. While empowerment activities in the agriculture and plantation sector are cultivating vegetables such as chili, tomatoes and others.



Figure 1. Activities for Community Farming and Livestock Development

Source: Documentation of PT. IMIP CSR, 2018

Although CSR/CD activities have been carried out around the IMIP area, public perceptions regarding CSR are still considered lacking. This is due to the high expectations of the community for the welfare of the residents of Fatufia who feel that they are the owners of the region and those who feel the impact of the existence of nickel industry in the region the most. The community considers changes the pattern of livelihood and culture of society from an agrarian society to a capital intensive industrial society and skill specifications to be given by the company through the CSR program is not compared to what is dredged and enjoyed by the owners of capital.

What was conveyed by Andi Ridwan at the time of the interview illustrated the above is that;

This company (PT. IMIP) is humongous, with three existing smelters producing 1.7 metric tons of ferronickel annually, while CSR funds allocated to 12 villages in Bahodopi have not increased since 2012. The amount is still the same until 2017, which amounted to IDR 7.5 billion per year. This is very small if shared with

each village. We in Fatufia, even if there are activities, sometimes not accommodated. Even if I am not mistaken, the budget for 2016 and 2017 has not been disbursed recently for the 2015 allocation. From what I understand and experience, the company will only take actions when we demand publicly.

The local community considers that the company has responsibility for the fate of the affected communities as in everything that the people need must be fulfilled by the company. This condition is created because local communities have perceptions that tend to be negative to companies regarding the implementation of CSR. For them, CSR or CDs activities and funds should be shared with the community evenly every month and the matter of their use becomes public affairs. This principle is illustrated by each interview conducted by researchers regarding the informants perceptions of CSR funds. The communities act as if they did not get any assistance at all if the submitted proposal was rejected once, even though according to the company almost all the big and small events related to the village were always noticed. The 17th August celebration, Musabaqah competition, or sports activities carried out in Fatufia will certainly be given funds. Villagers seemed to not benefit from the company's activities, even though during the existence of the BDM or IMIP company, electricity assistance was provided on both by the generator engine that had been given to 12 villages and their fuel, and after the operation of the IMIP Steam Power Plant that provided electricity to the houses of residents who also received company subsidies. The informant interviewed assumed that electricity subsidies were actually part of compensation for the existence of the company and not a form of CSR. Even though electricity for local communities, however, is part of the company's CSR budget.

In fact, according to Udin, demonstrations were often carried out by villagers who were pioneered by students and NGOs who demanded the implementation of a fair CSR. For example, the demands of equality in allocation between one village and another village, and increasing CSR fund allocation because more negative impacts are caused by the existence of the company such as road damage, dust, flooding during the coming rainy season and reduced catch of fishermen due to coastal pollution. Nevertheless, Udin also suggests that the demonstration agenda that occurred is not always purely a demand related to CSR, especially certain interests related to efforts to get the opportunity to become suppliers. The informant also stressed that, most of the people who participated in the demonstration were residents from other villages, and only 1 or 2 people came from Fatufia.

Meanwhile, according to Salim, the company's good intentions to carry out community empowerment activities in the form of economic development by building stalls in Fatufia village which can be used by local residents to sell various needs, empower fishermen groups by providing fishing equipment, revamping facilities worship such as mosques has been shown so far. It's just that the mechanism of CSR funding through the District Financial Management Team is not always in sync with the wishes of citizens and companies. Companies can only channel CSR budgets in the form of empowerment if the activities to be carried out involve sustainable t, economy, culture and resource development, and the budget is managed directly by the company.

The issue of CSR budget management authority and perceptions of citizens who tend to expect cash assistance to be a weak point. Companies that are trying to apply the principle of accountability by referring to the Ministry of Energy and Mineral Resources Regulation on community development and empowerment will experience dilemmatic problems, between the PROPER demands and the pressure of the people which are often accompanied by demonstrations. On the other hand, local communities are also very dependent on the company. Most people who lack business skills only depend on high expectations for cash. A form of high dependence on companies will have an impact on the increasingly difficult to develop sustainable productive businesses because the pressure of competition with migrants is increasingly difficult to avoid. Along the way, from Keureato Fatufia Village, a row of shop buildings, stalls, shop houses is a place of business for migrants. In fact, most of the buildings have changed hands to migrants, although some of them are still rented to traders and outside businessmen. Various types of businesses that grow in Fatufia are food stalls, grocery stalls, coffee shops, clothing store, laundry, cafe, building material shop, motorcycle leasing and even motorbike and car wash services. The

business owners, according to Salim, were mostly migrants from South Sulawesi, such as from Toraja, Palopo, East Luwu, North Luwu, Kendari, Sengkang and several other areas in South Sulawesi.

CONCLUSION

The presence of PT. IMIP as the largest nickel processing industry in Southeast Asia has raised hopes for some people around the area for an improved life, because in addition to having an impact on the opening of employment opportunities, business opportunities also have corporate responsibility for empowering the community economy. The concept of corporate social responsibility has been outlined in legislation as a form of commitment to efforts to benefit the surrounding community for the activities of a business activity which has been done by PT. IMIP as an industrial estate management company. Since the establishment of PT. IMIP, a variety of CSR activities have been carried out both program-based and incidentally carried out based on proposals submitted by community groups, government or social organizations. PT. IMIP annually allocates a budget of IDR 7.5 billion rupiah which is distributed to 12 villages included in the circle of industrial estates. Since 2012 to 2017 most of the funds have been allocated to electricity subsidies in the form of fuel for generators, electricity grid installation for 12 affected villages amounted to IDR 450 million per village. The rest is used for social activities, education, health, environmental maintenance and economic empowerment of citizens. It's just the nature of the activity which still mostly incidental.

The problem that arises and continues to color the dynamics of the company's relationship with the surrounding community in the context of CSR activities is that the company's commitment is still low in meeting community needs as a form of social responsibility. The community views that, the company has damaged the environment; causing flooding, air pollution, disruption of water sources and public health problems, but very little to provide assistance to residents of the surrounding community in an effort to meet their basic needs. The company is also considered not to have a program that is truly capable of empowering their economy, so that protests often occur. The problem faced by the company is the unpreparedness of human resources in the field of CSR/CD and the limited budget. On the other hand, there are still many people around who do not really understand the mechanism for channeling CSR funds and their designation. The community hopes to get cash, even though the assistance should be provided in the form of an empowerment-based program.

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