

Social Conflict Among Mining Company and Community

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ABSTRACT

Conflicts between communities and mining companies in the district Alpha Sulawesi was a series of problems the last few years. This study found that the problems occurred between the community and mining companies were based on distorted social interactions, namely communication problems that did not work perfectly. By using a mixed method, this study which is included in the action research category found that the problem of perception and interpretation was a dominant factor in causing disputes to tension. Following the framework of Miller & Sinclair (2012), perceptions that arise and develop include physical, economic, environmental, and social issues. Through a quantitative approach with interviews using questionnaires to as many as 260 respondents spread across 13 villages and 3 sub-districts and a qualitative approach through in-depth interviews and group discussions with influential figures in these villages and PTMS management. Using the framework of Resource community member's perception of coal industry risk and benefit, the results of this study also found differences in viewpoints in viewing environmental aspects of public health and social care.

Keywords: Social Relations; Conflict; Mining Activities; Perception.

ABSTRAK

Konflik antara komunitas dengan perusahaan tambang di kabupaten Alfa Sulawesi merupakan rangkaian persoalan yang mengganjal dalam beberapa tahun terakhir. Studi ini menemukan bahwa permasalahan yang terjadi antara komunitas dengan perusahaan tambang didasarkan atas distorsi informasi dan persoalan komunikasi yang tidak berjalan secara sempurna. Dengan menggunakan metode campuran (mixed method) kajian yang masuk dalam kategori action research ini menemukan bahwa persoalan persepsi dan interpretasi merupakan faktor yang cukup dominan dalam menimbulkan perselisihan hingga ketegangan. Adapun persepsi yang muncul dan berkembang mengikuti kerangka Miller and Sinclair (2012) meliputi isu fisik, ekonomi, lingkungan dan social. Melalui pendekatan kuantitatif dengan menggunakan kuesioner kepada 260 responden yang tersebar di 13 desa dan 3 kecamatan serta pendekatan kualitatif melalui wawancara mendalam dan diskusi kelompok (group discussion) dengan tokoh-tokoh berpengaruh di desa-desa tersebut serta

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pihak manajemen PTMS¹. Dengan menggunakan kerangka dari Ho dan Yang (2018), hasil studi ini juga menemukan adanya perbedaan sudut pandang dalam melihat lingkungan hidup dan kesehatan masyarakat.

Keywords: Relasi Sosial; Konflik; Aktifitas Tambang; Persepsi.

1. Introduction

Several mining areas in various parts of the world are constantly in conflict with their surrounding communities, such as Peru (Oxfam America, 2009), Ghana (Adonteng-Kissi, 2015), Kenya (Abuya, 2016), or as reported by (Andrews, Elizalde, & Billon, 2017) and colleagues in African and Latin American countries. Generally, conflicts are related to issues of land management and tenure, mining concessions, environmental sustainability and the resulting pollution or other industrial relations issues. In summary, conflict is something that often occurs and is even difficult to avoid by the local community of a mining area. This condition also occurs in mineral mining areas in Sulawesi. In line with the dynamics of the relationship between the community and the company, tensions occurred in this area several times. The climax was the burning of cars and mine workers' messes by residents in 2014. This is triggered by increasing concerns about cloudy river water related to the company's increasingly active mining activities. Residents believe that the two rivers around the mine area had been polluted. At the same time in two villages in area D, the villagers found many dead fish in the river that runs in the middle of their village. The issue continued to grow about the river flow that irrigates their 325 hectares of rice fields, which would soon be polluted.

At the beginning of the exploitation, the social relations between the mining company and the community could be said to be relatively positive, but over time, the condition of the relationship continued to decline in a negative direction. This is due to two things. First, people's expectations of the company are very high with the presence of mining activities. Second, the realization of the company's concern has decreased due to company's internal regarding Corporate Social Responsibility (CSR) funds management. Furthermore, this study found that some of the approaches taken by the company to the residents were less systematic and precise. This tendency has led to the dynamics of the relationship between them increasingly leading to an explosive potential. This was marked by the presence of several incidents in 2014 and 2015. This article aims to describe the problems that arise in the relationship between mining companies and the surrounding communities and what efforts can be made to restore a positive relationship between the two parties.

2. Theoretical Review

In their study on the impact of mining in China (Ho & Yang, 2018), found that conflicts in mining areas were determined by the seriousness of the occurrence of environmental pollution, issues regarding health hazards, perceptions based on jealousy because they are not involved in mining activities, perceptions of social assistance, perceptions of the effectiveness of various activities carried out by mining and perceptions of support from the government. Those things will lead to a certain intention from the community which is then managed by environmental activists (EA) from both non-governmental organizations (NGO) and newspapers. Following the analysis of Ho and Yang, the cases studied in this research can be grouped into several issues as below.

In mining area, the inequitable distributions of risks, impacts, and benefits are key drivers of resource conflicts (Kemp, Owen, Gotzmann, & Bond, 2011) and the problem of willingness to pay (Gómez Valenzuela, Alpizar, Bonilla, & Franco-Billini, 2020) and the attitudes of company representatives (Anggreta & Firdaus, 2019; Penman, 2016) usually as causes of conflict. Regarding the conflict between community and mining company (Miller & Sinclair, 2012) argued that perception can provide some several possible actions that give consequences in term of physical, economic, environmental, and social. This study refers to their model as an analytical framework in analyzing the social relationship between mining company and as below.

¹ Nama perusahaan disamarkan

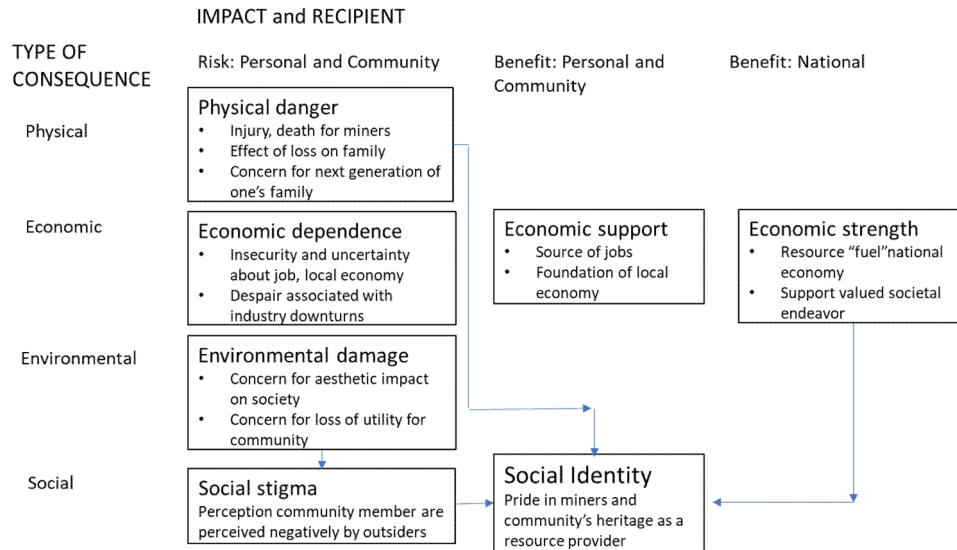


Figure 1. Resource Community Member's Perception of Coal Industry Rsk and Benefit

3. Method

This article is based on the results of a research using mixed methods, which combined qualitative and quantitative approaches which conducted in three districts: L District, Central P District and P Timur District, BM District. There were 4 villages namely Village L, Village B, Village M, and Village MB. These ones can be reached by four-wheeled vehicle from MG City for approximately 30 minutes. The road to the location is a district road which is hot mixed with asphalt and well-maintained. In fact, Village L and Village B are 2 villages that were traversed by district roads which were the main access for residents and companies as well as transportation of production supporting materials to the mine site in Block Bk. Production activities have been carried out since 2014.

Field data collection was supported by 8 assistants for two weeks from 8 to 19 August 2016. Random sampling was used using *random.org*. The data was sorted by records from each village and is not rewritten alphabetically. By using *random.org*, the names of the heads of families who were selected as samples, and their reserves, which were used to replace the selected samples when not in the village and were difficult to find during the field survey were carried out.

Quantitatively, questionnaires were distributed to 260 heads of households randomly in 13 villages around the mine area. To test the reliability and validity of the data, triangulation was carried out in a multilevel nature: involving the confirmation process of two or more informants, across data collection techniques, and between researchers involved related to issues that were considered important. Some in-depth interviews were conducted with 20 key informants, 4 modified focus group discussions, literature study (documents), and observation. The informants for qualitative data consist of source persons who have key positions in the community, such as village heads, hamlet officials, community leaders, youth leaders, women leaders, and local NGO activists. However, the process of extracting data through in-depth interviews was also carried out on other informants such as PTMS employees, workers who are under contract with sub-contracting companies, villagers who are former employees and workers, as well as other villagers who do not work at the mining site. Key informants around the mine include Village Heads, Village Secretaries, Women's Leaders, Youth, Religious and Traditional Leaders. While the resource persons from PTMS employees were represented by KP (External Affair), SM (Government Relations), AP (General Affair) and M (SPSI PT PTMS)

4. Results

The identity of respondents in L and P Tengah Districts were 100% Muslim, while in P Timur District, about 26.72% were Christians and 0.08% were Catholics and the rest districts,

72.75% were Muslims. In general, respondents in three sub-districts have a livelihood in the agricultural sector and other were evenly distributed in trading, opening stalls, teachers, private employees, civil servants, fishermen and PTMS employees. In general, residents in BM Selatan and BM-Induk highly appreciated religious values and customs. In general, the community around the mine had a good culture of togetherness with a relatively low crime rate in the villages. The social relations that exist between them illustrate the profile of rural communities in Indonesia in general who had good solidarity based on cultural values and the existence of kinship ties among residents of different villages.

Since the PTMS mining company was present in 2012, there had been an absorption of human resources from the village community to work for PTMS as well as contractors/suppliers from PTMS. All villages surrounding the mine "contribute" dozens of residents as workers at the mine site and billions of rupiah in funds had been spent as a form of Corporate Social Responsibility (CSR) activities. However, social relations between them got stuck for a couple years caused by several difficulties and strengthened the conflict such as communities' demand (Irwandi & Chotim, 2017), environment matters and land utilizing dispute (Hidayat, Rustiadi, & Kartodiharjo, 2015) and macro situations (Hadi, Saleng, Irwansyah, & Sumardi, 2015).

The results of laboratory tests regarding the water content as reported in the local newspaper on November 15, 2014, showed negative results regarding the presence of pollution by mining activities. Two chemical indicators, namely mercury and cyanide, through laboratory test results showed the number 0.005, which means it was very far from the dangerous threshold of 0.02. Thus, it was concluded that the cause of the death of these fish was not due to chemicals or waste used by the company. This fact refutes the rumors that developed in the community. However, most of the community members believed the rumors that "data from laboratories that were made public were not the real results".

Although the results had been officially published through various means including local print media, the atmosphere of lack of harmony between the communities surrounding and the company was still high in relation to various other issues such as the issue of dismissal of employees without adequate explanation, the issue of the company's reluctance to fulfill 14 promises with local governments, implementation of CSR activities that were not good and others. Unlike the results of Arief's research (Abuya, 2016) on mining companies in other locations in Sulawesi which showed horizontal conflicts between residents, this study found that conflicts were vertical between communities and mining companies.

4.1. Society's expectations of the company

The presence of PTMS and related outsourcing/subcontracting companies brings beautiful dreams to the people in the surrounding villages. The positive impact envisaged was the opening of new job opportunities which include will become contract workers at companies or out-source companies even though they had a junior high school education level, can earn a better income according to the Provincial Minimum Wage (PMW), and soon there would be an increase in welfare in the village in general. At the beginning of the operation, the positive impact that was felt on the presence of the company was that it raised the hope of the younger generation to work there, so that they were more enthusiastic in continuing their education from junior high school to high school.

What was common in mining areas was that the community hopes to get support from an economic perspective in the form of opening new jobs as well as financial assistance and social support, namely identity as a community that contributes to industrial progress (Miller & Sinclair, 2012). This hope began to emerge when the community learned that the company allocated funds for the community around the mine to reach 1 billion per year.

4.2. Feelings of injustice and disappointment

The perception of the community around the mining area has dynamics that fluctuate up and down (Miller & Sinclair, 2012) and develop poorly due to pollution and other cases (Hovardas, 2017). When it started operating until the time the research was carried out, in general the community had a positive and negative assessment of PTMS companies. At the beginning of its operation the PTMS Company was personified as a good individual. Three personifications that show PTMS Companies as good individuals appear and dominate public perception. The three personifications are beings who were "good", "caring" and "generous".

However, sometime later after the exploitation of the mine started, the public's perception of the company personification changed, in the sense that the positive impression decreased. The factor that causes a decrease in the percentage (personification as a good being) was caused by the policies of the company which were considered detrimental to the community. Likewise, the impacts that were increasingly felt such as river pollution, the number of outside workers being recruited compared to local workers and the existence of "distance" between the company and the community. After four years later, the percentage of these three good personifications had decreased sharply. Meanwhile, personification as an evil being had experienced an increase in negative opinions such as "Ignorant", "Bias", "Evil", and "Liar". The development of perceptions related to the expectations of the community around the PTMS mining area can be seen in the image below.

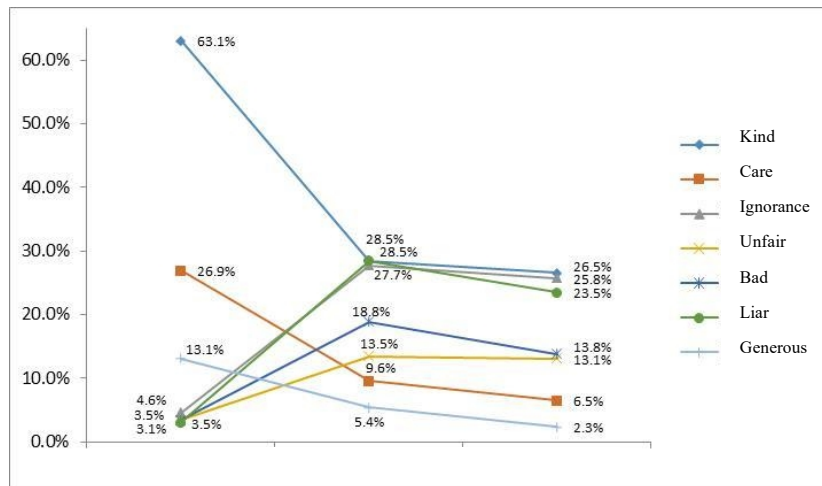


Figure 2. Corporate Personification

The community demanded a transparent company for compensation in the process of land acquisition of their former plantation areas which later became the PTMS operational area. The amount of land that was claimed to have not received compensation was around 200 hectares. Part of the land that had not been completed with the compensation process had been buried by the excavated soil. Although the number of plots was recorded well, this step made the residents of the community around the mine who were cultivators felt they did not get anything certainty.

However, in subsequent processes, especially few years before that community admitted, the compensation process was carried out on a wholesale basis through direct negotiations with corporate officers. They had been thinking that they treated unfair because their land was valued by company as a low price compared to the land compensations formerly. But, according to one of the external relations staffs, "... *The compensation is more of a friendship money ... because, the company has held a permit from the government and pays taxes according to applicable regulations.* (W, PTMS)

Some people suspected that the unfair negotiation process was related to the internal cheating. This means that the spearhead of companies related to land acquisition were doing "business" by themselves. The community thought that they paid compensation to the cultivators very cheaply because there were personal interests, and the payments were not made using company money, but it was paid by officer own money or facilitated a third party with extraordinary financial power. They convinced that "the company was not transparent in the compensation process". Even though the community members knew that the person who did it was an individual, they could not distinguish between the two parties. Although some people believed that the company's policies have good policies, but at the implementation level there were many distortions and discrepancies.

The company refuted the claim regarding compensation that was not worth the value of the community, because not a few of the areas claimed to be owned by the residents were forest areas that had only been used as plantations for a few years, and the residents did not have proof of ownership certificates. In fact, there is also the same land claimed by

several people who are still brothers. Therefore, the company stated that what was done was a form of positive intention by offering adequate compensation to residents.

The level of social jealousy among residents emerged on several issues, for example, community representatives communicated with PTMS which was considered unfair. One of the village heads has suggested to the company that the community relations team should be recruited evenly at 1 person per village. However almost all members of the public relations team come from residents of the closest and most populous village. That was, with a proportion of 60 percent coming from villages around the mine, and 40 percent coming from outside. Even in some cases the meeting had been “agreed” on this matter with a proportion of 70:30 percent. In other words, the company had met 70 percent of the workforce needs from within the mining community, and the rest is imported from outside the district and even from the island of Java. However, from the public's point of view, in practice it is quite the opposite.

Most of the employees working at the site, both PTMS and out-sourcing/subcontracting companies, are residents from outside the mining circle. The reasons put forward by the company, through the management at the location or representative offices in the Regency, always refer to the educational level and skills of applicants from villages surrounding the mine area who do not meet the qualifications (NS, Interview, year 2016).

Some informants even stated that in certain villages outside residents were declared as local residents through the cooperation of village officials with PTMS employees. So that administratively the newly recruited personnel can be used as employees by being claimed as the implementation of CSR activities, these people are given ID cards and listed on the family cards of certain villages. This case was also denied by PTMS as an exaggeration because the employees referred to were part of the family members of the village around the mine who had migrated and had worked outside the district for some years.

The community also criticizes the points of the CSR agreement that have not been implemented by the company. People's perception was that the company only wants to make the much profit as possible, and the company did not care about the community around the mine. The company was only good at making promises, it was only buying time to make the community happy, and eventually it would leave after the mining content runs out without providing CSR funds to the surrounding villages. Meanwhile, issues related to the treatment of out-sourcing/subcontracting company partners were also developing, which afflicted residents around the mine. After investigation for the two cases, it was found that the employee had violated the specified speed limit, causing the accident. So that the employee got a sanction and was dismissed without severance pay and the involvement of a labor organization (SPSI) related to their advocacy rights.

Furthermore, the community considered the PTMS company not to carry out its obligations under the Mining Law and The Agreement stated with the Regional Government in 2012. The company did not care about the community in terms of empowerment in the agriculture, fisheries, health, education sectors and had never been involved in important cultural events. The rising facts were mentioned by the community in contrast to the conditions at the beginning of the company's operations.

Previously, if there were residents who were seriously ill and needed immediate treatment in the city, the village head would call the company to ask for a vehicle loan. The company will respond quickly and very positively. However, after the company ran smoothly in operations and exploitation activities in 2014, this attitude disappeared for reasons of safety because the cars were designed only to support activities at the mine site. Meanwhile, the empowerment of farmers and fishermen has never existed and has not been initiated to be carried out by the company (M, Interview, year 2016).

Even though there was some support for educational activities from villagers in residential areas around the mine, the scale was considered very minimal and often late. For example, the company had aided students in the context of completing studies of 3 million rupiah with a GPA above 3. Of course, the number of residents around the mine who meet the requirements was very limited. The proposal was sent by the village to the company. However, the answer from the head office (in Jakarta) was very slow to respond to the

program. Thus, it was found that there were several cases of students who had already passed the thesis exam, but the educational aid funds had not yet fallen.

The negative impact was related to the damage to the natural environment in the protected forest area and its surroundings where the mining site was located. Massive forest destruction coupled with the noise of heavy vehicles and rock blasting had resulted in the loss of endemic animals. Some residents who were relatively educated believed that the presence of mining had reduced the quality of their living environment, such as the air was not as cool as it was in the past, and there were also rivers that were indicated as being polluted. Residents also had concerns about the dangers of acid mines that could contaminate rivers. They argued that there was a potential danger associated with the presence of a dam upstream near the mine site, where the river flows towards M village.

The people of Village B consider that the planned expansion of exploitation to the mountain area opposite their village carries the threat of flash floods like what happened in 1996 due to forest destruction as caused by other company. Until now, DA and DB villagers believe that the river that crossed the two villages before reaching the estuary of the high seas is polluted and damaged which they think was the impact of the operation of PTMS.

On the other hand, the company and government officials said that the death of the fish was not due to poison that came from the company. But it may be due to the sabotage of certain parties or climate change. Evidence that the dead fish brought by the villagers were not river fish, but sea fish. Given that the distance from the river location in the village area to the estuary on the coast is only a few hundred meters, it is very possible that several types of marine fish were able to adapt to enter the slightly brackish freshwater flow area. The results of observations by researchers in several rivers that were claimed by residents to have been polluted were not like what was alleged. Because the river flow looks clear and at its end which directly empties into the open sea, there were also some small fish swimming which indicated that it was difficult to say that there was serious river pollution.

4.3. Less effective communication

The company has realized that good communication with the community is important so as not to cause conflict as has happened at other mining sites (Adonteng-Kissi, 2015; Chen, Hung-Baesecke, & Chen, 2020; Ho & Yang, 2018; Hovardas, 2017; Muldi, Sumardjo, Kinseng, & Sugihen, 2019). To that end, PTMS implemented a CSR program starting in January 2015 with the company's initiative to form a Community Discussion Forum (FDM) around the mine with 4 representatives from each village consisting of the Village Head, Head of BPD, representatives of women activists, and representatives of youth. FDM is a communication platform between residents and companies (represented by external affairs), namely village heads, women representatives, youth representatives and BPD. In addition, each meeting was attended by officials at the local government level such as the sub-district, military, and police officers. The agenda discussed has been prepared in accordance with the issues or needs of each village, among others, the need for infrastructure, health, education, labor. Based on experience the discussion often goes "quite tough" because many participants want to express their opinions. If the company has not implemented the terms of the agreement, then they must provide an explanation to the residents of each community which often creates difficulties because they must explain why the proposal that has been sent has not been responded to by the company.

... In practice, this routine meeting cannot be separated from interests: the village head appoints people close to him to accompany the meeting because of the lure of Rp. 1,000,000 which each person receives per meeting in lieu of transport costs. The female and youth figures who came also had kinship relations with the village head. ... Furthermore, from the side of the company, it was considered less serious in paying attention to the output of the meeting because several times it had sent delegates that were different from the delegates who attended the previous meeting ... (LSM, Interview, year 2016).

There was a growing perception that FDM was only a mere ceremonial activity to delay the demands of the village community and to reduce the tension of the village's rejection of the presence and operations of the company. It was indicated by the topic of discussion which was repeated every month. There was no significant progress and company representatives change at subsequent meetings so that they did not understand the achievements of the last discussions that had been agreed. Some village heads had also

requested that meetings be held in rotation from village to village but there was not accepted.

As for CSR discussions, village heads consult with company representatives regarding community needs that can be accommodated to be funded in the company's CSR program. The discussion was followed up with a proposal in accordance with the existing funding ceiling, which was 350 million for each village. The proposal by the company representative, the Corporate Affairs manager, was processed for approval from the company GM, then sent to the PTMS head office in Jakarta. However, the realization of CSR in 2015 only occurred in 2 villages, namely the construction of clean water channels in village B and the construction of village halls in MS. According to several research informants, both from the mining community and company representatives, this congestion problem occurred at the Center (Jakarta), especially at the leadership level who handles finances.

The realization and construction of clean water channels in DB village had involved residents. However, the design and funds from the company. This project basically flows water from one of the springs on the slopes of the mountain to the village area in DB village which was in a lowland area not far from the coast. Indeed, the project can be completed on time. However, the villagers were disappointed because the size of the canal to the village was too small so that when the water was distributed through the branch canals in the village, it was only sufficient for about 50 houses out of a total of 150 that had to be served by the clean water facility.

Reflecting on the experience in DB village, the PTMS company arranged for the construction of a village hall in MS to be carried out by involving the Local Military District (Kodim). The construction project with a budget of 350 million could be completed on time and was quite satisfactory. However, there were residents who felt dissatisfied with the activities of working to help the development, such as acting as masons, carpenters, and so on because they do not get paid. They felt forced to work on the project and had to leave fishing in the sea.

Furthermore, the community felt that the position between the company and the community was not in an equal one. Companies were seen as placing a higher position than society. This was reflected by the absence of company leader's visitation. The company leaders who meet were only at the level of public relations officer. Moreover, most people had never known who and how the leadership of the PTMS company was. This condition was different from the previous mining company, which was conveyed by the community that the leader often visits the village and meets with community members in various occasions. They did not need a formal visitation but informal one. For example, attending an event on 17 August (Independence Day celebration) in the village, visiting the patrol post while playing domino, attending recitation events, social gathering and so on so that the social distance between the company and the village becomes closer.

This unfavorable perception was reinforced by the availability of information on how management handles employees, especially those from surrounding areas. Unfair treatment in terms of handling cases of accidents and minor violations, as well as giving "hard" (very stiff) sanctions like treating machines, without sufficient human touch. This gave birth to deep disappointment in the hearts of local employees.

4.4. Social jealousy

Another issue was related to the company's ambassadors in the public relations division, which were mostly filled by people from villages around the mine. It was hoped that the close relationship of one village or sub-district with the same ethnic, religious, and linguistic identity was expected to reduce the resistance or resistance from residents against the company. However, what happened was that public relations staff from villages around the mine were suspected by the community of "playing", especially in manipulating data on land and tree areas in the land compensation process. This also led to the community's refusal to have a dialogue with the company's ambassadors and created social jealousy among the residents.

They considered that the villagers who worked in the company could change their economic condition quickly as indicated by the luxurious, spacious, and large houses as well as the existence of new businesses that were run by the company's employees. The local worker was using his position to take maximum advantage because he realized that one day the mining materials would run out and the company would leave its exploitation

area so that it focuses on accumulating capital by building other activities such as opening a shop as a side income effort.

Communities considered the company to be less concerned about empowering farmers, fishermen, health services and education development, as well as involvement in socio-religious activities. They argued that the company only cares about recruiting employees from the villages closest to the mining area. The community around the mine considered PTMS to be less sincere in helping the community.

4.5. Syncretism between perception and fact

Information on the community around the mine's assessment of PTMS was divided into two assessments, namely information based on facts and perceptions developed within the community. In many cases, the facts on the ground were distorted, whether the information was reduced or the addition of "spices". There was a gap between fact and perception because perception was an interpretation of a fact that was the view of many people.

Based on qualitative data, that people tend to be unable to distinguish between facts and perceptions. For example, fish that died in the upper stream of the river during the rainy season, the community immediately condemned PTMS as the cause of pollution. This could be criticized because in the last 1 month there had been no incidents of dead fish, whereas when the research team was in the field, in the previous few weeks the villages surrounding the mine experienced the rainy season and there were no facts that proved the existence of dead fish.

Second, the number of land clearing activities for clove plantations and spraying of weeds by the community was never disclosed as one of the factors causing the decline in river water quality.

The level of public dissatisfaction with PTMS was caused by the intertwining of these two things: facts and perceptions. Facts were things that happen, while perceptions are people's thoughts caused by rumors or analysis caused by a lack of information. Dissatisfaction based on facts could be described as follows; clean water lines were not working; the assistance provided was not as needed; assistance was carried out by other parties; delayed CSR assistance and 14 points of agreement had not been implemented.

Meanwhile, community dissatisfaction that was only based on perceptions includes: PTMS was selective in aiding, PTMS was the cause of river pollution, internal management of the company was problematic, scholarship recipient names were different from previously announced, weak internal control over the program, and land compensation pricing not transparent. However, in everyday life the perception factor greatly influences the response to the presence of PTMS. In fact, in many ways, the facts were also influenced by public perception. Both forms of dissatisfaction need to be responded to and accommodated properly by the company, especially dissatisfaction based on perceptions because it results in a bad public view of the company and disrupts the company's operations.

5. Discussion

Based on the description above, the conclusions that can be drawn are namely, community members around the mine have high hopes for the presence of the PTMS company at the beginning of its existence to improve economic, social, educational conditions as well as the opening of new jobs (as PTMS employees), community involvement in various decisions related to the lives of residents with various activities CSR such as education, religious activities, and infrastructure. However, doubts and negative speculations arose in the community with the growing issue of environmental damage and what is expected to happen in the future; promises that are not kept due to the lack of strategic governance relationships between companies, communities, and the government. FDM, which (supposedly) becomes a means of establishing strategic management relationships, has backfired because it is "used" by individuals for certain interests.

There is a growing perception among community members in the villages surrounding the mine that PTMS is lacking transparency and fairness in the settlement of compensation for arable land, environmental pollution, employee recruitment, and implementation of CSR funds. This view depicts an image that is detrimental to the company, even though what they perceive is not necessarily entirely accurate. The high communication gap between the company and the community can be seen from the ineffectiveness of company communication due to communication barriers between company leaders and all stakeholders in the area surrounding the mine. The community relations team has difficulty

Tabel 1. The Mapping of Key Issues as Presented by The Resource Group

Issue	Village Heads	Village Secretary	Public figure	Youth	Female Figure
Positive things in society	Tolerance in accepting the presence of new people/neighbors, eventhough different religions, ethnicities, and groups. Hard worker.	Hard worker, avoids conflict, can mingle with new people	Trust the village head to resolve conflicts. Society has a culture of being able to refrain from acting anarchy	Be patient and avoid open conflict. More polite and gentle compared to people in other mining areas.	Open culture, tight daily association. The value of gotong royong, PKK activities run regularly, and religious assembly. Relatively safe from crime
Compliance with the leader	The village head is a highly respected person in the research villages.	People obey: village leaders (village heads and village secretaries), elders and religious leaders.	Obey the village leader. In some villages, apart from the village head, religious figures such as priests are also leaders who are obeyed.	Obey the village leaders, especially the village head who is in charge of regulating the distribution of river water flow, the police.	The village head is highly respected. As well as Secretary who understands the condition of the villagers better.
The ties of kinship between villages	Kinship ties between villages are based on ethnic and religious similarities.	Kinship between villages is bound by ethnic similarities.	The kinship between villages is very good, although different ethnicities and religions can coexist.	Have kinship/family relationships with other villages because relatives are scattered in other villages	The social relations between villages are quite close and generally they know each other.
Conflicts that have occurred	Fights between youths, drunkenness, and unreasonable beatings between two neighboring villages, Village T and Village M.	Community conflicts with companies. Community conflicts, especially among youth.	Demonstration with the company. Bus burning. Burning mess. The company's road blockade by residents.	Conflict among young people within one village or between villages.	There has been a burning of employee buses, and demonstrations related to river pollution.
Attitude towards PTMS today	Antipathy to the company caused of many promises have not been fulfilled. But the community can still accept the company's existence but must fulfill the promises that have been made.	Most people were disappointed with the company because the promises that had been made had not been realized. Many workers take from outside the village around the mine.	Very disappointed because many residents were ultimately not absorbed in work, some were laid off, but did not receive severance pay. At home then asked to be asked yourself	Disappointed because it has polluted the river, the damage to the protected forest in the upstream river has been moved. Worried about a natural disaster due to cyanide/mercury poisoning in the dam above near the upstream of the river.	The figures in M Village were very disappointed with the company, because they have not kept their promises But what is feared is that if the dam on top of the mountain bursts, it will cause a flood of rocks to the village.
Negative things from PTMS	Considered to be polluting the river. Company leaders were	There was a clash between communities with the formation of	Later, the workers pushed to work harder to increase production volume.	Arrogant. Pitting between the community and the community with the	Starting to not believe whether the company would carry out the

	reluctant to establish close relationships with the community. Had not committed to pay compensation.	FDM. Promises a lot but didn't deliver on them. Lies a lot.	Do not keep promises. Pressing society.	leader his.	agreement that had been made.
Positive things from PTMS	Employment. Provided opportunities for local students to complete their studies. Provided income to people who previously did not have a job.	Could raise the welfare of some people, especially those who work in companies. Provide income for local government.	Provided welfare for people who work in the company. Provided scholarships for students who were completing their final project.	Absorb labor. There were villagers who are appointed as permanent or contract employees.	The company once helped in the event of a disaster and promised to help the PKK
Causes of dissatisfaction with PTMS	The community considered that the company had not issued CSR funds to the community as promised at the beginning.	The community considered the company to feel as if it was above the community and acted arbitrarily without seeing the community's difficulties.	Previously, the community was not allowed to mine because it was a protected forest. The company continues to carry out exploitation and production, even though it is considered that residents have polluted	River pollution. Noise pollution and road damage due to blasting and trucks passing through provincial roads. Had not received compensation for land.	Unfulfilled company promises.
Things that will avoid conflict	Rebuild trust in the community. Activate the company's role in community building so that the company's presence is very beneficial.	Community was still getting respect to the village leader, so that village leaders must be given a role as a mediator between the company and the community.	Community trusted in village leaders. So that he must be approached and trusted to be able to convince residents of the positive role of the company.	The company kept its promise. Implement CSR programs. Listen to community suggestions and voices.	Conflict did not occur if the company implemented the agreements that have been agreed and discussed in the forum.

in establishing relationships with the community because the "demands" of CSR have not been fulfilled satisfactorily. The potential for conflict between PTMS companies and the community is observed significantly if in the future there is no improvement in social relations between the company and the community, especially the realization of CSR.

In relation to these matters, the company needs to evaluate the management of conflicts both vertically and horizontally in the community, including priorities for handling the environmental impacts of mining including accelerating the rehabilitation of places/areas that are ready to be reforested, strengthening embankments, improving the toxic waste treatment system, improving disaster mitigation systems such as flooding from the mountains towards settlements in the rainy season. PTMS companies should evaluate and improve the compensation system for arable land to make it more transparent, fair and reliable.

6. Conclusions

The practice of stalls in supermarkets in the land acquisition process must be abolished. Companies need to improve the employee recruitment system more fairly and transparently by considering the best interests of the community. Meanwhile, justice for local employees who have experienced layoffs must be enforced according to applicable policies, both formal (Manpower Law and Regional Regulations) and informally local wisdom that exists in the community. Companies need to change their approach in establishing governance relationships with communities around the mine. The company is obliged to carry out CSR related to the value of local wisdom, such as Eid al-Qurban as a socio-religious activity. The company's communication with the community must have a grand strategy so that the implementation indicators are measurable and prioritize local wisdom. Company leaders have to improve social interaction with society as coming down to stay in touch and greet the community, which is carried out strategically according to the stages of the planned objectives. The relationship with the village head that has been well developed so far needs to be maintained and even improved in various other aspects to further foster better social relations between the company and the community.

7. Conflicts of Interest

The author (s) declare no conflict of interest

8. References

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