

The Impact of Investment on Local Community Development in Indonesia

CLAUDYA PERTIWI

Fakultas Hukum Universitas Sriwijaya

Jl. Raya Palembang-Prabumulih Km 32, Kec. Indralaya Utara, Kab. Ogan Ilir,

Sumatera Selatan Kode Pos 30862 Telp 0711-58069

Email: claudyapertiwi4080@gmail.com

ABSTRACT

Investment is an activity that conducted by investing some capital then the invested capital is expected to provide an advantage for investors later. Investment is a thing which has a significant role for local communities because in its implementation the investment can give a considerable impact for the local community. However, the investment activities not only have a positive impact, but can also have a negative impact for sure. To reduce the negative effects that could be given by investment activities, we need to have an arrangement that we could give for the companies to develop local communities. The community development is an effort that we could made to improve the quality of a community who lives in an investment area which invested by investors, so that local people can chase the various fields of life that left behind. The writer use normative legal research methods which use library materials as source of data in writing this journal.

Keywords: Invest, Local Communities, Investors.

INTRODUCTION

Development is a form of effort in terms of creating prosperity and welfare in society, therefore the results obtained from a development must always be enjoyed by all people, which can be in the form of an increase in the aspects of physical and mental welfare which is carried out evenly and fairly. A success in development depends on community participation, which in this case means that

a development activity must be carried out equally by all people.¹

In order to realize the mission of a development that is basically aimed at improving the welfare of society, investment certainly plays a very important role. National economic development, whose implementation is based on democracy with economic value, which in this case must be based on the principles of togetherness, efficiency in terms of justice and something that is sustainable, environmentally sound, independence while maintaining a balance in order to increase progress and unity in a national economy, of course, requires an institution in the economic aspect that supports sultanate in order to realize a welfare that will be created in a society.²

The implementation of an activity called investment, whether it is investment made by domestic investors or more above such as foreign investment, of course later can determine the level of economic development rate in a region which later when it is turn will certainly provide an advantage in the case of performance in the economic aspect of a region with the creation of a new job where this will make people's purchasing power soar and the decline in the poverty rate.³ Community development is an effort made to elevate the quality of a community where the settlement is in areas where capital is invested by investors so that later they can overcome the existing backwardness in various areas of life. Investments made by investors certainly have a very important role for local communities, this is because investments have a considerable influence on the lives of local communities.

In Law No. 25 of 2007 concerning investment, there are several divisions related to investment, namely regarding the division of investment, both foreign investment and domestic investment. The purpose of this paper is to find out about the legal basis that applies regarding the obligation of a company that invests in an area in terms of developing the local community where the investor invests and

¹ F.X. Djumaldi, *Perjanjian Pemborongan*, Jakarta: Bina Aksara, 1987, hlm 1.

² Kurniawan, *Hukum Perusahaan*, Jakarta: Genta Publishing, 2014, hlm 1.

³ Kastulani dan Suryani, "Pengaruh Investasi dalam Pengembangan Masyarakat Lokal", *Jurnal Penelitian Sosial Keagamaan*, Vol. 14 No. 1, Tahun 2011, Universitas Islam Negeri Sultan Syarif Kasim Riau Indonesia, hlm 1.

in what fields the development target can be carried out by a company for the local community.

DISCUSSION

Legal Basis Related to Obligations of Companies Investing in an Area to Local Communities

Regarding local community development, the provisions that apply can be seen in the law, ministerial regulations or can also be seen in various investment contracts. As for some of the provisions that are used as a basis for implementing local community development, they can be seen in the Law of the Republic of Indonesia, namely No. 25 of 2007 concerning Investment in Article 17 and also Article 15 with letter b, also in the Law of the Republic of Indonesia No. 40 of 2007 related to Limited Liability Companies in Article 74 in paragraph (1) and can also be seen in the Decree of the Minister of Energy and Mineral Resources No.1453K/29 / MEM / 2000 related to Technical Guidelines for the Implementation of Government Duties in the Field of General Mining which can be seen in Article 6.

With the application of the provisions described above, of course it can be understood that a foreign company or domestic company has a legal obligation to develop the community, region, and partnership which will also be beneficial for companies that invest in maintaining or boosting their company's reputation, as well as obtaining a license which will operate socially or also minimize the risks that exist in the company's business and can also promote access to resources for business operations and become a driver of the opening of a market opportunity which is of course wider in scope.⁴

A Company's Development Targets for Local Communities

In its implementation, there are five aspects that are targeted in conducting development for local communities that can be carried out by a company, namely:

- a. Education Related Fields

⁴ H. Salim dan Budi Sutrisno, 2014, Hukum Investasi di Indonesia, Jakarta: Rajawali Pers, hlm 382.

In this field, it is expected to increase intelligence and improve a quality related to human resources in all communities whose settlements are in the area around the company.

b. Health Related Fields

Has a goal that is expected to improve and elevate the degree in the health sector in the community around the investor company.

c. Agriculture Related Fields

Has a goal that is to produce an increase in the quality and quantity of agricultural products obtained from farmers in the area around the company.

d. Socio-Cultural Related Fields

Is a way used to improve a social and cultural condition in the community whose settlement is in the area around the company which in this case is expected to maintain its existence or even develop its existence.

e. Cooperatives, Small and Medium Enterprises

It is an effort to support the welfare of the community whose implementation can be done by creating cooperatives, small and medium enterprises that will be developed by the local community.⁵

CONCLUSION

There are several provisions that can be used as a basis for implementing local community development, namely there are five aspects that are targeted in carrying out development for local communities that can be carried out by a company, namely in the fields of Education, Health, Agriculture, Socio-Culture and Cooperatives, Small and Medium Enterprises.

REFERENCE

Book

F.X. Djumaldi, *Perjanjian Pemborongan*, Jakarta: Bina Aksara, 1987, hlm 1.

⁵ Ibid hlm 386.

Kurniawan, *Hukum Perusahaan*, Jakarta: Genta Publishing, 2014, hlm 1.

H. Salim dan Budi Sutrisno, 2014, *Hukum Investasi di Indonesia*, Jakarta: Rajawali Pers.

Law

Undang-Undang Republik Indonesia Nomor 25 tahun 2007 tentang Penanaman Modal

Undang-Undang Republik Indonesia Nomor 40 tahun 2007 tentang Perseroan Terbatas

Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 1453K/29/MEM/2000 tentang Pedoman Teknis Penyelenggaraan Tugas Pemerintahan di Bidang Pertambangan Umum

Journal

Kastulani dan Suryani, “*Pengaruh Investasi dalam Pengembangan Masyarakat Lokal*”, Jurnal Penelitian Sosial Keagamaan, Vol. 14 No. 1, Tahun 2011, Universitas Islam Negeri Sultan Syarif Kasim Riau Indonesia, hlm 1.

