INDUSTRIALIZATION ANALYSIS IN SURODADI VILLAGE COMMUNITY

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Abstract: A decent and well-established economy is an indicator of community welfare. Economic improvement and development are supported by industrial progress in an area. The existence of the industry will have an impact on the area as happened in Surodadi Village which experienced development after the construction of PT. CJ CheilJedang Feed Semarang is the largest company in Surodadi Village by producing animal feed and fish feed with its head office in South Korea. This research is a qualitative descriptive study that describes the impact of PT. CJ CheilJedang Feed Semarang on the living conditions of the Surodadi Village community. The object of research is PT. CJ CheilJedang Feed Semarang and Surodadi Village, while the research subjects were the Surodadi village community, employees, local government, and related agencies. Data comes from primary data in the form of primary sources directly obtained from research results, as well as secondary data from literature and document studies. The data was obtained from the results of observations, interviews, and field documentation. Data analysis with stages of data collection, data reduction, data presentation, and conclusions. The analysis of the validity of the data with data triangulation techniques and sources. The results showed the existence of PT. CJ CheilJedang Feed Semarang creates job opportunities (reduces unemployment), develops community business units (food stalls, shops, boarding houses, rented houses), improves community welfare. The negative impact is in the form of odor pollution which sometimes reaches residents’ settlements as well as heavy traffic during the hours of leaving and returning from work.

Keywords: Industrialization, economy, social, environment, public

1. Introduction

Technological developments encourage economic growth, especially from the industrial sector. Almost all regions are competing to develop their industries, both small-scale industries and large-scale industries. Regional potentials are developed and offered by the community to create businesses or jobs in the form of MSMEs and other large businesses that are able to support the regional economy and reduce unemployment. In addition, the government and the public are also trying to convince foreign investors to invest in building industries or factories that can accommodate many employees. Because the existence of industry affects the socio-economic conditions of the community (Andiani, 2019).

The success of the industry in an area as a benchmark for the progress of the area. Regions that have large industries will develop and develop the economy of their people. This is because industry is able to move the economy of a region and absorb labor. According to Thomas R. Dye's Theory in Fatchurrokhman & Sulistyowati (2019) that the industry from an economic
perspective, the economic development of the community has changed in a more positive direction in the form of opening up wide job opportunities for the community and the growth of new business units owned by the community.

The existence of industry is able to increase people's confidence to survive in their area with promising jobs, so that people feel at home to live and develop their area. Industrial development in rural areas will also reduce the rate of urbanization of rural communities who flock to try their luck in big cities or as workers abroad. This is like what happened in Surodadi Village, Gringsing District, Batang Regency, where in the nineties many people tried their luck in Jakarta or big cities and abroad.

Surodadi Village is one of the villages on the northern coast of Java Island, precisely in the Alas Roban area. In the past, Surodadi Village was an ordinary village, like other villages on the north coast route. Some of its residents have opened stalls on the side of the highway, trade hawkers, become farmers and farm laborers in gardens and rice fields, odd jobs as well as labor in Jakarta and abroad. This is because the income of workers in the village is only mediocre and does not develop. Most people's education is lower middle class. Industry in Surodadi Village is always experiencing developments and additions. This is due to its strategic location in the middle of Java Island, which is traversed by Jalan Pantura and still has a large vacant land. Labor in the area is also easy to obtain and is still relatively cheap. In addition, there is support from the government and the local community so that industrial development can run smoothly.

Surodadi Village is an area that is included in an industrial area that will be developed in Batang Regency. The missions of Surodadi Village are: (1) creating village governments and village institutions that are accountable, credible, synergistic and transparent; (2) improvement of village infrastructure development to support village community activities; (3) improving education and health facilities and infrastructure in order to create an intelligent and healthy society; (4) increase the superior and quality human resources (HR); (5) improve sports facilities and infrastructure in order to improve the achievement of Surodadi village; (6) improve the productive economy of the community; (7) create comfort and security in Surodadi Village. This vision and mission serves as an encouragement and goal for the Surodadi Village community to develop their village, one of which is by providing opportunities for investors to establish industries or factories in the area as business and labor opportunities. These industries range from home industries to large companies with large areas of land and a large workforce.

Surodadi Village The industries in Surodadi Village include PT Bina Lestari Bumi Pala Persada which is engaged in the processing of laminated plywood, including decorative plywood. This industry is still a medium-sized industry that only employs some local residents, so it has little effect on the lives of residents around the industry. In addition, the factory's production is influenced by the world economy, so that during the monetary crisis several employees were laid off, even though their production was minimal.

Starting in the 1990s, a charcoal briquette factory owned by PT Cagar Mutu Pratama was built. It developed again around the 2000s, the wood processing factory PT Sengon Indah Mas (SIM) was built again, and the animal feed factory PT. CJ CheilJedang Feed Semarang. PT. CJ CheilJedang Feed Semarang is currently the largest industry in Surodadi Village with an industrial center in South Korea. The company has an area of 72,000 m² with a building area of 4.08 hectares with a production capacity of 384 thousand tons per year of poultry feed and fish pellets. From the industrial development in Surodadi Village, especially from the PT. CJ CheilJedang Feed Semarang will have an impact on the Surodadi Village community in the form
of positive and negative impacts. The industrial development in Surodadi Village is as shown in table 1.

<table>
<thead>
<tr>
<th>No</th>
<th>Industry Name</th>
<th>Type of business</th>
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<tbody>
<tr>
<td>1.</td>
<td>UD Subur Makmur</td>
<td>Emping Melinjo</td>
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<tr>
<td>2.</td>
<td>PT Bahana Bhumiphala Persada</td>
<td>Laminate plywood</td>
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<tr>
<td>3.</td>
<td>PT Cagar Mutu Pratama</td>
<td>Sawdust coal briquettes</td>
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<tr>
<td>4.</td>
<td>PT Sengon Indah Mas</td>
<td>Plywood sengon wood</td>
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<tr>
<td>5.</td>
<td>PT. CJ CheilJedang Feed Semarang</td>
<td>Animal feed</td>
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<tr>
<td>6.</td>
<td>PT Markoo Jaya Perkasa</td>
<td>C excavation</td>
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</tbody>
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2. Research Methods

This research is a phenomenological qualitative descriptive study to describe the actual conditions in the field, which will then be concluded inductively. The object of research is the condition of Surodadi Village which is affected by the construction of PT. CJ CheilJedang Feed Semarang, which includes industrial areas, residential areas, geographical conditions of the village and the condition of PT. CJ CheilJedang Feed Semarang. The research subjects are the people of Surodadi Village, employees of PT. CJ CheilJedang Feed Semarang, business people, government, and related agencies. Research data in the form of primary data sourced directly from the object and subject of research, as well as other data that supports research. Secondary data comes from documents and literature studies. Data collection was carried out using in-depth interviews, observation, and field documentation techniques to determine the impact of the industrial development of PT. CJ CheilJedang Feed Semarang on the life of the people in Surodadi Village. Data analysis follows the analysis stages such as Miles and Huberman in Sugiyono (2016) with the stages: Data collection (data collection), b). Data reduction (data reduction), c). Presentation of data (data display), and d). Conclusion (conclusion drawing). The analysis of the validity of the data with data triangulation techniques and sources.

3. Research Results and Discussion

3.1. PT. CJ CheilJedang Feed Semarang in Surodadi Village

Surodadi Village has a vision of "making Surodadi Village advanced, safe and prosperous" trying to develop the potential of its village. Therefore Surodadi Village is very open to investors who want to develop their business. Surodadi Village is strategically located on the north coast route which makes transportation access easy. In addition, Surodadi Village is also close to the Weleri toll exit, near the Batang Integrated Industrial Estate, access to Kendal port is easy and close, and it is still in the same district as PLTU Batang. Open land is still widely available, residential areas are still sparse, so there is a distance between their houses. Surodadi village is included in the central coast of the coast, making it easier for transportation and distribution of goods.

Labor wages are also still cheap. The cost of living in Surodadi Village is relatively cheap with friendly people. Village clean water uses PAMSIMAS and PDAM, some use wells, but the water is rather deep. Corn and wood raw materials are available and thrive in Surodadi Village. This potential attracts investors to build factories, because the location will determine the success and profit of an industry. The priority of the industry is on the geographical symptoms of an area.
as a support for industrial activities which include elements of labor, raw materials, markets, and regional development (Andiani, 2019).

Initially, Surodadi Village only had one factory, namely PT Bina Lestari Bumi Pala Persada which was engaged in wood processing including plywood lumination. This factory product is an export product, so whether it operates or not is influenced by world monetary conditions. For example, during the monetary crisis, some factory workers, especially in the production division, were reduced, so that many residents were laid off.

To the west of PT Bina Lestari, another charcoal briquette factory was built, namely PT Cagar Mutu Pratama. Between the two factories, PT Sengon Indah Mas (SIM) was built, which is engaged in the processing of sengon wood. Sengon wood is a wood that thrives on the land of Surodadi Village and the surrounding area, with the characteristics of being light, fast growing and large, it can be cut in about five years, the price is competitive. So that many people plant it either in fields, gardens, or in rice fields that have less potential. The establishment of PT Sengon Indah Mas absorbed several workers, both as factory workers, sellers and distributors of sengon wood, as well as sengon wood farmers.

In September 2015 PT. CJ CheilJedang Feed Semarang which is a multinational company with headquarters in South Korea and the largest animal feed company in Southeast Asia. Company PT. CJ CheilJedang Feed spreads across Asia, among others: in Korea there are 2, in China there are 9 factories, in Vietnam there are 4 factories, in the Philippines there are 1 factory and in Indonesia there are 6 factories This company produces chicken feed and fish feed using modern equipment such as robotizer pelleting in the packing system. PT. CJ CheilJedang Feed Semarang has modified technology and innovation by conducting trial production so as to produce a Pellet Durability Index (PDI) of up to 96-97 with the same formula but the results are very good. This is in accordance with CJ's philosophy of “Fist, Best, and Different that CJ will be the first, providing the best and a product that is different from the others.

In 2016 the company was inaugurated and ready to operate with a production target of 384 thousand tons/year. To achieve the target of PT. CJ CheilJedang Feed Semarang requires a lot of employees and raw materials. The raw materials in the form of corn, rice bran, fish meal, and soybeans can be met from local farmers in the Batang district. However, to maintain product quality, raw materials need to be sorted according to company standards.

Selection of PT. CJ CheilJedang Feeds Semarang in Surodadi Village, because Surodadi Village is located in the middle of the island of Java and is directly crossed by the north coast route, so that it will speed up and facilitate the distribution of products throughout Java. Customers or distributors can get animal feed and fish feed products faster, as well as new products. PT. CJ CheilJedang Feed Semarang always innovates to get the best products by improving the quality control system that implements 6 control steps in the form of: raw material control (physical inspection), raw material nutrition analysis, production process inspection, use of NIR in the laboratory for product analysis, packing inspection, online operational program control that can be monitored from the company center. PT. CJ CheilJedang Feed plans to build a poultry research center in Indonesia, shrimp research in Vietnam, and pork research in China or the Philippines.

### 3.2. Impact of Economic Sector

Industrialization provides discourse and enlightenment for Surodadi Village. Surodadi Village was originally a quiet and underdeveloped village. Most of the people who trade/open
shops in the area around the highway. Even then, only a few can be counted with a small profit. Whether opening a stall, workshop, grocery store, or selling local products such as jackfruit, durian, rambutan, and banana horn. Buyers come from neighbors and travelers who rest on long trips, as well as travelers who deliberately buy souvenirs typical of Surodadi Village. The income from selling is uncertain, sometimes even a day there is no merchandise that sells, because there are no buyers. Due to the scarcity of buyers, many shops or stalls around the highway are closed, and will sell again during the homecoming and backflow of Eid al-Fitr. Because during the homecoming or backflow, Surodadi Village is a place to rest after a long journey from Jakarta or East Java.

With industrial growth and development in 2021, there are 4 large industries that absorb a lot of workers. There are also small/home made industries owned by the Surodadi Village community, such as wood cutting, chip making, furniture, metal welding, and workshops. Most of the people who do not have an industry work in these large companies, both PT. CJ CheilJedang Feed Semarang, PT Bina Lestari, PT SIM, and PT Cagar Mutu Pratama.

The industrial development in Surodadi Village opens up opportunities for the surrounding community to open a food stall, shop, barber shop, laundry, photocopying, salon, workshop and traveling merchant. There are street vendors or traveling traders who sell their wares around the industry such as chicken satay, meatballs, chicken noodles, gandos, and fried rice. Meanwhile, most of the food stalls are located around the industry and somewhat in residential areas. Both stalls that have always been selling or new food stalls to meet the needs of factory employees. Employees sometimes don't have breakfast from home and need supplies for energy while working. Sometimes even from the factory itself direct orders for catering or meetings for employees and leaders. The existence of CJ Cheil Jedang Feed Semarang has a significant influence on the economic condition of the community in the form of increasing income from farm laborers to traders, employees, and boarding houses (Basir, 2018).

People who have large houses or more than one provide boarding or rented services. The increase in industry also increases the workforce, both from the local area and from outside the region. Workers from outside the area will look for a place to live, either in the form of a house, housing credit, rented out, or boarding houses depending on their wishes and the funds they have. These promising businesses can increase people's income and develop the economy of the Surodadi Village community. The increase in people's income is evident from the decreasing number of people working in the city (Jakarta) or becoming foreign workers. They prefer to work in factories or open other businesses that are needed by factory employees.

Employees from outside the area were initially boarding houses or renting around the industry, but gradually some moved to other areas or bought houses, so some of the rented rooms and boarding rooms were empty. However, when there are new employees from outside the rented area or boarding room, it will be filled. This will increase people's income from house contract services or boarding rooms. The prices for boarding houses in Surodadi Village are on average 500 thousand rupiah per room per month. As for the rent, adjust the size of the house and its facilities. However, most people rent out monthly, because it is more efficient if the residents of the boarding house want to change places or work.

PT. CJ CheilJedang Feed Semarang is the largest industry in Surodadi Village, but the workforce from the local area is small, mostly in production and security. Most of the workforce for divisional, HRD, and other prestigious positions are filled by employees from outside the region with various skills. This is because there are still very few people in Surodadi Village who
have received education up to university level. Even if there are they are already working in the service or as civil servants. Employee recruitment by PT. CJ CheilJedang Feed Semarang also follows the procedure by completing files as well as psychological tests and skills interviews to get the best quality employees.

Industry PT. CJ CheilJedang Feed Semarang also provided an opportunity for residents of RT 5 Dusun Ringinsari to set up a canteen in the factory so that employees can more easily and not go out to look for food while working or resting. However, only people who are appointed or according to the permit granted are allowed to set up stalls inside the factory, considering that the distance from the production section of the factory to the outside to the residents' settlements is quite far and takes quite a long time. So for time efficiency it is recommended to set up a shop in the factory. The employees' drinking water needs are supplied from the head of RT 5 as the RT in the company's location. To maintain company security and order, factory entry access is strictly guarded by 24-hour security guards who come from the local area.

PT. CJ CheilJedang Feed Semarang in Surodadi Village opens up opportunities for local farmers to plant corn as raw material for production. Corn that meets the standards of local farmers, especially from Batang Regency as the main supplier of raw materials. The community also exists as traders who supply raw materials, as well as distributors of animal feed and fish. There are also local people who are drivers of PT. CJ CheilJedang Feed Semarang, which markets its products throughout Indonesia.

3.3. Social Sector Impact

The Surodadi Village community is a community that upholds a sense of kinship and togetherness, both in social and non-social activities. Various activities in Surodadi Village include PKK, KWT, BUMDes, Karang Taruna, community recitation, social gathering and farmer groups. Both before and after industrialization, the people of Surodadi Village were still active in activities. The village also still often holds competitions both among youth and competitions between RT. The recitation activities (selapanan) and Muslim fatayats are also still running as before, although the number of members is reduced due to the stall business or working in factories.

Social activities such as village cleaning are also still available, although not routinely, but when there will be events such as before the August carnival, village competitions, and community recitations, the community works together to clean and decorate the village. The activities of PKK women are also carried out regularly once a month with an agenda of empowering women such as making ecobricks for gate and garden projects, as well as working together to build and maintain vegetable gardens. The existence of industry in Surodadi Village does not affect the social activities of the community.

The improvement of the economy of the Surodadi Village community makes people's thoughts develop. In the past, most of the people who only received secondary education, now many have gone on to college. The development of the industry has also increased the consumptive nature of the community, who used to always cook themselves with minimal ingredients, now buy more at stalls or online, because they are busy at work. People also often go for refreshing or exercise (fitnes) every holiday to relieve boredom at work for a week. The development of the consumptive nature of society indicates that the welfare of society is increasing. Because indicators of community welfare can be seen from an economic and social
perspective, the variables include: income level, amount of monthly expenditure or expenditure or consumption, production level, and investment (Indarto & Rahayu, 2015).

PT. CJ CheilJedang Feed Semarang every fasting gives a gift of groceries to the community around the industry as a provision and preparation for fasting and Eid. PT. CJ CheilJedang Feed Semarang in May 2020 also provided rice assistance to the task force post officers for the Task Force for the Acceleration of Covid-19 Handling in Batang Regency to help ease the burden on people affected by Covid-19. The assistance is a form of social activity in terms of corporate CSR with the community or local government, so that the business it runs runs smoothly. Because the social demands of the company will emerge as a reflection of the responsibility of the company to all major stakeholders in the form of employees, consumers, investors, government, society, and the environment (Ridwan, 2010).

“The way in which a business behaves towards other groups or individuals in its social environment: customer, other business, employees and investors”.

PT. CJ CheilJedang Feed Semarang opens job opportunities for the surrounding community, thereby reducing unemployment and urbanization. PT. CJ CheilJedang Feed Semarang provides opportunities for the people of Surodadi Village, especially RT 5 to become employees, security guards, traders, or other unskilled workers according to their education. Due to the lack of education so that the community is only a bottom employee and security guard. Meanwhile, prestigious positions are still held by experts from outside the region.

3.4. Environmental Sector Impact

Industrial development has a negative impact on the environment, the negative impact leads to the physical environment in the form of air pollution, odors and waste produced by industry which will affect air, water and soil conditions (Desita Putri Pradani, Murtanti Jani Rahayu, 2017). However, because the factory is located a bit far from settlements, people only occasionally feel the smell of the industry. In addition, the location of PT. CJ CheilJedang Feed Semarang is located on the north side of a highway that is rarely occupied by people's houses. In the east, north and west, the industry is still in the form of forests and dry land, in the west there are settlements in the front (along the highway) and in the south there are roads and residential areas. Even though the industry is near the highway, the production is in the middle and back of the factory. So the smell from the animal feed industry is only occasional and not so overpowering. However, if one day settlements and production increase, the smell produced will spread and disturb residents. Therefore PT. CJ CheilJedang Feed Semarang from an early age must anticipate the spread of the odor, because the closest distance to the impact of pollution felt by the community due to industrial activities is 500 meters from the industrial location (Aprilia, 2014). Location of PT. CJ CheilJedang Feeds Semarang as shown in picture 1.
PT. CJ CheilJedang Feed Semarang before being discharged and entering water bodies, is treated with a waste water treatment (WWT) waste treatment unit, so that the resulting waste does not damage and pollute the environment. This treatment removes organic and inorganic substances from waste into clean water that can be reused.

PT. CJ CheilJedang Feed Semarang when operating will produce air pollution, but because around the industry there are still many trees, and the production site is far from the factory so that air pollution is not felt by the surrounding community. In addition, the company has also implemented technology to reduce factory smoke so that it does not become air pollution.

Factory employees work in shifts and sometimes even to meet consumer demand, employees have to work overtime. At the time of leaving or returning together, employees will be seen flocking into or out of the factory which causes traffic jams. Because the front of the factory is directly in the form of a north coast road, which is slightly sloping and is the meeting point of the north, middle, and south alas roban roads, which are busy with vehicles and accidents often occur. Therefore, employees must be careful and patient when going home or leaving. However, this activity does not bother residents much, only motorists who pass through the area at the time of returning and leaving must be careful and reduce the speed of their vehicles. Because some of these employees walk (because their house is close to a boarding house), some use motorized vehicles.
3.5. The driving factors for the industrialization of PT. CJ CheilJedang Feed Semarang in Surodadi Village

PT. CJ CheilJedang Feed Semarang is engaged in the production of poultry and fish feed which is very much needed by the Javanese people, especially Central Java, whose demand is increasing. PT. CJ CheilJedang Feed Semarang is strategically located on the central coast of Java Island, which facilitates and accelerates product distribution. Corn raw materials according to company standards are available in Batang Regency and the surrounding area which are grown by local farmers. Labor in Batang Regency is still cheap with the Batang Regency Regional Minimum Wage (UMR) of Rp. 2,129,117 rupiah in 2021 which is cheaper than the cities and regencies of Semarang, Demak, Kudus, Cilacap and Pekalongan.

3.6. Factors Inhibiting Industrialization

PT. CJ CheilJedang Feed Semarang is a company that applies new technologies and innovations to produce the best products. However, there are no local people who have become experts or hold high positions in the company because of the lack of education, so the company hires employees from outside the region. PT. CJ CheilJedang Feed Semarang targets its production of 380 thousand tons/year of animal feed, but the raw material for corn from the community is still not sufficient, so it is necessary to look for corn from farmers outside the region. If the community is invited to cooperate in terms of processing, maintaining, and harvesting corn, there is a possibility that local corn production will increase and be able to supply the company's raw material needs.

4. Conclusion and Suggestion

4.1. Conclusion

PT. CJ CheilJedang Feed Semarang is the largest company in Surodadi Village, Batang Regency which has a positive impact on the community in the form of providing job opportunities from employees, farmers, distributors, and other business units that can improve the community's economy. The existence of PT. CJ CheilJedang Feed Semarang did not eliminate the social activities of the Surodadi Village community, such as PKK associations, women farmer groups (KWT), regular recitations, youth organizations, BUMDes activities, and other village competitions that are routine for the community. PT. CJ CheilJedang Feed Semarang every fasting month provides basic food assistance to the surrounding community as a form of CSR. PT. CJ CheilJedang Feed Semarang has used technology and innovation in the production and processing of its waste, so that the waste produced is clean and can be reused. It's just that the smell of animal feed is sometimes still smelled by local residents because it is carried by the wind to the residents' settlements.

4.2. Suggestion

The company cooperates with the government, agricultural experts and farmers (community) on how to prepare the land, how to plant, and how to harvest corn so that the results are of quality and according to company standards, so that all corn from the local community can be accommodated at PT. CJ CheilJedang Feed Semarang.
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