Workplace and community: workers' politics of representation in Semarang and Pekalongan, Central Java

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Chapter 2
Changing Formation of Workers' Movements

Introduction

This chapter traces the evolution of workers' movements in Indonesia, concentrating on Java, the largest industrial region, through a socio-historical lens. The exploration encompasses the contextual elements that frame the current dynamics of movements in Semarang and Pekalongan, subjects further discussed in subsequent chapters. By examining the organisational strategies of unions across various political-economic regimes, I emphasise that the co-existence of workplace-oriented unionism and community-oriented unionism in Indonesia is not a new phenomenon. This duality has characterised the entire Indonesia's historical phases, each with distinct nuances.

Although the historical roots of Indonesia's labour movements can be related back to the colonial era, two other historical phases are crucial to the study: the period of the authoritarian New Order and the era of Indonesia's Reformation. I focus on these eras in this chapter. This focus is needed for two reasons. Firstly, the New Order regime disrupted the historical continuity of labour movements, by severing the link between the early post-colonial period's militant labour movements and the contemporary resurgence of workers' movements. Secondly, the New Order regime dismantled the basis and ideological foundations of the working class in response to prior political and social conflicts, exerting control over all aspects of labour life and activism. Consequently, this social and political context continues to influence the traditions of today's workers' movements.

The final section of this chapter, therefore, offers an overview of the contemporary labour movement's efforts to rebound after the collapse of the authoritarian labour control regime. The unions have grappled with the dual challenges of dismantling past legacies while also addressing new challenges posed by the market-driven labour regime, which brings various complexities of political-economic pressures. Unions are engaged in diverse experiments, with some persisting in preserving workplace-based struggles, while others explore broader forms of activism.

2.1. Workers Movements: From Colonial to Early Post-Colonial Era

A common thread links the historical trajectory of the labour movements that emerged at the beginning of Indonesian independence. These movements had their roots in colonial era structures. The factions that emerged in the early independence era had strong roots in the organisations of the labour movements that flourished during the Dutch colonial era. Although this thread was broken during the New Order period, understanding this historical glimpse is crucial to understand why the New Order regime sought to dismantle it. This has had a lasting impact on more recent incarnations of labour movements.

During the early 20th century, the emergence of independent organised labour was a response to increasing discontent towards working conditions. This tension became intertwined with anti-colonial sentiment (Shiraishi 1990, 109; Saptari 1995, 44-45; Ingelson 1986: 26). The Dutch Ethical Policy, which fuelled the Dutch colonial government's political sympathy for nascent nationalism among Indonesians (Shiraishi 1990: 91-98), also provided workers with a political opportunity to establish new organisations.

These early trade unions initially served Dutch employees[10] and then later served indigenous workers, becoming vehicle for engagement with nationalist leaders' activism (Ford 2009, 21). These organisations played a crucial role in anti-colonial movements and this was exemplified by their activities within Sarekat Islam.[11]

Sarekat Islam (SI) played a major role in fostering the emergence of labour leaders and various other workers' organisations. This leads to two major streams with conflicting ideological bases: the religious-nationalist and the left (Tedjasukmana 1958). Influential leaders like Semaoen, a prominent communist activist, played pivotal role in the development of the branch organisation in Semarang into an aggressive anti-colonial base, which stimulated the emergence of radical resistances in other regions (Shiraishi 1990: 103). Other SI leaders, such as Sosrokardono, Soerjopranoto and Tjokroaminoto, focused on labour organisations with a nationalist-Islamic identity. Simultaneously, they also

10 There were actually no workers' unions for indigenous membership until the early 1900s. It was a union that was established in 1908 in the railway transportation, named VSTP (*Vereeniging van Spoor-en Tramweg Personeel*), which began to recruit Indonesian workers (Shiraishi 1990: 98-99).

11 Sarekat Islam (SI) is a trading association that was established in 1912 by the indigenous Islamic small traders in order to counter the domination of Chinese business particularly in Java, and functioned as a nationalist vehicle against colonialism (Hadiz 1997).

established unions like PPPB (Perserikatan Pegawai Pegadaian Bumiputera, Native Pawnshop Workers' Union) and PFB (Personeel Fabriek Bond, Sugar Factory Workers' Union) (Shiraishi 1990: 109-110).

The ideological discord among these leaders led to rivalries and debates about the principles of movements and strategies in dealing with claimed opponents. SI activists viewed socialism as being crucial in the Islamic struggle against capitalism (Tedjasukmana 1958, 9). However, they rejected the leftist notion of class struggle due to concerns about radical working-class politics threatening the interests of SI leaders as petty bourgeois traders (Hadiz 1997: 44). Meanwhile, the leftist unions were more straightforward and radical than non-communist unions as they were not interested in workplace-based negotiations, which the colonial government indeed expected from the union activism to moderate the workers' radicalism (Ingelson, 2000: 480). For the left, massive strikes for higher wages intertwined with the fights against colonial regimes were the central goals of working-class movements.

Ingelson, however, argues that, despite being labelled as radical, Indonesian workers during this period were not truly revolutionaries (1968: 8-12). Their resistance against employers' attitudes, policies, and the colonial labour regime, stemmed from what he defines as a 'moral economy'—a sense of injustice in production relations (Thompson 1966, 63)—rather than a well-established working-class consciousness. Consequently, workers' activism aimed at improving working conditions rather than challenging the fundamental structure of colonial capitalism (Ingelson, 1981: 493). It was still simply an organised socio-economic collective interest.

Ingelson highlights the structural conditions of the urban working classes that hindered potential class consciousness. Although a small section of workers, especially those in skilled sectors like railway transportation, printing, metal, and government administration, managed to build radical organisations, they were constrained by racial aspects of production relations. The majority of urban workers, mainly unskilled and reliant on rural families, worked in primary production chains. This posed a challenge for union leaders to foster political character among them.

In the early post-colonial period in Indonesia, labour movements gained momentum in an independent political climate (King 1982, 95). Factionalism from the Dutch colonial era, however, still significantly influenced the configuration. The shaping of nationalism continued to be a major political characteristic, with political and ideological motives often taking precedence over welfare concerns

(Hawkins 1971, 196). Most unions, consequently, established strong links with political organisations.

One of the most notable labour organisations was SOBSI (All-Indonesia Central Organisation of Workers). SOBSI, which was founded in 1946 by socialist and communist union leaders, grew into the largest union federation with links to the Indonesian Communist Party (PKI). In the 1960s, total union membership was almost six million members, but SOBSI remained the largest union federation, claiming 2.7 million members nationally. Although the figures might be exaggerated (Hearman 2016, 38), a rough estimation based on statistics from 1957-1958 suggests that SOBSI had around one million members, with another million affiliated with various other unions. SOBSI particularly dominated many sectors, especially the manufacturing sector, where 530,000 out of 596,000 members of all unions were located (Hawkins 1971, 214-215).

The significant influence of this left-wing faction led to tensions and rivalries among unions and political factions, resulting in the growth of counter-organisations by non-communist groups.[12] Masyumi, the Islamic faction, for instance, established GASBINDO. The nationalist and socialist factions also formed unions like KBKI, GSBI, and KSBI (Hadiz 1997, 50). However, the most notable response was the military's involvement to restrain the moves of the communists by establishing counter organisations. The military formed some counter-organisations like BKS-BUMI, later replaced by SOKSI (Central Organisation of Socialist *Karyawan* of Indonesia), which drew members mostly from the state enterprises (Hadiz 1997, 54).

In order to counter the domination of leftist unions, the government and military not only established rival-organisations, but also employed institutional and symbolic measures in the domain of labour relations. Encouraging the use of the term "Karyawan" (employee) instead of "Buruh" (labourer) as the official appellation for workers was one such move (Ford 2009, 55). The term "Buruh" was particularly favoured by communists as it conveyed a sense of class antagonism (Hadiz 1997, 54-55). In 1958, the government modified mediation and arbitration system to provide equal opportunities for all tripartite members

12 The increased political rivalry triggered particularly by the Madiun violence affair in 1948. It was a violent rebellion instigated by political rivalries and conflicts between nationalist and leftist political forces, leading to the formation of military factions. Numerous SOBSI activists participated in this uprising through forces mobilised by the Socialist Party, the PKI, and other leftist political organisations collectively known as the FDR (Front Demokratik Rakyat; People Democratic Front) (Ann 1989)

to settle, aiming to confine union pressures during disputes, especially with political support disputes (King 1982, 128).[13]

Regardless, the impact of political involvement on the representational functions of unions during this era, there have been diverse scholarly perspectives in viewing these conditions. Some major studies argue that existing workers' organisations indeed overlooked organisational aspects directly contributing to the economic interests of their members due to the dominance of political interests. For instance, Tedjasukmana (1958) observes that unions neglected it as focusing excessively on state politics due to the politics of nation-building. Hasibuan (1968, 57) also contends that union federations resembled political parties more than traditional unions. Workers were treated more as political constituents than individuals for whom the union should provide services and defend their interests before employers and the state. Union leaders also used federation membership as a strategic ladder to become members of political parties.

Scholars like Suryomenggolo (2013, 31), however, argue that those perspectives don't reflect the diversity of Indonesian unionism. Those studies focus solely on national-level union activism preoccupied by the national interest in state building (Suryomenggolo 2013, 30-37) and the politics of decolonisation (Saptari 2013, 2-3), overlooking the activism of regional unions and the everyday local stories of ordinary workers. These regional unions successfully integrated political passion into concrete actions that directly benefited workers at the workplace. For example, workers in various regions took over former colonial companies, restructuring workers' organisations to control capital assets (Suryomenggolo 2013, 56-64) and achieve economic redistribution (Razif 2013) (Sulistyo 2013). Ford (2009, 27) also adds that some of the political manoeuvres of union elites remained strategic for workers. Union leaders leveraged political connections with relevant ministries at the national level to draft pro-worker legislation, contributing to Indonesia's industrial relations framework. Having representatives in parliaments allowed federations, particularly SOBSI, to

13 The government's attempts to control labour unrest included the establishment of P4P/P4D to institutionalise the dispute settlement system, incorporating government officials in the process to mitigate the likelihood of strikes. Concurrently, President Soekarno also implemented measures to weaken union power by creating the Dewan Perusahaan (enterprise council), which the military used to curb the expansion of communist unions. Under Soekarno's directive, the authority of the council was limited to advisory functions, affording workers a voice in production and supervision, but crucial decisions remained firmly in the hands of management. This institutional framework provided the military with a means to interact with representatives from SOKSI and other anti-communist unions, effectively restraining the dominance of SOBSI.

take strategic positions for influencing pro-worker legal products, which were deemed highly protective of labour given the circumstances of being a young state (Tjandra 2016, 40).

Despite these varying perspectives, politic interests were ingrained in union activities at different levels. While, at the national and regional levels, union politics significantly contributed to the establishment of a pro-worker regulatory system, fostering economic redistribution that benefits workers, political tensions among factions were on the rise. The conflicts between SOBSI and non-communist unions reflected escalating tensions between political factions and eventually led to political turmoil and violence in 1965. This resulted in the dismantling of the left movement, the prohibition of organisations like SOBSI, and the establishment of a new state-controlled labour system, suppressing union political activism and impeding the growth of independent worker organisations. This is how the era of the New Order began.

2.2. The Voices that have Disappeared: Workers and Unions under the Authoritarian Regime

The 1965 Tragedy of mass killings marked a critical juncture in the decline of militant workers' movements in Indonesia. The escalating political conflicts between leftists and the alliance of the military, nationalist factions, and religious-based factions culminated in a severe political crisis with brutal violence during the latter half of the 1960s. This crisis had two major outcomes: firstly, the banning of PKI and its affiliated organisations, as they were accused of instigating the political turmoil; and secondly, the collapse of Soekarno's regime in 1966, as he failed to contain the national political and economic crisis.[14] The destruction of the PKI's base had a significant impact on SOBSI. The militant workers' unions, particularly those associated with PKI, were banned, and their bases were violently crushed (Melvin 2017). While workers' unions under nationalist and religious-based parties remained, they were not as powerful and militant as SOBSI's unions.

14 The downfall of Sukarno was hastened by the collapse of the national economy. Soekarno's Guided Economy program, which heavily relied on the legacies of colonial enterprises, particularly in the estates, mining, and manufacturing sectors that the state had taken control of, struggled to maintain capital accumulation. Many enterprises lacked managerial capacities, failed to create extensive markets, and were further hampered by internal political strife (Robison 1986, 71-78). Economic stagnation, the absence of an independent entrepreneurial class as a robust capitalist force, and Sukarno's administration's failure to address the national financial crisis plunged the country into its most severe economic turmoil in history.

This crisis led to economic and political changes. In 1966, Suharto and his military faction assumed national leadership, ushering in an era marked by technocracy and militarism focused on economic revival and political stability (Barker 2005, 713). Against the Cold War backdrop, the fall of PKI garnered Western sympathy, leading to substantial economic aid. Under the New Order regime, Suharto introduced a developmentalist approach by prioritising state-controlled economic modernisation and political stability (Moertopo 1975) (Hadiz 1997, 64-64).[15] Economic recovery attracted foreign investment, transitioning from Soekarno's policies limiting cooperation with Western countries (Robison 1986, 176-178). The New Order initially emphasised import substitution, raw mineral production, and agriculture, later shifting to manufacturing sector with private enterprise support (Robison 1986, 143). This transformative development had impacted employment, decreasing agricultural workers from 74% to 55% (1961-1985) and increasing industrial workers from 10% to 16% (Manning 1993, 66-67).

Concurrently, a fundamental labour regime reform became integral to this broader economic and political changes. The government centralised control over the national labour system. The government's actions, particularly in ideological alignment and restructuring workers' representation, marked the end of the political labour movement. The emphasis shifted towards a corporatist economic unionism model (Ford 2009, 30-33). This model represents a concrete fulfilment of workers' interests through economic power and the state-directed harmony between labour and capital (Hyman 2001, 8; Wiarda 2010, 5).

2.2.1. Ideological Alignment

The government established the ideological framework of Hubungan Perburuhan Pancasila (HPP-Pancasila Labour Relations). The use of the term "Pancasila" was intended to assert the exclusion of other ideological principles, such as pluralist-liberalism[16] and Marxism, which were deemed incompatible with the regime's vision of industrial relations (Moertopo 1975, 17-20).[17] HPP was developed

15 Developmentalism is the ideology of socio-economic and political change that have been embraced by many developing countries which are trying to catch up in development by following western modernisation as a model. Economic growth is believed as the only way to modernize, and the practice of democracy is necessary to guarantee political stability. The ideology, thereby, has been vastly chosen in a political climate where the regime needs to stem the ideology of communism. (Johson 2010). However, in most developing countries, the strong drive of modernization in developing countries have placed the state as the only dominant – authoritarian – institution (Sahu 2010).

16 international labour organisations such as ILO, FES of Germany, ICFTU and ACL-FIO of the US strongly support the labour reform, promoting the adoption of liberal-pluralist labour relations approach (Tjandra 2016, 103) (Setiakawan 2003, 165) (Hadiz 1997, 72-74).

17 The liberal-pluralism paradigm is a widely embraced approach to labour-relations and union

under the unitary principle of industrial relations, suggesting that there is only one common interest for all actors involved in production relations: the pursuit of common welfare and, therefore, the necessity of harmonious social relations for industrial peace (*Asas Kekeluargaan*, familial principle) (Moertopo 1975, 19). This framework, therefore, also aimed to facilitate state control over the harmony of labour relations, considering conflicts of interest as a failure of this common goal and, consequently, something to be avoided. Within this framework, strikes and mass protests were considered unacceptable in labour dispute settlements. This belief led to the official prohibition of strikes through national regulation, a policy that persisted until at least 1990 when the government finally revoked it, largely due to international pressures (Kammen 1997, 124). The implementation of this coercive principle, coupled with leadership restructuring in unions across industries, proved effective in constraining the space for tempering workers' militancy.

The New Order regime continued the legacy of Soekarno's Guided Democracy by systematically replacing terms containing the word "buruh" (labourer), both in formal and informal usage, with other words that had similar meanings but different connotations (Ford 2009, 55-56). The term "buruh" was often associated with leftist ideologies representing the oppressed social class (Hadiz 1997: 90). The regime aimed to avoid the perpetuation of consciousness of class antagonism among workers, which could potentially lead to the resurgence of militant organised labour (Ford 2009, 57). This cultural strategy was employed to impede any potential revival of leftist ideology (Capizzi 1974, 41). As part of this language strategy the term "pekerja" (workers) was extensively introduced as a more acceptable appellation.[18] This shift mirrored the prior regime's replacement of "buruh" with "karyawan" (employee). The nomenclature of the Ministry of Labour was also altered to the Department of Manpower, and HPP was promptly changed to HIP (Hubungan Industrial Pancasila; Pancasila Industrial Relations).

organisation that gained prominence during the Cold War era. Originating in North America and Western Europe, it emerged alongside the development of liberal democratic politics as a rejection of radical socialist ideologies. The paradigm emphasises a non-revolutionary approach to addressing the challenges of capitalism. It recognises the inherent conflicts of interest between employers and the working-class, while also advocating for the institutionalisation of these conflicts through mechanisms like collective bargaining and dispute resolution, while also contributing to the country's overall economic transformation (Garcia 2010) (Hyman 2001)

18 Siegel also illustrates how the Suharto's New Order regime consistently avoided using words associated to Leftists cultural narratives as being evident in the preference for the term "Rakyat" (people) over "Massa" (Mass) that is commonly used by the Left organisations (Siegel 2001, 45)

2.2.2. Institutional Re-organisation

Institutional restructuring was the New-Order regime's most effective measure in dismantling the influences of Leftist workers' policies. This restructuring received support from international labour organisations such as ILO, ICFTU, ACL-FIO of the US, and FES of Germany (Tjandra 2016, 103) (Setiakawan 2003, 165; Hadiz 1997, 72). In addition to their concerns on labour issues, this support was part of a Cold War framework in which Western capitalist countries sought to halt the expansion of communism in Southeast Asia (Hadiz 1997, 72-74) (Hutchison and Brown 2001, 6). These organisations actively advocated a liberal-pluralist approach to labour relations, introducing a model of institutional design for labour governance and providing training in union organisation. However, the New Order government perceived that this liberal-pluralist model not entirely align with the its preference for the HIP unitarist model: an approach that promoted industrial peace, avoided politically oriented activism, and ensured state intervention in labour relations (Hadiz 1997, 74).

This initial reform began through organisations that played major roles in mobilising workers against communist trade unions during the Soekarno era. Under the umbrella of SEKBER-GOLKAR and SEKBER Buruh, several the anti-communist leaders established a labour organisation called KABI (*Kesatuan Aksi Buruh Indonesia*; Indonesian Workers' United Action) in 1966 (Hadiz 1978, 71-72).[19] The formation of KABI aimed to diminish the remaining influence of SOBSI and strengthen the political position of the New Order among the working class.[20] KABI, representing a gradual attempt by the state to encourage the formation of a single labour organisation, was later replaced by Labour Consultative Council (MPBI, *Majelis Permusyawaratan Buruh Indonesia*) to accommodate other unions, including the Sarbumusi (an Islamic oriented union) which previously refused SEKBER *Buruh* (Tjandra 2016, 103; Hadiz 1997, 74-76; Rohmawati, Alfanny and Sudjatmiko 2015, 34-51).

Due to the slow progress of this new organisation, the government, initiated by the non-trade unionists of the military faction, facilitated the establishment of a new labour federation in 1973: FBSI (Federasi Buruh Seluruh Indonesia, Indonesian Labour Federation). General Ali Murtopo, one of the prominent

19 Sekber Golkar (Sekretariat Bersama Golongan Karya, Joint Secretariat of Golongan Karya) is a military-formed organisation that was the embryo of the party which later came to power in the Suharto's New Order: Golkar. The party had been the major Suharto's political engine in ruling the country (Tomsa 2008, 36)

20 A number of anti-communist organisations of the prior era joined this initiative, such as SOKSI, KBKI, SOP Pancasila, PGRI, Murba-SOBRI links, including KONGKARBU-SOKSI and GASBIINDO

New Order's architects of political transformation, inaugurated the official formation of FBSI at the BAKIN office (the National Intelligence Coordinating Body), symbolising the major role of military in this field (Hadiz 1997, 77). All unions embraced the formation and received it as a new umbrella to which all the existing unions affiliated. The formation of FBSI marked the beginning of a new landscape of labour regime, leading to the development of a single unionism with the state taking a leading role in controlling its direction.

The creation of HIP as a new ideology and the government's efforts to consolidate all unions into a single federation, FBSI, reflected how the state subdued working-class activism and shaped the character of labour organisations during this era. The unitary ideological basis and the centralisation of unionism marked the initial step of regime in demobilising labour unions (Hadiz 1997,92). The depoliticization and demobilisation continued through various organisational restructuring, ensuring the state's complete control over the working class. After the success of forming a single unionism that dismantled the factionalism legacy from Sukarno's period, internal restructuring persisted, aiming to reduce resistance potential within the federation. By 1985, FBSI transformed from an organisation comprising political entities to a union federation focused on industrial sectors. Initially forming twenty-one sectoral unions, it later contracted to only ten sectoral unions after the transition to SPSI (Indonesian Workers' Union). The organisational structural changes aimed to minimize political factionalism and reinforce the government's influence over the unions (Hadiz 1997, 93-95)

Despite this sectoral autonomy within the union structure, the hierarchical leadership from local to central levels played more a decisive role. The structural design resembles the organisational hierarchy found in state bureaucracy, military and political parties. Sectoral leaders in each region were accountable to regional union branch leaders, who, in turn, answered to union leaders at the higher level in the province, and so forth up to the national level. Given that highest ranks at the national and many regional organisations were also occupied by (either retired or active) bureaucrats and security officials, the union structure closely represented that of the state control, undermining the union's democratic internal representation (Kammen 1997, 81).[21] With 268 regional branches of SPSI organising nearly nine thousand unions at enterprise level

21 Similar stories were unfolded by the senior unionists in Pekalongan and Semarang. The SPSI branch leader of Pekalongan during the New Order era was held by the head of the local-Manpower office. In the same era, the SPSI branch leader of Semarang had a very close relationship the local-Manpower officials.

in early '90s (Manning 1993, 69), the structure indicates a heavily embedded state control. Such a design facilitated state intervention in various labour affairs, ranging from union elections to dispute resolutions.

Similar conditions were observed in regional representative institutions. Tripartite institutions at the regional level, composed of representatives of workers, employers, and government, functioned merely a consultative and communication body (Hadiz 1997, 91). Wage council institution, for instance, consisting of five government representatives, five workers representatives (mainly FBSI/SPSI members typically selected by local government officials), and another five from employer's association, operated in similar manner. A parallel development occurred in representatives in dispute settlement institutions (P4D/P) who still adhered old regulations of 1957, maintaining similar composition with that of the wage council.

The representative structure, part of the state's strategy to politically demobilise the working class, had significant economic ramifications. While Hadiz (1997, 82-83) argues that this labour control aimed at depoliticising labour rather than ensuring New Order's industrial economic growth, Manning (1993, 88) contends that the control was evidently intended to create a cheap labour force, leading to economic consequences on capital accumulation. This labour control restricted collective bargaining rights and adequate representation in unions and tripartite institutions, ultimately benefiting and strengthening employers' positions against workers in the process of capital accumulation. Wages, a crucial parameter, remained consistently low during the New Order regime, including in regions like Semarang and Pekalongan, where labour-intensive sectors dominated. Industrial sectors such as textiles, garments, footwear, tobacco, and beverages, especially in the feminised manufacturing sector, employed low-wage workers (Caraway 2007, 57; Manning 1993, 86-87).[22]

2.2.3. Labour NGOs and the Rise of Resistance amidst Changing Economic Orientation

Entering 1980s, Indonesia's economic policies were pushed to a deeper integration into the global economy (Hofman, Rodrick-Jones and Wie 2004, 27). This was spurred by the pressure to replace the emphasis of import substitution industries (ISI) with the development of export-oriented industries (EOI) in order to recover the domestic market saturation, and to reduce state

22 Caraway (2007, 155-126) asserts that the feminisation tendencies with precarious working conditions were prevalent in sectors where organised labour was weak.

dependence on extractive economies especially due to the fall of oil prices (Wie 1989, 150). The pressure to follow this path was also induced by the increased new international division of labour system that led to market regionalisation and production (Moody 1997, 73-75). The economic regionalisation had pushed capital mobilisation into the regions in order to make a more efficient production and marketization. Within this global development, Suharto shifted the targeted market of national industries from domestic to global markets, followed by the increased investments in labour-intensive industries such as textile, garments, electronics, etc (Robison 1986, 126).

One the one hand, the global economic shift towards EOI prompted the disciplining of labour (Robison 125). However, international and national attentions to labour rights violations and human rights issues also increased. Low wages and the restrictions on freedom of labour associations in Indonesia gained broad scrutiny from international trade unions activists and human rights organisations (Tjandra 2016, 61) Domestically, similar criticisms arose with the emergence of NGOs that sought to reinitiate the workers' organisations and advocate labour rights. Primarily led by middle-class individuals, particularly university students and graduates concerned with human rights issues, these activities were inspired by the organised labour in tandem with students' movements in European countries and some east Asian countries challenging capitalism (Ford 2009, 63-64). The result was the eruption of labour unrests in industrial regions, most notably in Java, including some regions In Sumatera.

Kammen (1997) recorded a rising occurrence of industrial strikes throughout 1990s, many of which faced violent responses from state security apparatus, including the notorious case of Marsinah.[23] While the widespread labour protests were enabled by the revocation of the strike-ban regulation in 1990 (Kammen 1997, 124), they also indicate the limits of the institutionalised control over informal mass mobilisations and small groups resistance in workplaces. Labour actions occurred on both small or larger scales, organised by seizing the union leadership (Kamen 1997) or community-based workers' organisations (Hadiz 2001, 122), or through by informal individual or group tactics (*siasat*) (Saptari 1995, 217) (Wibawanto, Baskara and Jirnadara 1998, 142-149).

23 The Marsinah case was an incident involving the murder of a female worker activist at a watch factory in Sidoarjo, East Java, following a demonstration that she and other fellows staged to demand an increase in wages. This murder involved local security forces. This case later became a symbol of the New Order state violence against workers which attracted national and international attention (YLBHI 1995)(Kamen 1997, 168-169).

NGO activists played important roles in facilitating the workers' mobilisation, filling the gap left by the absence of independent trade union leadership in workplaces since factories became unfavourable place to establish independent unions (Ford 2009, 3). NGOs used communities as alternative space beyond workplace and other semi-clandestine tactics to rebuild organisational bases and trade-union consciousness among workers (Hadiz 2001, 122-124, 137). Through regular meetings in workers' settlement, activists shared knowledge of labour regulations, exchanged workers experiences in factories, encouraged workers to contest the management, assisted in organising strikes, and sometimes conducted art performances that articulated working-class consciousness.

During the authoritarian era, however, the relationships between workers, unionists, and the NGO activists posed some complicated issues of representation.[24] Debates and questions about how NGOs should be positioned in labour movements under this regime. Hadiz (1997, 134-136) draw historical lessons from advanced industrial countries, arguing that trade unions are true vehicle of workers' interest. Thus, the engagement of the NGO activists or non-working-class actors in New Order's Indonesia needs to be positioned as *the others*. They mostly belonged to the middle class and lacked social and cultural experiences in production relations, despite the acknowledged roles in laying the ground for the development of independent labour movements. By contrast, Ford (2001) argues that the absence of political opportunities for the development of an independent working-class movement mush be considered in defining the essential actors of labour movement. Despite these debates, the roles of NGO activists were inevitable and dominant during the New Order period (Ford 2009, 181-198), similar to the labour movements in Brazil in the 70-80s and South Africa during the apartheid era (Seidman 1994). The labour movements had received extensive supports from various social movements. This discussion is essential given the significant roles played by the actors in the labour movement in Semarang and Pekalongan as presented in chapters four and six.

2.3. The revival of Workers Movements under a Market-driven Labour Regime

Suharto's authoritarian rule met its demise as the national economy that had underpinned the regime collapsed. This downfall was exacerbated by a severe

24 There had been various forms of NGOs' engagement, but they can be broadly divided into two at least: firstly, those who were directly involved in the formation of alternative labour organisations, and secondly, those who choose to remain in the position of supporting agents.

political crisis in 1998, preceded by the East Asian economic crisis in the 1990s, which swept countries across the region. Indonesia was also hit by the fall of Indonesian currency up to eighty five percent devaluated within a year, spurring hyperinflation and swelling foreign debt. The economic collapse severely limited people's purchasing power and ignited massive corporate-shutdowns (Nasution 1998; Sadli 1998). Eighteen private banks were liquidated, and dozens of financial institutions and manufacturing industries were also closed down (Nasution 2000, 153). The national Statistical Bureau reported that unemployment rate continued to rise, peaking at 11.24% in 2005. The national crisis sparked immediately a wave of social protests across country, leading to a political crisis that overthrew Suharto– one of the longest-ruling leaders in modern Asia – and his New Oder regime. The strong demands of economic and political reform were inevitable.

The reform led to substantial changes, ranging from interventions in state authoritarianism to liberal democracy and the market-driven economy. Democratic elections became one of the major milestones of the political reform. The general election was reinstated in 1999 and in which 48 new political parties including three old parties of the New Order era took part. Although the number of political parties fluctuated in the elections of the subsequent years, some new major political parties – such as PDIP, Gerindra, PKB, PAN, Partai Demokrat, PKS – have been successful in constantly gaining larger constituents.[25] Grass-root mass organisations also grew rapidly, especially induced by an atmosphere where the freedom of association became more possible. The growth of local organisations was also boosted by the political and administrative decentralisation that was commenced in 1999. The decentralisation policy was a massive government administrative reform, which the World Bank called a big-bang for its radical transfer of central government's authority to the regions (White and Smoke 2005, 6).[26] It provided greater opportunities for the locals, such as the working-classes, local ethnic communities, local business and political elites, to take part in local political competitions that affected changes in local power structure.

25 Most parties in the Reformation Era are the splits or the re-organisations of parties that were officially established in the New Order era. The fall of the New Order's regime has opened the ways to the restoration of old parties that were founded prior to the reign of Suharto in the New Order era, and the formation of new parties by using the old identities and political bases. For example, the cadres of PPP, the party that was formed from the fusion of Islamic parties in the New Ode era, established new Islamic parties such as PKB, PKS, PAN, Masyumi, etc.

26 The world Bank used the word 'big bang' the first time to refer a rapidly massive decentralisation that marked the beginning of Indonesia's reformation (White and Smoke 2005). This a very typical Indonesia's democracy in comparison to many other countries which took decades for setting up such a big program especially for countries with large number of provinces and subregions.

The democratisation was undertaken in parallel with the economic reform. This reform was strongly urged by international institutions concerned with Indonesia's economic recovery. Under the supervision of the international Monetary Fund (IMF)), the cabinet of Habibie – the Suharto's successor, and the subsequent administrations were pushed towards the optimalisation of market liberalisation and the dismantling of the networks of business nepotism as the imperative route to economic recovery in line with the direction of global economic development (Hadiz and Robison 2003). This combined set of policies marks the shift of state position to be a regulatory force that ensures the optimal operation of markets for capital accumulation. The policies resulted in the privatisation of major state-owned companies and the restructuring of financial institutions (Prasetiantono 2004) since state monopolies and protectionism had been deemed inefficient for stimulating the markets and the investments.

2.3.1. The Paradox of Transformation

Labour was a crucial element in economic restructuring and political reform. While democratisation encouraged freedom to unionise, a market-based labour flexibility was also promoted by the economists and the international agencies such as the World Bank and IMF. It was recommended for decreasing the pressure of unemployment on the one hand, and restoring the business climate on the other hand (Bank 2004) (Bernal-Verdugo, Furceri and Guillaume 2012) The labour market flexibility refers to a typical form of market where a certain characteristic and the quantity of labour are recruited and laid-off flexibly according to demand of production and commodity in fluctuated markets (Wood 1989, 1-2; Meulders and Wilkin 1991).[27] The flexibility is an emerging idea that is derived from a neoliberal perspective on the significance of a highly adjustable labour market and production relations system in the face of globalised free market (Leiva 2006). This notion has been extensively believed by the Indonesian government as the key exit strategy from the economic crisis particularly in regards to employment matters (Mustasya 2005, 3-4). It is this

27 I define flexibility by numerical aspect of employment as it refers to the most common and contested practice of flexibility in Indonesia (Tjandraningsih and Nugroho 2008). The numerical aspect is indicated by the quantity of flexible labour employed in economic activity that consequently generates the category of workforce such as short-term contract labour, outsourced labour, home-workers. The concept of flexibility itself contain problematic definitions as scholars have constructed in different ways and meanings. Piore and Sabel (1984) define it by focusing on flexible specialization, while others emphasise different dimensions such as functional flexibility (Mathews 1989, 37), wage flexibility and working time flexibility (Freeman 2005). These forms of flexibility have been certainly applied in various enterprises in Indonesia, but workers and unions have paid much attention on the problems of numerical flexibility as it gives fundamental impact on job insecurity.

notion that went into political process of making policies that ignited tensions between unions, employers, government and politicians.

A set of new labour policies was introduced during the first half decade of Indonesia's reformation era (1999 to 2004). Two of labour policies, which I discuss here, are the Trade Union Act (Labour Law no.21 on the freedom of association) enacted in 2001, and the Employment Act or commonly known as the Manpower Act (Labour Law no.13 on employment) passed in 2003.[28] Together with other sets of economic policies, these labour laws impacted the national economy. The unemployment rate decreased gradually into from its peak of 10.9% in 2005 to its lowest level at 5.7% in 2014. The growth of Indonesia's foreign direct investment (FDI) also recovered, although it came later than neighbouring Southeast-Asian countries, particularly Malaysia, Thailand, and Vietnam. This growth indirectly helped created a mutual effect on the employment opportunities (ASEAN 2016, 27, 143)

The new labour policies, nonetheless, posed some paradoxes. The first paradox concerns the protective character of the law. The second one refers to the democratic character of the labour law. The paradoxes show that, regardless of some kinds of progress, the new labour policies – particularly in regards to several contested articles – provided contradictions and controversies that ignited new tensions among workers, unions, employers, and governments. The tensions even resulted in multi-layered conflicts in various political economy arenas, from workplace level, street collective-actions in various regions throughout Indonesia, to regional and national parliaments.

The Manpower Act was one of the most contested labour laws as it produced a paradox that affected the structure of the labour force, the labour market and the power of trade unions. Despite the protective articles that retained, several articles of the act have been controversial for the loosely use of the concept of temporary labour. This category refers to any form of labour beyond permanent contract system or what ILO calls a non-standard employment. This includes short-term contract labour, outsourced labour, home-based labour, etc. Academic studies and NGO reports found that the increasingly widespread use of this type of labour had indicated the massive replacement of permanent labour into temporary ones, making the employment become more precarious (Chris and Roesad 2007, 73; Tjandraningsih 2012).[29]

28 The set of new labour policies consists of three new labour acts that includes those two acts I mentioned above, and the industrial dispute settlement act.

29 Precariousness of labour that is generated by the liberal practice of labour relations is indicated by the

Although the use of temporary labour is certainly not new, the legalisation serves an important ground for the expansion of this type of labour in various economic activities, both in agricultural and non-agricultural sectors (Matsumoto and Verick 2011, 8-9). The growth of this type of workforce increased rapidly particularly in labour-intensive industries such as garment (Pratiwi and Arfandi 2019), footwear (Gardener 2012, 62), electronics (LIPS 2018, 10), where mostly women are employed.[30] The legalisation of the outsourced workers also boosted the formal and informal business of labour suppliers (Juliawan 2010).[31] It had made their situation even more vulnerable given the existing weak labour inspection system (Nugroho, Gultom and Rokhani 2018).[32]

This widespread use of these labour had even extended beyond its regulatory boundaries. Surveys conducted by unions, NGOs, and scholars often found the excessive use of this workforce, such as the use of short contract workers that exceeds the legal standard of employment length, the use of outsourced labour in prohibited categories of work.[33] This degradation of labour protection had been the central point of contention between the proponents and the opponents of this policy. The debates had circulated extensively among workers, employers, government officials and parliamentarians, and triggered strong criticism from activists and academics (Tjandrasari and Nugroho 2008).

The increase of such a temporary labour workforce threatened trade union membership and bargaining power. Since stable size of union membership determines union's bargaining power, unions generally rely mostly on permanent

increased job insecurity, the decline of union bargaining position, the flexible wages that create income uncertainty, and the increased working hours and job tension (see also (Standing 2011)

30 Female labour characterizes labour intensive industries. The massive employment of female labour in modern industrial sectors is influenced by a multitude of complex factors, wherein companies exploit the patriarchal culture and social structure to acquire docile and low-cost labour (Saptari 2000) (Caraway 2007)((N. Warouw 2008)

31 Massive use of outsourced labour has been also accelerated by the emergence of various range of labour supplier in labour market: from official labour supply agencies to informal suppliers that include factory managers, community leaders living around factories and local thugs (Juliawan 2010).

32 The study conducted by Nugroho et al (2018) shows institutional fragility that is exacerbated by local political environment has led to failures in labour inspection. These failures have resulted in the widespread disregard for labour law, with companies exploiting short-contract workers to exceed the legally mandated length of employment. Additionally, the companies have been utilising various forms of low-wage labour with inadequate benefits.

33 This law No.13 of 2003 confines the use of outsourced labour only for supporting tasks such as cleaning services, security guards, and catering. However, in practice, many companies have used this labour beyond the limit of these criteria (Tjandraningsih & Nugroho, 2008). There was extensive use of short-term contract workers that exceeded the length of employment.

workers who retain longer membership rather than temporary workers who have high labour turnover. Consequently, the decrease of permanent workforce that is replaced by temporary workers reduces the union size, and thereby, union's bargaining power becomes susceptible. Furthermore, most of temporary workers hesitated to join unions, regardless the needs of protection. Union membership often ran a risk losing their job because most management were against the involvement of these workers in union activities. Any participation of these workers in union activities often resulted in termination of contracts. Consequently, the widespread use of non-standard workforce had made great concern for both union officials and workers.

Since the beginning of the drafting of this bill, unions had mobilized their forces to respond it. Among all unionists, K-SPSI – the largest union[34], thanks to the political connection of its national leader with the ruling party, PDIP (Partai Demokrasi Indonesia Perjuangan – Indonesia Democratic Party of Struggle), had a great influence on the process of drafting.[35] Despite no structural link between K-SPSI and the ruling party (PDIP), Jakob Nuwawea as the union national leader, was one of the party elites; and most importantly, was the then Minister of Manpower (Suryomenggolo 2004). This elite political relationship situated KSPSI in an inseparable position with the state's economic and political agenda, regardless of regime changes. Therefore, in order to gain political acceptance and legitimacy, the government also suggested more representatives from unions to join the dialogue, and set up a small forum that is called *the Small Team* (*Tim Kecil*) that consist of major trade unions representative from K-SPSI, KSPI, etc.[36]

However, most of the team's recommendation were not accommodated by government and the parliament (DPR). Instead of accommodating trade

34 The union was initially established during the New Order Era as SPSI, designated as the sole official labour organisation recognised by the government. It subsequently transformed into a confederation (K-SPSI) through the amalgamation of union federations, following the enactment of the freedom of labour associations in 2000.

35 The escalation of workers' and unions' resistance to the widespread flexible labour increased sharply in the era of Susilo Bambang Yudoyono's (SBY) presidency. However, protests had surfaced since the proposal of the bill of employment in the presidential era of Megawati Sukarnoputri. Although there has been no strong structural relationship between labour movements and political parties, workers and unions had demonstrated unprecedented political responses to this set of labour laws. The political links between factions of unions, political parties, parliamentarians and groups of government officials played important roles in the responses (See, Tjandra 2014)

36 The small team consisted of representatives from a number of unions such as Metal workers union (FSPMI, SPSI Reformasi, FSPTSK, SBSI, etc. However, many other factions of the labour movement refused to be involved in the dialogue process.

unions' expectation, employers' associations applied stronger pressures and urged the government to reduce layoff barriers that would relax the labour protection. Although the employers' demands were not finally endorsed due to strong protests from the unions, the policy and the implementations of the flexible labour continued. The use of the temporary or non-standard labour was even more diverse. NGOs reported that the use of home-based labour and the apprentices have been currently increasing in labour intensive industries in West Java and Central Java (Pratiwi and Arfandi 2019), despite the benefits which most married women workers have taken for combining wage labour and domestic activities as was evident especially in the case of home-based workers in Semarang (see Chapter Four). The rapid growth of this type labour is mutually influenced by the union's limited capacity to control. While the regime of flexibility has increasingly confined the union bargaining power (Tjandraningsih & Nugroho 2008), the organisational constraints also exacerbated their capacity to deal with the labour conditions. This comes to the next paradox.

The second paradox is related with the democratic nature of the Trade Union Act. Union development in Indonesia has been threatened by the fragmentation within the movement itself. Labour activists and scholars view that the threat stems from the nature of the Trade Union Act itself (Caraway 2006). The emergence of this law, on the one hand, was a part of democratic reform that threw off the shackle of the New Order's authoritarianism, but in reality, it has stimulated organisational splits.[37] The law has arguably provided opportunities to the growth of labour organisations and abolished the dependence of workers on SPSI as the representative vehicle of workers' interest. The Trade Union Act provides the ease of establishing union at the workplace by at least ten members, and union federation by at least five unions. As a result, since 1999, dozens of new unions have sprung up at the national level, followed by thousands of branches at the local and workplace levels. The emergence of new organisations prompted millions of SPSI members in the regions to migrate to these new organisations (Mizuno, Tjandraningsih and Herawati 2007). Although the membership of SPSI remains the largest to date, the new organisations have successfully generated significant membership. This new law stimulated the emergence of other new organisations which have no links to SPSI that were largely driven by NGO labour activists, despite their small membership.

37 A gradually organisational secession within the body of SPSI had begun shortly after the fall of the Suharto's New Order regime, when workers from eleven sectoral organisations of this union established a new organisation in 1998 called SPSI Reformasi (Mizuno et al. 2007, 288). Larger scale of splits continued after the enactment of the Act of the Freedom of Association in 2000. However, the split of SPSI is different from that of the new organisations.

However, workers and union leaders then realized that the rapid growth was not followed by a parallel increase in membership. While the union growth reaches 83% from 2005 to 2016, the union membership declines dramatically to 24% within the same period of years.[38] This signifies a serious split within the labour movement, rather than leading to a strong consolidation. The extreme ease of unionising has stimulated competitions among workers to form unions in the workplace as well as at regional and national levels. The competitions have been vulnerable to elite conflicts that led to union splits. When the leaders formed a new organisation, they usually brought some groups or even large number of members. Although members at the rank and file have the rights to choose their own affiliation, but they are not the subject in the union competition. In most cases, the split, the establishment of new union, and the transfers were carried out without any consent from the members at the grass roots as it was founded in the split of union in Semarang in 2014.

Nonetheless, the trade union act is not the sole cause of the fragmentation because it only refers to the socio-legal consequence. Another cause is the legacy of past political regime that leads to divisive resources struggle within the labour movements. While the emergence of new organisations that seceded from SPSI represents workers' democratic measures, the next splits that swept over continuously these new organisations in the following periods could be seen differently. The deep fragmentations that occurred among the new organisations were mostly ignited by conflicts within union elite circles both at federation level and the lower levels (Rokhani 2008). Most of conflicts were indirectly related to the interests at the grassroots level. Under such conflicts, union leaders would easily set up new organisations that are enabled by the Trade Union Act. The splits were often followed by the war of claims on union resources such as office, fund, NGOs' supports like the one I found in Semarang (See Chapter Four). But the most critical one is the claim on members. The union leaders who left the one union and move to another often brought along a large number of members without any consent.

The problem of fragmentation within the labour movement is indicative of issues related to internal democracy and the cultural legacy of past unionism (Ford, 2012: 186-190). Lane (2019, 18-19) argues that the passivity inherited from older generations of unionists has hindered the new generation of unionists from the uptake of militant ideas necessary for the development of working-class organisation. He asserts that the lack of organisational experience

38 The official data is taken from the Ministry of Manpower and Transmigration presented by the Trade Union Rights Centre at Discussion at kedai Ka Pe RI, 18 December 2017.

and ideas, essential for establishing grassroots-oriented unions, contributes to fragmentation. It also hampers the emergence of leaders who strongly represent and gain popularity among the constituents. By contrast, many union leaders are preoccupied with resource allocation for short-term needs, such as securing NGO support, funding sources, centralising power, driven by pragmatic interests (Törnquist 2004, 388). This situation is particularly prevalent in new unions that are grappling with finding adequate organisational format amidst continuous pressures of changing economic and political conditions. The concentration of power in the elite layers of unions has created distance between union leaders and their members. Limited elite circulation, slow regeneration of leadership, weak effective communication between leaders and members at the grassroots level indicate the increasingly dominant union elite power over their members. Such divisions often reduce the bargaining power of the union in bipartite and tripartite negotiations. In wage negotiations, for example, union fragmentation results in splitting the voice of workers' representatives in the wage council. Meanwhile, entrepreneurs maintain a consistently solid representation through a single organisation, namely APINDO (Asosiasi Pengusaha Indonesia – Indonesian Employers Association).

2.3.2. Bringing the workplace-based interest into political fields

The paradox of labour transformation has presented complex challenges for workers and unionists. While political opportunities have allowed the freedom to develop labour organisations, they are confronted with new challenges arising from precarious working conditions reproduced by the liberalisation of labour relations and the market economy. Internal challenges, such as rivalries and fragmentation, further complicate their efforts to consolidate a significant collective power. Amid these challenges, workers were continuously looking for alternative ways to face these conditions forces. Recognising their own vulnerability, they took several strategic measures. The first one was to build coalitions or alliances at the national and local levels in order to reconsolidate the effects of the fragmentation (Tjandra 2010, 129). The second one was to expand the field of activism beyond the workplace-related issues.

Most coalitions, during the first decade of the freedom of association, were established and mainly aimed for workplace-based interests such as minimum wage increase and resistance to flexible employment system. However, as the spaces of workers' struggle in the workplace-based economic issues, were increasingly confined by the growing capital domination, they began to expand their moves into broader political fields. Workers began to realise that the state

was necessarily to be seen as an arena of political forces that can be seized for the benefits of the working class.

Coalition refers to a form of cooperation among trade unions in order to achieve a short-term goal that is beneficial to workers and wider constituents. The making of coalition is mainly taken as the strategy of temporary-reconsolidation to overcome the effects of union fragmentation. It is often used as a forum or collective control mechanism among trade unions to avoid harmful competition for membership (Cahyono 2010, 29). Coalitions were generally informal and organisationally non-binding (Tarrow 2011, 191; Van Dyke and McCammon 2010). Some coalitions took the form of organisations with explicit structure of leadership that was decided collectively among the union leaders and NGO activists, but many others involve fluid networks or secondary alliances with less structured leadership. Through each form of organisation, they synchronise interpretations of an issue, exchange knowledges, and establish a common strategy to negotiate and pressure the government or businesses, through negotiations and collective actions.[39]

Coalitions at the national level involved broader and multi-layered civil movement actors. They became references for regional labour movements which soon followed suit. The existence of these coalitions illustrates a transformative development of the labour movement. For more than a decade since 1999, there have been at least four notable national-level coalition organisations, namely ABM, KAJS, MPBI, and alliances in the Go-Politics action.[40] The emergence of each coalition and alliance at different times represents a transformation of movements with changing interests from workplace issues to broader political issues that involve diverse elements of civil society. The struggles of a coalition in earlier period provided an impetus, either directly or indirectly, to the emergence subsequent coalitions.[41]

39 Coalition have been a common forum for unions to establish a common understanding especially on controversial articles of law or government regulations such as new regulations on minimum wage determination and components of decent living needs, including the contentious articles on non-permanent labour at the Manpower Act. Unions also exchange information about valuable resources useful for supporting their common understanding.

40 There were, however, more coalitions established at the national level such as KNGB (Labour Movements National Consolidation (Caraway and Ford 2020, 56-57; Lane 2019, 69).

41 Each coalition did not always have the same membership. Some unions were involved in almost all coalitions, but others were not. The change in composition was determined by the political process that involved the relationship of organisational leaders and their networks such as political parties, personal relationships with political elites. The composition was also affected by the interest of union elite leaders over sources of power or finances that originated from labour institutions that strategic, ideological movements, and personal competitions among leaders.

Early Coalitions

ABM (Aliansi Buruh Menggugat – Workers Challenge Alliance) was the first coalition of a labour movement in the Reformation era to resonate with labour policy politics (Mufakhir 2017, 263).[42] ABM was established by some small new unions, particularly the leftist, to respond to the controversy over the Employment Act (Caraway and Ford 2020).[43] Despite being smaller than other alliances, the emergence of ABM marked an initiative of a militant mass force. They had successfully provoked other larger unions to join and mobilise mass protests on the street against the government's and APINDO's.

The escalation of workers' protests was triggered by President Yudhoyono's (also known as SBY) plan to issue another new draft bill that revised the existing Manpower Act (UU no.13 of 2003) to meet the employers' demand. APINDO, the national organisation of employers, demanded further relaxation on the lay-offs regulation that unionists actually wanted to defend. As the government leaned toward the entrepreneurs, it encouraged all unions to unite in opposition to government's disposition. Ironically, it led unionists into a contrasting standpoint, that is, defending the existing Manpower act. In order to express their refusal, the ABM coalition, together with other major union confederations, organised large demonstrations in April and May, 2006. Hundreds of thousands of workers took to the streets to protest against the act. The action nearly even turned into clashes between workers and security forces on the streets in Jakarta on 3rd May, 2006. The demonstrations finally ended as SBY decided to put the Employment act into status quo. The workers celebrated their victory although, it is also noteworthy that the success of this action was accelerated by the fierce political rivalry between the ruling party and the oppositional parties. PDIP which strongly supported workers' voice, took oppositional position to Democrat Party – the then ruling party. With the support of the PKS and PPP, the pressure of the PDIP helped to articulate the resistance of the workers on the streets.

Regardless of the workers' victory in rejecting the government's plan to cater the business demands, the existing problems remained. The effects of controversial

42 ABM was established by small left unions such as FNPBI (Front Nasional Perjuangan Buruh Indonesia – National Front for Indonesian Workers' Struggle), KASBI (Kongres Aliansi Serikat Buruh Indonesia – Indonesian Labour Union Congress) and the right ones such as PPMI (Persaudaraan Pekerja Muslim Indonesia – Indonesian Muslim Workers' Brotherhood).

43 There are no organisational links between the small left new unions and the left unions prior the New Order era. These new unions were established by young generations of workers and labour activists who were inspired by socialist-Marxism.

articles of labour law, particularly regarding the use of short-term contracts and outsourced labour, continued to be prevalent on the ground. Excessively illegal practices took place across places and sectors. As mentioned above, the most frequently encountered violations were the use of contract labour beyond the regulated time limit, the use of outsourced workers in prohibited types of work, and deceptive mass layoffs aimed at replacing permanent workers with temporary ones. While national statistics do not provide detailed data of this particular workforce, as they are typically categorised as casual labour (Matsumoto and Verick 2011), numerous complaints have been extensively reported in meeting with union leaders and workers in workplaces, union offices, and discussion forums.

Regional Coalitions

As labour conditions became increasingly precarious, alternative strategies by making coalitions began to evolve at the regional level where workers and unionists grappled with harsh realities in the everyday work life. The strategies were shaped by the opportunities provided by decentralisation and regional autonomy. The strategies have four objectives. The first one is mainly to bridge the gap between local and national union leadership in responding to the distinctive characters of capitals and political configuration in each region. The diverse local political-economic conditions make local joint efforts more beneficial for workers, providing an alternative to relying solely on the central leadership of the union in determining appropriate strategies. The workers coalitions in the Serang industrial region in the Province of Banten, for instance, were initially established to address the violent attacks launched by companies using local thugs (*preman*) to intimidate militant unionists (Cahyono 2010, 30-32). In Pekalongan, local unionists of SPN formed a pluralistic alliance to counter the dominant model of local political leadership. This alliance included various elements of social groups such as fishers, street vendors, and other urban poor groups. In Semarang, SPN and other local unions joined forces to confront global corporate influences on local employment policies set by local governments.

These examples also assert another three objectives: to re-consolidate the fragmented forces of the unions into a single front in the face of local businesses which were represented by only one organisation, that is APINDO; to overcome the weak capacity and bargaining power of workers representatives in the local wage councils (Caraway & Ford 2020, 67); and to form a larger mass force by mobilising collectively the members of each union. In Central Java of November 2014, for example, unionists under GERBANG coalition (Gerakan Buruh Berjuang Jawa Tengah – Central Java Workers' Struggle Movement) mobilised

thousands of unionised workers, blocking the north-coast highway connecting the western and eastern regions of northern Java. The five-minute block, which was able to create a five-kilometre- long traffic jam, was deliberately carried out to force the Governor of Central Java to revise the decision on the following year's minimum wage. Likewise, the unionists of Pekalongan and neighbouring regions, which affiliated to SPN and KSPSI, initiated the formation of the Western North-Cost Labour Movements for wage negotiations. In 2013, they took action by blocking the north coast road which resulted in ten-kilometre of traffic jams to force the city governments to revise the decisions of minimum wage which was too low.

Coalitions had been reliable workers' vehicles for regional collective actions hitherto primarily for two major workplace-related demands - primarily wage increase and regional regulation of employment. This is an example of the politicization of wages. Politicization of wage refers to the workers' attempts to acquire supports from local political forces in order to increase their leverage in minimum wage negotiations (Caraway, Ford and Nguyen 2019, 252-253; Tjandra 2016, 184).[44] The strategy was mostly used in times of direct regional elections. In contests for the positions of governors, mayors and regents (bupati), the votes of local mass with various identities are a valuable resource that is contested by candidates. Workers organised by unions are a source of votes for the candidates in industrial areas. This provides opportunities for the exchange of interests between workers and the political elites. A political support was exchanged for the promise of a wage increase.[45]

However, the beneficial exchange of interests from both parties actually came late. Until a few years after the direct elections were first held in 2004, the

44 The term of politicisation of wage seemed to be slightly confounding since it implies that other forms of contestation in wages might be less political, but the common use of this term actually refers specifically to the *win-win* strategy used by unions in coalitions by making cooperation with political elites for winning a minimum wage determination.

45 In most cases in industrial regions, the exchange of such interests between political elites and the unions occurred only during the regional-head elections. After that, the workers would find difficulties to find similar support from the elites they have endorsed despite the victories of the elites in the elections. Most of the regional-heads who had won the elections are no longer in needs of popular supports, but rather the business supports. Business groups would also put more pressures on the regional-heads to provide a supporting climate for market and production growth. Such politicization of wage did not only take place in regards to the regional elections, but also the presidential elections at the national level.
(Interview with Ari Munanto, SPN/KSPN branch official, 28 May 2015; for some examples, see also https://regional.kompas.com/read/2011/12/30/00130421/regionaljawa; https://www.beritasatu.com/nasional/120524/gubernur-atut-kembali-digugat-serikat-buruhwww; https://cnnindonesia.com/nasional/20141210183901-20-17307/jokowi-telepon-buruh-yang-sedang-demonstrasi/)

demands of wage increases organised by unions were still separated from the electoral interests (Caraway, Ford and Nguyen 2019, 256-257). Both sides did not perceive that as an opportunity for their respective goals. Tarrow also argues that objective opportunity would never exist until the challengers perceive its subjective existence that allows collective actions (Tarrow 2011, 163-164). Besides the impediment of union fragmentation, the workers were also slow in realising adequately the significant gap between the normative standard living cost (KHL – Kebutuhan Hidup Layak; Decent Living Needs) and the actual impact of inflation growth on workers daily social economic lives.[46]

The politicisation of wages began to emerge in 2010 when workers in Sukabumi, West Java, under the alliance of *Koalisi Buruh Sukabumi,* organised workers to force the local wage council and the Regent of Sukabumi to recommend a higher minimum wage. Such actions were conducted close to the regional electoral period in which the incumbent ran for re-elections (Tjandra 2016, 187-188). Similar practices then also spread in other major industrial regions like Jakarta, Bogor, Bekasi, Banten, and Batam, including Semarang and Pekalongan (Caraway, Ford and Nguyen 2019) (Cahyono 2010).[47]

Wage politicisation challenges often spark responses from central government officials and employers since, who express concerns that rising wages may adversely impact the investment climate in regions with rapid wage growth. Business people struggled against the alliance of local politicians and unions, highlighting regional wage disparity. As a response, in 2015, President Jokowi signed Government Regulation No. 78 (PP78), changing the minimum-wage setting mechanism based on regional inflation. The decision, met with mass protests, used a mathematical formula, undermining traditional negotiations between workers and employers. The protests, leading to a National Strike (Mogok Nasional), demonstrated unions using coalitions strategically against government decisions.

Similar attempts were evident in the way unionists tried to find an alternative way to deal with the loopholes in the Manpower Act on the use of temporary labour. Faced with political constraints at the national level, they shifted

46 Tjandraningsih and Herawati (2009) presents a detailed survey that promotes a higher value of KHL (Decent Living Needs Index) which became the foundation of decent wage; a novel concept which was then adopted by many trade unions both at the national and local in the negotiations at the wage councils.

47 The cases of workers' actions in wage politics in Semarang and Pekalongan are illustrated further in chapter 5 and 7 of this thesis.

focus to regional struggles. City and regency branch unions experimented by proposing draft regional regulations (*Raperda*) to overcome loopholes, leveraging decentralisation and regional autonomy. This approach was widespread in industrial regions. For example, unions in Serang, FSBS (Serang Workers' Solidarity Forum) and ASPSB-Serang (Alliance for Serang Workers Unions), proposed stronger sanctions for corporate violations related to short-term contracted and outsourced labour (Cahyono 2010, 89-100). Similar initiatives occurred in Pekalongan, where activists collaborated with local politicians to negotiate with the DPRD, submitting a draft regulation establishing a special tripartite mechanism overseeing local labour practices, especially in the use of contract and outsourced labour (see chapter 6).

Despite widespread attempts through state political institutions, the success stories of regional actions on employment issues remain largely unheard. Even if regional regulations favouring workers were ratified by the DPRD, effective implementation faced obstacles, including failures in the labour inspection system and local political pressures (Mufakhir 2014, 105). In some regions, workers and unionists reached an impasse, leading to widespread discontent and, at times, fierce resistance, notably between 2010 and 2011. A notable example is the "Grebek Pabrik" (Factory Raid) in the Bekasi industrial region, where Metal-workers Union (FSPMI) and KSPSI unionists conducted large-scale factory raids, compelling companies to comply with the Employment Act on outsourced and contract workers (Mufakhir 2014). Despite claims of success in converting temporary workers to permanent status, challenges persisted in reducing corporate violations across regions. However, these experiences shaped a new understanding among workers, leading to broader initiatives such as pursuing political positions in parliament through electoral politics and organising social movements involving civil society and grassroots communities.

2.3.3. Workers' Community-based Activism for Social Welfare

Challenges faced by workers at regional and national levels in advocating for workplace-related interests prompted a shift in perspective among unionists. This shift arose from the realization that workers' daily lives encompass needs extending beyond the workplace, viewing themselves as members of a broader community. A survey by a union revealed that the most pressing socio-economic burdens for workers' households involved extra expenses, particularly for health problems and children's education. Despite annual wage increases, income proved insufficient for such emergencies, exacerbated by job insecurity due to widespread temporary labour use. Married workers, especially women managing household finances, felt these grievances keenly. Some unionists and NGO

activists sought to reframe this life-affected employment situation, questioning the state's responsibility to workers' lives as citizens beyond the workplace.[48] This question led to a newfound awareness of workers not solely as labour but also as citizens.

This meaning didn't emerge mechanically. It was constructed through shared experiences and interactions within coalitions, alliances, and networks. NGO activists played a crucial role in framing the workers' role and interpreting opportunities for that role. The conception evolved through labour networks in industrial areas of Java, including Semarang and Pekalongan (see chapter 4 and 6). Initially, this discourse was limited to a few local union leaders, with varying understanding even among central and regional leaderships. Changes in perspective began to spread among union members when local unionists extensively introduced workers' rights to regional healthcare insurance (Jamkesda), the national social security system, educational rights for workers' children, regional budgets for the poor, and the significance of union engagement in electoral politics.

The structure of political opportunities plays a crucial role in shaping awareness and translating it into concrete actions. At the regional level, the decentralisation process offers a fundamental political opportunity for interest groups to engage in local political decision-making. Regional legislative elections and direct elections for regional heads provide avenues for locals to demand accountability, despite the continued dominance of regional elite forces in local politics. The decentralisation process and regional electoral politics create a contested space that enables grassroots interest groups to demand, negotiate, and influence decisions at the regional level. Workers and labour activists' experiences with wage politics exemplify this space, which local unionists view as an alternative arena for promoting workers' rights as citizens and integral parts of a wider community.

In this context, an additional opportunity arose through the flow of financial, technical, and knowledge supports to local activists and unionists, which came from international institutions. Along with the struggles surrounding the impact of the Employment Act, a number of international organisations came with different issues and programs. One of them came from ACILS (American Centre for International Labor Solidarity), an international labour NGO which

48 This tone of question has been raised among unionists and labour activists on different occasions, such as a seminar in 2008 organised by TURC and ACILS which I attended as a facilitator of discussion. It was also mentioned by several union leaders in Pekalongan when I first met them in 2010.

initiated a program for the political engagement of regional trade unions. In 2004 ACILS invited and facilitated unionists from ten industrial regions in Java and one from Batam-Sumatera to engage in a vote educator program (Caraway and Ford 2020, 137). The program provided trainings on the local governments' decision-making process in regional budgeting as well as strategies for political engagement and lobbying (Yulianto 2008), including participation in competing regional legislative seats. Several unions filiated to SPN, FSPMI (metal union), KSBSI, FSP-KEP benefited from this program.[49]

The implementation of the program varied greatly (see chapters 4 and 6). In some regions, unions still retained the negotiation of employment issues. For instance, SPN in Sukoharjo, Central Java, lobbied the local government and regional parliament (DPRD) for a budget increase for improving the regional labour inspection system in order to reduce the violations of labour practices in workplaces.[50] The Metal Union in Batam industrial area succeeded in establishing a more constructive dialogue for general local employment policy. In Pekalongan however, the unionists managed to make a breakthrough in political communication with local governments and encouraged them to increase a social program budget aimed at reducing workers' household economic burdens. Unionists in Semarang have successfully promoted a special regional budget subsidy that allowed local children of workers to be exempt from the school building fee.

Besides ACILS, some other development agencies and international donors such as the Asia Foundation, USAID, UNDP, have also supported the strengthening of democracy at the local level through different programs, including programs targeted at union development. They provide financial and technical assistance to grassroots groups involved in monitoring the planning and implementation of local policies and budgets. In Pekalongan, although the program did not specifically targeted workers' organisations, local unionists took advantage of this to build wider access to health care services for reducing household economic burden of local workers' families and urban poor. This also provided an opportunity for the local unionists to organise a wider movement that involve various local NGOs and grass root associations (see Chapter Six).

49 The four unions came from different industrial regions such as Jakarta, Bogor, Tangerang (city and regency), Bandung, Sukoharjo, Temanggung, Bekasi, Gresik, Semarang (regency), and Malang (Yulianto 2008).

50 The union's experience was presented at the workshop organised by TURC and ACILS in 2008. The meeting was held to promote the active participation of unions and workers in local government's decision making process, local budgeting, and local electoral politics.

Similar steps at the national level took place a bit later, but had a significant impact across regions. Unions along with other elements of civil society found the moment to build a broader movement when they were fighting for the National Social Security System (SJSN, Sistem Jaminan Sosial Nasional). A large coalition named KAJS (Komite Aksi Jaminan Sosial, Action Committee for Social Security Reform) played a pivotal role in this movement. KAJS is an alliance formed by union leaders at the national level together with heterogeneous elements of civil society to push for a universal social security reform**.** Academics, domestic and international NGOs, politicians, farmers, fishers, students' organisations joined the coalition (Tjandra 2016, 138). The goal was to demand the immediate implementation of the Social Security Act (No. 20 of 2004 on the National Social Security System). The act consists of transformation of state-owned companies of social security into public institutions; universal healthcare for all Indonesians; pension scheme for formal workers (Tjandra 2016, 139). For the implementation, a special authority body called BPJS (Badan Penyelenggara Jaminan Sosial, the Social Security Agency) was needed, which merged the existing state-owned agencies that manage social security for formal workers (Jamsostek). The formation of the KAJS alliance marked the shift of the labour movement: from labour issues to citizenship issues at national level (Tjandra 2016, 135-138).

The discourse of this universal social security gradually developed through networks after it had initially emerged among a limited group of activists in Jakarta a few years after the peak of the polemics on the Manpower Act. Discussions and insights from other countries significantly contributed to the acceptance of the idea. In 2009, for instance, FES (Friedricht Ebert Stiftung), a German NGO, organised a group dialogue discussing the necessity of social security as a safety valve to alleviate the burden caused by declining income and job loss, especially in the aftermath of the wave of precarious work spurred by the labour law.[51] They explored the relations between employment and poverty and the potential establishment of an inclusive social movement (Jurnal Demokrasi 2011).

As universal social security emerged as a new concern for most unionists, leaders from SPN and KSBSI initially focused their campaign on insurance issues solely for formal workers (Jamsostek), rather than advocating for universal social security that would benefit all Indonesian citizens (Caraway and Ford, 2020, 72). Due to the efforts of other unionists, however, NGOs, academics, and civil society organisations in emphasising the importance of universal social security

51 It was reported on the Jurnal Sosial Demokrasi 2009 vol 7 published by FES (Friedrich Ebert Stiftung).

and mobilising a broader social movement, the KAJS coalition gained significant momentum.

The KAJS coalition itself was formed in a meeting initiated by Metal union leaders in March 2010 in Jakarta, sponsored by FES.[52] This gathering included leaders from major unions and activists from TURC, a labour NGO (Tjandra 2016, 141).[53] In subsequent developments, politicians from PDIP, such as Rieke Dyah Pitaloka, and academic Hasbullah Thabrany, along with NGOs like Prakarsa, urban poor groups, and the Indonesian Corruption Watch, joined the coalition, strengthening KAJS's bargaining position and expanding the network of alliances (Tjandra 2016, 139-140). While the last two non-union actors played a less dominant role in facilitating this idea, the overall network and alliance positioned KAJS as a symbolic representation of a broad social movement beyond the working-class constituency (Caraway & Ford 2020, 73).

KAJS put pressure on the SBY's administration and encouraged politicians in the DPR to implement immediately the social security system. The main tactics comprised of campaigns, mobilisation, and lobbying. The target was the establishment of a special executive agency (BPJS) which as an authority to execute mandate of the law. In fact, the political process within the government itself had been underway since the Law on National Social Security System enacted in 2004, but the Yudhoyono (also known as SBY) administration was still reluctant to follow up due to budgetary reasons. The political lobbying of KAJS activists with political factions in the DPR had been a breakthrough for this barrier. Campaigns through the mass media and social media platforms such as Facebook, including tens of thousands of signature petitions, were carried out to frame the public opinion including the government. Hundreds of thousands of masses were mobilised on the streets to show the magnitude of the social movement forces. The obstacles launched by the SBY administration also encouraged KAJS activists to pursue legal proceedings, by filing a citizen's lawsuit against the president and his ministers (Caraway & Ford 2020, 73).

52 Before KAJS was formed, the three largest confederations (KSPSI, KSPI and KSBSI) had plans to reconsolidate. A meeting called TUMPOC (Trade Union Meeting for Political Consensus) was initiated by KSBSI in 2009 and received support from FES and ACILS. The meeting discussed many agendas of the Indonesian labour movement including the issue of Social Security reform. The meeting which agreed on the formation of the FreN (National Discussion Forum) as a follow-up step, ended in stagnation after KSPI with the support of FES built KAJS. As a donor, ACILS chose not to be involved in KAJS steps. Likewise, KSPI and KSBSI decided not to get involved in KAJS - although in the end one of the KSBSI factions returned to support KAJS after receiving instructions from KSBSI's founding father - Muchtar Pakpahan. (Tjandra 2016, 147-148)

53 The unions which attended consist of FSPN, KSPSI, PPMI, KEP-SPSI, OPSI, KSBSI, KOBAR, and FSPMI as the initiator.

Their struggle was victorious, but also resulted in fragmentation. On the one hand, KAJS succeeded in winning this struggle when SBY finally agreed to sign the law in November 2011. This has become an important milestone in the implementation of a national social security system. BPJS has been officially running since 2014. All Indonesian citizens have access to health care services, including the right to pensions for formal workers, through a low-cost social security system. Workers in the formal and informal sectors have relatively equal opportunities for the rights. KAJS' action has actually become a milestone for the formation of a popular social movement in which the working class played a substantial role (Törnquist 2022, 250).

Fragmentation, however, within the movement remains inevitable. There have been generally two main groups with different views and sometimes opposing interests (Tjandra 2016, 142-150). The first one was the unions which refused to join KAJS due to different interest and perspective on the institutional scheme of the social security system. Included in this group was a faction of K-SPSI led by Syukur Sarto and a faction of K-SBSI led by Rekson Silaban.[54] SPN, which was initially involved in KAJS, eventually also resigned from the coalition. These organisational leaders who decided not to join KAJS argued that the revision of the existing Jamsostek Law that served the interest of formal workers should be given first priority rather than establishing a new universal social security system. However, another perspective suspected that their attachment to Jamsostek was the major rationale for the refusal as these leaders sat as the board members of Jamsostek. The second group was slightly ideological in their rationale (Tjandra 2016, 150). They mostly came from leftist unions such as KASBI, FNPBI, GSBI which considered the model of insurance agency (BPJS) that characterises the SJSN showed how the state relinquish its responsibility in providing a full social welfare for all citizens. According to these unions, universal social security should be supported by a full funding of the National Budget (APBN).[55]

2.3.4. Workers in Electoral Politics

Electoral politics is another arena outside the workplace where workers sought alternative spaces to increase their political bargaining power. Trade union involvement in electoral politics has been relatively recent, although individual

54 Union organisations in Indonesia are sometimes marked by divisions in which each union continues to use the same name. For example, KSPSI and KSBSI.

55 an NGO, DKR (People's Healthcare Agency Council) which was founded by the former minister of Health, rejected the SJSN and BPJS because the scheme slashed funds that had been managed so far by the Ministry of Health in the form of the Jamkesmas Program (a free healthcare program for the poor).) operated in regions (Tjandra 2016, 150).

workers have actually been experimenting with elections since the beginning of Indonesia's political transition, showing mostly insignificant strength and results. The workers' Go-Politics is arguably the greatest trade union experiment in electoral politics in the last fifty years. Preceded by initial experiment in 2009, trade unions in several regions took a political step by sending their candidates to compete in legislative elections in 2014. The main strategy of this political experiment is to make the trade union organisation the main political engine and mobilise constituents militantly to win seats for their own candidates in the DPRD.

The workers' involvement in electoral politics, generally, has occurred through both direct and indirect representation. In indirect representation, workers and unionists were not the primary political subjects. They entrusted their voices or interest to the others – normally were non-working-class party cadres – who were directly running to compete in the legislative elections or *pilkada* (regional head elections). Therefore, the unions must mobilise their members to vote for these candidates, aiming for victory, in order to get political support in return. Having the political access from the elected parliamentarians or/and the elected governor or mayor or regent will provide the chance for unionists to lobby pro-workers policies. This is how the wage politicisation took place, including their attempts in proposing the draft of regional regulation on employment that I explained above.

However, due to the absence of a strong symbolic representation bond between the workers and the elected individuals, the exchange of interests remains subject to failure. This is an aspect where Pitkin and Laclau might find common ground on the significance of symbolic representation, as I discussed in the Introduction. The experiences of workers in promoting regional regulations illustrate this point. For example, the unionists of SPN in Serang faced challenges relying entirely on the support of the local DPRD, mainly composed of representatives from Islamic parties and middle-class nationalist parties, despite their initial alignment with workers' interests.[56] Similarly, workers and unionists in Pekalongan could not consistently depend on the defense of the local mayor, as he did not belong to the same social class (see Chapter Six). The most notable success in the union's political experience may be the actions of KAJS, where several politicians from the National DPR were actively involved in the activism. A female PDIP politician, Rieke Dyah Pitaloka, along with many

56 SPN branch of Serang relied mostly on the support of Hafadzoh, the DPRD, and Andi Sujadi, the vice governor of Banten who was promoted by PKS and Democrat Party in the Regional Head elections.
https://www.liputan6.com/news/read/104236/taufik-nuriman-bupati-serang-terpilih

others from the middle class with strong connections to grassroots workers, played a pivotal role in the KAJS movement (Törnquist 2022, 250). Nonetheless, workers realised the need for continuous engagement in electoral politics to have a direct impact on their interests, as perceived by some unionists at both national and regional levels.

In regard to the strategy of direct representation**,** the experience had actually begun in the early democratic elections in 1999. However, none of workers' political forces had significant political power, despite the rise of new labour parties. There had been three labour parties who participated in the elections: PBN (Partai Buruh Nasional, National Labour Party), PPI (Partai Pekerja Indonesia, Indonesian Workers Party), dan PRD (Partai Rakyat Demokratik, Democratic People's Party) (Caraway and Ford 2020, 36).[57] In the 2004 and 2009 elections, the situation was relatively the same. There were no significant working-class political parties. The National Labour party which changed PBSD (Partai Buruh Sosial Demokrat; Democrat Social Labour Party) had successfully collected more votes without any contribution to acquire parliamentary seats.[58]

The insignificant working-class political participation in the two elections was caused by the destruction of the political base of the working class in the preceding New Order era (Törnquist 2004) (Aspinall 2013, 112). A survey in 2019 found that half of the respondents at the grassroots of industrial working-class did not agree with the direct involvement of unions in elections.[59] The majority were of the opinion that union leaders should continue to fight solely for welfare issues rather than getting involved in electoral politics. Only a very few unionists in the regions have succeeded in electoral politics, as happened in Pekalongan, where SPN branch leader won a seat in the local DPRD (see Chapter Six). This victory, however, was not a real result of trade union political mobilisation. It is rather a product of the local Golkar Party.

57 The National Labour Party (140,980 votes/0,13%) was established by Mochtar Pakpahan, the founder of SBSI, and independent union in the New Order Era. The Indonesian Workers Party (63,934 votes, 0,06%) was established by Wilhemus Bokha, a unionist from the corporatist SPSI, and Democratic People's Party (PRD) was a leftist party. The Election Commission's also listed some parties such as Solidarity Party for All Indonesian Workers (61,105 votes/ 0,06%) dan Workers Solidarity Party (49.807 votes/ 0,05%). However, none of them gained parliamentary seats in 1999 Elections.

58 The National Labour Party changed into Social Democrat Labour Party in 2004 Elections. It obtained four times higher votes (636,397 votes) than its' own gain in 1999. However, it did not give any significant chance to get a parliamentary seat. The gain even declined in 2009 Elections (265,203).

59 The survey was part of a longitudinal research project that was conducted by Caraway and team in 2009, 2014 and 2019, but it was not presented in our co-authored article (Caraway, Ford and Nugroho 2015)

A significant organised political experiment of the working class emerged in the 2009 elections, even though it was not the work of independent labour parties. This was arguably the unions' first political experiment in which labour organisation were taken as a means of mobilization and carrying legislative candidates from the working class. The idea initially came from the agreement between the SPN national leaders and the politicians of PKS. The party was the most active political organisation in initiating the political coalition, although others such as Gerindra, PDIP, PAN also had similar intention. PKS was an emergent Islamic political party and it was often characterised as a party of the urban Muslim middle-class constituents (Bubalo, Fealy and Mason 2012, 52-62), but it also organised a special wing – JABURTANI – that mobilised the working class, farmers and fishers (Caraway, Ford and Nugroho 2015, 1301). It was through this network the communication of unionists and political party leaders generated the ideas to establish a coalition for legislative elections.

While the political agreement was made in the central level of organisations, the most substantial mobilisation was in the regions. The instructions of central leadership went down to the regions where the branch union established cooperation with PKS branch leaders. The SPN branch in Semarang was one of those which received the instruction and decided to send two labour candidates to compete in the legislative elections (see Chapter Four). The largest mobilisation, however, was actually carried out by the SPN branch of Tangerang City in Banten Province where the only SPN female unionist was chosen to move forward in the elections. Meanwhile, the collaboration between PKS and metal union mainly took place in Batam industrial region, Sumatera.

None of the union candidates in each electoral district ultimately won DPRD seats. Although the female SPN candidate in Tangerang received the fourth largest vote in her electoral district (726 votes), she was eliminated by the PKS cadre candidate who received more votes (Caraway Ford 2020, 138-139). Similarly, none of the candidates in Batam won a seat. Nevertheless, the result in Batam gave another meaning to the unionists from Metalworkers Union. Iqbal, the central leader of the union, who ran for the national DPR legislative by using PKS as the political vehicle, gained 22,865 votes. This was the second highest number of votes and was close enough to the PKS's own candidate who successfully won the national seat (Caraway and Ford 2020, 140). When, SPN ended this failure by deciding not to continue with the union-organised electoral politics experiment following widespread member discontent of the result, their fellows from Metalworkers Union decided otherwise. The way the Metalworkers Union gained large votes for national DPR created a conviction to continue the experiment in the 2014 elections with an improved strategy.

The experience of workers in the 2009 elections revealed some compelling situations. First, the involvement of unions and their constituents in the 2009 legislative elections provided a foundation from which they might be able to gauge the political capacity of the local industrial workers. Second, despite the failures, all unionists realised that local constituents and branch unions in the regions had proven to be a potentially strategic political force that can be beneficial both for the local movements as well as the national organisation. Third, since branch unionists in the regions were closer to the available local resources and they understood better the local power structure, they had a stronger bargaining position against the central leadership in making the decision for their own political measures. For an example, the unionists in Batam made their own decision about whom political parties could cooperate with in the competitions of the local DPRD seats.[60] Likewise, the SPN branch unionists in Pekalongan chose to work with the local Golkar Party in 2009 while the central leadership actually expected them to make cooperation with PKS (See further chapter six).

The workers' participation in the 2014 election marked the next and most significant political development. Several branch unions in the regions used this opportunity to explore their political capacity through independent political mobilisation. In this election, a group of unionists, NGO activists, and academics formed an open political alliance called "Go Politics." It was a political project in which labour activists and union constituents established an independent political force, using the union as a fully political machine. The objectives were to win legislative seats by: firstly, reducing dependence on and the control of political parties; secondly, avoiding the vote-buying practices that characterised almost all political parties in the elections; thirdly, controlling the influence of the politics of religious identity that dominates Indonesian politics; and therefore, fourthly, building political awareness of workers' own class identity (Caraway and Ford 2020, 154). Amidst the tendency of individual workers' engagement in legislative elections, with or without relying fully on political parties, this "Go Politics" independent activism became an important parameter to measure the extent to which the real political character of the industrial working class could be achieved.

The emergence of this movement was parallel with a shift in grassroots' orientation. In regions like Bekasi, where unions could organise themselves

60 In 2009 legislative elections, despite the local unionists of FSPMI (Metal Union) mobilised votes for their central leader who were working with PKS, they established collaboration with different local political parties: PPP, Golkar, and PAN (Caraway and Ford 2020, 140).

in a militant way, workers gained exposure to knowledge and information about how unions engaged in political arena. The workers learnt about how unionists participated in the KAJS's actions through their participation in the demonstrations, as well as through formal and informal dialogues. They learnt about the relations between factory raid and unions' political activism. These experiences helped them to recognise the interconnectedness between workplace-related interests and the necessity of political struggles (Caraway and Ford 2020, 154-155). This was similar to the situation in Pekalongan where the unionists became actively involved in community-based actions such as health service advocacy or pro-poor policies.

Therefore, when the idea of Go Politics circulated, workers and unionists in both places were relatively responsive. The Metal Union (FSPMI) – particularly the Bekasi branch that was supported strongly by the central leadership – played a key role in the Go-Politics movement. As a result of their strong organisation, this idea quickly spread to the grassroots level. Several other unions were inspired to take similar steps, but the SPN Pekalongan was the one which responded immediately to join the network of of the Go-politics. The involvement of Omah Tani, led by Handoko Wibowo (see Chapter 6), who became the 'node' of the network through political training on elections made significant contribution to the integration of the unions across regions in this political experiment.[61]

Go-Politics has become one of the most successful political exercises to build an independent political experiment. Unionists in Bekasi have become able to encourage political militancy of their constituents. Through political training carried out in factories and workers neighbourhood they created political bonds between workers, their families, the unionists, and their own legislative candidates. In the 2014 elections, two unionists in Bekasi managed to win the seats out of union's nine candidates who competed independently. A different experience was obtained by workers and unionists in Pekalongan. They were not as fortunate as their colleagues in Bekasi owing to their failure to mobilise on a large scale. They learnt, however, through this political experiment to strengthen the political capacity and broaden the political awareness of their constituents. This is different from most workers in many other regions, who separate the roles of unions in workplace-based economic interests and the needs of political struggle through wider community-based activism (Caraway, Ford and Nugroho 2015, 1305). Even if they were interested in political and broader community

61 Omah Tani is an NGO organised by Handoko Wibowo, a pro-bono lawyer who lived in Batang, Central Java. He organised the local peasants for defending the rights for land. I describe further the roles of this group in Chapter 6.

issues, activists or workers from such unions – like the ones in Semarang – were often caught up in the strategies of the political parties. Consequently, the political agenda of the union became simply represented pragmatical interest of a few union leaders.

Summary

Workplace-oriented and community-oriented labour movements have long developed in Indonesia through different state regimes. Each political regime contributes to the process of shaping these two types of approaches. Although each of these types in different regimes is categorically the same, they are never completely similar throughout the history of regime change because the stage of development of global capitalism, the economic and political character of nation-states, and the dominant social structure differed greatly from one period to another.

Most types of workers' movements that existed in the colonial East Indies in early 20th century were characterised by anti-colonialism and anti-capitalist. Even though some scholars argued that the revolutionary character of the leftist movement in the colonial period was sometimes lacking, the movements had built these sentiments through narratives of radical class political struggles and, therefore, always established relations between the interest in the workers' welfare and wider socio-political problems induced by colonialism. While unions with religious-nationalism were also equally keen on anti-colonialism, they confined the main struggle within the workplace issues and refused to rise class antagonism.

These union models of activism influenced the emergence of unionism in early post-colonial Indonesia. While industrial capitalism was still in its infancy, the nation-building that dominated national political struggles had increasingly blurred the distinction between unions that focused on workplace-based economic orientation and those with community's orientation. Most of major unions had affiliation to political parties, and had links with grassroots communities. However, the leftist unions had arguably much larger militant constituents, and had a strong political orientation, supported by broad social and political network.

The New Order's transformation which emphasised economic growth through developmentalism supported by repressive political control, had a major influence in restructuring the labour movements in Indonesia. All political orientations of unionism were crushed. Unionism became an integral part of

the overall organisations of state economic development. Although workplace-based economic unionism was the only model permitted by the state, its representational functions were severely limited. Labour control, for political reasons, restricted the spaces for any economic struggle of the working class. The weakening and deprivation of union representational functions undermined the union's leadership and services to its constituents. Union leadership was only a proxy for the interests and control of companies (at the workplace level) and the apparatus of state control (at the national and regional levels). The emergence of NGO activists and other civil society actors in the last decade of the New Order era was a counter-movement to rebuild union representative leadership. This effort revived community-based movements. However, it was only used as an organising space, while the main issue was basic labour rights. Nevertheless, the destruction of leadership and the representation roles, as well as the diversity of working-class struggle models and their organisational culture remains the greatest legacy of the New Order labour regime.

When in 1999 the market economy began to replace the authoritarian state that collapsed due to the regional crisis and global market forces, the character of the labour regime was shaped by the principles of marketization. Under this new labour regime, the labour policies lean towards strengthening a workplace-based orientation. The opportunity to build a broader movement orientation was actually available due to the democratic drives, but the legacies of the New Order's labour corporatism have amputated the political foundations of the existing workers' organisations. This is evident from the failures of political experiments by union activists at the national and regional levels, especially in the first decade of the Reformation period. It is the precariousness, which is the paradox resulting from the labour policy design, which drives the need for unions to expand the space for activism beyond the boundaries of the workplace. The political economic structure formed by decentralisation helps how the movement is organised at the national and regional levels in building these experiments. The experiences of workers and activists in Semarang and Pekalongan, which I describe in the following chapters, show how both of them were involved in community-based experiments, but ultimately shaped how they actually differently positioned the workplace struggle within their movement.