



Universiteit
Leiden

The Netherlands

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

Nugroho, H.

Citation

Nugroho, H. (2024, October 18). *Workplace and community: workers' politics of representation in Semarang and Pekalongan, Central Java*. Retrieved from <https://hdl.handle.net/1887/4103785>

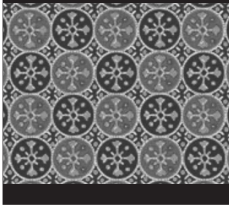
Version: Publisher's Version

License: [Licence agreement concerning inclusion of doctoral thesis in the Institutional Repository of the University of Leiden](#)

Downloaded from: <https://hdl.handle.net/1887/4103785>

Note: To cite this publication please use the final published version (if applicable).

PART II



SEMARANG:
WORKERS AND
WORKPLACE
UNIONISM

Chapter 3

Rural Workers in a Globalised Industrial Region

Introduction

The previous chapter outlined the challenges encountered by Indonesian workers amid the shift to a new labour regime dominated by market-based principles. This transition has led to the rise of flexible employment patterns aligned with market fluctuations. In Semarang, these transformations have occurred as local industries became more integrated into global markets and production chains, accompanied by the widespread adoption of non-standard and flexible workforces. The proximity of industrial sites to the local labour supply sources in rural areas creates a significant interplay between these environments, shaping specific labour types and influencing the character of organised labour. This local-global dynamic distinguishes Semarang from other studies that have often focused on industrial regions around Jabodetabek (Greater Jakarta) characterized by migrant workers (Hadiz 2001; Saptari 2008; Elmhirst 2004; Dahana and Arifin 2017).

This chapter aims to provide a contextual understanding of the activism of workplace-oriented unions and their interactions with their members and the local non-unionised workers. Through the analyse on the interaction between regional economic structures and the rural social environment, I raise a question: how does this interplay shape the fundamental characteristics of the local workforce? This exploration becomes a significant foundational aspect for the ensuing discourse in Chapter four. This chapter also briefly outlines how the overall landscape of labour unrest in the region developed, and examines to what extent the political context has acted as a constraint or an enabler in this regard.

The first section of this chapter provides a concise overview of the historical development of the industrial sectors in Semarang. I emphasise labour absorption and its impact on creating socio-economic categorisations within the workforce. The second section explores the reciprocal relationship between the socio-economic characteristics of the workforce and the interplay between the industrial economy and the social and cultural environment supplying the labour. Job opportunities are shaped by the dynamic interaction of capital's

control mechanisms and the economic, cultural, and social structures of the rural areas that provide the labour. Gender, age and employment skills all influence who is able to access different kinds of work. Localities, community traditions, and family dynamics are utilised by the industrial regime to shape a specific workforce aligned with market dynamics. The third section outlines the diverse interests advocated by workers and their organisations in response to recent industrial and employment transformations. These interests often represent traditional concerns of the working class inherited from responses to previous political regimes. In the fourth section, I explore how workers express their interests through organisational structures in Semarang. Despite some attempts at organisational reform, the legacy of the New Order continues to influence much of the organisational landscape in the region. Furthermore, the chapter discusses how the militant tradition of organised labour is constrained by the local political context, social structure, and cultural traditions in Semarang.

3.1. Industrial transformation and the making of industrial labour force

3.1.1. Industrial growth and labour supply

The early growth of industrialisation in Semarang dates back to 1970s (Wolf 1992, 111). This was a period in which the New Order regime attempted to boost the national economic development by spurring industrialisation, competing with other developing Asian countries (Wie 1989, 135). Although industrialisation in Semarang in the postcolonial era was not as extensive as that in other major industrial regions in Java, it had significance as a growth pole of Central Java's industrial economy since the colonial era (Cobban 1988, 266). Until the 1980s, the industrial development in Semarang remained localised in the regency's capital situated in the lowland area extending to the north coast.⁶² The infrastructure left by the Dutch colonial, including ports and roads connecting the western and eastern parts of Java, played a crucial role in facilitating the growth of this region (Supriyono 2013, 57-58).

62 Until 1906, the regency of Semarang covered all areas ranged from coast in the north to mountainous areas in the south. When the Dutch colonial government adopted the decentralisation policy in order to reduce the burden of the central government, they separated the administration of the central region of Semarang from the entire area of regency. The centre that was close to the coast became a township but was still under the control of the regency. A completely administrative separation just began in 1983 under the Suharto government, and the industrial economic growth began to grow in the south. (Dinas Pariwisata dan Kebudayaan Kabupaten Semarang, 2007).

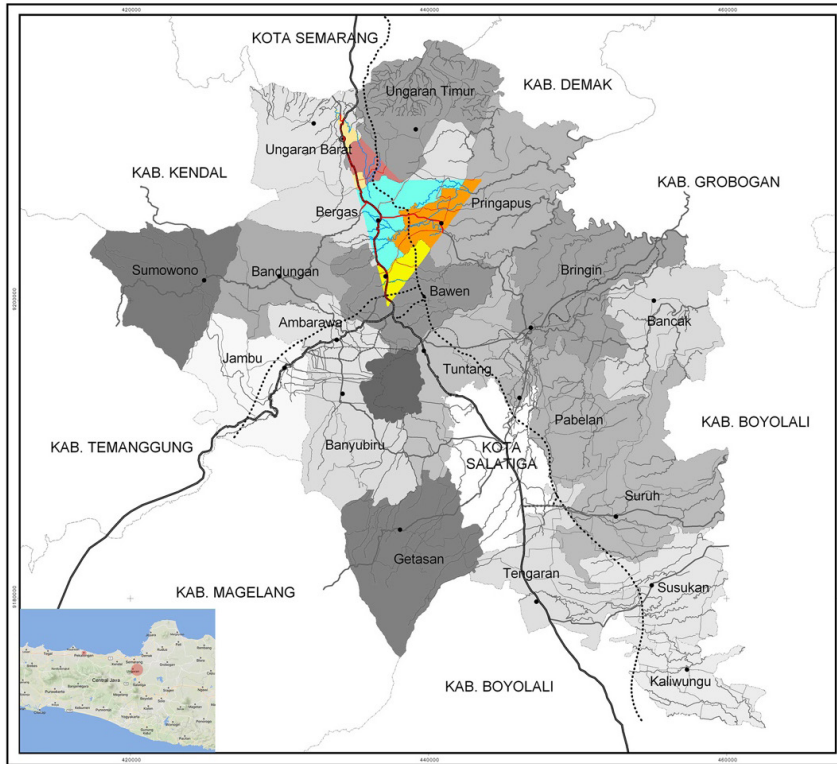
Until 1970s, the highland area in the southern region was predominantly characterised by a rural agricultural economy. However, this region began to turn into an industrial area when it transformed into a distinct administrative region separated from the lowland region in 1983. The central administration of the regency (hereinafter referred to as Semarang) relocated to the District of Ungaran in the South. This strategic move aimed to counterbalance the rapid population growth of the lowland area in the north. A new industrial zone was established in the south, becoming a new axis of the Central Java economy. This axis connects the industrial areas in the north (*Pantura Jawa*) with other economic regions. These regions include Yogyakarta, Magelang, Solo and the surrounding region of Solo Raya.⁶³ The core industrial zone of Semarang, comprising East Ungaran, Bergas, Bawen, and Pringapus, have become integral to this triangle zonation (see figure 3.1).⁶⁴ Semarang is currently divided into two distinct areas: the industrial zone with its semi-urbanised districts along the provincial roads and the “rural backyard”, which still maintains an agricultural economy and serves a major source of the industrial labour supply.

The most intense period of Industrialisation in Semarang took place during the 1980s. Local statistics show a fourfold growth of new enterprises by the end of 90s (BPS 2001, 189). Within a decade, manufacturing industry became the largest contributor to Semarang’s GRDP (37.4%) and has still increased steadily to 40% in 2014, replacing the agricultural sector that fell to the second place (12%) (BPS 2016, 361). The growth of the industrial sector created the second largest source of local employment (11.9%) in 2015 - 66% of whom are female workers (BPS 2016). The massive influx of investments, particularly in garment and textile industries, between the 1980s and early 2000s, had made Semarang and the neighbouring regions in Central Java the second largest garment and textile producers in Java (Sari 2018, 156). Up until 2014, forty-one garment and textiles companies had been established in Semarang. Together they constituted 31% of the local industries, employing 69.7% of its industrial workforce (BPS 2016). Within two years that had increased to 50 companies, contributing 71% of the industrial workforce (BPS 2019). In the last half-decade this growth has become more striking following the expansions of industrial networks originating from the western part of Java.

63 Semarang has been one of the increasingly crowded regions in the north coast of Java in the last few decades. Sub-urban development has been inevitable, accelerating the urbanisation of the corridor between Semarang (City) and the districts of Semarang Regency.

64 Another industrial area was the district (*kecamatan*) Tenganan. The location was far from the triangle economic zone in the centre of Semarang. The industrial economy of Tenganan had more intensive interaction with the nearby city: Salatiga.

Figure 3.1. Industrial 'Triangle' Region in Semarang⁶⁵



Despite both national and local government's intervention in boosting local industrial development, two additional factors accelerated further industry growth and high employment in Semarang. The first was the integration of industries into the global economy. The industrialisation in Semarang became interconnected with the global market and production networks. Foreign companies, including those from South Korea, Japan, the US, and European countries, invested in Semarang-based companies. While domestic investors also played a significant role, producing commodities for global buyers and international markets. The factories spread across the districts (*kecamatan*), recruiting local young individuals for the workforce. Textile and garment producers manufactured products for major brands like Nike, Esprit, Arrow and Calvin Klein, employing thousands of locals as workers. Among these, Ungaran Sari Garment (USG) stands out as the largest garment companies, owning three large manufacturing plants that

65 Source: Peta Batas Administrasi Kabupaten Semarang (Map of Administrative Borders of Semarang Regency), Pemerintah Kabupaten Semarang and Bakosurtanal, 2001.

employs more than eleven thousand workers from Semarang and the surrounds. With the production of over 25 million pieces of exported garments annually, this company, as part of the Texmaco group conglomerate, claims to be the largest apparel producer in Southeast Asia and has an extensive international market network involving major global brands like GAP, DKNY and Tommy Hilfiger. Other global producers have also established their own factories in the region. These include a European shoe-manufacturer and global giants of food and beverage producers such as Coca-Cola and Nissin. In total, there are 160 large and medium-scale manufacturing companies in Semarang (BPS 2018), with many located along the ten-kilometre industrial economic corridor of this region. This economic production corridor reflects the density of the industrial workforce in the area.

The second factor that has enabled industrialisation in the region is the labour supply that has been driven by the transformation of the rural economy. Young men and women from rural families have become less likely to work in farming. Much of the low-skilled rural labour force from Semarang and the surrounds, look for industrial jobs rather than relying continuously on agricultural economy. Many of the young workers I interviewed stated that better wages were the main reason the preference for industrial jobs. Wolf, in her study (1992, 254), also argues that the industrial sector has been a steadier source of income. Local statistical figures also affirm a constant increase of industrial labour demand in the region. Workers in manufacturing industry grew by 49.9% from 2008 to 2017.⁶⁶ The growth is significantly greater than that in agricultural sector which was only 4.05%. The agriculture sector continues to have the second largest labour force.

3.1.2. The formation of labour categories

With an abundant supply of labour from rural regions, industrialisation in Semarang created a distinctive structure of industrial labour force. Local statistics reveal a notable feature: a significant portion of the industrial labour force in Semarang consists of women. The participation of female workers in industrial sector of Semarang increased by 57.68% between 2008-2017, surpassing the growth of male workers, which was 37.11% (BPS, 2009; 2018).

66 It is calculated from the statistical records published by Central Bureau of Statistics (BPS 2009; 2017). The criteria of workforce defined in the statistical books of Kabupaten *Semarang in figures* 2009 is slightly different from that of 2018. The definition of workforce in the book of 2009 includes those at age of 10 years old above, while the 2017 begin from age 15. However, I assume this gap does not make any significant differences in the proportion of workforce in each year.

This feminisation not only reflects the numerical dominance of women in the industrial workforce, but also underscores the nature of labour designed to serve capital accumulation. Feminisation, in this context, denotes a corporate strategy involving the recruitment, training, and control of a substantial female labour force based on socially and culturally constructed gender assumptions, aimed at maximising the extraction of value from this workforce (Caraway 2007). This strategy is rooted in the managerial belief that hiring women is an efficient production strategy, supported by stereotypes about their nimbleness, often attributed to training received within the family for gender-related reasons (Warouw 2008, 110). This stereotype, which imagines women as ‘docile’ is constructed within family, community, and endorsed by the state, is deemed beneficial for the manufacturing industry (Elson and Pearson 1981, 92-93).

The feminisation is evident in the trend of mass recruitment of women, especially in competitive labour-intensive companies related to foreign capital or global production chains (Caraway 2007, 159-160). This is a phenomenon that has been observed in manufacturing companies in Semarang and which I discuss further in Chapter Four. Labour-intensive industries which produce commodities like garments, textiles, and footwear for international export have been characterised by feminisation. This pattern underscores the relationship between the recruitment of female labour, the imperative of labour control and the pursuit of low labour costs. Along the main road of Semarang and rural streets, job vacancy posters are commonly seen on the outside walls of factories and rented houses for workers, explicitly targeting young women or mentioning tasks traditionally associated with female roles, such as sewing or ironing (see Photo 1).



Photo 1: A Billboard for female job vacancies at the roadside of an industrial area of Semarang

In Semarang, the growth of flexible labour, characterised by the widespread use of short-term contract labour, outsourced labour, casual (daily) labour and home-based labour, is evident, with women dominating this flexible labour force. There is no detailed data that refers to each category of labour, but the unionists of Semarang branch, the local workers and shop stewards have frequently admitted the increased preference of companies to recruit women. Statistics from Semarang show that the number of people who worked less than 35 hours per week have increased significantly from 99,930 in 2007 to 276,126 in 2013.⁶⁷ This figure in part shows the increase of part-time workers in casual labour and home-based workers. The statistics, however, only show the tip of the iceberg. The real figures of part-time or flexible labour could be greater than that since part-time labour is not necessarily represented by lower working hours. Some part-time jobs, especially home-based labour, entail long working hours. Moreover, some types of the flexible labour are often interchangeable. Some home-based workers were frequently employed for additional jobs within the factory and were treated informally as casual labour (see Chapter Four). It is this type labour that has increased significantly in Semarang in the last few years (Pieper and Putri 2017). The home-based labour even involved family members on an informal basis, creating a large hidden figure of the actual workforce.

The widespread use of home-based labour is not simply enabled by the existing new labour law, but is also driven by the corporate strategy to survive in a competitive market. By decentralising the production process into homes in rural areas, the companies benefitted from abundant cheap labour, especially that produced by female workers. Thus, this production method enabled companies to lower their labour costs. The companies turned households into extended units of production, resembling a *putting-out system*, drawing blurred line between formal and informal jobs. Thousands of home-base female workers were employed for factory piece-rate jobs without any standard employment contracts for producing export commodities such as shoes, leather sport products, and garments. A European-owned shoes factory located in one of the districts in Semarang was the largest user of this type of labour, employing approximately more than three thousand registered and unregistered workers – represented by thousands of family members – for manual assembling of shoes (Pieper and Putri 2017, 23).

The spatial separation of workplace that intersects with gender-based politics of production has been also a corporate instrument for controlling workers docility

67 The statistics shows a consistent trend of growth and decline of those . See Statistical book series: Provinsi Jawa Tengah dalam Angka (BPS 2008, 2009, 2010, 2011, 2012, 2013, 2014).

and reducing collectively potential resistance. The company segregated the daily activities of the home workers from the factory-life where other types of labour were employed. This hindered interaction among the different categories of workers, and restricted them from sharing factory working experiences directly. On the contrary, the home-based workers conflated the economic production and the everyday social affairs of the family. Thus, the work-related narrative subjects and concerns competes with the everyday family issues. The use of home-based labour has been a critical matter of the rural labour supply, complicating the existing common issues of employment which has taken place within the factories. This creates a complex intertwined relationship between the factory-based workplace and the community where household activities are socially and culturally entrenched.

3.2. Community of Workers and Labour Control

The links between categorisation of labour and the nature of flexible employment that I have explained above show how the market-based labour regime maximises the advantages by extending the range of control beyond factories and reach deep into communities. The interaction between the industrial economy and rural environment is facilitated by their proximity. This means that locality matters. As such, the labour regime has benefitted from the local social structures and values in shaping a typical industrial workforce as a whole that serves the needs for the accumulation of capital. This is not limited to the way the industrial companies mobilise the home-based workers, but also the masses – most of whom are women – supply labour from the countryside.

The significance of locality lies in how local communities and their social units, including families, neighbourhoods, local institutions, and actors, had been utilised by companies to shape the existing labour dynamics. Notably, the population in Semarang's industrial areas primarily consists of local inhabitants rather than migrants. This differs from the typical characterisation of other industrial regions which are dominated by migrant workers. This is evidenced by the low percentage (less than 1.2%) of in-migration to the region between 2011 to 2014. A considerable portion of the locals (11.9%) earned their livelihood from manufacturing industries.⁶⁸ Given this context, it's unsurprising that despite the influx of the younger generation into the industrial sector in Semarang, the industrial working class remained closely connected to families,

68 The largest portion of the local population still relied on these agricultural sectors (19,2%) and those who earned their living from the industrial economy was the second largest (Semarang Regency in Figures 2012 and 2014).

neighbours, friends and local community figures. Many workers residing in this area, have deep-rooted ties to the locality, while others have migrated from nearby regencies and cities around Semarang, such as Magelang, Pekalongan, Kendal, and Klaten.⁶⁹ They typically reside in collectively rented houses or boarding houses with dozens of rooms, situated in close proximity to the factories.

3.2.1. Labour control by space

These social bonds and the spatially residential pattern often served, either directly or indirectly, as a company's medium of labour control. The location of the workers' settlements was one of the channels through which the control was exercised (Warouw 2006). The workers who lived around the factory were sometimes faced with community figures who were used by companies to control workers indirectly through informal power. These workers, particularly the migrants, had been informally targeted of supervision by local figures like village or neighbourhood leaders⁷⁰, local religious leaders (mostly Islamic ulama) (Juliawan 2010, 124-125). The migrants were expected to behave properly according the local traditions which gave the company indirect opportunity to discipline them. In order to quell the potential resistance to the company, the managements established a good relationship with the local figures to maintain the tradition of docility especially among female workers. Religious sermons and Javanese proverbs of politeness were often used by the figures to maintain workers' docility. Combining between Javanese and religious values, the advices emphasise the submissiveness of being a woman both in community life as well as in the workplace.

Although these methods were easier to practice in the community of workers living around factories, corporate control over workers who lived in more distant districts (kecamatan)⁷¹ assumed various forms. The decentralisation of production, described above, was arguably, the most vivid example of how

69 This is different from the categorisation of workers in industrial areas in West Java and Banten. The appellation of migrant is used to refer to those who are from distant cities or regencies, having different ethnic identity from the locals.

70 In rural areas in Indonesia, community leaders take on various roles within the regional government structure. Some serve as village heads (*kepala desa*) or *lurah*, holding official positions in the formal governance system. Others, like neighbourhood leaders, are elected by smaller communities through acclamation or democratic elections. Examples of such roles include heading the RT (*Rukun Tetangga*) neighbourhood association or the RW (*Rukun Warga*) community association.

71 District or Kecamatan is an administrative area that is managed under the regency. Semarang has 19 districts, many of which spread out in the rural areas, relatively far from the factories. Some of the districts have grown into small towns, such as Ambarawa, Bandungan, and West Ungaran, thanks to provincial accesses that connect to other big cities outside Semarang Regency.

spatial politics was exerted by manufacturing companies to control the labour. By transferring one or several units of the production process to households in rural areas, the company not only gained cheap labour, but also reduced the potential strength of organised labour. Through spatial division, workers were separated from other workers in the factory. Thousands of workers, almost all of whom were women, were scattered in dozens of villages within a radius of seven to twenty kilometres from the factories. With this decentralisation of production, companies localised the workers activities at home, involving family members, and separating them from all the dynamics of production within the factories. This has been a spatial and gender-based Intersectional strategy that had reduced the potential for collective resistance (see further Chapter 4).

3.2.2. Family relations and labour control

In addition to the spatial dimension of labour control, the politics of production also relies on family relations as a means to create controllable types of labour. Workers' family members have been the "significant others" through whom the workers attached themselves to the rural life. On the one hand, families have served as a private helping institution for workers' life, and they have also functioned as an instrument that have kept the workers' behaviour within the boundary of local values and their relationship with the local community. In Semarang, many local workers – particularly single women, but also some young married couples – still live together with their parents. A few others live with their siblings who were mostly working in the local factories. The migrants who originated from different districts in Semarang and lived around the factory maintained their relationship with families by visiting them regularly.

The workers' decision to live and make close contacts with their families is a strategic way for socio-economic purposes. It provides a supporting base for dealing with critical economic conditions. Receiving the minimum wage of 1.4 million Rupiah (equal to around 90 Euros) per month was only sufficient for fulfilling the daily basic needs. Families, thus, are a significant safety valve for mitigating economic hardship, especially among the single workers. The parents of workers, – sometimes who are also supported by other siblings – were the main source from whom they borrowed some money for medicine, impromptu educational needs of workers' children, or any other urgent needs. Parents and siblings came to the aid of family members who encountered economic problems. Since many parents earned a living from agriculture and other forms of local non-industrial based economy (traditional markets, stalls, local transportations, including local government offices), they had resources on which the workers could rely temporarily. In a severe economic crisis, like job

termination, workers turned to be the temporary dependants until they found a new job. Some permanent workers had more special privilege by taking loans from corporate cooperatives, but for most workers, family and other personal were the primary source for saving their economic life. Only when family was unreliable to do so, they eventually went to fellow workers or relied on travelling banks (*bank keliling*), *rentenir* or loan sharks (Juliawan 2010, 114-116).⁷²

For some married workers, the proximity of families also functions as an immediate support for childcare. The availability of parents – or parents-in-law – or siblings at home during the working hours is beneficial for female workers who are frequently burdened by Javanese patriarchal values that expect women to take responsibility for childcare (Wolf 1992, 66; Geertz 1989). Therefore, when female workers and their husbands spend their working hours at factories, sharing childcare with parents or other family members is a necessary strategy. This aspect of family help reduced burdens of care for those who were working in the companies without any childcare facilities. Only a handful of factories provided a day-care and “lactation corner” for female workers who could not rely on the family support.

This family support played a crucial role in maintaining the cultural ties and social relations of workers with the traditions of the local community. A number of traditions were rooted in a mixture of traditional Javanese and Islamic values which were reflected both in daily social behaviour and rituals – which were not mostly found in urban industrial communities in Jakarta and its surrounding satellite cities; a region known as Jabodetabek. Workers who still had close interactions with families in Semarang usually attended traditional events such as *Nyadran* which is held before Ramadan, life cycle ceremonies (related to pregnancy, child birth to death), and other typical rituals of agrarian communities such as *Sedekah Bumi* (a kind of thanksgiving).⁷³ Traditional events were carried

72 Some workers complains that the heaviest daily economic burden was the transportation cost, especially for those who lived far from the factories. Only very large and rich companies provided options for their employees: either receiving transportation allowance or using company's bus facilitation for fetching. However, this is not the case for the companies in a moderate scale of production. They only provided a limited amount of transportation allowance which was unable to cover the whole trips. Some other companies provided bus for fetching, but only for limited distances. Some other smaller companies even provided nothing. Many relied on their family members like husbands, parents, children to fetch by motorbikes, or riding public transportation with their own expenses.

73 *Nyadran* is a cultural ceremony that is typically held in Central Java. This ritual mixes Javanese pre-Islamic culture (especially Hinduism) with Islamic traditions. The word *Nyadran* itself was adopted from Sanskrit. *Nyadran* is usually held before the month of Ramadhan – Muslims fasting month. The Javanese in this tradition usually make pilgrimages to family graves, praying for their deceased parents and ancestors. In rural communities, this ritual is usually followed by gathering with family

out, especially in the outskirts areas, but the local residents in workers' settlements in Pringapus, Bergas and Ungaran also maintained these rituals. These traditions, including some other communal traditions, such as *gerebeg* festival dan *bersih desa*, are significant in symbolically reducing the daily problems that workers have to deal with (Juliawan 2010, 117).

The cultural rituals also gave feelings of Javanese-ness with cultural ties to the communities in which they belonged. It also created a horizontal solidarity among the community members (Juliawan 2010, 118). Family has been a central social unit that connects the workers with their communities as the workers participated in rituals together with family members (Wolf 1992). Although migrants in urbanised industrial regions sometimes joined community religious activities such as Qur'anic recitation and study groups (*pengajian*), it did not necessarily embed them in the local culture. This is different from the local workers in Semarang who social and cultural ties to a certain extent represent feelings of community harmony where the roles of parents – including the elders – had been regarded essential in the local culture.

The family roles and the culture of harmony in the industrial areas were often points of contention for labour activists. Union activists, primarily men, faced challenges in mobilising female workers, who made up the majority of workers. Many parents and husbands discouraged women from participating in collective protests, strikes, and demonstrations, often advising them with statements like, “Kamu tidak usah macam-macam” (Don't put yourself in troubles). The prevailing sentiment was that these workers should be grateful for having employment. Family members emphasised the importance of maintaining a peaceful life and discouraged actions that could jeopardise job security.⁷⁴ Challenging employers was deemed unacceptable, and stories of negative consequences resulting from bold protests circulated in the community, reinforcing the idea of the risks associated with collective actions.

For married female workers, avoiding financial dependence on their husbands sometimes led to submission to management rather than risking job loss. Workers

or neighbours. *Sedekah Bumi* is a ceremony that is typical of an agrarian society, especially in Java. This ceremony is carried out as a way of thanking the farmers for their successful harvest. In this ceremony they symbolically surrender some of their agricultural products to the nature. (from the interviews with the local NGO activists, 23 May 2015; see also https://petabudaya.belajar.kemdikbud.go.id/Repositorys/sedekah_bumi/; <https://www.kompas.com/stori/read/2022/06/06/120000679/tradisi-nyadran--sejarah-dan-pengaruh-islam?page=all>)

74 Interviews with Catur, 27 March 2015; Sumanta, 5 May 2015, and similar expression was often implied by some female workers.

with permanent status in large, established companies often avoided collective actions to secure job stability. Many workers set aside discussions of workplace discontent during neighbourhood and family talks, focusing instead on topics like agricultural activities and traditional rituals. While a few active workers or unionists attempted to raise workplace-related issues. Transforming such discussions into collective discontents required considerable effort. Domestic responsibilities, including childcare and household tasks, were often seen as separate from the unfair treatment experienced in factories, such as supervisors' pressures to meet production targets. The perceptions of family and community members regarding livelihood significantly influenced how workers viewed class relations in the industrial economy.

3.2.3. Rural Living Conditions and workers' consciousness

While such competing narratives of the industrial working conditions and the community life – maintained by families and community leaders – reduce the potential development of a strong class consciousness among the local industrial workers and moderated the sense of class antagonism, the structure of the local living conditions reinforces this effect. This is not a direct intervention of the industrial regime, but rather a result of social dynamics of the rural life that create a social setting less prone to conflicts. Some studies show that the way workers lived in poor residential conditions – such as cramped houses in densely populated villages in the main industrial areas of Java, squeezed between factories, with poor water, sanitation, and access to good transportation, coupled with the daily economic difficulties – have been important factors that assert the meaning of being marginalized and exploited workers (Hadiz 2001; White 1993), and therefore intensified the sense of class antagonism. This shapes a shared identity that distinguishes them from other communities with different social classes such as the corporate managers or others who have better socio-economic status.

This is different from the situation in Semarang. Despite the population growth and the urbanisation induced by the local industrialisation, there were no striking contrasts of the living environments between the industrial areas and the rural parts in Semarang. There was no sense of density when I travelled along the villages and industrial zones. Population density in Semarang was much lower than that of other major industrial areas in Java like Tangerang as being shown by Table 3.1.⁷⁵ Workers' houses looked larger and more spacious than those

⁷⁵ As Comparison, in 2013, Tangerang (regency) has 128 medium-large enterprises that produce textiles, garments, and footwears. Semarang (regency) has 47 enterprises in the same sectors (BPS 2014) (BPS 2015)

in Tangerang, Bekasi or even Pekalongan City - which all have fewer factories. Gardens and plantations – both private and state owned – were spread out between settlements behind the factory areas. Houses with rows of rented rooms available for workers were not as large as the ones in other dense industrial regions like Tangerang and Bekasi that were sometimes notoriously named “*kontrakan seribu pintu* (a thousand doors rental house),” representing a high level of density of workers who lived in the area.⁷⁶ The development of worker flats in Ungaran that was inaugurated by the President Joko Widodo (commonly known as Jokowi) in 2015 under his *One Million Houses Program* (*Program Sejuta Rumah*) did not represent any workers’ housing crisis in Semarang since the demand of the housing was not as high as that in Tangerang, Bekasi, and Jakarta. The housing condition in Semarang industrial area and the everyday life in the family and the community did not articulate the workers’ exploitative experiences in the workplace. The feeling of dissatisfaction experienced by workers, instead of being amplified, was actually diminished by their living conditions within the communities and families.

Table 3.1. Density and Number of Population of the Industrial Areas in Semarang and Tangerang

Semarang			Tangerang		
District	Population	Density	District	Population	Density
Ungaran Timur	69,895	1,840	Pasar Kemis	328,455	12,672
Bergas	71,411	1,509	Kelapa dua	227,782	9,343
Tengaran	65,246	1,379	Curug	207,906	7,585
Bawen	57,900	1,243	Cikupa	279,785	6,555
Pringapus	51,772	661	Kosambi	162,241	5,452

Sources: BPS, 2016a; BPS, 2016b

At first glance, workers in Semarang seemed to be in a transitional process, from a rural to an industrial economy. This was evident through the shift of labour from agricultural to industrial sector. Regardless of the three decades of this change, however, the traditional ties between industrial workers and the traditions of rural socio-economic life around the factory have persisted. Rural life has remained significant for the industrial worker as it has helped alleviate their socio-economic burden. Despite the social construction on the industrial workers identities (Warouw 2008, 104-106), their identities as part of the rural

⁷⁶ The high density of workers residential area is often indicated by hundreds of rooms rented by workers who worked in the factories around the area. In Cikarang Industrial area, Bekasi, for instance, such place is popularly called the residential areas with a thousand doors (*kontrakan seribu pintu*) (see, Kompas.com, 7 July 2014)

life have remained intact. This differs from the lives of workers residing in densely populated urban industrial regions, where their harsh living conditions sharply contrasted with the 24 hours operation of factories and the bustling traffic facilitating the global market trade. The workers' hard life was in contrast to the representation of the prosperity of the companies. Such contrasting conditions were not present in Semarang. While the large factories operated continuously and thousands of workers could be seen around the factory during shifts, they returned to a social environment where traditional customs and rural everyday life suppressed potential industrial class antagonisms.

For many local workers, although having an industrial job is an attractive goal, working in factories is sometimes a transitional or alternative phase of personal economic life. For example, a married union leader who was fired from a shoe company chose not to return to the factory after more than five years of employment. Instead, he preferred to make a living by breeding fish instead. A younger woman, who decided to leave her job in the same company finally chose to do another job by selling food in front of a garment factory that employed thousand workers. Other workers combined their factory jobs intermittently with different kinds of jobs separate from the factory. An older home-based worker who sewed shoes in a factory helped her husband selling vegetables harvested from his land to the cities when there was less work available at the factories. Another female home-based labourer in the same generation who worked for an American factory of baseball gloves also had similar pattern of activity. A younger woman took the advantage from the layoffs that she had previously, for caring for her own baby before returning to factory after the next several years.⁷⁷ However, many younger men and women, especially those who were single workers aged below twenty-five, chose to maintain their occupation in the factory and move to work from one garment factory to another. When their contracts expired, they spent the pause of unemployment by relying on the support of their parents who lived with them, before returning immediately to factories.

77 Interview with a former woman worker who worked at USG, large garment producer for global brands, on 17 May 2015.



Photo 2: Farmers at work in a rice field during harvest time in Semarang

In other words, although the labour force in the agricultural economy continues to shift to the industrial economy, this agricultural sector and the rural life remained important as a social and economic buffer for the local workers (see Photo 2). Local workers and residents took industrial occupations and rural life as two mutual-support socio-economic fields. The industrial economy created employment when the agricultural sector had increased limitation in creating economic surplus; while, the latter, along with other non-industrial sectors in rural areas, served to be the socio-economic buffer when the economic turbulence hit the industrial occupation. For those, aged in their thirties and above, industrial work and other typical rural occupations became a socio-economic cycle.

Nevertheless, the mutual-support relations and the rural community traditions were both the essential factors in moderating potential labour conflicts ignited by bad working conditions. Young female workers who were brought up in a conservative Javanese setting, in which husband and parents had a more powerful position, were forced to avoid resistance against corporations. Resistance exploded inevitably only when the working conditions were heavily burdening the socio-economic life of the entire workforce of a particular company. Protracted delays of wage payment, the employer's failure to provide severance payment for laid-off workers, and continued violation in complying minimum wage were some sources of serious grievances that triggered workers' mass protests. Thus, as long as there were no significant corporate threats to the workers' socio-economic threshold that disrupted their life, the community

controls - along with corporate controls – were able to condition the workers to accommodate continuously to the existing working conditions.

3.3. Workplace and workers discontents

Despite complex labour relations that potentially lead to various labour issues, wage is the source of most workers' anxiety. Although workers certainly admitted to troubles with a range of matters, unionists and some segments of labour were likely to emphasise more on wages rather than the other issues. On the one hand, this strong view of wage issues reflects how they assumed wages as the most fundamental element of exchange in employment relations that significantly affected their socio-economic life. On the other hand, this also illustrates the gap between workers leadership and the complexity of the daily problems of the grassroots both at work and in the community.

For the trade unionists, the wage struggle was a struggle to win the increase in the regional minimum wage. The priority on minimum wage even frequently reduced their persistence in fighting for no less crucial issues such as precarious forms of labour, the social security (BPJS), including the unions' experiments in electoral politics. They continuously compared the local minimum wage to that of other major industrial regions outside the Province of Central Java, which were mostly much higher. In 2015, the local minimum wage was 1,419,000 Rupiah (approximately equals to 92 euros) per month. It was the second highest wage in Central Java, but it was indeed much lower than that of Jabodetabek regions and major regions in East Java.⁷⁸

Besides the local minimum wage was the lowest among major industrial regions in Java, the demand of the rise of local minimum wage had been also the union's politics of claim.⁷⁹ The battle of minimum wage had been a strategic indicator of the local unionists to claim the success in carrying out the organisational mandates.⁸⁰ Every end of the year was the most critical period of the unionists'

78 The minimum wage of industrial region in Bekasi (regency), West Java was Rp 2,840,000 (equals to 183 Euro). It was two hundred percent higher than that of Semarang. Meanwhile the minimum wages of industrial regions in Surabaya, Gresik, and Sidoarjo, in East Java were about Rp. 2,700,000 (equals to 184 Euro).

79 One of the reasons why the local unionists pushed the increase minimum wage was their believe in the employers' capacity to provide higher wages. In 2014, the local union, the SPN branch of Semarang, surveyed a number of companies where their members were employed. The survey found that 85% out of 54 companies complied with the minimum wage regulation. Only small companies with less than 150 companies which failed to comply with the regulation.

80 Interview with Andi, the chair of SPN/KSPN Branch of Semarang on 15 April 2014; Interview with

leadership as they struggled to win the minimum wage increase in the negotiation with the employer association and the local government (see also Chapters Two and Four).⁸¹ The mobilisation of workers mass at every end of the year had been a strategic tactic for winning the unions' pressures over the local government and employer association on minimum wage.

Another wage issue was more localised and observed at enterprise level. This issue was raised by workers and union representatives of particular companies and concerned local working conditions. The raised issues were mostly about delayed payments of salaries, lower wages compared to regulated minimum wage and poor wage components such as poor overtime payment, lack of meals and transportation allowances.⁸² These mostly occurred in the companies where unions were powerless against the employers. Most of these discontents turned into small-scale localised disputes within each factory. Only a few developed into mass collective actions, involving hundreds of workers as shown in table 3.2. Workers who were organised by strong union at enterprise level raised an issue that was close to the union's typical voice: demanding higher wages than minimum wage. But this is a rare case among the workers of dozens of companies in Semarang. The only largest protest was the one that hit a European producer of shoes in 2013. It was considered as the first and the last largest factory strike in Semarang since the Reformation Era (see Chapter 4).

a shop steward, union leader at the company produced sport leather gloves, 25 March 2015.

81 The decision of the new minimum wage for the following year is normally made during October to November annually. The representative of unions negotiates the new minimum wage through the local wage council with the representatives of employer association (APINDO), the local governments, and the university academicians.

82 Interviews with a migrant worker employed by a local garment producer for Nike brand on 2 April 2015, and with a former female garment worker who currently sells foods for factory employees during lunch breaks, on 11 April 2014.

Table 3.2. Major Labour Protests between 2013-2017 Occurred within the Factory in Semarang (Regency)⁸³

Year	Product manufactured	Issues of labour conflict	Form of protest	Workers involved ¹
2013	Shoes	Demanding higher wages (than minimum wage) for workers with more than one-year employment	Strike	2.500
2015	Garment	Low overtime payment	Strike	600
2015	Agrochemical	Violated minimum wage regulation; including the elimination of short-term contract labour, and the prohibition of establishing union	Strike	400
2017	Garment	Unpaid overtime payment and severance payment for the laid-off workers	Strike	1.200

Local home-based workers raised other demands regarding wages. This was a complex wage issue as it was related to the nature of employment of this labour. Wages were paid by a piece-rate system so that they varied among workers depending on the level of productivity. However, the highest wage rate for a highly productive worker was only close to that of regular workers who worked in the factory with a standard workload, whereas the home-based workers spent longer working hours for the production. They were also burdened by domestic tasks since the majority of them were female labourers. The consciousness of the exploitative dimension of this work came to surface thanks to the activism of local NGOs that introduced them to labour rights. Since then, wage grievance among these workers was explicitly expressed in front of the employers.

Another common issue stemmed from the everyday practices of the labour process. This issue received less attention from many unionists. These grievances revolved around the pressure of production targets, particularly in garment productions aimed for international markets. Workers, especially those in garment production, were highly vulnerable to unforeseen changes in production targets due to fluctuating pressures in market competition. These changes often led to extended working hours. While many workers were pleased with the higher income from working overtime, those working for more despotic companies received lower pay. While workers from a few companies boldly fought against such practices (as presented in Table 3.2), many others

⁸³ Sources: KoranTempo.com 31 January 2013; Tribun.com 16 February 2015; Elshinta.com 16 April 2015; Krjogja.com 30 January 2017;

remained silent.⁸⁴ This issue also extends to home-based workers. The increase in workload in the piece-rate system due to increased production demand did not result in a significant increase in wages, even though this pressure reduced the time available for domestic affairs within the family (see Chapter 4). The structure of employment relations and their dependence on their work places them in a vulnerable position to resist the pressure of production targets.

Advocacy on community issues and experiments in electoral politics are two other important factors that are unsustainable and which are no longer discussed in the long term. Although they have the potential to integrate workers divided by production strategies, they did not have a real effect on constituents or labour organisations themselves. This mainly refers to the case of homeworkers who are marginalised due to the spatial-based production strategy. This also emphasises the exclusionary impact of union members' excessive concern with wage issues in isolation from other equally important issues.

3.4. The landscape of local organised labour

3.4.1. The emergence of new unions and the legacy of authoritarianism

The post-reformation Semarang period witnessed the growth of new labour organisations. While most of these unions were connected to the organisation established by the New Order regime with the goal of depoliticising unionism, they were currently undergoing a transformation into new entity. Some of them were still strongly influenced by past organisational culture, but some others were dismantling it by various ways.

Among the existing organisations in Semarang, eight were sectoral federations that still operated under the confederation of SPSI (KSPSI) (see table 3.3), referred to Caraway (2008, 1372) as legacy unions—state-backed unions inherited from the previous nondemocratic regime.⁸⁵ The other six unions (including SPN and KSPN) were newly established during the Reformation Era, but had *historical link* to the older SPSI. The establishment of these unions was initiated by members who had seceded from SPSI for independent unionism in

84 It was also mentioned by a worker who is working for another company which produced garments for global brands (interview with Ana, 24 March 2015).

85 These are SP-RTMM (the union in the industries of cigarettes, tobacco, food and beverages), SP-PAR (union of tourism), SPTI (union of transportation), SP-KAHUTINDO (Forestry Union), TSK (Union of Textile, Garments, Leather), SP-KEP (Union of Chemical, energy, and mining), SP-PP (Union of Plantation), SP-NIBA (Union of trading, bank, insurance and services).

the early period of Reformation. The remaining two unions are the only fully new unions with very small number of memberships (FSBI and independent enterprise unions without any affiliation at national level).

The composition of labour organisations, dominated by the unions under KSPSI (The Confederation of SPSI), reflects the enduring influence of corporatist values on the organisational culture of unionism in this region. The chair of the KSPSI branch in Semarang, overseeing eight union federations, acknowledged that these organisations maintained the principle of *industrial harmony*. This conception was the core value of the Pancasila Industrial Relations System, the past political cornerstone of the New Order regime for controlling unionism (as outlined in Chapter 2). Antagonistic actions in employment relations were explicitly discouraged. Consequently, the local KSPSI rarely participated in joint demonstrations with other unions as it contradicted organisational traditions. Moreover, there was no record about the strikes organised by any union under this confederation. He cited the doctrine inherited by his senior predecessor: “KSPSI emphasises the principle: *ngluruk tanpa bolo, digdayo tanpa aji* [the traditional Javanese value meaning: attacking opponents without mobilising the mass force, winning without embarrassing opponents]”.⁸⁶ Therefore, companies with KSPSI members appeared calm, although he admitted that KSPSI members in some companies faced problems such as manipulation of wage components and severance payments. Since the organisational resistance capacity was never cultivated, members were unable to challenge unfair corporate’s decisions. Instead of establishing the traditions of bottom-up expression, KSPSI maintain the old principle “*bina, lindung, sejahtera*” [foster, protect, welfare] which implied a top down leadership rather than the other way around. The term *bina* was typically used by the state apparatus during the New Order regime for fostering people to behave according the state’s acceptable values. In the KSPSI culture, the word *bina* was employed to shape a set of particular behaviour of the members to conform the union major value.

86 Interview with the chair of SPSI confederation (KSPSI) branch of Semarang, 6 May 2015.

Table 3.3. Trade unions in Semarang Regency (2015): sectors and relationship with (K)SPSI

Trade Union	Sector	Relationship with the SPSI ²
<u>KSPSI (confederation)³:</u>		
FSP RTMM SPSI	Cigarette, tobacco, food and beverage	legacy
FSP PAR SPSI	Tourism	legacy
FSP SPTI SPSI	Transportation	legacy
FSP KAHUT SPSI	Forestry and wood	legacy
FSP TSK SPSI	Textile, Garment, Leather	legacy
FSP KEP SPSI	Chemical, Energy, Mining	legacy
FSP PP SPSI	Agriculture and Plantation	legacy
FSP NIBA SPSI	Commerce, banks, services, insurance	legacy
SP BUN	Plantation	linked
SP FARKES Reformasi	Pharmacy and healthcare services	linked
SP KAHUTINDO	Forestry and wood	linked
FSP KEP	Chemical, Energy, Mining	linked
SPN	Textile, garment, leather, and others	linked
KSPN	Textile, garment, leather, and others	linked
FSBI/SPI	Multi-sectors	independent
Enterprise unions	Various sectors	local unions

Source: *Disnaker Kabupaten Semarang*, 2015, with author's own categorisation

The presence of local KSPSI, although not entirely decisive, had influenced the dynamics of local labour movements. Despite its large membership (11,043), covering one-third of the total regional union membership, it did not necessarily translate to strength. Other unionists even perceived them as disruptive to the local workers solidarity. This was evident in the negotiation process at the local tripartite body, especially in determining the minimum wage increase. The unionists of SPN branch in Semarang criticised the KSPSI's accommodative attitudes, avoiding prolonged resistance to the local government and employers' association, creating difficulties for other unions to establish the solidarity to achieve their collective demand. As a result, the unions almost never achieved the targeted increase of minimum wage.

The Semarang branch of SPN, the largest organisation in Semarang with 28,469 members, was slightly more active than the other local organisations. Local SPN unionists played a leading role in collective actions during the annual minimum wage negotiations. The different orientation SPN – compared to the SPSI – is rooted in the history of the union itself. The formation of SPN in 2003 was stimulated by the dissatisfaction of SPSI members from the organisation for textiles, garments and leather (SPSI-TSK) with the failure of the local SPSI to

establish a democratic unionism. The unionists then tried to establish a new form of organisation by the foundation of SPN. However, despite some different new values, they still faced challenges in building a new form of militant unionism. The cultural legacy of the authoritarian regime, firmly attached, remained a major obstacle. This local force of SPN did not even last long, following the split of this organisation in 2014 due to power struggle among its national leaders.

The collective strength of the labour movement in Semarang does not solely rely on the collaboration of SPN and KSPSI as the two largest organisations in the region. SPN in Semarang also collaborated with unions from other sectors, such as the Healthcare Union (Serikat Pekerja Farmasi Kesehatan Reformasi/SP Farkes Reformasi) and the Forestry Union (Indonesian Forestry and Allied Workers Union/SP Kahutindo), driven by their common history of breaking away from SPSI and the resulting shared interests. Some labour coalitions were also established between them which were mostly dedicated for mobilising the local forces against local government in minimum wage negotiations. While the local organisations of KSPSI mostly avoid to join actively the coalitions, the local SPN engaged several alliances such as ABKS (Aliansi Buruh Kabupaten Semarang; Semarang Regency Labour Alliance), and GERBANG. The unionists of SPN also participated in the network with local NGOs such as Yasanti (NGO for women advocacies) and LBH (Lembaga Bantuan Hukum/NGO for legal advocacies). Nevertheless, most of the collaborations unstable and not well-institutionalised, unlike the wider networks of organised labour in Jabodetabek regions, which actively responded to various labour issues (see Chapter Two). The tendency of the local unions in Semarang to focus narrowly on workplace matters had been the constraints for establishing a stable wider movement as I describe further in chapter 4.

3.4.2. The local political context

The development of labour organisations is inseparable from local political contexts which encompasses both historical and contemporary dimensions. Militant labour movements, particularly those organised by leftists, thrived in northern part of Semarang during the colonial and early-post colonial era (see Chapter Two). The destruction of these leftist movements, however, by the New Order regime weakened this militant labour movement, and since then, any labour-related activism has been closely monitored. The state apparatus – especially the Diponegoro Regional Military Command which – played a major role in controlling such activities (Juliawan 2010, 87).⁸⁷ In 1993, for example, the

87 The Military Command itself had been a reputable institution which spawned some nationally

New Order security apparatus banned student activities commemorating May Day, deeming it a representation of the suspicious leftist movement (Juliawan 2010, 87). The strategic geographical location of this military command, situated between the northern and southern parts of Semarang, further ensured political silence.

The military leadership of civil society has been dismantled in Indonesia's democratic era, opening political opportunities for people's participation in local politics. Local politics, however, have not been entirely conducive for the development of unions' agendas due to the dominance of local elite power. Since the beginning of the Reformation era, the New Order's major rival party, PDIP, has continuously won seats in the local parliament (DPRD Semarang), replacing the dominance of Golkar, the ruling party during the New Order era. PDIP has a strong historical root in Central Java, especially in Semarang (Lay 2019).⁸⁸ However, despite to be the party of 'ordinary people' (*wong cilik*), the emergence of this new political power has not provided a wider channel for local workers to establish a strategic political alliance.

The attempts of unions to garner political support from the local working-class even remained difficult due to the effect of past regime's policy of de-politicisation. In the second democratic legislative election in 2004, workers established a political party named PBSO (Partai Buruh Sosial Demokrat; Social Democrat Labour Party). This was a regional branch of the national level political party established by Mukhtar Pakpahan, a prominent rival labour leader during the New Order era. When the party of the Semarang branch participated in pursuing a regional parliamentary seat (DPRD of Semarang Regency), it only managed to collect 761 votes, representing 0.15% of the total votes contested in the region, and failed to secure local parliamentary seats. Subsequently, there

prominent political and military leaders in the New Order era, including Suharto, the leader of the New Order regime (Abdulgani-Knapp 2007).

88 PDIP (Indonesia Democratic Party of Struggle) was a transformation from the old PDI (Indonesia Democratic Party) that was established by the Suharto's New Order. The foundation of the party dates back to the fusion of several parties which had been established since the early postcolonial Indonesia. The goal was to give a greater power to the New Order regime to control the political climate and reduce the fierce political contestations. Some nationalist parties such as PNI (Indonesia National Party) which was established by the first Indonesia's president, Soekarno, IPKI, Parkindo, Partai Katolik, and Murba, were fused by the regime into a single party, that is PDI. The pro-democratic faction, which was mostly made up by the Soekarno faction, within the party continuously struggled to establish an independent political party. They eventually established an alternative political party, PDI-P, three years after the failed bloody ambush launched by the PDI pro-New Order faction supported by state security apparatus in 1996, which was aimed for dismantling the alternative democratic forces (Eklöf 2003) (Lay 2019)

were no more organised political attempts by unions in regional elections until local SPN leaders made initial experiments in 2009 elections with almost the same failure.

The young leadership of local SPN attempted to establish personal communications with local politicians, particularly from PDIP, but it never developed into an institutionalised political alliance. This contrasts with the situation in Pekalongan, where unionists informally succeeded in establishing a political alliance with local Golkar Party. This is discussed further in Chapter Six. This paved the way for the unionists to connect with local elites and provided leverage in dealing with local government bureaucracy. Since the unionists in Semarang lacked such institutionalised social and political capital, they were unable to establish strong position against the local government.

Almost all local unionists' political experiments beyond the workplace activism were not deeply rooted in the constituents of the union. The only non-workplace experiment that created an impact, albeit to a very limited extent, was the community-based activism sponsored by an international donor. It was five years of union's advocacy on the educational access for local workers' family. However, it was also unsustainable due to the failure to organise independent resources. These non-workplace experiments have disclosed the complexities of the conception of community within the union activism, and demonstrated how the perspectives and the actions of the local unionists were also influenced by capital strategies in production relations, local state policies, and the legacy of corporatism within the local labour movement.

Summary

The core question of this chapter has revolved around how the link between the rural and the industrial economy creates a social context that shapes the emergence and the dynamics of the local labour movement in Semarang. Workplace-based interests have become a central focus of workers' economic goals, organisational struggles, everyday discourses and a major source of disputes in this region. These interests grew and were sustained by traditions and structures within the labour movement itself, influenced by the complex interplay between the industrial economy and rural life which is reflected in the dynamics of workers' life.

The industrial economy in Semarang has grown due to the presence of an abundant rural labour force. The integration of local circumstances with the industrial companies under global production chains and international

markets has created employment opportunities for many local workers. This growth overcame the economic saturation that hit the agricultural sector. It has overcome the risk of unemployment, and has become a relatively stable source of alternative income, hindering rural people from drowning into severe poverty or full proletarianization (cf. Wolf 1992, 252).

However, this condition requires some social costs. While various kinds of workers can access employment in the industrial sector, they often face highly precarious jobs, both within factories and in home-based industrial works. Although women have more opportunities for industrial work, this selective employment was primarily a capital strategy to reduce labour costs and to enforce labour discipline. Such strategic labour criteria are widely adopted by industries operated in highly competitive global market and production.

This is where locality becomes an important part of this strategy. A previous study affirms that the local rural labour force provided an advantage for the capitalists to control due to their relative docility and the tendency to be less militant (Silvey 2003). Local workers' close ties to family-based social relations and other local social networks such as kinship and neighbourhood have funnelled the capital controls, confining especially the capacity of workers – particularly women – challenge their employers (Silvey 2003, 144-148). Nevertheless, the submission of workers, particularly women, is not solely caused by the gender and patriarchal relations embedded in the social institutions within the community but also by the exchange of interests between industrial capital and family (Wolf 1992).

The availability of rural workers, especially young women, creates socio-economic resources for exchange between the locals reliant on the rural economic sector and the industrial companies. The industries are seen as saving the village economy from the stagnation in employment and worsening poverty. Conversely, the rural economy, including agriculture and secondary economies linked to it, acts as a buffer for industrial workers when they were hit by economic turbulences such as layoffs or healthcare costs, etc. Since parents or other family members withstood in the rural sectors, they serve as reliable social support for workers.

The industry benefits, however, not only from the supply of labour, but also from the workers' socio-economic dependence on their families. The first benefit was that the structure of relations allows companies to suppress low wages (Wolf 1992, 251). Secondly, it is this dependent relation that also reinforces the traditions of children docility – especially the daughters – towards parents and husbands (for those who are married). The tradition of obedience becomes an instrument for the family to compel the workers to maintain their jobs that

benefit for family and the entire community. Such relations have been becoming stronger today, especially with the spread of precarious labour markets where job security has become a significant struggle for workers. For the locals, both families and workers perceive that maintaining employment was more beneficial than challenging employers for only marginal improvement in working condition. They are inclined to avoid any form of resistance that might jeopardise their job security, although in fact, the workers' everyday discontents were varied and no less important. Maintaining employment is always perceived as crucial for the sustainability of collective income. Avoiding Layoffs and the descent wages, consequently, became a central issue for workers and the unions in employment relations.

This is how wage issues, including job security, becomes the ground upon which the unions define and institutionalise the workers' interests they fight for. This perspective maintains and re-articulate the concept of interest formed by the New Order labour regime in the past. Therefore, I presume that the tendency to limit the focus of workers' interests to workplace issues is also reinforced by the way the local workers and the unionists established their movements and defined their constituents. It also explains why they have remained consistent in their orientation amid changes in the structure of the labour force resulting from the development of current market-friendly labour regime. They even persisted despite the opportunities to build community-based activism and political experiments. These issues will be discussed further in the next chapter which examines the dynamics of how unionists and workers informal-leaders in Semarang, who maintained workplace-based activism, grapple with the complex categories of labour created by the company's production structure, fighting for their interests of constituent they claimed.