

# **The situation for workers 10 after the fall of Suharto (2)**

10 Years after the Fall of Suharto - Views from the People's Organisations

Tuesday 24 June 2008, by [Lqbal](#) (Date first published: May 2008).

**The following is a translation of one out of a series of 13 interviews with leaders of labour, peasant, fisherpeople, urban and rural poor, environmental, student and social-political organisations in Indonesia around the theme "Ten Years after the Fall of Suharto - Views from the People's Organisations", which appeared in the first edition of Jurnal Bersatu (Journal of Unity). Additional interviews will be posted as they are translated - James Balowski.**

**[For the complete set of translations as reproduced on ESSF website, see: [10 Years after the Fall of Suharto - Views from the People's Organisations](#) ]**

## **Introduction**

The following discussion was written based on interviews conducted by *Jurnal Bersatu* (Journal of Unity) editorial staff with a number of people's organisations. The spectrum and "political groupings" along with the sectors and class of organisation were several of the considerations in the choice of the groups that were interviewed. Nevertheless there were two organisations - the People's Movement Alliance for Agrarian Reform (AGRA) and the United People's Party (PPR) who on the eve of the publication of this journal were unable to be interviewed.

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## ***Labour organisations***

### **Lqbal, President of the Indonesian Metal Trade Workers Federation (FSPMI).**

In terms of issues, the labour situation post-Suharto has not changed much. In terms of implementation, it is worse now than during the Suharto era. In terms of concept, currently there are both positive and negative aspects. For example,

the articles on outsourcing in Law Number 13/2003 on Labour can be used to eliminate outsourcing in companies where SPMI members are working, by changing SPMI workers who are affected by outsourcing through labour contractors who do not have a work relationship with the job provider becoming contract employees, but it can also be interpreted as being in accordance with the employer's interests in justifying outsourcing.

### **The principle issues facing labour**

The FSPMI leadership meeting held on February 5-7, 2008 decided that there were four main issue facing the labour movement: 1) amending Law Number 3/1992 on Jamsostek (state-run workers insurance scheme); 2) changing the regulations on contract employees and opposing outsourcing 3) a decent national wage; and 4) supervision, which tends not to function because of the regional autonomy process.

### **The current state of the labour movement**

Objectively, there is an opportunity to increase consciousness within the labour movement because, first, the law has already provided the space for this, and secondly, the strong desire to join a trade union. Nevertheless there is a weakness, the large number of trade unions at the moment - there are 98 federations, three confederations and 146 national trade unions - making it easy for the labour movement to be disunited. In addition to this, political consciousness, with regard to the danger of the law on foreign investment for example, is also not very high.

### **Labour movement unity**

Labour movement unity is a permanent necessity because the working class faces the same issues. The working class itself already understands the need for this unity. But this unity cannot be only based on momentum, but rather must be sustainable, so that the working class has a strong bargaining power both against the government as well as the movements.

There are four main obstacles to labour movement unity in Indonesia. First, the majority of attempts at labour unity have been driven by outside parties, such as non-government organisations (NGOs) or the government, for their own interests, so that when their needs are fulfilled, these outside parties

then seek a new format. This obstacle will disappear if and when unity is driven by the permanent needs of the working class and organised by workers themselves. Secondly, there are differences. Structural unity of all federations or trade unions is an impossibility. What can be undertaken is cultural unity, like a non-aligned movement, where unity is based on a similarity of interests and issues. Attempts at this kind of unity have actually already been undertaken, but have met failure, because they were structured in a premature fashion, so when there was a section that was not part of the structure, they felt uncomfortable. Third, financing must not depend on an outside party, that way it will not be constrained by the interests of the party providing the funds. Fourth, although the labour movement cannot be active at the same level as national political figures, initially, there is a need to involve figures that have significant influence in the individual federations.

Although the labour movement needs to involve broader layers of society, it must still have its nucleus in the movement. In Sweden for example, out of its millions of people, only two hundred thousand people are organised, who continue to develop the values of social justice.

### **Aims of the struggle**

The final goal of the Indonesian people, including the labour movement within it, is a welfare state. In order to move in such a direction it is necessary to do so in stages. First, a collective consciousness must be built that workers are a part of the mainstream of the nation and the country's life, so that laws and government policies must include the interests of labour. In order to build this collective consciousness, workers must strengthen the movement and organise the masses in even larger numbers. Here, unity and contributions are also important. Second, social security is important in moving towards a welfare state, because it is impossible to have good investment without social justice and social security. Certainly Indonesia already has Jamsostek, but the working class has not been part of this.

Jamsostek itself has quite a significant potential. Jamsostek currently has only covers around 25 percent of the work force, that is 8.1 million workers, and already amounts to some 54.4 trillion

rupiah, whereas according to the National Statistics Agency (BPS) the potential participants in Jamsostek are 33 million or 26.8 million in 2007 according to the Department of Labour. If all workers were obliged to join Jamsostek, the amount could reach 200 trillion rupiah. Similarly, if severance pay reserves were taken out of the companies' coffers, the total would be almost 268 trillion rupiah and if pension fund insurance was operated properly, the total would be almost 500 trillion rupiah. If all of this was consolidated, the total would be almost 1,000 trillion. If this operated properly, the government whose annual budget deficit in 2008 was 89 trillion rupiah would no longer need the International Monetary Fund (IMF) for the World Bank. The government could spend funds from these social security institutions on development and covering the deficit. But this of course would require tight control and the money would have to be returned to workers and the public in the form of free education, healthcare and so forth.

The free market policies that are currently in place are a consequence of a state administration that has no character or ideology. The leadership style in Indonesia at the moment is transactional in character, meaning it is only able to negotiate. One of the consequences of this, is that the concepts of social justice that already exist in the 1945 Constitution have been lost through amendments, that are then degraded in various laws such as the law on capital investment and so on. But also we cannot avoid the tide of capitalism and globalisation. What is important is how to create social justice in the flow of investment that enters the country. Here is needed a leadership with a character and ideology.

### **Political parties**

The formation of a labour party is one of the choices for labour to struggle for its political goals. But this must be preceded by a process of consensus building. First of all, the majority of trade unions and elements concerned with the workers movement must hold a convention to discuss whether it is important to have a labour party. Such a convention would not be to make a decision, so it should produce a kind of small team to hold a referendum among workers - and if it is not possible to include all workers, then it could just be those workers that are organised. If through such a

referendum, the majority agree to a party, the team would then report this to the convention, which would then discuss the issue and decide on the establishment of a party. After there is a party, even if in its political work it receives support from trade unions, the trade unions must remain independent, for example, a person who holds a position in the party cannot hold a position on a trade union. With regard to previous party building attempts such as Papernas, and so forth, the weakness was that it was not done through a large meeting conceived by collective consciousness, whereas this collective consciousness needs to be built first and this is why a sustainable cultural movement becomes important.

### **The 2009 elections**

There are three ways for the working class to struggle for its political interests. First, by entrusting the concept with the existing political parties. This is difficult because there are currently no parties that can be expected to struggle for this concept. Second, by placing trade union people in a political party. This requires training, because there is no guarantee that the people that are placed in the party will take up the interests of their trade union. Third, by establishing their own political party to take up the interests of workers.

With regard to the 2009 general elections, the working class could: 1) elect, if they exist, workers who want to enter the parliament, regardless of their party; and 2) side with parties that declare that they wish to take up workers' interests. On this second option, it is indeed difficult to differentiate between parties that are serious and those that are just talk, but this represents a form of training. If workers are unable to channel their political interests through the 2009 elections, there is still an opportunity in 2014, but this must be accompanied with hard work organising collective consciousness, through a large meeting and a referendum, to reach an agreement on whether there is a need for a labour party or not.

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### **P.S.**

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\* The INDOLEFT news service is produced by the Institute of Liberation, Media and Social Studies (LPMIS) and the Asia Pacific Solidarity Network (APSN).

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