

# How the labour movement helped defeat pro-business legislation in India and Indonesia

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**At the end of 2021 in Asia, two hard-fought movements saw their efforts bear fruit as workers saw victories in India and Indonesia against government moves to reduce labour rights in the name of economic growth. In India, protests [led by farmers](#), who for more than a year occupied streets across the country, forced the government to [repeal its notorious farm laws in November 2021](#).**

Meanwhile, in nearby Indonesia, the largest country in South-East Asia and the fourth most populous country in the world, a judicial case submitted by a coalition of labour, environmental and religious organisations, led the country's Constitutional Court to rule that the process for passing the [pro-business, anti-labour Omnibus Law on Job Creation](#) did not meet the "[principles of transparency established by the 1945 constitution](#)". As a result, part of the law has been suspended and judges have given the government two years to revise the law or have it formally declared unconstitutional.

After years of setbacks for civil society in both countries, these victories have helped to reinvigorate their respective labour movements. The ability to maintain pressure over long periods of time, build broad-based coalitions, and use legal channels proved key, and labour leaders in India and Indonesia hope to continue to push for governments to respect, and perhaps even enhance, workers' rights.

"The labour protest was an important advocacy movement, which is part of the people's effort to change public policy," says Elly Rosita Silaban, president of the All-Indonesian Trade Union Confederation (KSBSI).

## **Modi and Widodo: pro-business and anti-labour**

India and Indonesia are among the Asian countries hit hardest by the Covid-19 pandemic, both economically and socially. For pro-business leaders such as [Prime Minister Narendra Modi of India](#) and Indonesia's President Joko 'Jokowi' Widodo, it was an opportunity to quickly push labour reforms through their respective parliaments without proper public consultation.

"With the pandemic, the basic rights of workers have been eroded," says Nining Elitos, general chairperson of the Kongres Aliansi Serikat Buruh Indonesia (Congress of Indonesia Unions Alliance, or KASBI).

In India, the farm bills, which would reduce farmers bargaining power, make contract farming easier, and put farmers at the mercy of corporations, passed in September 2020, while Indonesia's Omnibus Law passed the following month. At over 1,000 pages long, it is the biggest amendment of Indonesia's legal code in decades, modifying 79 different laws that govern not only labour, but also [land use](#), [the environment](#), [Indigenous rights](#) and much more.

In Indonesia, one major concern was how the Omnibus Law was passed. The bill was [drafted in](#)

[secret](#), and many members of parliament from the ruling coalition [didn't even read it](#) before voting for it. There were serious concerns that business interests played a key role in drafting the legislation, whereas labour, environmental, Indigenous, and other civil society representatives were barely involved.

“From the start, there was no consultation,” says Tommy Pratama, executive director of Traction Energy Asia, a Jakarta-based climate NGO. “It was developed behind closed doors.”

When it comes to workers, the Omnibus Law has several concerning provisions. It makes it easier for companies to terminate employment, reduces the maximum statutory periods for fixed-term contracts, and caps social security and job loss benefits. It also reduces protections for [minimum wages, severance and paid vacation](#). The International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tourism, Tobacco and Allied Workers' Associations (IUF) argued, along with Indonesian unions, that [the Omnibus Law would](#) “violate a range of international human rights conventions including the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and several International Labor Conventions and Recommendations”.

### **Building broad coalitions**

In Indonesia, the rushed passage of the Omnibus Law was deemed necessary to boost the country's faltering economy, which, Jokowi argued, needed less regulation and red tape. It was, however, met immediately with [widespread protests](#) in late 2020 by labour, environmental, land rights and Indigenous groups. Protest took place in the capital, Jakarta, but also in other cities across the country.

In India, it was farmers unions in the states of Punjab and Haryana, centres of agricultural production in the country, that first started protesting. Eventually, more trade unions and workers' organisations, including ones that don't directly represent farmers, also decided to join.

“Gradually, we realised that this movement is so powerful, that if it gets defeated, then all our issues can get defeated,” says Chandan Kumar, with the Working Peoples' Charter, a coalition of organisations and unions focused on informal labour, who supported the farmers' protests despite not directly representing farmers. “To give a shock to the government, and to set an example, we had to support this movement.”

The government pushed back on concerns, arguing that the farmers leading the movement [didn't represent most farmers](#). Some protesters [even faced violence](#), or allegations that they were [unpatriotic or anti-Indian](#). “The authorities attempted in many ways to discredit the protesters, including to suggest that they were secessionists,” says Meenakshi Ganguly, South Asia director at Human Rights Watch (HRW). It was a similar story in Indonesia, [where union leaders](#) were injured, arrested and threatened during the anti-Omnibus Law protests.

But broadening the movement was key to showing that it was not just farmers or trade union members who were concerned, but the broader Indian and Indonesian populace. A cross-section of civil society organisations raised concerns about the provisions of each bill and condemned the use of state violence. Many allies joined protests, and in India, gave financial or material support to farmers blocking the roads around cities. In addition, India's significant Punjabi and Sikh global diaspora ([estimated at 12 million people](#)) also added their weight to the opposition by organising protests outside Indian embassies with Indian and non-Indian allies, and drumming up attention on social media.

“It was a moment to build solidarity,” said Chandan. “Farmers also realised they cannot achieve victory until they get the solidarity from each section of society, including workers, feminists and [Dalits](#).”

## **Legal challenges - and what's next?**

In both India and Indonesia, legal challenges played a key role in the efforts to have the laws repealed or revised. In India, the Supreme Court stayed the implementation of the laws in January 2021, a ruling that was in effect until its withdrawal late last year.

In Indonesia, Migrant Care, an NGO that represents migrant workers, asked the Constitutional Court to review the constitutionality of the law and the process by which it was passed. The organisation was joined by [Indigenous and labour representatives](#). “Migrant Care did a very important job in challenging the Omnibus Law at the Constitutional Court in Jakarta, delaying the implementation of the abusive law and raising questions on its constitutionality,” Andreas Harsono, Indonesia researcher for HRW, tells *Equal Times*.

Also opposing the bill was Indonesia's largest Islamic organisation, Nahdlatul Ulama, which [expressed concerns](#) over the deliberation process of the Omnibus Law for failing to give adequate consideration to the concerns of affected workers and the public. This time, KSBSI and other unions are looking to actively participate in the redrafting process - or inform the courts if the government, once again, fails to engage in genuine social dialogue. “We will be actively involved in improving the articles of the law, in accordance with the Constitutional Court's decision,” says Silaban of KSBSI. “We are optimistic that the government or President will change its policy on the [Omnibus Law].”

Moreover, KSBSI and other unions are using the Constitutional Court's decision to [campaign for higher wages at the provincial level](#). They even held nationwide protests in late December and early January.

“The most interesting thing right now is that unions have leveraged the decision to pressure governors to revise minimum wage decisions,” says Teri Caraway, a professor and Indonesia labour expert at the University of Minnesota in the United States. “They succeeded in Jakarta [editor's note: where the provincial minimum wage was initially set to rise by just 37,749 rupiah (approximately US\$2.60) for 2022, but has been increased to IDR225,667 (US\$15.70) following workers' protests] and to a more limited extent in West Java.”

In India, the farm bills were just a few of the many pieces of legislation pushed by the Modi government that reduce workers' rights. “Along with the farm laws, there were four other labour laws that passed during the same Parliament session, and now we should put pressure to get these labor laws repealed, because they are also anti-worker,” says Chandan. These reforms combined 44 central labour laws into four codes: the Industrial Relations Code, the Code on Social Security, the Occupational Safety, Health and Working Conditions Code, and the Code on Wages. Several Indian labour unions have raised objections against several amendments in these codes that they say would result in lower wages, reduced benefits and a deterioration in working conditions.

Chandan is hopeful that the solidarity built among the labour movement, who stood alongside farmers, will mean that farmers and other workers will stand alongside other affected sectors - including informal workers, who have long lacked protections in Indian law. “They are 90 per cent of the workforce, but they have never benefitted from any labour laws,” he explains. “The labour movement...is aspiring to oppose all the new labour laws, but we demand that any reforms must address informal sector workers. Only then will we support it.”

While the setbacks to government efforts to reduce workers' rights are meaningful, activists in India and Indonesia know that this is not the end of state efforts to push pro-business, anti-labour laws. At the same time, these victories give hope that Asia's two largest democracies, both of which have seen [backsliding](#) and an increased use of [authoritarian tactics](#), still have venues for the people to stand up and speak out against injustices, and for their rights.

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