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Violent Industrial Protest in Indonesia: Cultural Phenomenon or Legacy of an Authoritarian Past?

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Introduction

Indonesia has a long history of violent industrial conflict involving rioting and wide-scale destruction of property, in addition – and sometimes as an alternative – to more orthodox strike actions. Violent actions taken by wage labourers on the plantations as a form of protest against their employers were recorded in the archipelago since the nineteenth century (Stoler 1985, 1995). Episodes of violent industrial protest continued through the twentieth century, but were particularly common in industrial areas in the late 1980s and 1990s, at a time when independent labour organizing was forbidden under the punitive labour relations regime implemented by Suharto's authoritarian New Order (1967-1998). Despite dramatic changes to the industrial relations system, including significant improvements in collective bargaining structures and in workers' access to the freedom to organize, industrial violence continues to have a place in the repertoires of action of waged labour in contemporary Indonesia.

Many Indonesian authority figures, and some anthropologists, have described episodes of sudden and unexpected violent protest in cultural terms, drawing on concepts such as to run amok (*mengamuk*) and spirit possession (*kesurupan*). But, as the discussion that follows shows, while cultural (and historical) patterns may have a role in determining the contours of contemporary incidences of violent industrial protest, they clearly have roots in economic structure and the disjunctures between the rhetoric and practice of industrial relations. In the first part of the chapter, the cultural and structural arguments about violent industrial protest in Indonesia are mapped out with reference to major incidents of industrial violence in the 1980s and 1990s. In the second part, the chapter provides a detailed description of two very different large-scale incidents of industrial violence in the Batam free trade zone, the first apparently a culturally-motivated protest, the second clearly linked to an industrial dispute over the wage determination process, before going on to demonstrate that these incidents actually have a great deal in common. The chapter concludes by arguing that, despite dramatic changes in the industrial relations landscape since the fall of Suharto's New Order regime in 1998, violent protests are likely to continue to occur as long as more 'modern' alternatives (like lawful strikes and collective bargaining) are perceived to be ineffective.¹

Cultural and structural explanations of violent industrial protest in Indonesia

The question of collective violence, both communal and economic, has long fascinated Indonesians and scholars of Indonesia, not least because of the apparent incongruity of sudden outbursts of violent protest in cultures – most notably that of the majority Javanese – that place a high value on harmony and restraint in the expression of emotion. Some observers have found recourse in cultural explanations of this phenomenon.² According to Prabowo Subianto, the son-in-law of President Suharto and one-time commander of Indonesia's controversial Special Forces: 'Indonesians can very quickly turn to violence. The word "amok" comes from the lingua franca of this archipelago. This is something that we are aware of, something we do not like, and something that we would like to address, to control and to manage' (cited in Collins 2002: 582). Prabowo was speaking at a time of great violence, much of it communal. Suharto's New Order – which had seized power ostensibly to foil a coup attempt by communists during which six generals were murdered and, in retaliation for those murders, massacred hundreds of thousands of leftists (Cribb 1990, Kammen and McGregor 2012; Roosa 2006) – had itself fallen amid violent protest in the wake of the Asian Financial Crisis of 1997-1998. In the early months of the post-Suharto period, anti-Chinese violence rocked the Indonesian capital, Jakarta, as well as a number of other major cities. Several regions across the country subsequently fell victim to widespread inter-ethnic or inter-religious conflict, and the iron fist of state and military control over rent-seeking from businesses was replaced by privatized rackets run by *preman* (gangsters).³

Research suggests that communal conflict was responsible for the greatest number of deaths as a result of collective violence, not just in the immediate aftermath of regime change but over a much longer period of time. However, communal conflict accounted for little over one sixth of the 3608 incidents of collective violence identified by Varshney et al. (2008) in Indonesia's fourteen most violence-affected provinces over the fourteen years between 1990 and 2003. As Table 1 shows, the category 'economic collective violence', accounted for nearly as many incidents, although a much smaller percentage of deaths. While this category is not limited to industrial incidents, industrial violence is clearly an important element within it. Significantly, a vast majority (362 out of a total 444) of the incidents of economic violence identified by Varshney and his colleagues occurred in Java, the most populous – but also the most industrialized – of Indonesia's islands, where they accounted for 15.6% of all incidents of collective violence between 1990 and 2003.

Many incidences of industrial violence are spontaneous. However, in a detailed study of labour strikes in the 1980s and 1990s, Kammen (1997) identified a significant number of instances in which workers threatened to use, or escalate, violence during an industrial dispute – something which, he argues, was far more common than the actual use of violence.⁴ Similarly, Tjandraningsih (1995: 54) described cases in which women garment workers expressed displeasure with their supervisors not only by failing to follow orders, but with abusive languages and anonymous letters threatening bodily harm. Kammen's analysis indicated most occurrences of industrial violence involved symbolic acts rather than serious attacks on people or property.⁵ When personal attacks did occur, they were most likely to

take place when workers had been taunted by a manager or a member of the security forces (Kammen 1997: 334).⁶

Table 1: Collective violence in fourteen Indonesian provinces, 1990-2003

Category	Incidents	Percentage	Deaths	Percentage
Ethno-communal	599	16.6	9,612	89.3
State-community	423	11.7	105	1.0
Economic	444	12.3	78	0.7
Other	2,142	59.4	963	9.0
Total	3,608	100.00	10,758	100.00

Source: Varshney et al. (2008: 379).

In explaining these attacks, it was not uncommon – as Prabowo’s musings attest – for journalists, employers, government officials and military officers to draw upon cultural explanations for outbursts of violence. Kammen (1997: 255-257, 319) documents the use of a number of such cultural constructs within Indonesian authorities’ explanations for the strike wave of the 1980s and 1990s. Among these were a 1989 case where workers at a South Korean ceramic toy factory as one of many where workers were reported as having ‘run amok’ (*mengamuk*); a 1992 case when a local district military commander in Tangerang criticized the strikers for having a ‘floating mentality’ (*mental ngambang*) because they had not yet fully transitioned from an agricultural to an industrial mode of production; and a labour department official in East Java who described a series of strikes in 1991 as a mass outbreak of *latah*, a condition common among older women, in which individuals experience sudden, uncontrollable seizures, repeating foul words as if in a trance.

These assertions echo culturalist explanations employed by some scholarly observers to help explain elements of the Indonesian industrial relations system (Hess 1997) or specific aspects of the waged labour relationship, notably hysterical outbursts on the part of first-generation female industrial workers in the Malay world. Perhaps most famously, Ong (1987: 7-8, 220) claimed that the mass spirit possessions (*kesurupan*) that occurred in factories in neighbouring Malaysia were a form of resistance to the social dislocation caused by the women’s experiences of capitalist production:

Spirit possession episodes, in which women become violent and scream abuses, are to be deciphered not so much as a noncapitalist critique of abstract exchange values ... but as a protest against the loss of autonomy/humanity at work ... Spirit attacks were indirect retaliations against coercion and demands for justice in personal terms within the industrial milieu.⁷

A second kind of culturalist argument, which sits beside accounts of these psycho-social responses to the proletarian condition – but is perhaps more legible to scholars of Western labour history – is the claim that Indonesian workers are particularly easily manipulated by ‘third parties’ (*pihak ketiga*). Invocations of the threat of Communism were used by government and military officials throughout the New Order period to justify tight control

over the industrial relations system and to discourage independent labour activism.⁸ However, they became most vociferous immediately after incidents of large-scale or violent industrial action initiated by groups within the 'alternative' labour movement. The largest incident of collective industrial violence in contemporary Indonesia was the Medan riots of April 1994. Following strikes involving tens of thousands of workers, around 20,000 workers from 23 factories marched on the Provincial Legislative Council on 13 April to demand a resolution to the matters in dispute. Joined by workers from 19 other factories on the following day, they marched to the office of the Governor while a second group of workers waited to hear a promised address by the Minister for Manpower and the Governor. When the Governor did not materialize, workers began attacking passing cars and motorcycles and ransacking shops (Hess 1997). The protest quickly descended into ten days of wide-scale destruction and anti-Chinese violence, after which Muchtar Pakpahan, the head of the Indonesian Prosperous Labour Union (Serikat Buruh Sejahtera Indonesia, SBSI) – one of three 'alternative' (unregistered) trade unions that emerged in the 1990s – was arrested on charges of inciting the violence and subsequently imprisoned, serving a number of months of his sentence before being released in response to intense pressure from the US and elsewhere.

References to the role of 'outside' labour activists dominated official statements in the wake of the Medan riots.⁹ In many of these, labour activists were likened to communists or drew parallels between the destruction and unrest in Medan and methods used by the Indonesian Communist Party. The Minister for Defence and Security, General Edi Sudrajat, commented: 'Many people were brought together at the same time in the same place, then filled with demands for wage rises, then mobilized. That's the Indonesian Communist Party way' (*Kompas* 29 April 1994). Major-General Pranowo was reported to have said that the Medan riots proved the workers' movement to be no longer 'pure' because 'outside forces' with 'certain purposes and objectives' had been involved (*Republika* 19 April 1994). According to General Feisal Tanjung, 'The people behind that demonstration were born into ex-Communist Party families' (*Barata Week* 1 May 1994). These accusations were used to shift attention from the initial demands of the strikers and in justification for the decisive action taken against unionists and labour NGO activists in the wake of the riots.

Another massive and violent strike, which prompted similar assertions about the involvement of 'outsiders', occurred in the following year in West Java, when between 7,000 and 12,000 workers employed at Great River Industries garment manufacturer went on strike to demand the minimum wage. When the workers marched on the local parliament building, they were met by riot police, who failed to stop them from forcing their way into the grounds of the parliament and ultimately into the building. Several protesters were badly injured and a number arrested, including Dita Sari, a former student activist and the leader of the Indonesian Centre for Labour Struggle (Pusat Perjuangan Buruh Indonesia, PPBI). Like Pakpahan before her, Sari was subsequently charged with inciting the violence.

It was clear that PPBI, the most radical of the three 'alternative' unions of the New Order period, played a pivotal role in the protest against Great River Industries and in another round of strikes in Surabaya in the following year, during which dozens of workers were injured. However, officials again emphasized the role of outsiders in such a way as to discredit the

strikers and to shift attention from their demands. Significantly, in this case, public statements by officials also emphasized the inability of workers to resist incitement by ‘non-workers’ who came from ‘outside the factory environment’. For example, the then Commander of East Java’s Brawijaya Division, Major-General Imam Utomo, condemned the outsiders, saying that ‘thousands of workers who just want to do their work properly were forced to demonstrate or strike’. He went on to announce that the armed forces were planning to hold ‘dialogues’ with the workers to spread the message that workers should resist being ‘influenced by talk from outside’ (*Surya* 2 June 1996). President Suharto himself encouraged workers to focus on ‘national consolidation’ so that they would not be easily influenced by incitement from ‘third parties’ who ‘claimed to act for workers’ (*Surya* 2 June 1996).

More generally, during the New Order period, non-worker activists were regularly accused of having *menghasut* (incited), *memancing* (enticed), *menggerakkan* (mobilized), *mempengaruhi* (influenced), *menyusupi* (infiltrated) and *melakukan intimidasi* (intimidated) workers in order to make them go on strike. They had done this, officials argued, because they saw workers as *alat politik* (political tools) or *komoditi politik* (political commodities) to further their own political interests. In their attempts to do so, these outsiders were accused of having *memakai*, *menggunakan*, *memperalat* and *memanfaatkan* (used), *mengeksploitasi* (exploited), *memanipulasikan* (manipulated) or *menunggangi* (ridden) the workers they claimed to be helping to act collectively in response to exploitation by their employers or oppression by the state.

These accusations were used to justify the use of what was known as the ‘security approach’ to industrial relations (Hadiz 1997, Ford 1999). In its role as the guardian of national stability and industrial peace, the government encouraged bureaucrats, along with functionaries from the New Order’s political vehicle, Golkar, and decommissioned military personnel to ‘assist’ in the development of industrial relations procedures and institutions. Military intervention reached unparalleled heights in the early- to mid-1980s when Admiral Sudomo was head of the Command for the Restoration of Security and Public Order and later Minister for Manpower. Evidence collected during this period suggested it was common for employers to go to the military for a quick-fix solution rather than persevering with the official system (INDOC 1983, 1984, 1985). Although subsequent Ministers for Manpower attempted to dispel the hard-line image of military involvement in industrial relations, Kammen’s (1997: 191) analysis showed that up to 68% of strikes were subject to military intervention in some locations in the early 1990s.¹⁰

The kinds of cultural explanations used to explain worker unrest in this pivotal period have been countered by two overlapping but distinct structural explanations of the patterns of industrial relations in the New Order. The first, exemplified by the work of Hadiz (1997), calls on neo-Marxist theories about the emergence of working-class consciousness as a consequence of the process of proletarianization that took place within Indonesia’s increasing commitment to a neoliberal model of export-oriented industrialization. The second, exemplified by the work of Kammen (1997), points to the failure of Indonesia’s industrial relations mechanisms to accommodate (or contain) workers’ demands. Reflecting on the wave of strikes in the 1990s, Kammen (1997: 30) noted the New Order’s decision to maintain

‘older political apparatuses (the structures established at the beginning of the New Order)’ in new export-oriented industries – a decision that ‘created a disjunction between the economic and the political’, the costs of which were ‘passed on to and borne by labor’. Reflecting more specifically on the relatively high incidence of industrial violence in the mid to late 1980s, Kammen (1997: 316) argued large-scale violence occurred ‘[i]n the absence of formal procedures through which to express and forward grievances and without the legal recognition of the right to strike’, citing as evidence for this thesis the fact that the use of violence during industrial strikes steadily declined after the right to strike was reinstated in August 1990 (Kammen 1997: 318-326).¹¹

As Kammen suggested, industrial relations practice during the New Order was characterized by deep contradictions. The regime made extensive use of informal policies, as well as of rules and regulations issued from the ministerial level down, to circumvent pro-worker legislation. In 1993, for example, the Director-General of Industrial Relations and Labour Standards issued a controversial regulation which gave employers, in consultation with the Department, the right to retrench striking workers despite the fact that it contravened legal provisions on retrenchment and disputes resolution. Similarly, although the industrial relations system included provisions for collective labour agreements and bipartite cooperative bodies, as well as a range of tripartite institutions, these mechanisms had little relevance in the day-to-day conduct of labour relations (Ford 2000).

Along with restrictions on freedom of association, these mechanisms were the target for the massive restructuring of the industrial relations system that took place after Suharto’s resignation in May 1998. One of the very first things his successor Habibie did was to ratify ILO Convention No.87 on the Freedom of Association and Protection of the Right to Organize, in doing so effectively abandoning the New Order’s rhetorical and policy commitments to a single union. This was followed by a suite of changes to the legal architecture of the industrial relations system, which saw the ratification of four more ILO conventions and the passage of three major new laws between 1999 and 2004.¹² The first of the laws to be passed was Law No. 21/2000 on Trade Unions, under which as few as ten workers could form a union and multiple unions were permitted to operate in a single workplace. The provisions of the law were much less prescriptive than earlier regulations, permitting workers to organize not only on a sectoral basis but also according to occupation or on any other basis. The second element of the package was Manpower Law No. 13/2003, which covered a wide range of issues, including industrial relations but also labour force planning, vocational training, the regulation of foreigners working in Indonesia and wage-setting. While maintaining a seven-day notification clause and outlawing strikes before negotiation processes were exhausted, Law No. 13/2003 embodied a relatively strongly-worded commitment to the right to strike.

Law No.13/2003 also foreshadowed changes in dispute-resolution procedures under Law No. 2/2004 on Industrial Disputes Settlement, which abolished the central and regional dispute resolution committees that had sat at the centre of the New Order’s tripartite disputes resolution process. Under the 2004 law, there is a renewed emphasis on bipartite negotiations at the firm level. If bipartite negotiations fail, disputing parties are offered arbitration or

conciliation services which, if refused, trigger a mechanism through which the dispute is taken to formal mediation. If all of these processes fail, either party has the right to take the dispute to the newly convened industrial court, presided over by a local magistrate and two *ad hoc* judges, one nominated by employers and the other nominated by the trade unions.¹³

The other major change that took place in Indonesia's industrial relations system in the post-Suharto period was the devolution of industrial relations functions, along with a whole range of other responsibilities, to the local level. Under Law No. 22/1999 on Regional Autonomy, minimum wage determination and a range of other industrial relations functions became the responsibility of local parliaments and provincial, city or district administrations. These changes have moved the locus of the majority of industrial relations processes from the national to local level, greatly empowering local union branches, while at the same time presenting them with new challenges in terms of the range and complexity of tasks demanded of them. In addition, decentralization has increased the importance of local government agencies, alongside employers, not only as interlocutors, but also as targets of localized industrial protest. The growing importance of the local scale has been enormously significant in reshaping the landscape of industrial conflict from one dominated by spontaneous factory-level events to one characterized by broader regional campaigns, often targeted at least in part at local bureaucrats and politicians, as evident in the protests described below.

Violent protest in Batam

The island of Batam, in Riau Islands Province, lies in the Straits of Malacca to the north-east of Sumatra and directly south of Singapore. Formerly a heavily forested, sparsely populated no-man's-land, Batam was transformed in the 1980s and 1990s into a bustling industrial enclave. Although not the first attempt to establish economic cooperation between Singapore and Indonesia on Batam, the Indonesia-Malaysia-Singapore Growth Triangle (IMS-GT) constituted the pivotal advance in the island's industrial development. An initiative of the Singaporean government in response to the rising cost of local labour and the movement of multi-nationals out of Singapore into more cost-efficient manufacturing sites in other parts of Asia (Lee 1991), the underpinning philosophy of the IMS-GT was one of economic complementarity, in which Singaporean capital and Indonesian and Malaysian labour and land would be combined to facilitate cross-border regional growth (Sparke et al. 2004). Under the agreement, the Indonesian government relaxed minimum capital investment requirements; allowed 100% foreign ownership, subject to the divestment of 5% to local ownership after 5 years; and agreed to calculate duty payments on the value of imported raw materials rather than on finished products made in Batam (Peachey et al. 1998: 14).

Batam began to attract high levels of foreign investment under the IMS-GT initiative, experiencing a fifteen-fold increase in annual private investment in the five years up to 1993 (Peachey et al. 1998: 1). Although the IMS-GT was marred by numerous setbacks – most notably, the economic and political uncertainty following the Asian Financial Crisis (1997-1998), which prompted many multi-national investors to downscale the level of their investment – Batam continues to be one of Indonesia's most important centres of industrial production.¹⁴ The island is now home to 26 industrial parks, including the flagship

BatamIndo Industrial Park at Muka Kuning and the shipyards at Tanjung Uncang. These industrial parks are host to 4,000 local and multinational firms, which exported an average of USD 5.73 billion worth of products per annum from 2005 to 2009 (Badan Pengusahaan Batam 2011).

As a consequence of Batam's industrial development, large numbers of migrants have moved to the island from elsewhere in Indonesia seeking work (Grundy-Warr et al. 1999; Bunnell et al. 2006). In the early 1970s, Batam's population was approximately 6,000, increasing to 105,820 by 1990, the year in which the IMS-GT was formally established. By the end of 2004, it had reached 633,944 (Lyons and Ford 2007). The 2010 census indicates that by that year the population of Batam had risen to 944,285 (Badan Pusat Statistik Kepulauan Riau 2012b). Of a total workforce of just under 449,000, some 186,000 are employed in manufacturing (Badan Pusat Statistik Kepulauan Riau 2012a) in a community that enjoys one of the highest percentages of formal sector employment in Indonesia. In terms of the proletarianization thesis, Batam is thus a prime site for the emergence of a local labour movement, not only because so many workers are in formal sector occupations but also because so many of them are new migrants, who live in factory dormitories or in densely populated worker communities close to the factories.

In the absence of the kind of close study conducted by Kammen in the 1990s, it is impossible to quantify the number of strikes that occur in Batam – or anywhere else in Indonesia for that matter – much less the percentage of them that have involved violence.¹⁵ However, along with Bekasi and Tangerang in the Greater Jakarta area, it is clear that Batam is a prominent site of industrial unrest, a significant proportion of which has involves some level of violence. What follows are accounts of two key incidences of industrial violence in recent years: the 2010 shipyard riots and the 2011 minimum wage campaign.¹⁶

The 2010 shipyard riots

On 22 April 2010, thousands of shipyard workers 'ran amok' in the Drydocks World Graha (DWG) complex in Tanjung Uncang Industrial Park. Drydock World Graha, which is run by PT Graha Trisakti Industri, is one of three yards owned by Dubai-based investor, Drydocks World, all of which are situated at Tanjung Uncang, which is located on the north-western coast of Batam.¹⁷ The chaos was triggered when Ghesa Prabakaran, a 27-year-old Indian expatriate working at DWG, told workers that Indonesians were stupid. News of this statement quickly spread through the 8,000-odd local workers employed in the shipyard and, through them, to workers elsewhere in Batam, who took to the streets shortly after, protesting in solidarity with the DWG workers. The protesters tracked down the expatriate supervisor in the company complex, in the process clashing with security guards. The spontaneous rally became violent, and within a very short time the angry workers had destroyed or burnt two offices and another building, damaging some 27 cars, including six that were totally burnt out. The demonstrators subsequently gathered near the entrance gate and continued their protest. Total losses were estimated at trillions of rupiah. There were no deaths but a number of Indian expatriates and local workers were hospitalized. Around 400 police officers rushed

to the scene, where they evacuated foreign employees and attempted to quell the riot. Other expatriate workers fled to Singapore.

The incident sparked a flurry of activity. Prabaharan was apprehended and detained. The Chief Executive Officer of Drydocks World South East Asia met with several local officials including the Deputy Mayor, the Police Commander and the chair of the Batam Free Trade Zone Authority. The Ministry for Manpower and Transmigration dispatched a negotiating team almost immediately, and within days of the riot, the Indonesian Employers Association (Asosiasi Pengusaha Indonesia, APINDO) had sent a letter to its 13,000 members stating that PT Drydocks World had been fault because it had discriminated against local workers and cautioning its members of the potential risks of engaging in discriminatory practices. A local Indian community leader made a public apology for the incident, as did the Indian Consul General in Medan, both of whom worked closely with local authorities to minimize the damage to community relations. Initial statements were made by a police spokesperson that Prabaharan could face up to four years in jail. However, although some, including members of local parliament, agitated for an extended criminal investigation, ultimately an out-of-court settlement was reached.

This was certainly not the first time that expatriate managers had come under fire. In the early 1990s, there was a spate of strikes protesting against abusive or disrespectful actions by Taiwanese and South Korean expatriates in the greater Jakarta area (Kammen 1997: 160).¹⁸ On one occasion in Bekasi, a strike broke out after workers were repeatedly beaten by their Korean manager, who had also – according to the workers – forced them to work excessive over-time and ‘farted at them’ (an Indonesian expression describing the actions of someone who fails to show respect). Similarly, although the DWG riots were the most dramatic, they are not the only case of violent rioting in Batam in response to a perceived personal slight. Another incident of industrial violence involving shipyard workers occurred in September 2011 at PT Nexus Engineering Indonesia, located on the other side of the island in the Kabil industrial estate. The riot was triggered by a security guard who beat a worker for wrongly parking his motorcycle. Hundreds of subcontracting workers went on a rampage after the incident, severely damaging the shipyard’s facilities.

Violence in the 2011 wage campaign

Another major incident of industrial violence occurred in Batam in November 2011, this time over the annual determination of the local minimum wage. On 23 November, electronics factories in the industrial parks of Batam became ghost towns, with members of the major electronics unions choosing not to turn up to work. While many simply stayed away, around 30,000 workers gathered in a park and marched to the office of Batam Mayor in a protest organized by the Confederation of All Indonesian Worker Unions (Konfederasi Serikat Pekerja Seluruh Indonesia, KSPSI), the Federation of Indonesian Metalworkers Unions (Federasi Serikat Pekerja Metal Indonesia, FSPMI) and the Confederation of Indonesian Prosperous Labour Unions (Konfederasi Serikat Buruh Sejahtera Indonesia, KSBSI). Many shops closed their doors, fearful of violence. The march resulted in gridlock, leaving Batam City paralysed. The protesters planned to meet Batam Mayor, Ahmad Dahlan, to complain

about the unrealistic level at which the cost of living index – the tool used to determine the regional minimum wage – had been set for 2012. According to workers, it cost at least IDR 1.76 million (USD 185) per month to live in the city. The proposed minimum wage was IDR 1.28 million (USD 135) per month, a figure just below the government-calculated monthly cost of living of IDR 1.3 million (USD 137). Upon arrival the protesters discovered that Dahlan had fled to Singapore to avoid confrontation. The rally ended in chaos when the protesters clashed with police and damaged a number of properties located around the Mayor's office. One worker was shot by police attempting to contain the riot.

Having failed to meet the Mayor the previous day, thousands of workers again gathered at his office on 24 November. With backup from the police unit of the civil service (Satpol PP), police officers attempted to prevent the workers from forcing entry into the Mayor's office. Tensions rose, and the police and the protesters engaged in throwing stones at one another. Warning shots were fired, and protesters set a Satpol PP post alight. In an attempt to bring the temperature down, Vice Governor Surya Respationo and Chief of Regional Police Raden Winarso met the angry workers and arranged a meeting between worker representatives and Mayor Dahlan. After a long, exhausting process of negotiations, the Mayor agreed to send a letter to the Governor of Riau Islands Province recommending that the minimum wage be set at the official cost of living index figure of IDR 1.3 million. Thousands of disappointed workers rejected the recommendation, demanding that the minimum wage be set at the real cost of living. With the meeting in deadlock, the police attempted to disperse the mass of protesters who were still occupying the Mayor's Office. Clashes erupted again when security officers damaged motorcycles belonging to some of the protesters, this time spreading throughout the city. Police posts and public property were damaged or destroyed and twelve people injured.

Some blamed the Mayor for not responding to the workers' demands while unions had threatened to strike several days earlier if their demands were not met. The situation was exacerbated when the Mayor fled to Singapore rather than facing the protesters on the first day of the rally. According to Saiful Badri, the chair of KSPSI's Batam branch, if the Mayor had handled the case swiftly, the riot would not have occurred. Others blamed APINDO. There has been a history of conflict over the wage-setting in Batam, but the unions and APINDO had reached an agreement the previous year, which unions felt APINDO had not honoured in the latest round of negotiations. Before the protest, bipartite meetings had ended in deadlock on eight separate occasions.

As in the case of the shipyard riots, the violence surrounding the 2011 minimum wage determination process was certainly not an isolated incident. Similar clashes are common in areas of industrial concentration across Indonesia, and violence, albeit on a lesser scale, has occurred on other occasions during the minimum wage negotiation period in Batam. Where it differed from the 2010 shipyard riots was that, in contrast to the earlier incident, which was sparked by a perceived personal slight, the trigger for the 2011 riot lay clearly in an interests dispute involving several unions, along with employers and local authorities – and, more particularly, in a perception of bad faith on the part of both employers and local authorities.

From cultural explanations to structural roots

On the surface, these two cases of industrial violence appear to have stemmed from very different causes. On closer inspection, however, it becomes clear they had very similar roots. Although a racial slur was the trigger for 2010 shipyard protest, that slur was effectively the straw that broke the camel's back, coming on the back of accumulated pressure on local workers as a result of poor enforcement of labour regulations, particularly as they pertain to the practice of outsourcing and almost non-existent inspection regimes. According to the president of FSPMI, the massive use of outsourcing workers was the real issue behind the industrial unrest in April 2010. The union estimated that, at the time of the riot, up to 97% of Drydocks World Graha workers were indirectly employed on salaries of just IDR 900,000 (USD 95), with no health insurance and no pension allocation. This type of employment is not unique to DWG. All of the 60-odd shipyards in Batam employ the bulk of their local workforce on a short-term contract basis through subcontractors under far less favourable conditions than their permanent local employees, who in turn earn much less than their expatriate counterparts. Moreover, in the lead-up to the riot, one subcontractor had failed to pay workers' wages for a period of three months on the grounds that the shipyards had not yet transferred the funds. When workers demanded payment directly from the shipyards on the urging of the subcontractor, they were told that they had to deal with the subcontracting firm because the shipyards had no direct responsibility for the payment of their wages.

Another issue raised by workers was the issue of paid overtime. According to them, the vast majority of shipyard companies do not pay for overtime in contravention with Ministerial Decision No. 102/2004 concerning Overtime and Overtime Wages, which stipulates that time worked beyond regular working hours should be recompensed. Moreover, workers complained that there were no written overtime agreements between the company and its employees, as stipulated by 2003 Manpower Law. In addition, DWG and many other shipyards discourage workers from establishing trade unions. Workers attempting to assert their collective rights are further confounded by the complex relationship between contract workers, their subcontracting firm, and the shipyards itself. The Minister for Manpower later acknowledged that outsourcing was, indeed, a factor in the 2010 shipyard riots (*Kompas* 21 May 2010). However, more generally – as in the New Order period – attempts were made by officials and military officers to shift attention from structural issues. The National Police Chief General was quoted as saying that the conflict was 'purely internal', and 'merely caused by insulting language', a message reinforced by the Coordinating Minister for Economic Affairs, Hatta Rajasa, who described the riot as an 'internal incident' and 'not a problem caused by a regulation' (*Antara News Service* 23 April 2010). It appears, then, that cultural explanations for violent industrial protest are alive and well in Indonesia.

Cultural proclivity, proletarian consciousness or institutional problem?

If, as Kammen (1997) claims, violent industrial protest is a consequence of the failure of industrial relations mechanisms to accommodate changes in Indonesia's industrial relations landscape and not a product of Indonesians' cultural proclivities, there are a number of reasons to think that the incidence of industrial violence should have declined rapidly, if not

completely disappeared, in the post-Suharto period. Not only has independent unionism been reinstated, but industrial relations processes have been restructured to include a much greater emphasis on collective bargaining and mechanisms for disputes resolution at the firm level, as well as more inclusive higher-level disputes resolution processes. Why, then, do large-scale incidents of industrial violence, such as those described here, continue to occur? Are industrial relations scholars too quick to dismiss the cultural explanations advanced by Indonesian officials and some anthropologists? Or is the persistence of violent industrial protest an example of entrenched repertoires of action (Boudreau 2004), where workers continue to engage in established modes of practice because of their familiarity rather than their effectiveness?

There is some element of truth in the culturalist explanations insofar as they give insight into the ways in which the dynamics of particular incidents unfold – although perhaps less as a form of ‘innate’ cultural expression than in the sense of reflecting entrenched repertoires of action, which have evolved not only as a result of social and political constraints on freedom of expression during the New Order but also more specifically within blue-collar formal-sector workplaces and worker communities during and after that time. As the proletarianization thesis suggests, these repertoires of action emerge (at least in part) from the experience of industrial labour and the opportunities and challenges that it presents. In the Batam case, this experience is heightened by a very high level of foreign ownership – which, while in itself is often an indicator of better industrial relations practice, in the Indonesian context brings increasing complexity as a result of the expatriate presence, which sharpens workers’ sense of injustice. At the same time, however, there is little evidence – even in an industrial centre like Batam – that workers identify primarily in class terms.

More important is the fact that spontaneous protest, including its more violent manifestations, remains a key weapon in a context where formal structures continue to fail to accommodate workers’ demands. Despite dramatic changes in the industrial relations landscape since the fall of the New Order – which have undoubtedly improved the mechanisms through which workers’ interests are represented – Indonesia’s industrial relations system remains riven with inconsistencies and ongoing problems with implementation both within the workplace and at higher levels. In such a situation, violent protests are likely to continue so long as the formal industrial relations system is perceived by workers to be unable to channel their demands.

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Notes

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² For example, see Welsh (2008) for a detailed discussion of a non-communal form of mob violence called *keroyokan* (ripping someone apart) and its catalysts and Colombijn (2002) for an historical perspective on contemporary collective violence.

³ It is important to note that some close empirical studies of violent conflicts suggest that collective violence is not as widespread as it seems (Collins 2002, Varshney et al. 2008).

⁴ In one case cited by Kammen (1997: 316), workers in Sidoarjo threatened to use black magic on a Taiwanese personnel manager if she was not replaced.

⁵ For comparison, see Teitelbaum (2010: 694) for statistics on violent protest in South Asia and Pun Ngai and Hulin Lu (2010) on the use of violence by sub-contractors in post-socialist China.

⁶ As Saptari (2008: 7) noted there is a very limited literature on Indonesian labour movement and labour protest in Indonesia. Indeed, Saptari's account of the 1999 strike at PT Mayora, a biscuit and confectionary company, is one of the few in-depth academic accounts of individual strikes available for the post-New Order period. Another less detailed account of a post-New Order strike is provided in Ford (2009: 1-3). Kammen (1997) describes a number of strikes that occurred in the 1990s in depth. For a detailed account of strikes in the late colonial period, see Ingleson (1981, 1986)

⁷ Ong's account and similar arguments made about young factory workers in Indonesia are just some of several reports of mass hysteria among young female factory workers in the 1970s and 1980s (Smyth and Grijs 1997: 15). For a very different account of young women's acculturation to the industrial workforce in Indonesia, see Warouw (2008).

⁸ The discussion that follows on the threat of outsiders draws heavily on Ford (2009: 77-80). See also Ford (2010).

⁹ Accusations about other kinds of 'outside influence' were made in the wake of the riots, with some observers claiming that the military had intervened to exacerbate the protests and to shift their focus to the Chinese community.

¹⁰ Kammen also identified some cases in this period in which military officers supported striking workers. For a discussion of the use of community figures to discipline workers, see Warouw (2006).

¹¹ After this time, violent incidents were most common in large establishments, most often in textiles, footwear and timber. Over half of all strikes in the early 1990s occurred in the textile garment and footwear industries and other forms of light manufacturing – a dramatic change from the situation in the early 1980s, when strike intensity was highest in heavy industry, and particularly in the metal and chemical industries (Kammen 1997: 148-40).

¹² For a detailed discussion of the politics of the early stages of this reform, see Caraway (2004).

¹³ These *ad hoc* judges serve a five-year term, are required to hold a Bachelor's Degree (in any field) and must have at least five years experience in the field of industrial relations. The new industrial court system has seen a rapid professionalisation of legal advocacy within the trade union movement, with many union officials undertaking law degrees so that the unions are not forced to rely on external representation.

¹⁴ In 2006, in an effort to re-invigorate the economies of the islands, Singapore and Indonesia announced the creation of Special Economic Zones in Batam, Bintan and Karimun (the BBK SEZ). The SEZ Framework Agreement on Economic Cooperation outlines seven key areas that Indonesia and Singapore will cooperate in to ensure that business, regulatory and labour conditions in the islands are favourable to investors.

¹⁵ Some statistics are available on the website of the Ministry of Manpower and Transmigration. However, they are wildly inaccurate. For example, in 2010, the year in which the shipyard riots occurred, the statistics indicate that there were no demonstrations or strikes in Kepulauan Riau Province.

¹⁶ The accounts of the two incidents provided here were compiled from interviews with trade unionists and newspaper reports.

¹⁷ The other two companies are Drydock World Pertama and Drydock World Nanindah (also known as PT. Nan Indah Mutiara Shipyard). See <http://www.drydocks.gov.ae>.

¹⁸ Interviews I conducted with workers in Bekasi and Tangerang in the late 1990s and early 2000s confirmed that there was indeed a hierarchy of preference when it came to employers, with the Europeans on top, followed by the Americans, the Japanese and the Singaporeans, with the South Koreans and Taiwanese very much at the bottom. Trade unionists interviewed in Batam in 2007 confirmed that a similar hierarchy exists in Batam.