

The Labor Movement: Its Role and Impact in the Democratization of Indonesian Society during the Later Part of the Suharto Period

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Movements are potent agents of social change. They are defined as a “collectivity of individuals committed to resisting or introducing changes in society.” They are also defined as “collective reactions in response to unjust situations” (Mahasin, 1985).

Movements, such as the trade union movement and the labor union, are the active and collective actions and struggles of the working class. The main objectives are to end capitalistic and imperialistic exploitation and oppression; to obtain economic interests and other rights, like the legal right to strike; and to launch other forms of collective actions for the purpose of caring for, defending, and promoting individual interests for the common good (EILER, 1987).

The trade union movement is a permanent and democratic organization of workers put up in a situation where there is a worker-capitalist relationship. It is not temporarily organized to answer only the present problems of the workers, but a permanent answer to the needs of its members at all times. It represents and defends the workers without any discrimination (EILER, 1987).

The workers in the trade union movement put up their union to strengthen their position in collective bargaining with the capitalists. The bargaining covers issues like wages and benefits, job security and working conditions (EILER, 1987).

In the ever repressive State of New Order Indonesia under the Suharto government, labor movements continued to emerge. How labor movements played an important role in the democratization of Indonesian society as the Suharto era was approaching its end is the main focus of this study.

Specifically, this study aims to attain the following objectives:

- To trace the beginnings of and investigate the developments of the labor movement in Indonesia;
- To identify problems and issues encountered by the labor movement; and
- To describe and analyze the role and impact of the labor movement in the democratization of Indonesia.

In a broader political and societal context, the aspiration for achieving democracy

is always at stake. Democratization, as defined by Korten (1990), is “a broadly distributed control over political and economic assets, and the open flow of information for equitable and sustainable progress.” Such a process requires the ‘development’ of organization/movement or union through which people define and pursue their individual and collective interests within a guiding framework of national policy.

Therefore, labor movements or unions, like any other popular movements in Indonesia, must be supported by institutional structure and policies that will create the necessary social and political space for the movements to function in their members’ interests. Because the national government or the states are capable of reaching, mobilizing and even advocating the poor workers, this will bring practical gains in overcoming poverty without creating political disorder (*Ibid.*).

From a policy standpoint, unions are important not only for the labor market but also as vehicles of democracy that provide a base for political organizations and party influence. Unions also act as a countervailing power at the level of enterprise. Unionism is not merely a technical matter of creating appropriate labor market structures and processes, but a practical concept that establishes and maintains human rights (Frenkel, 1993).

Historical Background of the Labor Movement in Indonesia

Since the Dutch colonial period at the end of the 1890s, trade unions have been in existence in Indonesia. They were influenced by the national movement and then went on to struggle for independence for Indonesia. They affiliated with existing political and social organizations which were striving to improve the socioeconomic conditions of the people, including workers (Simanjuntak, 1995).

The early unions include the following:

- 1) *Netherlands Indische Onderwijs Genootschap* (NIOG) or Netherlands-Indonesian Government Employees Association (1894) – the first organization of salaried workers formed by Dutch teachers of primary and secondary schools. NIOG did not play an important role in the workers’ movement in Indonesia because it was maintained with an exclusive Dutch character;
- 2) Postbond or Post Workers’ Union (1905) or SS Bond or the Union of State Railway Personnel – organized by the Dutch-Indonesian employees of the State Railways. The union was strong, well organized and had a conservative outlook. But the said organization failed to develop into a militant workers’

organization because it was not able to compete with another newer union of railway workers, plus the fact that most of its members consisted entirely of Dutch personnel and leaders. Its was disbanded in 1912;

- 3) *Vereeniging van Spoor-en Tramweg Personeel in Nederlandsch-Indie* (VSTP) (1908) – a union built on a broader basis after the SS Bond. It comprised of both State-owned and privately operated railways and was determined to organize all railroad workers without distinction of race, type of work, or position in the state service or in the companies. It became a militant and aggressive mass union;
- 4) *Perserikatan Guru Hindia Belanda* (PGHB) or Indonesian Teachers Association (1912);
- 5) *Perserikatan Pegawai Pegadafan Bumiputera* (PPPB) or Pawning Employees Association (1914) – led by R. Sosrokardono, the militant President;
- 6) *Opiumregeibond* (1915) – formed by the employees of the opium factory in Djakarta;
- 7) *Personeel Fabrieks Bond* (PFB) or Union of Factory Personnel (1919) – organized by Indonesian employees of sugar refineries (factories) in the Jogjakarta area (Central Java) under the leadership of R.M. Suryopranoto; and
- 8) *Serikat Pengawai Hindia Belanda* or Government Employees Association (1930) (Simanjuntak, 1995; Tedjasukmana, 1958).

Unions formed in the private sector were the following:

- 1) *Sarekat Buruh Onderneming* (SBO) (1924) – the first union of the employees of plantations;
- 2) *Serikat Sekerdja Pelabuhan dan Pelajaran* or Union of Dockworkers and Seamen, which soon became the *Serikat Buruh Pelabuhan dan Laut* (1924);
- 3) Also formed were unions of mineworkers, metalworkers, printers, electrical workers, employees in the petroleum industry, chauffeurs, tailors and clothing workers, etc.

By 1920, there were already about one hundred trade unions with a total membership of nearly one hundred thousand workers (Tedjasukmana, 1958).

At the national level, a number of movements were formed such as:

- 1) *Budicetomo* or Association of Scholars (1908) – led by Budi Utomo;

- 2) *Sarekat Dagang Islam* (SI) or Moslem Traders Association (1911) – a political party which believed in the combination of the basic principles of Islamic teachings, nationalism and socialist ideas. One of the top leaders of the organization was R. Sosrokardono;
- 3) *Partai Komunis Indonesia* (PKI) or Indonesian Communist Party (1920) – led by Semaun Cum Suis, the President of the said party; and
- 4) *Partai Nasional Indonesia* (PNI) or Indonesian National Party – founded and headed by Dr. Sukarno, who later became the first President since the proclamation of the Indonesian Republic on August 17, 1945 (Tedjasukmana, 1958; Simanjuntak, 1995).

There had been attempts to form a single trade union federation in Indonesia. The first attempt was done in 1916. This was participated in by two major political parties, the socialist (communist) and *Sarekat Islam*. The platform was to struggle against the capitalists with the strike as the principal means. But the effort failed. It was only in 1919 that all the existing trade unions were first united into one organization named *Persatuan Pergerakan Kaum Buruh* (PPKB) or Federation of Trade Unions or Association of Labor Movements. The new Federation held its First Congress sometime in August 1920, in Semarang, the center of the communist movement. But during the convention, the two major political parties (socialist-communist and *Sarekat Islam*) were in disagreement over basic principles. The dissension between the two major political parties was not resolved, even as the second congress was held in June 1921, and it resulted in a complete split. The organization only lasted for two years. Two years later, through the efforts of Semaun another federation was created and it was named *Persatuan Vakhonden Hindia* (PVH) or Hindia Workers Union or Federation of Indonesian Trade Unions. This federation was formed sometime in September 1922, and it demanded for a substantial wage increase from the sugar producers, especially the Dutch employers. The federation existed for only a year. The PPKB and PVH were both established mainly by the activists of *Sarekat Islam* (SI) or Islam Association, which was later split into the *Sarikat Islam* Red and the remnants of SI. Ideological influence was the reason for the split (Tedjasukmana, 1958; Sasono, 1985).

On August 17, 1945, after the proclamation of independence, trade unions merged for the third time. On September 19, 1945, the *Barisan Buruh Indonesia* (BBI) or Indonesian Labor Movement was established and it claimed that all existing trade unions were members. However, in November 1945, conflict arose. One group advocated socioeconomic programs. Another group focused on politics and established the *Gabungan Serikat Indonesia* (GASBI) or Federation of Indonesian Trade Unions on May 21, 1946. The *Gabungan Sarikat Buruh Vertical* (GSBV) or the Federation of the Vertical Unions was formed sometime in July 1946. Both

GASBI and GSBV were called the two federations. However, after a few months, a number of leaders of several unions insisted on forming a single trade union movement and named it the *Sentral Organisasi Buruh Seluruh Indonesia* (SOBSI) or All Indonesia Central Organization of Labor, the communist party-affiliated trade union. It replaced the GASBI and GSBV. The organization was directed towards communism and was affiliated to Partai Komunis Indonesia (PKI). Among its leaders were Harjono, Surjono, and Njono. From the period 1946-1960, labor groups grew in number, as they were about to face the first general elections in 1955. There were 150 national labor unions and hundreds of local labor unions (Tedjasukmana, 1958; Simanjuntak, 1995).

In 1960, in the fourth attempt to organize all trade unions, Indonesian workers formed the *Organisasi Persatuan Pekeja Indonesia* (OPPI) or Indonesian Workers Organization. This failed in the long run because of internal conflicts. In 1971, after ten years, there was a series of meetings among existing labor organizations and government officials during the *Majelis Permusyawaratan Buruh Indonesia* (MPBI) or Indonesian Labor Conference. However, the SOBSI, which was banned after the 30 September 1965' affair, did not participate (Tedjasukmana, 1958; Simanjuntak, 1995).

In March 1973, Indonesian workers made a fifth attempt to form a single trade union organization which they called the *Federation Buruh Seburuh Indonesia* (FBSI) or the Indonesian Labor Federation. It was the only 'authorized trade union' in the New Order government, a military-dominated government whose driving features were economic development and building strong political institutions under Suharto, the second President of Indonesia. A single national federation with 21 industrial unions, FBSI was not considered a political tool of any political party because of the government's involvement. Apparently, it was a pro-government union (Tedjasukmana, 1958; Simanjuntak, 1995; and Rinakit, 1999).

In November 1985, the FBSI changed from a federation to a unitary union called *Serikat Pekeja Seluruh Indonesia* (SPSI) or All Indonesian Workers Union. The organization was a professional organization of workers based on *Pancasila* or the five principles, namely: nationalism or Indonesian unity; humanitarianism; Indonesian democracy through consultation and consensus; social justice; and belief in God. These were the five basic tenets exhorted by former President Sukarno as the common ideals of the State. However, the SPSI did not develop into an effective national union organization, nor did it support the growth of genuine plant-level union activities because it offered little leadership. It had no record of any fight to improve the welfare of the workers; it simply provided opportunities for the leaders to advance their personal interests. Moreover, it depended so much on the government for its operating budget (Budiman in Tadem, 2000; Aksam [n.d.]).

In November 1995, the SPSI went back to being a federation called FSPSI, constituting 13 sectoral trade unions. The objective of the organization was to foster a sense of collective purpose among workers so as to protect and maintain their interests and rights, and to improve social welfare and working conditions. Its major program was to establish trade unions at plant levels, to elect their own Executive and to negotiate Collective Labor Agreements (CLAs). At present, there are almost five hundred shop- floor trade unions established since early 1994 (Simanjuntak, 1995).

Both FBSI and FSPSI were then part of the New Order structure. They were under the corporate state, wherein various sectors were united into a single state-controlled organization. The workers in the private sector, such as teachers, were forced to join *Persatuan Guru Republik Indonesia* (PGRI) or the Congress of Indonesian Teachers' Association; bureaucrats, the KORPRI or Civil Servant Corps; journalists, the PWI; and plantation workers, the SOKSI or Organization for Independent Indonesian Employees, a pseudo-trade-union (Tadem, 2000; Simanjuntak, 1995).

On the other hand, the *Serikat Buruh Sejahtera Indonesia* (SBSI) or Indonesian Prosperity Trade Union (1980s), led by Muchtar Pakpahan, and the *Serikat Buruh Merdeka Setia Kawan* (SBMSK) or Solidarity Free Trade Union refused to join, but emerged to serve the needs of the labor force. These unions helped the workers to expand their understanding of their role and position in Indonesia's changing society through education, discussion and social activities. As a result, the workers became more aware of conditions detrimental to them, such as low wages, social security problems, and the ineffective and biased nature of the tripartite bargaining structure. However, the SBSI and SBMSK were two unofficial unions as both were not recognized in the New Order's *Pancasila* Industrial Relations (HIP) system, wherein the workers' right to set up organizations addressing labor problems was not acknowledged (Rinakit, 1999; Tadem, 2000).

It was only in 1993 that Indonesian laborers became more outspoken in defense of their rights and against the authoritarian rule of President Suharto. The 1994 workers' strike in Medan and Pematangsianar can be considered an important milestone in the resurgence of the Indonesian labor movement. The solid strikes and protests led by SBSI eventually won for them and for other labor groups government recognition in July 1998. According to Aksam, the President of SPTSK (Leather, Garment and Textile Workers Union), there were already 24 national unions listed at the Ministry of Manpower, and 15 were officially registered. The following were a few of them:

- 1) FNPBI or National Front for Labor Struggle also known as PPBI (led by Dita Sari) – a new workers federation formed sometime in May 1999. Its

main goals were both economic and political: it had demanded a hundred percent increase in pay; a 32-hour workweek; a stop to retrenchments and contract work; withdrawal of the military's *dwifungsi* (dual function) character; freedom to organize; the release of political prisoners (including labor activist Dita Sari); free and fair elections; and a referendum for the Maubere people of East Timor;

- 2) Union of Journalists;
- 3) GASPERMINDO (with about more than 15 sectoral unions);
- 4) *Serikat Pekerja Kewartawanan Indonesia* and;
- 5) Regional Trade Union in East Java (Tadem, 2000; *Inside Indonesia*, September 2000).

Furthermore, their solid strikes and protests met with tremendous success. They succeeded in ousting Suharto and influenced the Indonesian government to ratify the ILO Convention Number 87 of 1948, the community's freedom to establish labor/trade unions. The Ministry of Manpower, led by Fahmi Idris, through Regulation Number 5 to Regulation Number 83 of 1998, granted freedom and protection of rights of association to all Indonesian laborers. The Regulation No. 3/98 stipulates a new policy on Minimum Wage, which regulates not only Regional Minimum Wage but also Regional Sectoral Minimum Wage based on KLUI classification, establishment of Regional Sector Minimum Wage, enhancement of Employee's Welfare, Case Settlement, Work Safety and Health and Work Norms. Since then, there have been 18 established labor union federations, 5 labor unions of state-owned companies, and 7 labor unions of national private companies (*Inside Indonesia*, 2000; Tadem, 2000).

Meanwhile, the 'authorized government union,' FSPSI, broke up into factions due to ideological and political influences. Eleven out of 13 industrial unions that resigned formed FSPSI *Reformasi* sometime in September 1998, a new independent union among plantation workers. Its mobilizations have taken place among middle-class white-collar workers (Tadem, 2000).

Problems and Issues of Labor Unions

The emergence of labor unions in Indonesia can be attributed to the pursuit of colonial and modern economic expansion over peoples' traditional and informal economy. The *Cultuurstelsel* of Forced Labor, introduced in 1870 by the Dutch government, had a retarding effect on the Indonesian economy. It became the main form of exploitation, and contributed to the proletarianization and backwardness

of the Indonesian people. Exploitation was directly executed by the colonial officials and, at the same time, administered by the local authorities comprising the kings and the agents (Sasono, 1985).

A forced cultivation system introduced in 1870 brought about the expansion of production by the peasant class. This was exploited by the Dutch through the transfer of products by exporting commodities and economic supplies to the Netherlands, instead of sharing these equitably with the Indonesian working class. This system of forced cultivation was followed by the inflow of private Dutch capital and opened a new system for the Dutch to proceed with their extraction of Indonesian wealth. The system was a new method so subtle that there was no trace of any form of the compulsion employed in the first method. This system was characterized by a massive transfer of community surplus from Indonesia to the Netherlands (Sasono, 1985).



Figure 1. Displaced farmers uproot sugar cane in Majalengka. West Java. (*Inside Indonesia*)

In response to this exploitative socioeconomic structure, the Indonesian Labor Movement held a series of labor strikes, but it failed in its mission because the workers suffered from the oppression launched by the government. They were practically stopped by the Dutch (*Ibid.*, 1985).

A century after, the workers in Western Europe formed the first trade unions. In those times when many colonized nations were struggling for independence, the ILO formulated conventions that embodied basic trade union rights. Among these conventions were Convention No. 87 (on the right to organize, 1948) and Convention No. 98 (on the right to bargain collectively, 1949) (Sasono, 1985; Tadeřn, 2000).

In the New Order Indonesia, the ratification of Convention No. 87/98 was only

brought into practical effect by the issuance of Ministerial Decree or Trade Union Organization No. 05/98 and the withdrawal of Ministerial Decree No. 03/92, which restricted trade union registration. The government of Indonesia encouraged all political parties to simplify their organizations (*Ibid.*) and to observe the following:

- Labor movement should not be influenced by political parties;
- Activities of trade unions must be focused on socioeconomic issues;
- The existing trade unions must be recognized and united through persuasive approaches;
- The organizational structure of the labor movement must be improved; and
- Trade unions must not depend on external budget resources.

Several unions and parties merged to establish the three main recognized political parties in Indonesia: *Partai Persatuan Pembangunan* (PPP) or the Development Unity Party; *Partai Demokrasi Indonesia* (PDI) or the Indonesia Democratic Party, led by Megawati Sukarnoputri (the fifth President of Indonesia); and GOLKAR. The functional group or *Golongan Karya* (GOLKAR) operated as the official government-backed political party. Initially, the concept of GOLKAR as promoted by Sukarno in June 1945, was to fend off demands for an Islamic state and to reconcile the cultural diversity of the embryonic Republic of Indonesia. It was viewed as an alternative to the political party system that was proposed, also by Sukarno, to substitute party representation with functional groups, such as peasant, labor, intellectual, and youth groups. However, the Indonesian army used this concept to legitimize military participation in political life. It was considered one of society's groups and a means to compete politically with other parties, especially the PKI or the Communist Party (Simanjuntak, 1995; Ramage, 1995; and Tadem, 2000).

Clearly, the concept of functional group was seen as an extended trial run for the program carried out under the New Order. Specifically, the major elements of this campaign were as follows:

- The entry of senior military figures into political institutions, and the penetration of the civilian bureaucracy through the placement of officers, justified on the grounds of *Kekaryaan* (acting in a functional group role);
- A campaign against political parties and the establishment of an army within the GOLKAR organization to compete with *ormas* (*Undang Undang Organisasi Kimasyarakatan* or the 1985 Law on Social Organizations);
- A campaign against the drawing of professional organizations into the GOLKAR camp; and

- The aggressive promotion of the concept of *karyaan* (single loyalty) in the state enterprise (Budiman, 1990).

The FBSI, having been influenced by the New Order system, had imposed a new system of trade unionism wherein the workers' organizations or trade unions were based on the industrial sectors or trades; and no trade union should affiliate with any political party. There should be only one trade union in each enterprise that is affiliated to an appropriate *Serikat Buruh Lapangan Pekeja* (SBLP) or Industry-Based Trade Union. It was a professional organization of workers subscribing to the five principles or *Pancasila* (Simanjuntak, 1995).

While with Sukarno's Guided Democracy, trade unions were praised as pillars of revolutions, with Suharto's *Pancasila* Democracy, trade unions were a 'partner' in the tri-party system for National Development. Unions became a means to control labor activities, rather than to represent the basic interests of labor. There was an anti-strike law and the bureaucratization of FBSI, especially by army officers (Sasono, 1985, Boudreau in Tadem, 2000).

Hence, the labor movement in Indonesia under Suharto has always been considered as a tool of the dominant political structure.

Labor Movement: Its Role and Implications to Democratization

According to Samuel Huntington, there are three big waves of democracy in human history. The **first wave** began in the early 19th century (1828-1926) with the extension of the right to vote to a large proportion of the male population in the United States, and continued until the 1920s. During this period, some 29 democracies came into being. The ebb, or reversal, of the first wave began in 1922 with the accession of Mussolini to power in Italy and lasted until 1942, when the number of the world's democracies had been reduced to 12. The **second wave** began with the triumph of the Allies in World War II, then cresting in 1962, when the number of democracies had risen to 36. The ebb of the second wave came between 1962 and the mid-1970s, and this brought the number of democracies back down to 30. And, finally, the **third wave** began in 1974 when authoritarian regimes that had become more democratic added approximately 30 new democracies, doubling the number of such societies.

Additionally, five changes in the world paved the way for the latest wave of transitions to democracy. These are:

- The deepening legitimacy problems of authoritarian governments that were unable to cope with military defeat and economic failure;

- The burgeoning economies of many countries, which have raised living standards, levels of education and urbanization, while also raising civic expectations and the ability to express them;
- Changes in religious institutions which have made them more prone to oppose governmental authoritarianism than defend the status quo;
- The push to promote human rights and democracy by external actors, such as nongovernmental organizations and the European Community and;
- The “snowballing” or demonstration effects as enhanced by new international communications of democratization in other countries.

Huntington also added that there are various aspects of democratic stabilization and the prospects of consolidation in fledging third wave democracies. He outlines a number of conditions that have favored or are favoring the consolidation of new democracies, *viz.*:

- The experience of a previous effort at democratization, even if it failed;
- A high level of economic development;
- A favorable international political environment, with outside assistance;
- Early timing of the transition to democracy, relative to a worldwide “wave,” indicating that the drive to democracy derived primarily from indigenous rather than outside influences and;
- Experience of a relatively peaceful rather than violent transition.

After 32 years of authoritarian rule by Suharto, Indonesia entered into the third wave of democratization, following the four paths or modes of political change introduced by Huntington. These are:

- Transformation - A democratization that comes from above, where the government liberalizes its political system;
- Transplacement - A mixture of transformation and replacement, where there is a process of negotiation between the government and opposition forces to gradually transform the political system into a more democratic one;
- Replacement - A democratization from below; and
- Intervention - A transition to democracy as imposed by external force. The labor movement in Indonesia took the path to transition democracy as follows: transformation, replacement; and transplacement (Budiman in Tadem, 2000).

Transformation

It has been mentioned that labor movements under the powerful Suharto regime were conceived from the New Order structure, such as the FBSI and FSPSI, the OKSI, the PGRI, the KOPRI, and the PWI. These were organized by the government and thus were pro-government unions. As a consequence of being part of the system, the workers were supposedly not allowed to strike. This was against the *Pancasila* or the Five Principles. In times of strikes, the Suharto regime appealed to investors and capitalists to try to meet the workers' demands halfway in order to immediately quell the strikes. Nevertheless, with the imposition of the New Order by Suharto, the era of capital-intensive industrialization as a path to economic development made the labor force less empowered. It placed the workers in a weak bargaining position (Tadem, 2000).

Replacement

In the 1980's, NGOs emerged to serve the needs of the labor force. These were organizations formed from the grassroots one of which was the SBSI or Indonesian



Figure 2. Kampung dwellers from Tanah Merah, Jakarta, threatened with displacement, demonstrate in front of the Department of Home Affairs. 27 March 1992. (*Inside Indonesia*)

Prosperous Laborers Union, which was led by Muchtar Pakpahan. Despite its activities being banned by the Suharto government, the organization survived and was able to manage and strengthen its leadership (*Ibid.*). It succeeded in influencing the workers to become more outspoken in defense of their rights and to defy

authoritarian rule. The workers conducted strikes not only in the factory level; they also joined the demonstration and protest actions staged by free and independent unions at the national trade level. Their activities were considered an important milestone in the resurgence of the Indonesian Labor Movement (*Ibid.*).

The organized trade unions were roughly based on two patterns. On the one hand, some unions were created after the workers had actively joined in the massive protests calling for Suharto's dismissal. They emerged from the workers' longer-term organizing efforts, predating the economic crisis. The new openness in the post-Suharto climate encouraged these workers to form trade unions, as exemplified by the Regional Trade Union (SBR), Jabotabek Trade Union (SBJ), etc. The experience gained and the lesson learned from solidarity and cooperation encouraged workers to form trade unions. On the other hand, another type of union arose out of the declaration by a group of people who, using a variety of methods, were looking for a mass among the workers. Some recruited trade unionists from FSPSI or SBSI to support their organizations (*Inside Indonesia*, 2000)

Transplacement

This mode of political change can be equated to the concept of cooperation or dialogue wherein conflicts can be resolved through negotiation and compromise. To illustrate, with the fall of Suharto and the popularization of liberalized politics, the working class was emboldened to press demands for higher wages and better working conditions. Workers asserted their political influence and formed FSPSI-*Reformasi*. Leaders of unions focused on labor-organizing and mobilizing (Tadem, 2000) activities.

Furthermore, when the IMF's structural adjustment packages came, the labor groups confronted the new challenges. They underwent more open operations, and organizing activities took place in small groups within the factory. They also broadened their regional and national-level challenges. In the past, their activities centered on problems within the factory; now the trade unions confronted and comprehended macro-level policies (*Inside Indonesia*, 2000). To illustrate, on February 2000, sacked shoe factory workers from Reebok producer PT Kong Tai Indonesia blocked the toll road outside the Manpower Ministry office for several hours with an angry protest over severance pay. Demonstrations took place outside the parliament almost every week that same year. In April, 5,000 teachers, whose profession has no reputation for militancy, swamped parliament house during a strike for a 300% wage rise. They had rejected the government's offer of 100%. The shoe factory workers at PT Isanti in Semarang won 23 of their 25 demands, including a holiday on May 1 to join the international commemoration of workers' struggles. Their union believed this would help revive a May Day tradition that was

forced to go underground for its association with communism (*Ibid.*).

Three workers' political parties participated in the June 1999 national elections: the *Pakpahan* PBN got 111,629 votes (26th out of 48 parties), the Workers Solidarity Party (PSP) garnered 26,499 votes; and the All Indonesian Workers Solidarity Party (SPSI) got 34,022 votes (Tadem, 2000). Although these electoral parties still have a long way to go, they have provided the labor sector with more visibility in the political arena.

Conclusion

From the colonial era until the contemporary period, the labor movements in Indonesia have made a big leap in playing an important role in the political arena. They contributed to the democratization of Indonesian society and took the paths to transition democracy, namely transformation, replacement and transplacement, all of which certainly paved the way for democratization. They have been classified into: 1) those related to the political parties or organizations and formed as top-down organizations; 2) those organized or related to nongovernment organizations (NGOs) and formed as bottom-up organizations; and 3) those organized as free and independent unions also formed as bottom-up organizations.

The process of democratization that first took place within the labor movement, and that eventually flowed into Indonesian society should be genuinely sustained, because its breakdown could mean the downfall of the democratic Indonesian society as a whole.

In terms of leadership, the working class party must have a truly proletarian outlook to comprehend strategic principles and must maintain a socialist perspective and orientation. What it can do is to set up an educational program that will promote a scientific viewpoint of history, develop sound analysis of the capitalist economy, imperialism and socialism, and adopt a democratic line.

At present, in the political and societal contexts, trade union movements never cease to struggle in order to achieve a genuine democracy, such as having stable political relationships and institutions. They should continue to pursue genuine thrust and democratic principles not only for the welfare of the members or employees in the movement, but also for the good of the whole Indonesian society.

As the highest governing body, the State should impose laws and policies or other measures for the promotion of the general welfare of the laborers/workers (men, women and children). It would be better for capitalist investors, on the other hand, to always consider the demands of the workers aside from the bigger profits.

They should provide benefits and other privileges necessary for enhancing the workers' motivation, performance and living condition. An equal distribution of resources or profits is always desirable. The bottom line is that there should be a genuine protection of human rights.

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