

# **Battle of Indonesia: resisting corporate destruction**

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Price rises are provoking revolt in yet another country. This time, it is Indonesia, the price hike concerns fuel, and the revolt takes the form of rallies and strike action. The unfolding events in Indonesia can be seen as just a new round in a series of workers' struggles for better living standards, against a state and a capitalist class that tries to make profits by keeping wages as low as possible, by destroying the forest and undermining the livelihoods of the people.

The current conflict broke out after the government raised fuel prices. The cost of a liter of diesel shot up 22 percent and petrol by a dramatic 44 percent, as part of an attempt to contain the costs of subsidizing fuel, a cost that takes about 13 percent of the government's budget. While fuel prices in Indonesia are very low, poor Indonesians are still burdened by them. It was no surprise, then, that the rise was met with immediate protest.

"The announcement sparked clashes in the capital, Jakarta, where protesters blocked the road and fought with police." Students in Yogyakarta and Surabaya rallied, police arrested several of them. There have been earlier efforts to raise fuel prices, but, according to the BBC, "previous attempts have been derailed by violent protests." In other words: fear of the rebellious multitude has been blocking the government's road to neoliberal price reform — an encouraging sign.

Here is another encouraging sign, from Jakarta, 21 June: "In the city's satellite industrial centers, thousands of workers [put down their] tools to protest the government's plan to raise the price of subsidized fuel. Calls to companies in the Cikareng industrial area, near Bekasi, revealed that many workers had left jobs before Friday prayers. Said Iqbal, president of the Confederation of Indonesian Workers Unions (KSPI) said on Friday morning the industrial areas in Bekasi, Cibitung and Cikarang, West Java, had been paralyzed by workers walking out en masse."

The recent wave of protests and strikes does not arise in isolation. The country has seen wave after wave of workers' rebellion in recent months and years, mostly in response to multinational and local corporations seeking to profit from extremely low wages. It is also a country where workers have successfully used the political opening created by the fall of dictator Suharto in 1998 to strengthen the labor movement: there are lively trade unions, strikes, workers pushing for better living standards — and quite successfully so, at times.

Recently, there have been a number of trade union demonstrations for a better minimum wage. In February, "the government decided to raise minimum salaries by about 40 percent — to about \$200." The government had its reasons: "Massive demonstrations by unions demanding a fairer share of the country's economic growth, which stands at more than 6 percent, led to the national wage increase." Capitalist success, gained on the back of low-waged workers, led to resistance. And this resistance apparently paid off for the workers.

The story didn't end there, however. Businesses and their organizations warned that higher wages would bring about factory closures and the loss of jobs. There was delay in the implementation of the new wage law, leading to renewed protests. On February 6, a day after the government's decision, there was more action: "Tens of thousands of people are protesting in Indonesia against government plans to delay its planned increase of the minimum wage." And so it goes. Workers' pressure; government concessions; government backtracking on its concession; more workers' pressure. Again, an encouraging sign: the workers are not letting the government mess around with them!

On April 10, a trade union demonstration was held in Jakarta "to protest against low wages and to demand that the government implement health care coverage for Indonesians." Thousands participated. Workers' strength was once again on display on Labor Day, when "workers converged on Central Jakarta ... halting public transportation and closing down major arteries." Massive it certainly was: over 135,000 workers from three of the country's largest unions joined in. Workers protested outsourcing, a practice that the government has already limited, but that the workers want abolished.

The rise in fuel prices is merely the latest development in this ongoing cycle of contestation. The government cannot say that it hasn't been warned. Already before the announcement of the price rises, major protest rallies were held. On June 18, thousands marched nationwide to protest the rice hike. Demonstrators threw Molotov cocktails, police fired teargas and used water cannons. In Jakarta, a 3,000 strong-rally took place near parliament. There is more to these protests than regular trade union activity alone, even though the latter is clearly present as well.

At rock bottom, the protests are an indication of a growing class struggle against neoliberal reform and capitalist exploitation of urban workers. Neoliberalism has other destructive effects, however. There is the the Freeport mine,

where an accident earlier this year led to protests and strike action. Then there are the activities of multinational corporations in the countryside, leading to environmental destruction, clashes and deaths:

“Land conflicts between farmers and plantation owners, mining companies and developers have raged in Indonesia as local and multinational companies have been encouraged to seize and then deforest customary land – land owned by indigenous people and administered in accordance with their customs. More than 600 were recorded in 2011, with 22 deaths and hundreds of injuries.”

One of the founders of a 700.000-strong Peasant Union speaks of “a new poverty” and a “crisis of landlessness and hunger,” before adding that “human rights violations keep occurring around natural resources in the country, and intimidation, forced evictions and torture are common.” Neoliberalism in the cities means poverty, low wages and price rises. Neoliberalism in the countryside often means hunger and death. Neoliberalism in the countryside also means the destruction of forests. While a moratorium has been announced on deforestation, there are plenty of exemptions, loopholes and illegal business activities allowing the destruction to continue, with all the ecological destruction and human suffering it implies. Sumatra’s rainforests may disappear in seven years, according to a Greenpeace campaigner.

While deforestation continues, local communities resist. “Mursay Ali, from the village Kuala Cenaku in the province of Riau, spent 10 years fighting oil plantation companies which were awarded a giant concession:

Maybe 35,000 people have been impacted by their plantations. Everyone is very upset. People have died in the protests. I have not accepted defeat yet. These conflicts have been going on everywhere. Before the companies came, we had a lot of natural resources, like honey, rattan, fish, shrimps and wood ... We had all we wanted. That all went when the companies came ... We are all poorer now. I blame the companies and the government, but most of all the government ... Please give us back the 4,100 acres of land. We would die for this if necessary. This is a matter of life or death.”

Meanwhile, back in the cities, the unions may express the anger of workers, but at the same time they channel this anger into relatively moderate demands with all the mystifications of “social partnership”, and so on. On May Day, a government official even participated in the trade union rally. That does not mean that employers are satisfied with even this moderate form of workers’ organization: companies dismiss workers trying to form unions, and use subtle pressure against union members, even though trade unions are legal in Indonesia.

Apparently, even moderate workers’ organization within the law, and without any anti-capitalist orientation, is too much for the bosses. We already saw the bosses’ threats against wage rises: minimum wage rise means closures and lay-offs. A confident workers’ movement might well answer: “you’re trying to close the factory? We’ll occupy it and run it under workers’ self management!” Like they are doing at the Vio.Me factory in Greece.

Things have not reached that stage in Indonesia – yet. But a workers’ movement that has already forced the government to raise the minimum wage, and through earlier expressions of anger caused delay in the fuel price rises, can be expected to take more encouraging steps in its fight against neoliberal capitalist exploitation. Keep an eye out for Indonesia, its striking workers, its protesting students and its resisting peasant and indigenous communities. They may yet strike fear in governments and factory owners, the powerful and the rich — and give the rest of us a reason to rejoice.

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