

## Racialized Capitalism and Anti-Chinese among Indonesian Workers

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**Abstract:** This research discusses racism, capitalism, and anti-Chinese among Indonesian workers. According to numerous preliminary studies in Western Europe, competition and prejudice drive racism and xenophobia. However, no research has been carried out on the historical relationship between immigrants and Indonesians in forming the capitalism process. Therefore, this qualitative research revealed these historical relationships and found that racism did not affect migrant workers other than Chinese. The study also found that racism was institutionalized through capitalism formation by the state during the colonial period. The Dutch colonialists applied racism in politics by placing Chinese workers as the intermediary, and foreman, thereby leading to the rise of class and racial conflicts. When colonialism collapsed, state officials required that the Chinese become an economic elite and needed capital support to do so. The result showed the harmonious relations between Chinese businessmen and state officials on the one hand and tensions between the state and workers on the other regarding racism and anti-China in Indonesia. Furthermore, over the past decade, identity politics has strengthened in Indonesia with open resistance to Chinese workers.

**Keywords:** Indonesia, migrant workers, racism / anti-Chinese, racist capitalism, workers.

Although foreign workers have been present since the mid-nineteenth century, rejection only started recently. Trade unions tend to be unifying because their major function is to protect workers' interests. Côté et al. (2009) and Frymer and Grumbach (2020) researched in the United States. They discover that unions are also involved in political socialization, including the potential to promote tolerance towards minority groups. However, the reverse was the case because trade union members rejected Chinese workers. Presently, there is a developing anti-Chinese climate in the Indonesian trade unions. The presence of foreign workers has not changed the labor market; rather, their rejection is one of the central labor issues in the past ten years, contrasting to events in Europe and the United States. In both regions, foreign immigrants seek work and protection due to their home countries' economic and political instability. They are cheaply paid, thereby becoming a threat to workers in the host country. De Wilde et al. (2021) confirmed: "some locals benefit from the labour performed by day labourers and believe they do not harm, while others see them as 'illegal' immigrants that pose a threat to the community" (p. 45).

Recently conducted research discloses that the fear of competition gives rise to racism and xenophobia attitudes (Gurer, 2019). Gorodzeisky and Semyonov (2015) carried out studies that argued that immigrant antipathy increases when the destination country experiences an economic crisis, leading to a decline in employment opportunities. In this situation, the in-group triggers the suspicion of the out-group. Racial antipathies are also influenced and rooted

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in a belief system developed for the past ten years. Gorodzeisky and Semyonov (2019) stated that their ethnicity or origin influences Europeans' attitude towards immigrants. Specifically, "they are willing to support the exclusion of non-European immigrants" (p. 2). Meanwhile, Hürtgen (2020) complemented the conclusion that "racism and xenophobia are the outcomes of the experiences and objective conditions faced by workers such as productive competition in transnational companies" (p. 19)

Racism and xenophobia emerge from different situations in diverse countries (Crush and Ramachandran, 2010). In Indonesia, the rejection of Chinese workers is exclusively carried out by trade unions. They typically surround the airport carrying posters and banners condemning them. Local parliamentarians proposed a moratorium on the recruitment of Chinese workers, and the indigenes requested data relating to the formation, competence, and duration of work in Indonesia (Tamsah et al., 2019). Also, racism and xenophobia are always on the union's annual agenda whenever they celebrate Labor Day on May 1. These posters usually contain condemnation, rejection and demeaning sentences.

Numerous gaps are associated with the literature on racism and xenophobia. Several previous studies in Western Europe and Africa have reported the unpreparedness of local workers in the competitive market (Gorodzeisky & Semyonov, 2019). This argument is historical because they are inherent products of culture. In Indonesia, for example, there are numerous foreign workers from China, Korea, America, Japan, Singapore, Afghanistan, India, and the Philippines. Indonesian trade unions readily denounce and reject Chinese workers, unlike the others. This implies the existence of a special relationship deep-rooted in history, that started with the formation of capitalism at the end of the nineteenth century. The placement of the Chinese race in the trade monopoly and plantation managers by the Dutch colonialists lead to confrontation with workers who were mostly natives. The structure of the society based on race benefited the Dutch colonialists. The people's daily hostility and resistance were directed at the Chinese. The formation of Indonesian capitalism places the Chinese race as a target of the lower class dominated by natives and Muslims. It also perpetuates hatred between them and the workers. In recent years, the open rejection of Chinese workers is a capitalization of hatred against this race by hardline Muslims in the Jakarta gubernatorial Election held in 2017.

## **Conceptual Framework**

Labor migration between countries has been a global phenomenon since the 1970s. Fortunately, this is in line with the presence of multinational companies that drive globalization. The economic and political instability of Developing Countries is a driving factor, and economic growth, educational advancement, industrialization, technology, and higher wages in Western countries are regarded as the pull factors (de Wilde et al., 2021). The friendliness of Western society inherent in their pluralism structures is another important reason for them becoming a destination for migration (Etherington, 2019). However, various previous studies are starting to uncover several problems. For example, Gorodzeisky and Semyonov (2015) stated that "the presence of immigrant communities in Europe, changes the ethnic structure of the society, and is also followed by the emergence of anti-immigrant sentiment." (p. 3). This is consistent with Schlueter and Scheepers (2010). They stated that "this sentiment is substantive and in line with the increasing pressure of the local population by newcomers in both the labor and socio-cultural fields" (p. 287)

Ellermann (2020) reported that racism and xenophobia are followed by policies to restrict access to territories and citizenships. Legal differentiation based on gender, race, ethnicity, religion, and class is inevitable. These policies triggered the emergence of identity

politics in countries with established democratic systems such as the United States and Europe and newly industrialized nations regarded as migrant destinations. The research results of these scholars are divided into two perspectives. The first is associated with an economic perspective, especially the increasingly fierce competition for jobs and living wages. The second is prejudice, followed by ethnocentrism, a negative view of outsiders rooted in the way of thinking that views other groups as inferior while being proud of their own culture.

Previous studies have also reported that negative attitudes towards immigrants tend to increase as the population increases. The discrimination gets harder when the economy is unstable, followed by employment scarcity (Pichler, 2010; Schlueter & Scheepers, 2010). Individuals with poor educational backgrounds and economic conditions are less likely to openly express negative attitudes towards immigrants for fear of competition (Rajman et al., 2003). These negative sentiments are developed through a long process rooted in the socio-cultural values regarding race and minorities (Sears, 1988). This process means that the antipathy towards the out-group does not appear immediately, such as fighting over jobs. Instead, it occurs as a result of social construction.

In India and South Africa, the antipathy towards immigrants is related to radical nationalism. Generally, hostile perceptions and negative views of migrant groups are in line with ill-treatment and discrimination (Crush & Ramachandran, 2010; James, 2019). Labor migration is presumed to reduce wealth inequality between the North and South. However, the emergence of racism and xenophobia reduces the benefits and positive outcomes of international migration and continues to broaden the inequality between regions.

Furthermore, other explanatory models are based on prejudice. According to Allport (1958), prejudice is an expression of sentiment towards a person or group of people. Based on this concept, racial prejudice is an expression of negative attitudes towards socially defined groups. This definition helps to understand racism and xenophobia and provides stronger support for concepts other than competition. However, the aforementioned models are irrelevant for the Indonesian cases. The hatred of the Chinese or anti-Chinese is not due to competition for jobs. Rather it is due to the formation of racist capitalism, leading to inequality between these races. This condition is perpetuated by the harmonious relationship with Chinese business people on one hand and power tussle among workers on the other.

This study offers a contextual understanding of the reasons behind the development of racist or anti-Chinese attitudes among Indonesian trade unions. The utilization of primary and secondary data, including a descriptive analysis method, shows that it is not caused by competition for jobs reported in studies carried out in Europe and America and mere prejudice, but by the formation of racist capitalism, perpetuated through discriminatory policies.

### **Anti-Chinese Violence**

The transformation to capitalism in Indonesia did not emerge from endogenous forces like Western Europe and the United States. The transformation occurred as a result of colonialism based on external political and economic forces. During the emergence of foreign capital in the early 1800s, Indonesia's political economy was still feudalistic. The Dutch companies invested in plantations, especially coffee, rubber, and sugar cane. At that time, some of the workers were from China, and in 1860 their population had increased to 221,438, while Europeans were only one-fifth, and Arabs were less than 10,000 (Creutzberg et al., 1987).

The diligent and tenacious Chinese workers attracted the Dutch businessmen's attention, and within a short period, they occupied certain positions such as foremen, supervisors, and tax collectors. Indonesian workers were monitored in strata, Europeans occupied the upper level, the Chinese occupied the middle position, and the indigenous

population was at the bottom. Sociologist Wertheim (1956) referred to this as a colonial caste structure. These racial segregations made the Chinese target of protests by indigenous workers. This pattern was preserved by power till the emergence of modern Indonesia. One such project was the *Geger Pecinan* or the Angke Tragedy in 1740, which originated from the disappointment of Chinese workers against repression and the unilateral colonialist decision on sugar prices (Heidhues, 2012). Thousands of Chinese were killed during the protest. Similar incidents occurred 100 years later, during the Java War (from 1825 to 1830), and since then, violence against the Chinese tends to reoccur every 20 years on a different scale.

Within two centuries, large-scale violence became indistinguishable from massacres. The first was the Angke Tragedy, in which 6,000 to 10,000 Chinese were victims. (Kemasang, 1985). The second was the emergence of the independence revolution era from 1945 to 1949. The Indonesian government, which was established in 1945 was unable to control the situation due to a large number of paramilitary troops in the war with its Allies. The police and military were yet to be formed; therefore, freedom fighters controlled the situation. To obtain funds for the movement, the Chinese people were subjected to looting, and their women were subjected to sexual abuse. Although many freedom fighters evacuated them to safer areas, the Chinese, especially those who felt insecure, enthusiastically waited for the Allied troops' arrival. This led to the disappointment and hatred of the freedom fighters as thousands of Chinese were targeted for assassination. They had to pay a heavy price to bandits, spiritual leaders, and masters for protection.

The third was the counterattacks from the military and pro-military Muslims in response to the 1965 rebellion of the Indonesian Communist Party (PKI). In the early 1960s, the political situation was marked by tensions between the Indonesian Armed Forces (TNI AD) and the PKI. Subsequently, both strengthen their positions by establishing relations with foreign countries. For example, the Army sought the United States, and the PKI sought to support the Chinese Communist Party. After the Indonesian Army overthrew President Soekarno in 1966, they immediately crushed the PKI and its followers. The Chinese were subjected to violence, which led to the murder of hundreds of thousands of people (Cribb & Coppel, 2009). They were accused of being rebellious and therefore regarded as enemies of the state. In Jakarta, the Chinese Embassy was burnt down, and the government led by General Soeharto immediately cut off all diplomatic ties. A year later, a policy banned Chinese schools, the use of Chinese, dissolved their communities and organizations, banned the people from studying in state-funded institutions, and discriminated against the people's citizenship rights was issued. Considering that the language, schools, and mass media were the main agents of cultural development, the prohibition policy aimed to prohibit the development of Chinese culture in Indonesia. The hatred of the indigenous population towards the Chinese ethnicity, inherited from colonialism, required state legitimacy.

The fourth was racist anti-Chinese violence from 1996 to 1999. This incident started due to the 1996 economic crisis that hit several newly industrialized countries such as South Korea, Thailand, Singapore, Malaysia, and Indonesia. The state and businessmen of Chinese descent controlled the Indonesian economy (Chua, 2006; Wijaya, 2019). The Chinese population in Indonesia was approximately 3.5%, and they controlled relatively 72% of the capital (Backman, 2001). This crisis later became multidimensional, culminating in the fall of President Soeharto in 1998. This led to the rapid spread of poverty and inequality while Chinese conglomerates tried to save their assets abroad.

Consequently, citizens of Chinese descent were the targets of hostility. Their shops were burned and looted, while the women were harassed and raped. Based on the Joint Fact-Finding Team, about 1190 persons lost their lives, while 85 were victims of harassment, including rape and maltreatment (Purdey, 2006). The use of violence demonstrated the deep

hatred of indigenous people towards China's minority. Since the end of the XIX century, the social relations that have been in existence led to the development of negative indigenous perceptions about the Chinese, such as attitudes that only favor their groups, doubtful nationalism, neither Islamic nor capitalist. The capitalist label in Indonesian society upholds the norms of cooperation while harmony depicts negativity. This kind of background can also explain the mass rapes that led to the trauma of Chinese women (Ahmadi, 2021)

## **Racial Capitalism**

The capitalism that has developed in Indonesia has been described as racialized capitalism. For Robinson (2005), racial capitalism describes how “the development, organization, and expansion of capitalist society pursued essentially racial directions” (p. 2). Racism or anti-Chinese behavior is rooted in racial capitalism that has been in existence since the emergence of foreign capital, as well as the product of discriminatory state policies. Foreign capital is increasingly integrating the Indonesian economy into the global market. Apart from the financiers, who were mostly Europeans and the local elites, especially the landlords, the Chinese enjoy the profit from the role of traders. This early globalization led to modern wealthy people with thoughts oriented towards Europe. The aristocrats who became the traditional elite offered full support to this modernization model. The competition for modernization strategies between the secular Western Europeans and the Islamic reformist model since the 1920s that the secularists won further sharpened the polarization of the elite and the masses. European-style modernization's victory benefited Chinese businessmen and increasingly integrated the Indonesian economy into the global market while enlarging racial segregation.

Indonesian-Chinese capitalists were exposed to greater opportunities to utilize resources to control the economy. The special relationship, developed since the end of the nineteenth century, has enabled Chinese businessmen to grow rapidly and engage in capital-intensive industries. Subsequently, before the arrival of Japanese intermediaries, most companies in the main cities were Chinese-owned. Twang (1998) reported that 53 large companies situated in Batavia, Palembang, Semarang, and Medan had total assets of 640,343.88 USD. Irrespective of the violence and a considerable decline in wealth experienced during the War of Independence, which occurred from 1945 to 1949, Chinese businessmen were still in control of the economy. Sutter (1953) found that the Chinese accounted for relatively 4% of Indonesia's population and own 273 or 45.4% of the companies. This figure remained the same in 1980 when the Chinese constituted 5% of the population (Muhaimin, 1991). Soeharto's patrimonialism system enabled the emergence of Chinese businessmen who indirectly enjoyed state support to become economic giants. As a result, they became excessively wealthy, which was a supporting factor that led to the rise of capitalism in Indonesia (Robison, 2009; Wijaya, 2019).

Racist capitalism does not emanate from a productive system that relies on efficiency, competition, and freedom; rather, it is a patronage of the political economy. Several Chinese businessmen offered economic support to military leaders carrying out state duties due to a lack of state budgets and personal interests. This support was met with preferential treatment when the military ruled the country (from 1968 to 1998). Besides, such patronage-laden relationships allowed the concentration of policy formulation and resource distribution in certain areas belonging to political elites and economic actors, including highly-connected *cukong* (bosses) (Wijaya, 2019). The political elite used the rents collected to purchase and maintain their offices, while the bourgeoisie receives economic benefits and protection of power, thereby enjoying a monopoly.

In 2010, *Forbes* published a list of the 50 richest people in Indonesia, and only 7 (seven) were non-Chinese. In 2020, this figure tended to persist with only changes in position or order (Forbes Corporate, 2020). This data shows that Chinese conglomerates remained even when the authoritarian political system transitioned to democracy (Wijaya, 2019). The persistence of patronage networks not only perpetuates racist capitalism it also provides investors with new roles as political bosses. This situation is not different from the New Order era, and they continued to pursue developmental projects by ensuring their people were in government. Based on this entrepreneur-ruler relations pattern, an industrial relationship was subjected to slight changes, especially freedom of association and trade unions' role in influencing labor policy.

### **Racism / Anti-Chinese: Continuity and Change**

Anti-Chinese attitudes of Indonesian workers emerged in the early 1900 in Surakarta, Central Java. The indigenous people founded Rekso Roemekso a counterweight to Kong Sing, a union that the Chinese formed, which was engaged in social affairs and protected Chinese merchants and businessmen (Takashi Shiraishi, 1997). This movement acted as the village security guard, also protecting indigenous batik entrepreneurs. Competition in the batik business between Chinese businessmen and traders and the natives led to a fight between Kong Sing's followers and Rekso Roemekso. Furthermore, the batik industry is a capital growth sector, as are plantations, sugar, pawnshops, and transportation.

The racial division of labor by the colonial government made it difficult to form an effective labor movement. Rather, it maintained racist or anti-Chinese attitudes among the workers. Indigenous workers are categorized as the lower class in the colonial social structure, while Europeans worked in administration and supervisory fields. Although many Chinese worked as laborers, some of them became supervisors or foremen. As a defense mechanism, indigenous workers-built settlements in the cities based on primordial ties. This pattern also made it difficult to build a working-class environment challenging and the government deliberately maintained the practice, thereby ensuring easy control. Racism among the workers increased when the movements only accepted Europeans as members. Moreover, the Islamic Union's development in various regions caused the workers to discover new institutions to climb the ladder of social mobility. Regional ties faded and were instead replaced by religious ties. *Sarekat Islam* offered new experiences and encouraged psychic mobility. The workers expected that a new social order was bound to emerge under *Sarekat Islam* as a rejection of the elite's European-style modernization at that time.

In the campaign for socialist ideology among Indonesian workers, the success of Dutch socialist figure Henk Sneevliet\_ altered the structure of the trade unions (Saich & Tichelman, 1985). The trade unions began to embrace openness in the mid-1920s, followed by the departure of the European workers (Ingleton, 2014). The trade unions entered a new phase with their role as the bargaining power. The demand for equal wages and reduced working hours was strengthened. The managers adopted industrial power (capital) by selecting non-unionized workers or employees from other ethnicities. This strategy involved temporarily replacing striking indigenous workers with Chinese workers. The employers relied on *kheh-thau* to mobilize Chinese workers in an employment crisis (Bremen, 1987).

The indigenous workers were unable to hide their anger because the owners of the capital continued to import Chinese workers. In 1930, the number of Chinese in the country had reached 1,348,700, including Totok (full-blooded Chinese, usually born in China) and Peranakan (local-born Chinese, often with some Indonesian ancestry) or 2.24% of Indonesia's population at that time (Dick, 2000). During limited employment opportunities, discrimination

(indigenous workers receive lesser wages, and the Chinese were mostly offered housing facilities) due to the influx of Chinese workers sparked protests. Major strikes occurred because of increasing demands, such as filling the position of *tandil* or foreman and administration by indigenous workers. According to Ingleson (2014), most modern urban sector jobs are organized by foremen. They have great influence and power, such as organizing and paying wages, to striking workers. However, during difficult times, the foreman provides food and cash. The motive behind this was not altruistic but for control and exploitation. The return of the Dutch workers to their homeland due to economic crises created opportunities for the natives to hold positions of foreman and office administration. However, Western-educated landlords and aristocrats dominated this route to mobility. Even at the lowest level, only noble families enjoyed the benefits of education. This stagnation in mobility route caused the workers to be disappointed, thereby placing their hopes on the nationalism movement. This new ideology emphasized the boundary between the indigenous people and foreigners, both European and Chinese, which caused the workers to join the army and movement organizations.

This phenomenon is consistent with the observations of Virdee (2019) in newly independent countries. According to Virdee, "in working-class politics, their utopian vision of transnational subaltern solidarity is usually drowned by the hegemonic voice of nationalism." (p. 17). With the surge of nationalism, with boundaries often similar to racism, the movement attacked Dutch and Chinese companies. They looted shops that the Chinese owned almost regularly. The entry of peasants into the cities to mobilize the people pressured the Europeans and Chinese. The peasants had the opportunity to vent their pent-up emotions that Chinese money lending activities caused in the countryside. Creditors ruined villages' economic order with burdensome interest. Peasants who failed to pay their debts needed to give up their farmland or their daughters as mistresses to the Chinese. The exodus of the Dutch to the Netherlands before and after the Proclamation of Independence in 1945 convinced the movement that the Chinese lacked an assimilation agenda. Those who survived in Indonesia were forced to pay bodyguards, robbers, champions, executioners, and others to protect their property and families. In some areas such as Karawang, Bekasi, Tangerang, and Banten, the Chinese were arrested and forcibly circumcised while their property was looted and women harassed (Heidhues, 2012; Twang, 1998).

This poor situation is the historical product of the Chinese-indigenous relations in Indonesia. After receiving special treatment from the Dutch colonial government to learn their language and set up Dutch-speaking Chinese schools, they were also permitted to own lands, granted Dutch citizenship, and allowed to establish a pro-Dutch Chinese political party, Chung Hua Hui (CHH), at the beginning of the 20th century (Twang, 1998). This discriminatory policy was originally intended to mobilize the Chinese to support the colonial government. However, the division of the Chinese community, namely the Peranakan and Totok, led to conflicts. The Peranakans were belittled by Totok and rejected the Pan-Chinese movement were favored by the Indonesian nationalist movement. Therefore, the CHH's rejection led to the Indonesian Chinese Party founding (PTI) (Suryadinata, 2001)

The capital and security needs for community movement and the Chinese led to forced cooperation. The Totok Chinese created a "profession," smuggling goods from Singapore and Malaysia to Indonesia or vice versa. This role generated an enormous amount of money, although it was unable to succeed without military officials' support. Ford and Lyons (2012) stated that "the role of local officials is extremely diverse, especially the border guards. They allowed the smuggling practice because the smugglers usually bribed them" (p. 3). In the New Order era, many Chinese businessmen succeeded as giant investors based on their role as

smugglers. For example, Liem Sioe Liong (Sudono Salim)'s company became an economic giant due to Liem's special relationship with President Soeharto.

Unfortunately, such an official-boss relationship pattern developed rapidly in Indonesia, even in the democratic era. Various have analyzed this role. Robison (2009) examined the rise of Indonesian state capitalism in the New Order era. He said that the state's success supported by companies in the military's hands in the previous era. It is also supported by the enormous role of Indonesian Chinese businessmen. The cooperation of state officials with Chinese businessmen relating to capital accumulation has enhanced both parties' wealth. In this context, the most prominent Chinese Indonesian business corporations include Salim (Liem Sioe Liong), Sinar Mas (Eka Tjipta Wiaya or Oei Ek-Tjhong), Djarum (Oei Wie Gwan), Astra (William Soerjadjaya), and Lippo Groups (Mochtar Riady or Lie Moe Tie). Kuning (1988) highlighted the state's outsized role, including hindering these businesses' freedom and, referred to capitalism in the Southeast Asian Region as pseudo capitalism. Often, Southeast Asian businesses do not grow based on freedom of competition. Rather they develop based on the protection of a patronage system. Furthermore, the state officials prefer to protect Chinese Indonesian businessmen because they are smarter in conducting their business activities and do not threaten their positions.

The fact remains that Indonesia's growth and development rely on the state and private capitals belonging to the Chinese. The cooperation of state officials with Chinese businessmen has been the motor of economic growth during Soeharto's leadership. Consequently, after the reign of Soeharto, they became financiers of politicians fighting for positions (Wijaya, 2019). Besides, they also "played an active role in shaping local politics, which was tinged with institutionalized corruption and thuggery, as well as perpetuating their increasingly ambivalent position" (Wu-Ling, 2015, p. 489). The officials offered developmental projects to these businessmen. Also, they provided various business opportunities, namely tax relief and import-export conveniences and monopolies. Furthermore, it is necessary to offer financial returns to these officials. However, such practices tended to last for an extremely long time because activists were too frightened to criticize Soeharto's security approach. Soeharto's opponents were labeled as left (communist) or right (supporters of Islamic fundamentalism) extremists that buried their political ideals.

Soeharto's cooperation with Liem Sioe Liong served as a role model for the subsequent generation of Chinese soldiers and businessmen. Under Soeharto's protection as the main patron, this pattern was developed even after its fall. The Chinese capitalists were increasingly active alongside security support from the state. Based on such a relationship, the government made certain sacrifices, such as payment of wages according to minimum physical needs and controlling workers' unions (Hadiz, 1997; Rochadi, 2020). Formally, the Pancasila Industrial Relations (HIP), promoted by the government, is the sole principal of the labor movement. However, this practice is far from the concept that they are partners in profit, responsibility, and production. Moreover, from 1966 to 1998, workers lacked freedom of association. The Minister of Manpower controlled the All Indonesian Workers Union (SPSI). Workers' salaries are always within the poverty margin known as the regional minimum wage. However, under such conditions, workers were forced to protest weekly. Besides, from 1990 to 1998, when the structural adjustment policy was slightly loosened, workers' protests took place daily. They demanded freedom of association and businessmen to comply with minimum wage policies.

The workers' protests in the 1990s became the pioneers of democratization, which led to the fall of Soeharto's New Order authoritarian rule. This political structure created opportunities for workers to form unions. There are 109 trade unions at the national level, and the majority of them are old. Their movement's orientation is grouped into three broad lines, namely Islam, socialism, and Pancasila. Presently, this ideological map is still ongoing with a



few changes and reinforcement. The Indonesian Islamic Workers Union (SBII), the Association of Indonesian Islamic Workers Union (Gasbiindo), the Islamic Workers Union (Serpi), the Islamic Workers Union Congress (KOSBI), the Association of Islamic Workers Unions (GOBSI), and the Indonesian Muslim Workers Brotherhood (PPMI) championed Islamic ideology. However, only the PPMI survived and has consistently fought for Islamic industrial relations (Rochadi et al., 2018). The All Indonesian Workers Union (SPSI), formed by the New Order government and its fractions, continues to fight for Pancasila industrial relations. Meanwhile, the Indonesian Workers Union Alliance Congress (KASBI) formally championed HIP, irrespective of the fact that it strongly rejected foreign workers, debt, and outsourcing policies.

The emergence of a conservative Islamic workers union is in line with the need for the government of Susilo Bambang Yudhoyono (SBY) to gain the support of this group. During the reign of SBY (from 2004 to 2014), Islam succeeded in rising to the center of power, which it never been had reached (Bourchier, 2019). Bouchier stated seven factors that put conservative Islamic ideology in power. The rise was stated from the regions led by the Democrat party, the Prosperous Justice Party (PKS), and its coalition, which resulted in establishing led the Sharia regional regulations; 150 regencies or cities in Indonesia (29.1%) enforced Sharia regional regulations till 2012. The next relevant decision was the reshuffle of the Indonesian Ulema Council (MUI) structure from ultra-conservative (according to SBY) to being more democratic. The Nahdlatul Ulama and Muhammadiyah no longer dominated the MUI, and mass Islamic organizations in Indonesia, including the Islamic Defenders Front (FPI) and Hizbut Tahrir Indonesia (HTI), were put on par. The alteration of its structure led to the emergence of relevant decisions, namely the fatwa of rejection on pluralism and the fatwa of Ahmadiyah as a deviant sect. These two fatwas justify acts of violence perpetrated by intolerant groups against the minorities. The further deepening of conservative Islam was marked by enacting the anti-pornography law in 2008 irrespective of the opposition from various societal elements. The Constitutional Court enacted the blasphemy law in 2010. The anti-pornography law justified the FPI's action against nightclubs. The FPI positioned itself as the "moral police" and raids traffickers, especially during Ramadan. Meanwhile, the majority used the blasphemy law to suppress minorities. This outcome was evident in the case involving the Jakarta governor Basuki "Ahok" Tjahaja Purnama, related to the prohibition and destruction of worship places for religious minorities.

An incident related to Jakarta Governor (from 2014 to 2017) Basuki "Ahok" Tjahaja Purnama, gave the conservative Islamic workers union an increasingly open opportunity to declare its rejection of the Chinese. The union advanced the notion that Ahok had "insulted the Qur'an and ulema which attracted legal consequences" as stated by the MUI, a conservative Islamic group led by FPI and HTI supported by PPMI which demanded that the governor be arrested and tried. On October 14, 2016, this movement held a demonstration in the streets after the usual Friday prayers. The emotions of the masses were clear because shouts of "arrest Ahok" and "kill Ahok" were repeatedly heard. Similar events reoccurred every Friday, from November 4 to December 2, 2016, and this was later referred to as the Alumni Brotherhood 212 (PA 212) movement. The Confederation of Indonesian Workers Unions (KSPI) led by Said Iqbal joined the movement by calling for a national strike and developing the Indonesian Muslim Workers Movement (GPMI). The demands were further extended to the rejection of *asing* (foreigners) and *aseng* (an insulting term for the Chinese) in the Indonesian economy. The streets of Jakarta became an arena for the criticism of *aseng*, especially the Indonesian-Chinese economic relations, and the rejection of Chinese workers. "*Asing*" and "*aseng*" were later regarded as the jargon of the worker's movement, especially those driven by PPMI, even after the chairman, Daeng Wahidin became one of the PA 212 chairmen.

The opposition groups led by FPI, HTI, PPMI, and KSPI were supporters of presidential candidate Prabowo Subianto during the 2014 and 2019 elections. Their negative emotions towards power were developed during the election campaign. Ahok, a member of the Jokowi's rule, was the target of these attacks. Besides, identity politics was implemented, thereby making it difficult for President Jokowi to defend the governor. Simultaneously, the issue of communism manifested to attract hardline Islamic support to the ranks of the opposition, which was similar to the 1965 incident. The fear of the Chinese was not hidden because they had prepared to flee to Bali, Singapore, to Australia.

Unfortunately, when they arrived at the airport, anti-Chinese groups greeted them with shouts of "expel the Chinese." The workers unfurled banners stating "they are not needed," "grabbing the fortune of the Indonesian people," "problem carriers" and referred to them as "virus spreaders" during the Covid-19 pandemic (Namli, 2021; Pati, 2020). Every vehicle that drove on the highway was searched by Chinese workers (Hermawan, 2020). The roads were blocked, and stones were thrown at vehicles suspected of carrying Chinese workers (Harlina, 2020). The leaders stated that the arrival of Chinese workers caused them to lose their jobs and increase the unemployment rate for Indonesians. However, at the end of 2020, the Ministry of Manpower and the Central Statistics Agency, stated that there were 99.000 foreign workers which constituted 0.06% of the Indonesian workforce. This number is unlikely to alter the structure of the labor market and is much less in other countries with developing economies, such as Malaysia relatively 2-2.5 million and Thailand 2.9 million (ILO, 2019).

While addressing members, PPMI Chairman Daeng Wahidin stated that the Chinese workers only benefitted the foreign capitalists that control the Indonesian economy. "Capitalism has been proven to torment Muslims and needs to be replaced by another system that is in line with Islamic teachings" (Sitompul, 2020). The chairman ordered the PPMI members to block unskilled Chinese workers. The PPMI's stance was followed by the Confederation of Indonesian Workers Unions (KSPI). They demanded an end to the migration of workers from China and requested that those working in Indonesia be deported immediately (Kiki Safitri, 2020). Conservative Islam-pro mass media such as hidayatullah.com, mediapribumi.com, eramuslim.com, and konfrontasi.com, which are active in constructing narratives of hatred against Chinese, played a major role in arousing and shaping negative sentiment towards Jokowi's power and the Chinese.

The anti-Chinese attitude that Indonesian workers exhibited is a manifestation of various factors that did not appear suddenly. The history of the relationship between the Chinese and natives is inherent in the collective memory of the workers, economic inequality between them, discriminatory use of power, the strengthening of China's economic role in Indonesia in the past ten years, and the emergence of political identity in Indonesia. These are the factors that shaped negative sentiment. This attitude persisted in a generational trajectory because it was formed on the landscape of racist capitalism since the colonial period. Without those pre-histories, Chinese as such would not have become the particular victims of these stereotypical images. However, when the democratic political system became an order that led to the competitive attitude between political parties after Soeharto's New Order, the Chinese group's economic state was already strong and took advantage of the competitive system to fund politicians that fought during elections.

## **Conclusion**

This research explains, the reasons behind the existence of the anti-Chinese attitude among Indonesian workers. Therefore, through primary and secondary data, it was concluded that (1) racist capitalism, such as controlling the capital by the Chinese, was the capitalism that

emerged and developed in Indonesia. The placement of the Chinese as foremen, plantation managers, and entrepreneurs by the Dutch colonialists, made this race hold very strong economic positions. However, through several discriminatory policies, in modern Indonesia, these positions are no longer assigned to them. Meanwhile, when the political system was more democratic, Chinese capitalists acted as political porters for politicians, hence they enjoyed various social facilities and protection. (2) Although the arrival of Chinese workers, did not change the labor market in Indonesia, it was met with resistance from Indonesian workers that joined the conservative Islamic workers union. Furthermore, they were suspected of taking over jobs and wanting to strengthen the position of Chinese financiers. The election for the Jakarta governor, which confronted the popular Chinese incumbent Basuki Tjahaya Purnama, unified all elements of Islam and received the full support of a conservative Islamic workers union. This was due to the decline in the strategic position of conservative Islamic groups that had been enjoyed during the reign of Susilo Bambang Yudhoyono (2004-2014). (3) Indonesian worker unions are fragmented based on various social ties, such as religion, region, employment, and those that never succeeded in forming a joint force. Anti-Chinese is not the attitude of all Indonesian worker unions.

This research was carried out based on the perspective of political sociology and was limited to the relationship between Indonesian workers, especially those that joined PPMI, GPMI, and KSPI, towards Chinese capitalists. These workers were also active in PA 212, a hardline Islamic movement that opposed Joko Widodo's government. The primary data used were limited by the author's observations at demonstration locations, especially in Jakarta city. However, despite these limitations, this research succeeded in providing a new perspective in understanding workers' attitudes towards capitalism. Labor relations with capitalism, do not always use a class and post-colonial approach, rather it also uses religion, discriminatory policies, and racial relations. Several studies have been carried out on immigrant workers in Europe and America. For instance, Gorodzeisky and Semyonov (2015) researched the competition between immigrants and citizens for work, while Schlueter & Scheepers (2010) researched the increasing pressure of the local population by newcomers in both work and socio-cultural fields.

However, research is needed on the comparison of migrant workers in companies owned by Indonesians, Chinese, Japanese, and Americans as well as to determine their related industrial relations. Authors in Europe and America that first discovered the concept of racial capitalism can deepen their studies by comparing migrant workers from Africa, Latin America, and Asia. Furthermore, the recent Asian racism hitting America is an interesting theme, because it is associated with the spread of the virus while competing for jobs.

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The author declared no potential conflicts of interest to the research, authorship, and/or publication of this article.

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