

EMPOWERING LABORS IN BRICK FACTORIES: DEVELOPING INSTITUTIONAL ORGANIZATION, TRAINING, AND ACCESS TO CAPITAL

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Abstract

Purpose: This study analyzed the empowerment of brick factory laborers, related to the relations of labors and employers in the production to marketing processes, problems faced by laborers, their potential, and the priority of empowerment programs for brick factory laborers.

Methodology: In collecting data, researchers used the method of observation, in-depth interviews, and focused group discussion as the primary data source, and the literature study method as a secondary data source. Researchers analyzed data with a qualitative approach. When the data collection took place, researchers began to analyze data until a certain time even though the time of data collection has been completed.

Findings: Three principal components are interrelated in brick production, namely: landowners, employers, and laborers. The employer rents land from the landowner and employs labors to produce bricks. Between labors and landowners do not have a direct employment relationship, because it is the employer who presents his work. In the case of labor and employer relations, labors are in an exploited and alienated position, which leaves workers powerless. Several labor problems that occur in working relationships in brick factories are: labors get salaries not based on provincial minimum wages, labors do not have social protection, labors find it difficult to meet basic needs, weak legal protection, labors do not get holiday allowances, face dismissal problems, and it is hard to get jobs outside the brick factory. What can be done to empower labors in a brick factory is to build an institutional labor organization, organize training to strengthen labor capacity, and open access to ownership of production capital.

Implications: This research was beneficial to create the community of labors in brick factories that were empowered, socially, economically, and politically.

Novelty: The labors in brick factories can be empowered by developing an institutional organization of labors, strengthening labor capacity through training, and opening access to ownership of production capital.

Keywords: Empowerment, Labor, Brick Factory, Institutional Organization, Training, Capital.

INTRODUCTION

The concentrations of high population in developing countries, not least in Indonesia, encourage the growth of labors in the informal sector. The growth of the informal sector in urban areas is a sign that this sector has a huge role as an economic driver. The informal sector also has an essential function in saving unemployment. When the crisis hit Indonesia, which caused unemployment everywhere, the informal sector became a savior for the survival of millions of victims of layoffs, both in urban and rural areas. The informal sector that can be entered by labors without requiring a certain level of education and skills is one of the reasons why employment in this sector is overgrowing. Labors find it easy to enter this sector, and that is why it is a place for excess labor, especially in urban areas. Based on the formal and informal sector job classifications in Indonesia, data in February 2017 shows that there were around 41.65% of the workforce employed in the formal sector while 58.35% of the workforce worked in the informal sector out of a total of 124.54 million people employed ([Central Bureau of Statistics, 2017](#)).

The informal sector undeniably supports the national economy. This fact can be seen from the very high labor absorption in the informal sector. With high labor absorption, it encourages economic turnover, which ultimately contributes to the growth of the national economy. Employment in the informal sector, although contributing significantly to the national economy, is not free from many problems. Certain parties, especially capital owners, often take advantage of problems of low education, low human resources, inadequate skills, and weak legal protection for informal workers that tend to harm workers or workers in the informal sector.

The brick factory that is one of the informal sectors as the focus of this research is inseparable from many problems. Telaga subdistrict is one of the bricks production centers in Gorontalo Province, which supplies bricks in Gorontalo City, Gorontalo Regency, North Gorontalo Regency, and Bone Bolango Regency. Many problems, including issues of skills, ownership of production capital, relations between labors and factory owners, etcetera, are often the main obstacles that position labors in weak bargaining.

This study would like to find out the status of production capital ownership in brick factories; labor and employer relations in the production to marketing processes; problems faced by informal sector labors in brick factories; the potential of informal sector labors in brick factories; and priority empowerment programs for brick factory labors.

REVIEW OF LITERATURE

[Mazumdar \(1976\)](#) defines the informal sector as an unprotected labor market. The informal sector is small-scale, informal business units that produce and distribute goods and services without having a business license and or location permit based on the provisions of the applicable laws and regulations. The informal sector is described as a small-scale business activity managed by individuals with a high degree of freedom in regulating how and where the business is run. The informal sector is also defined as a sector that does not receive assistance from the government; sectors that have not used economic assistance from the government even though such assistance is available; and sectors that have received economic assistance from the government but have not been able to be self-sufficient ([Soetjipto, 1985](#)).

[Damsar \(1997\)](#) views the informal economy as referring to the way cities do things which are characterized by a) quickly entering it in terms of expertise, capital, and organization. b) a family-owned company. c) operate on a small scale. d) labor-intensive in production and using simple technology e). Unregulated and competitive market. [Alisjahbana \(2006\)](#) sees the informal sector as a result of rural driving forces and urban attractiveness. The many informal sectors in various big cities in the world, including Indonesia, are inseparable from urbanization and the driving force of the difficulty of finding work, as well as meager wage rates in villages. The informal sector is an alternative employment opportunity that can accommodate workers without specific requirements, such as the level of education and work skills.

The weak bargaining position of labors in the informal sector, and brick factory labors are no exception, so there is a need for empowerment efforts for labors in this sector. Empowerment has the meaning of generating community resources, opportunities, knowledge, and skills to increase capacity in determining their future ([Suparjan & Suyatna, 2003](#)). [Sumaryadi \(2005\)](#) defines community empowerment as an effort to prepare communities in line with steps to strengthen community institutions so that they can realize progress, independence, and prosperity in an atmosphere of sustainable social justice. According to [Widjaja \(2003\)](#), community empowerment is an effort to increase the capabilities and potential of the community so that people can realize their dignity and dignity to the maximum to survive and develop themselves independently both in the economic, social, religious, and cultural fields.

The need for the empowerment of brick factory labors is based on the results of previous related studies that found the position of marginalized and exploited labors ([Zuhdan, 2014](#); [Sejati & Wijaya, 2015](#); [Apriliani, 2016](#); [Moidady, Soetarto, & Agusta, 2017](#)). [Moidady, Soetarto, & Agusta \(2017\)](#), in his study of the exploitation of reserve labor in inland capitalism, concludes that: first, labors are not free to personally choose to work anywhere but are recruited informally by foremen. Besides that, they were also disciplined by being resettled from their homes to the work camp. Second, casual daily laborers work long hours (for 12 hours) and are intensive when doing nurseries and planting with low daily wages and the use of simple (non-mechanized) production equipment. Third, casual daily laborers work for eight hours (intensively) using production inputs such as sprayers (mechanization), fertilizer, and herbicides (chemistry) when fertilizing, chemical, and maintenance. Fourth, casual daily laborers work seven hours intensively using simple (non-mechanized) crop production tools.

RESEARCH METHODS

This research was descriptive, while the data collected was qualitative. According to [Moleong \(2005\)](#), a qualitative research method is a study that intends to understand the phenomena experienced by research subjects. As for [Sugiyono \(2009\)](#), understanding qualitative research as research to investigate, discover, describe, and explain the quality of social influence that cannot be explained, measured or illustrated through a quantitative approach. Meanwhile, a descriptive approach, according to [Soekanto \(2010\)](#) is intended to provide a detailed and as clear picture as possible about the problem under study. The nature of descriptive research provides as much detailed data as possible about humans, circumstances or other symptoms, especially to reinforce hypotheses, in order to help in strengthening old theories, or within the framework of constructing new theories.

The research instruments used in this study were the researchers themselves, as the nature of qualitative research. According to [Satori and Komariah \(2014\)](#), qualitative research instruments are humans as informants, and those who look for data and the main instruments of qualitative research are researchers themselves as the spearhead of data collection. [Soekanto \(2010\)](#) states that a qualitative approach is a research procedure that results in a descriptive procedure, that is, what is stated by the respondent in writing or verbally, and real behavior.

Primary data sources in this study came from informants chosen using snowball techniques and purposive sampling. According to [Sugiyono \(2015\)](#), in qualitative research, sampling techniques that are often used are purposive sampling and snowball sampling. The snowball technique is the technique of determining a sample that is initially small in number, then enlarged like a snowball that rolled a long time to become significant. The purposive sampling, according to [Notoadmodjo \(2010\)](#), is sampling based on specific considerations such as population characteristics or characteristics that have been known previously. The informants of this study were employers, landowners, and labors of brick factories in Telaga subdistrict, Gorontalo Regency, Gorontalo Province, Indonesia. Researchers chose this location because the

Telaga subdistrict is a center for brick production in Gorontalo Province which has been going on for a long time. Researchers collect data by interviewing informants, conducting observations, and reviewing documents

The stages of empowerment in this study refer to the opinion of [Lippit \(1985\)](#) as follows: 1) Awareness, namely activities to make people aware of their existence not only as individuals and members of the community but also their capacity in the social, cultural, and economic environment. 2) Shows the existence of a problem, which shows the problem mainly concerning weaknesses and strengths that are owned. 3) Help to solve problems, namely conducting root problem analysis, alternative solutions, as well as the possible choices. 4) Demonstrate the importance of change that changes as a universal inevitability that must be anticipated in a planned manner. 5). Implement empowerment or capacity building. It is namely giving opportunities to the grassroots to speak out in making their choices.

Data analysis in this study refers to the opinion of [Patton \(1990\)](#) that there is no correct way to organize, analyze, and interpret qualitative data. When data collection takes place, at the same time, researchers also begin to conduct data analysis. Data analysis is then continued after the data collection is completed within a specified period. When the data collection took place, researchers began to analyze data relating to capital ownership, relations between capital owners and labors, problems faced by labors, their potentials, and priority empowerment programs for labors in brick factories. The researchers did the data analysis until a certain time even though the time of data collection has been completed.

RESULTS AND DISCUSSION

Capital Control in Brick Factory

The means of production in the capitalist system are owned and controlled by individuals who own capital. This capitalism depends on the strength and actions of the owners of capital. The employer controls the capital and labors in the brick factory. According to the results of the field research, there were three interrelated components in the brick production process, namely: landowners, employers, and labors. Through the method of observation and in-depth interviews, researchers obtain data that the landowner is the person who provides the land to be processed into bricks until it is ready to be marketed. The employer leases the land provided by the landowner with a 5% agreement for each production. The land that has been rented by the employer is then processed by labors into bricks until distributed to consumers. Meanwhile, it is employers who provide other production capital, such as factories, vehicles to distribute bricks, and others.

This data presents information that labors in brick factories give their energy to be able to produce bricks of economic value, while landowners and employers receive surplus-value or profit from the brick production process. Thus, labors do not have power over production capital.

Labor and Employer Relations in Brick Factory

For employers, labor is an economic factor that is the object of achieving the maximum profit with the smallest sacrifice. The minimal sacrifice the employer makes is reflected in the figure of the wage cost component, which is smaller than the total production cost.

Labor is every person who works in the private sector, both in persons and legal entities. It is stated in Law Number 22 of 1957 concerning the Settlement of Labor Disputes that labors are "anyone who works for an employer with a salary" (Article 1 paragraph 1 a). Furthermore, in Law Number 13 of 2003 concerning Manpower Article one, number three states that labor is any person who works for a wage or other forms of remuneration.

As for the employer or employer or employer, as stated in Law No. 13 of 2003 concerning workforce article 1, paragraph 3 is an individual, entrepreneur, legal entity, or another body that employs labors for payment of wages or compensation in other forms. Furthermore, more detail is mentioned in paragraph 4 that the entrepreneur is: a) an individual, partnership or legal entity that runs a self-owned enterprise; b) an individual, association or legal entity that independently operates a company not its own; c) An individual, partnership or legal entity residing in Indonesia representing the company as referred to in letters (a) and (b) domiciled outside the territory of Indonesia.

Analyzing the more deeply of the problem of labor and employer relations, the author bases the discussion on the thought of Karl Marx wherein the development of capitalism, some labors and employers are interdependent between the two, where full power is owned by the employer. Meanwhile, labors only rely on their work which is valued at meager wages. In this unequal relationship, labors experience exploitation and alienation. Labors are exploited by their work, while the surplus value (surplus value) of their work belongs to the employer.

Labor also experiences alienation. According to Marx, labors experience several alienations: (1) labors are alienated by production capital, where the mode of production is wholly owned by the employer; 2) labors are alienated from their work, where even the workers are not able to have their work; and 3) labors are alienated from fellow labors, i.e., there is competition among laborers which causes one another to bring down fellow labors. Labors who are unable to compete are threatened with being thrown from their workplaces.

Examining the relations of labors and employers in a brick factory, it appears that the position of labors against their employers is fragile. Brick factory labors who work hard to produce bricks, starting from earth quarrying, molding,

drying, transporting to the furnace, burning, to distribution to buyers working hard at very cheap wages, meanwhile, the employer, in this case, the owner of the mode brick production, waiting for sales results with surplus-value or quite a lot of profit.

The cost of producing bricks up to consumers requires approximately IDR 450 per piece, while the selling price to consumers is IDR 750 per piece. Thus, there is a surplus-value of IDR 300 per piece. If each production per combustion produces 40,000 pieces of bricks, the surplus-value owned by the employer is IDR 12,000,000 for each burning. This surplus value belongs to employers and leads it to an adequate economic status, while labors are only able to survive and remain wallowing in poverty.

Labor Problems in the Brick Factory

Labors in brick factories, like labors in other factories in general, face a myriad of problems that place labors in a weak position. The conditions of these helpless laborers cause them not to have an adequate bargaining position so that all employer policies are difficult to reject. Based on field data, brick factory labors experience many problems.

1. Salary is not based on provincial minimum wages

The provincial minimum wage is unknown to labors who work in brick factories. This fact is very ironic, considering that the UMP is a minimum standard that should be a labor right and guaranteed by labor law. Unlike the wage system in other factories, labors' wages in brick factories are calculated based on work items at low wages. Based on data obtained through the interview method with brick factory labors that labors get a wage of IDR 100 per brick produced. This low wage makes it difficult for labor conditions to change their economic status from poor to prosperous.

2. Labors do not have social protection

Another problem experienced by brick factory labors is the absence of social protection. Field data shows that none of the brick factory labors has social security. Brick factory labors are not familiar with employment insurance, even health insurance.

This data illustrates that brick factory labors are in a very concerned social position. As a result, if they are sick, they have to spend their savings to buy medicine or to the nearest community health center.

3. Difficult to meet basic needs

With low wages and no social security, laborers find it difficult to meet basic needs. Let alone to meet the needs of sending children to school, and even daily food needs are difficult. Likewise, for basic health needs, brick factory labors find it very difficult to go to the doctor for treatment because there is no cost.

4. Weak legal protection

Brick factory labors, in terms of legal protection, are fragile. As a result, any dispute that arises between the labor and the employer puts the labor in a disadvantaged position.

5. Labors do not get a holiday feast

The holiday allowance, which should be the labor's right before each holiday, does not apply to labors in a brick factory. The field data showed that in addition to work wages calculated based on work results, labors do not receive any benefits, including holiday allowances.

6. Firing problems

Cases of dismissal from work are also often experienced by brick factory labors. It happens when the worker does not follow the will of the employer. The abundant availability of labor makes it easy for employers to retain or replace labors they want to employ selectively. This fact places the labor in a position that must participate and be loyal to the employer who employs him, if not, then the labor is quickly replaced by other labors.

7. Problems with employment

The difficulty of getting a job outside a brick factory, leaving labors with no other choice. Labors are forced to stay in their jobs to survive.

Local Potential

Many local potentials can be used as capital in empowering labors in this sector. The availability of such local potential is in line with the research of [Obie, Yusuf, & Sumai, \(2019\)](#) on the empowerment of palm sugar peasants. The availability of local potential becomes capital for the community to solve their problems so they can reach empowered communities.

1. Quite a lot of raw materials are available

The availability of vast land is an underlying potential in brick production. Clay is the raw material for making bricks. The availability of extensive clay is a local potential that supports the sustainability of the brick business.

2. The skill of producing bricks

The work of producing bricks that have been carried out for decades, making brick factory laborers have adequate skills and know the ins and outs of brick making. It has the potential to be very supportive of empowering brick factory laborers to achieve independence.

3. Broad brick market

The research site in Telaga subdistrict is the leading brick center serving the needs of residents in Gorontalo City, Gorontalo Regency, Bone Bolango Regency, even in the North Gorontalo Regency. The availability of this vast brick market has made businesses in this sector never dim, even more, and more people are pushing for increasingly rapid development, causing the demand for the brick market to increase.

4. Network

Networking among laborers is also a local potential that can be used as capital to empower laborers who work in this sector. A large number of laborers in a brick factory can be put together in an institution that makes them socially active and has a political bargaining position, which in turn can improve their bargaining position economically.

Priorities for Empowering Brick Mill Workers

Based on field data, researchers found many ideas that could be prioritized in empowering laborers in brick factories.

1. Laborers' institutional organizations

Factory laborers have not been gathered in a representative institution, and as a result, laborers have no channels to complain or share experiences with laborers in other factories. The presence of institutional organizations of labor is significant in order to empower laborers. By getting together in institutions, it encourages laborers to share and foster a sense of shared destiny. Feeling the same fate can be a strength of laborers to compliment and complement weaknesses, so they have bargaining both socially and politically

2. Training

Training is also a priority in empowering brick factory laborers. The brick factory laborers need the following training, namely (1) training to operate brick molding machines; 2) business management training; 3) marketing training; and 4) bookkeeping training. Field data shows that the printing of bricks at the study site still uses traditional tools. To empower brick factory laborers can be started by providing training to them to operate modern brick molding machines with higher capacity. Also, factory laborers need knowledge of managing businesses with modern management systems, as well as the need for marketing training and bookkeeping. The method of capacity building in empowering communities is in line with research conducted by [Kaawoan, Dukalang, & Obie, \(2019\)](#) in empowering female heads of households around Hubulo Islamic Boarding School. Strengthening capacity through organizing training is one way to realize the independence of marginal communities.

3. Access to capital

The provision of production capital becomes very important in empowering brick factory laborers. Production capital in the form of land, brick molding machines and minimalist factories is a basic need to empower factory laborers who have been dependent on their employers.

Providing access to production capital can help these powerless laborers learn how to access financing so that it makes it easier to develop their businesses. The business that developed became the principal capital for laborers gathered in the institutional organization of brick factory laborers to achieve independence, social, economic, and political. The importance of access to capital in community empowerment is in line with the research of [Obie, Dilo, Syilfi, & Meiarni \(2019\)](#), where the issue of capital is the essential thing in empowering local communities.

CONCLUSION, LIMITATIONS, AND SUGGESTIONS

Production in a brick factory involves at least three main components, namely: employers who have capital, landowners, and laborers who produce brick products until distributed to consumers. The employers control the capital and laborers in the brick factory. The relationship puts the labor in an exploited and alienated position, which leaves the labor helpless. Several laborers' problems occur in working relationships in brick factories, namely: salaries are not based on provincial minimum wages, do not have labor social protection, are difficult to meet basic needs, lack of legal protection, do not get holiday allowances, dismissal problems, and are hard to get jobs outside the brick factories. Nevertheless, there are a number of local potentials that can support the empowerment of laborers in brick factories, namely: quite lots of raw materials are available, the skills of producing bricks, and the broad brick market. By considering the problems and local potential of the laborers, various stimulant efforts that can be done to empower the brick factory laborers are to build an

institutional organization of labor, strengthen labor capacity through training, and open access to ownership of production capital.

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