Tensions in Indonesia over Chinese Foreign Workers during COVID-19 Pandemic

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EXECUTIVE SUMMARY

• In mid-March 2020, a video of 49 Chinese foreign workers arriving at Haluoleo airport in Southeast Sulawesi was circulated on social media, along with rumours that they carried the coronavirus.

• Controversy surfaced over the status of these workers. While a local official asserted that they were illegal workers with visitor and not work visas, the Central government claimed that they had proper visas and work permits.

• The Central government, as the authority issuing foreign work permits, prevailed. In fact, both Central and local governments agree on the benefits of Chinese investments but differ on whether to allow foreign workers from China to enter Indonesia during the pandemic. Their differences remain unresolved.

• At the end of April, when news went viral that another 500 Chinese foreign workers were about to arrive in South Sulawesi, both local government and officials jointly opposed this. In consequence, the Central government had to agree to stop the entry of these workers until the end of the pandemic.

• This incident shows that while the Central government is keen to promote investment, it has also to recognise the concerns of the local authorities about the risk of contagion as well as the threat to local employment posed by the influx of Chinese foreign workers.

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INTRODUCTION

Soon after the COVID-19 outbreak in Wuhan, some Indonesians, including a few provincial officials, began to spread messages that were against hiring Chinese foreign workers. One of the most popular items circulating on social media was a 58-second video depicting the arrival of 49 Chinese foreign workers in the middle of March 2020 at Haluoleo airport, Kendari city, Southeast Sulawesi Province. In the video, the workers were seen wearing masks and pushing or carrying luggage, while walking out of the airport. It also carried a narrative that these workers were coronavirus carriers. The clip spread quickly, and even Kompas, the largest Indonesian daily, published a report on it. The video subsequently provoked the local people to question why the Indonesian Government was allowing “infected” Chinese foreign workers into the country.

The local police chief, Merdisyam, responded in the press to say that these workers were from Jakarta, and worked for the Virtue Dragon Nickel Industry (VDNI) Company. They had been to Jakarta to renew their working permits, and were simply returning to work. None had visited China in the meantime. To soothe the local population, Merdisyam stated that not only did these workers hold legal work permits, they also had health certificates proving that they were healthy.

However, the local security and law department chief, Sultra Sofyan, refuted his statement. Sofyan claimed instead that these Chinese foreign workers had started their journey from Henan Province. On 29 February, they had flown from Beijing to Thailand where they were quarantined for 14 days. After their quarantine, they obtained health certificates issued by the Thai Port Authorities and then flew to Jakarta, arriving at the Sukarno-Hatta airport on 15 March. After passing health inspection checks, they immediately took a Garuda Airlines flight to Konawe. Gumilang, the chief of the local immigration office, also confirmed that these new workers did come from China. Merdisyam had to apologize for giving incorrect information. Apparently, there had not been any proper communication between the local government departments.

The people at Konawe launched a protest, urging the regent (bupati) of Konawe, Kery Saiful, to expel the workers, to protect the local population from being infected by the coronavirus. Kery is a controversial figure to begin with. In late January 2020, soon after the outbreak in Wuhan, and long before the saga with the 49 Chinese workers, he had already made statements claiming that there were 744 workers from China in the Konawe mining area, and that their presence could easily spread the coronavirus. His statement was refuted by Muhammad Ikram Pelesa, the deputy secretary-general of the Himpunan Mahasiswa Islam (Islamic Students Association, HMI) in charge of the environment. Ikram is also the leader of Forsemesta, the Student’s Forum for Watching Mining Investment. Ikram criticized Kery for accusing the Chinese workers of being coronavirus carriers without any evidence, and called Kery’s statement provocative and that it would affect the industry as well as the attitude of thousands of mining workers. In Jakarta, the chairman of the Konawe Students Association (IMKI), also criticized Kery for making irresponsible statements without data from the local health authorities, which would harm the investment climate in the country. He said that Kery should have sent doctors to perform health check-ups on those workers instead of making such accusations.

The local police acted fast. They immediately looked for the video-maker and arrested one Hardiono, a local-born 39-year-old man. He admitted to having made the video which stated...
that the whole plane was full of coronavirus carriers. He apologized for his mistake and promised that it would not recur. Hardiono received a warning and was released. However, there was a report that it was the governor of Southeast Sulawesi Province, Ali Mazi, who ordered the police to release Hardiono without charge. The governor was also reported to have thanked Hardiono for the information offered, and to have told him that in future information should be provided directly to the governor so as to avoid causing public anxiety.

CENTRAL AUTHORITY OVER FOREIGN WORKERS

The Chinese foreign workers' issue remained unresolved. Kery Saiful claimed that the local population blamed him for allowing the VDNI to establish an industrial park in Morosi in the northern part of Konawe, in the first place. On 19 March 2020, Kery attended a joint meeting on preventing coronavirus in which Ali Mazi, the governor of Southeast Sulawesi Province, and Merdisyam, the local police chief, were also participants. At the meeting, Kery stated that under his regency, the VDNI already had 1,064 Chinese foreign workers. He appealed to the governor to stop issuing new permits to Chinese workers. He also claimed that these workers, whether legal or illegal, came to his regency from all directions, by sea, air and land, and that the police should control the situation. Kery also asked the governor to expel the 49 new Chinese workers.

Governor Ali Mazi replied that the control of foreign workers was in the hands of the Central Government, and that he did not have the authority to intervene. As for the 49 Chinese workers, their 14-day quarantine was still ongoing. Their fate would then be decided by the Board of Foreign Investment (PMA). He also said that any decision he made should not contradict existing regulations.

Two NGOs demonstrated in front of the local immigration office, demanding the repatriation of the 49 workers. The demonstrators also criticized the local immigration chief for not being transparent, and demanded his resignation. Demonstrators began to set car tires on fire. A clash ensued when they were stopped by the police.

The deputy chairman of Gerindra, Fadli Zon, also commented on the event: “This is a scandal. When the coronavirus is spreading rapidly, there are people who import foreign workers from the epicenter of the coronavirus via the back door. The information about these foreign workers is also contradictory.”

LUHUT DEFENDS CHINESE FOREIGN WORKERS

Luhut Panjaitan, the Coordinating Minister for Maritime Affairs and Investment, came out to say that these Chinese workers were legal workers, and that they obtained the permits to enter and work in Indonesia already on 4 January (one source says 14 January). Although the Indonesian Law and Human Rights Minister issued Regulation No.7 on 28 February,
which prohibits travellers who have been to China within the preceding 14 days, or Chinese nationals from China, from entering Indonesia, this regulation did not apply to the 49 Chinese foreign workers. He also said that in difficult times people should not bring up trivial matters unnecessarily.

The saga also drew attention in parliament. On 1 April 2020, Yasonna Laoly, the Minister of Law and Human Rights had an intercom meeting with the special committee of the parliament. Yasonna’s explanation of the case was in essence similar to that of Luhut’s explanation. When a member of parliament wondered why Luhut was involved in the matter, Yasonna replied that it was because the case is linked to investment, and Luhut is the Coordinating Minister for Maritimes Affairs and Investment.

A special officer from the local manpower department, Dita Indah Sari, claimed to the press that these workers entered Indonesia using visitor visas, not worker visas. If they were to work, then they would be in violation of existing regulations, and their employers would be fined. However, the central government insisted that these foreign workers were legal and were not in violation of any law.

**ANOTHER CASE WITH CHINESE FOREIGN WORKERS**

It seems that the tension surrounding this issue has just started. On 28 April, Kery, the regent of Konawe, suddenly began making statements again on the TvOne talk show. He said that he had received information from a journalist that the central government was planning to import an additional 500 Chinese to work at VDNI. He had not yet received any official notice on the matter, but was acting early in order to prevent a recurrence of the earlier saga. Kery explained that he opposed the entry of foreign workers during the COVID-19 pandemic to his province. Interestingly, he also revealed his confidential agreement with Luhut that he would be rewarded if he agreed to accept the Chinese foreign workers, a promise that had so far not been kept. According to another report, these 500 Chinese workers had arrived in Indonesia on 22 April, and were scheduled to be sent to Konawe in batches. The central government has as yet made no mention of this matter.

Abdurrahman Saleh, the chairman of the local parliament, stated the following day that if news of the 500 new Chinese foreign workers were true, then he would lead a demonstration against the central government. He claimed that he was not against foreign investment but was concerned with the COVID-19 pandemic. He pointed out that while the local population was being asked to stay home until 29 May, foreign workers were coming into the province. He opposed importing foreign workers when locals were losing their jobs.

On 30 April, the Governor of Southeast Sulawesi, Ali Mazi, confirmed that the central government had plans to send more Chinese foreign workers to China’s Nickel Industry in Konawe. He had met up with the local authorities, including the local police chief and the immigration chief, and all parties had agreed to object to the entry of the additional 500 Chinese workers during this COVID-19 pandemic. The local parliament also held a meeting and made a similar decision.

Umarsyah, Chairman of the Economic Section of the largest Islamic organization, Nahdlatul Ulama (NU), also appealed to the government to stop the entry of the Chinese workers
during the COVID-19 pandemic. Fadli Zon of Gerindra was furious and said that “bringing Chinese workers during the COVID-19 pandemic is really an insult to us.”

On 30 April, Ida Fauziyah, the Minister of Manpower, announced that the government had on 22 April approved applications from two Chinese companies with operations in Konawe, namely VDNI and P.T. Obsidian Stainless Steel, to import 500 Chinese workers who were still in China at that point. She informed the press that she had told the two companies to delay the schedule until after COVID-19 pandemic. The Manpower Ministry later said that these companies will also hire 3,000 local workers for the same project.

The Chinese foreign workers’ saga shows the present concern at the lower levels of government over unemployment, as well as a general negative attitude towards foreign (Chinese) workers. Balancing this issue against the need for investments will be a serious matter that the Jokowi government has to handle most cautiously.

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1 VNDI’s main office is in Jiangsu Province, China. This private company was established in August 2010 and employs 6,000 workers. The Indonesian branch was registered in August 2017, but its Indonesian partners are not listed. See https://modi.minerba.esdm.go.id/portal/detailPerusahaan/9701?jp=7 (10 May 2020); https://modi.minerba.esdm.go.id/portal/detailPerusahaan/9701?jp=7 (Accessed 10 May 2020) The CEO is Andrew Zhu, the 29-year-old son-in-law of Dai Guofang, the owner of VNDI. VNDI is supposedly one of the two largest nickel companies in China. Zhu brought with him US$1 billion to establish the company and had planned to inject another US$5 billion; the company occupies 5,500 hectares of land. In September 2017, the company produced 7,733 metric tons of ferro nickel that were transported to China. In an interview, Zhu said that he had encountered problems with the local population on the number of Chinese workers and had promised to reduce the number in stages. See https://m.bizlaw.id/read/3626/Virtue-Dragon-Nikel-dan-Misi-Anak-Muda-Andrew-Zhu (10 May 2020)
3 It was later revealed that they were not only from Henan but also other provinces in China. See https://www.cnnindonesia.com/nasional/20200317191949-20-484319/kapolda-sultra-minta-maaf-beri-info-keliru-soal-49-tka-china (Accessed 1 May 2020)
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10 Ibid.
The rights to issue the work permit is the Manpower Ministry.


In the earlier interview, Dita argued that the 49 Chinese workers were illegal immigrants and had to be deported. See https://www.wartaekonomi.co.id/read277176/49-tka-china-masuk-kendari-illegal-harus-dideportasi (Accessed 1 May 2020)

On 19 March 2020, there were only 3 cases in Southeast Sulawesi Province, but on 14 May, the figure had risen to 166 cases, with 17 recoveries and 3 fatalities. See https://nasional.kompas.com/read/2020/03/19/17280421/COVID-19-tersebar-di-16-provinsi-kasus-baru-ada-di-sultra-dan-sulsel; https://www.bbc.com/indonesia/indonesia-51850113 (Accessed 15/5/2020)

Not much information is available on this Chinese company.


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