

Legal Policy on Worker Protection in Labor-Intensive Industries: an Analytical Framework Based on the Values of the Pancasila Rule of Law

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Abstract

The labor-intensive industry plays a strategic role in Indonesia's national development as a major source of employment, a driver of the manufacturing sector, and a significant contributor to economic growth. Previous studies have primarily focused on labor law reforms or specific aspects of worker protection, without providing a comprehensive normative analytical framework that integrates the values of the Pancasila-based rule of law as parameters for evaluating the direction of labor legal politics in labor-intensive industries. This study aimed to analyze the development of labor legal politics in labor-intensive industries, evaluate its direction based on Constitutional Court Decision Number 91/PUU-XVIII/2020 and Constitutional Court Decision Number 168/PUU-XXI/2023, and formulate a reconstruction of labor legal politics through the Pancasila Legal Politics Analysis Framework (KAPHP) as a normative analytical model. This research employed normative legal research using statutory, conceptual, historical, and case approaches. Primary legal materials consisted of the 1945 Constitution of the Republic of Indonesia, labor legislation, and Constitutional Court decisions, which were analyzed alongside secondary legal materials through qualitative and prescriptive analysis. The findings revealed that Indonesia's labor legal politics had evolved toward a constitutional balance paradigm that harmonized workers' constitutional rights, legal certainty, industrial sustainability, and economic development based on Pancasila values. Furthermore, this study proposed the Pancasila Legal Politics Analysis Framework (KAPHP) as a normative analytical model synthesized from the principles of legal politics, the Pancasila rule of law, the welfare state concept, and the constitutional protection of workers' rights.

INTRODUCTION

Pancasila, as the foundation of the state and the source of all sources of state law, contains values of humanity, social justice, welfare, and balance of interests, which serve as the philosophical foundation for the formation of national legal politics. These values underpin the implementation of the Indonesian state based on the rule of law, as affirmed in Article 1 paragraph (3) of the 1945 Constitution of the Republic of Indonesia. In the conception of a rule-of-law state based on Pancasila, law functions not only as an instrument for controlling power (rule by law) but also as a means to achieve the state objectives formulated in the fourth paragraph of the Preamble to the 1945 Constitution, namely protecting the entire Indonesian nation, advancing public welfare, educating the nation's life, and realizing social justice for all Indonesian people. Therefore, every legal policy, including labor law policy, must be directed toward establishing a balance between the protection of workers' rights, legal certainty, economic development, and business sustainability (Alifah & Kurniawan, 2024; Aloisi, 2022; Bronstein, 2017; Deakin, 2016; Rantanen et al., 2020).

The urgency of labor protection legal policy becomes increasingly evident when associated with the position of the manufacturing sector within the national economic structure. Based on data from the Central Statistics Agency (BPS), Indonesia's economy grew by 5.11% in 2025, with Gross Domestic Product (GDP) at current prices reaching IDR 23,821.1 trillion. Within this structure, the manufacturing sector remained the largest contributor to national GDP, accounting for approximately 19.07%. This contribution demonstrates that the manufacturing sector continues to serve as the backbone of the national economy and a primary driver of economic growth. Therefore, the sustainability of labor-intensive industries is important not only from an economic perspective but also as part of legal policy directly related to fulfilling the constitutional right of every citizen to work and obtain a decent livelihood (Bartley, 2018; Harahap & Nasution, 2025; Nurdiana et al., 2026; Tan et al., 2025; Yunendar, 2025).

Within the manufacturing sector, labor-intensive industries occupy a strategic position because their production characteristics remain highly dependent on large-scale labor utilization rather than capital intensity. These characteristics make the sustainability of labor-intensive industries closely related to employment absorption, social stability, income distribution, and national economic growth. Sub-sectors such as textiles and textile products, apparel, footwear, food and beverages, furniture, and tobacco products absorb millions of workers and serve as important sources of livelihood for communities across various regions. Therefore, any changes in legal policy affecting labor-intensive industries have implications not only for business actors but also for workers' welfare, family livelihoods, community socio-economic stability, and the resilience of national development.

The strategic role of labor-intensive industries is also reflected in national investment performance. The Ministry of Investment and Downstreaming/Investment Coordinating Board (BKPM) reported that Indonesia's investment realization throughout 2025 reached IDR 1,931.2 trillion, equivalent to 101.3% of the government's target, with labor absorption reaching approximately 2.71 million workers. This data indicates that investment serves as a major driver of economic growth and employment creation. Therefore, labor law policy must provide legal certainty for businesses and investors while maintaining adequate protection of workers' rights. Investment and worker protection should not be viewed as competing interests but rather as two constitutional objectives that must be harmonized through legal policies based on Pancasila values.

In addition to serving as major sources of employment, several labor-intensive industrial sub-sectors also hold strategic importance for state revenue. The tobacco industry, for example, forms an extensive economic ecosystem involving tobacco farmers, clove farmers, factory workers, distributors, retail traders, and the logistics and trade sectors. These characteristics demonstrate that legal policies in labor-intensive sectors have broader implications beyond regulating employment relationships between workers and employers. Legal policy in this sector is also closely related to regional economic stability, business sustainability, state revenue, protection of community livelihoods, and the continuity of national development.

On the other hand, global economic developments have created new challenges for labor-intensive industries. International trade competition, digital transformation, production automation, global supply chain restructuring, and increasing efficiency demands have encouraged businesses to adjust their production systems and labor relations. In this context,

labor law policy faces a complex challenge because it must balance labor market flexibility, legal certainty, protection of workers' rights, and the need to improve national industrial competitiveness. This debate has intensified since the implementation of regulatory reforms through Law Number 11 of 2020 concerning Job Creation, which was subsequently established as Law Number 6 of 2023.

Changes in labor law politics have also generated significant constitutional dynamics. Through Constitutional Court Decision Number 91/PUU-XVIII/2020, the Constitutional Court emphasized the importance of establishing legislation that fulfills the principle of meaningful public participation as part of a democratic rule-of-law state. Furthermore, Constitutional Court Decision Number 168/PUU-XXI/2023 affirmed the constitutionality of several labor provisions following the enactment of Law Number 6 of 2023. These two decisions demonstrate that the direction of labor law politics is not determined solely by legislative policies but is also shaped by constitutional principles developed through Constitutional Court decisions as the guardian of the Constitution.

From a constitutional perspective, worker protection is a mandate inseparable from the concept of a rule-of-law state based on Pancasila. Article 27 paragraph (2) of the 1945 Constitution of the Republic of Indonesia guarantees every citizen's right to work and obtain a decent livelihood. Article 28D paragraph (2) guarantees the right of every person to work and receive fair and proper remuneration and treatment in employment relationships. Meanwhile, Article 33 emphasizes that the national economy is organized based on the principle of kinship and is directed toward achieving the greatest prosperity of the people. These constitutional provisions confirm that economic development, worker protection, legal certainty, and industrial sustainability are not contradictory objectives but interconnected constitutional mandates that must be realized harmoniously through appropriate legal policies.

However, existing studies on labor law politics generally remain focused on legislative amendments, constitutional review of the Job Creation Law, or worker protection in specific areas. To date, limited research has formulated a normative analytical framework based on the values of the Pancasila rule of law to comprehensively evaluate the direction of worker protection legal policy in labor-intensive industries. This conceptual gap indicates an academic space that requires further exploration to enrich legal scholarship, particularly in the field of labor law politics.

The urgency of this research is driven by increasing layoffs in labor-intensive industries, ongoing constitutional developments surrounding labor regulations, and persistent gaps between international labor standards and domestic implementation. Understanding the direction of worker protection legal policy through a comprehensive analytical framework is essential for developing policies that maintain a balance between worker protection, legal certainty, and industrial sustainability. The novelty of this research lies in developing the Pancasila Legal Politics Analysis Framework (KAPHP) as a normative analytical model integrating four evaluation dimensions: constitutional conformity, protection of workers' dignity and rights, legal certainty and industrial sustainability, and social justice orientation. This framework provides a holistic approach to evaluating labor legal politics based on Pancasila values, distinguishing it from previous studies that examined these dimensions separately.

Based on these conditions, this study argues that worker protection legal policy should

not be positioned solely as an instrument for protecting workers or merely as a mechanism for increasing investment. Legal politics must establish a balance between the protection of workers' dignity, legal certainty, industrial sustainability, and social justice as manifestations of Pancasila values. Therefore, this study proposes the Pancasila Legal Politics Analysis Framework (KAPHP) as a normative analytical model for evaluating the direction of worker protection policies in labor-intensive industries based on the values of the Pancasila rule of law. This framework is expected to contribute not only to the development of legal science but also to serve as a conceptual foundation for formulating labor policies that are more just, provide legal certainty, and support the sustainability of labor-intensive industries in Indonesia.

METHOD

Types of Research

This research employed normative legal research to examine the legal politics of worker protection in labor-intensive industries through the analysis of legal norms, legal principles, doctrines, and court decisions. This approach was selected because the study focused on law as a norm (law in books) rather than social behavior (law in action), with the aim of evaluating the direction of worker protection legal policy within the Indonesian legal system based on the values of the Pancasila rule of law.

The normative analysis was conducted using the Pancasila Legal Politics Analysis Framework (KAPHP) as an analytical model to evaluate the conformity of worker protection legal policies in labor-intensive industries with Pancasila values, the 1945 Constitution of the Republic of Indonesia, and the objectives of national legal development.

RESULTS AND DISCUSSION

Legal Politics of Worker Protection in the Perspective of the State of Law based on Pancasila

"The state of Indonesia is a state of law."

(Article 1 paragraph (3) of the Constitution of the Republic of Indonesia in 1945)

Legal Political Concept

Legal politics is the foundation in determining the direction of the formation, implementation, and renewal of national law. In the context of worker protection in labor-intensive industries, legal politics not only determines the content of laws and regulations, but also becomes a constitutional instrument that directs the state in building a balance between the protection of workers' rights, legal certainty, industrial sustainability, and national economic development based on the values of the State of Law based on Pancasila. Thus, legal politics becomes a bridge between the ideals of the law (*rechtsidee*), the goals of the state, and the needs of society that continue to develop.

From the perspective of legal doctrine, Mahfud MD defines legal politics as legal policy, namely the official policy of the state regarding laws that will be enforced or not enforced to achieve state goals. This definition places legal politics as a strategic instrument that connects constitutional ideals with the formation of positive laws. In line with that, Bagir Manan views legal politics as part of a national policy that determines the direction of legal formation, renewal, and development in order to be able to respond to the needs of society and the dynamics of the development of the times. Both views show that legal politics is not just a

legislative process, but state policy oriented towards achieving constitutional goals.

The constitutional foundation of Indonesian legal politics rests on Article 1 paragraph (3) of the 1945 Constitution of the Republic of Indonesia which affirms that Indonesia is a state of law. Consequently, every legal policy, including in the field of employment, must be carried out based on the law and directed to realize the goals of the state as formulated in the Fourth Paragraph of the Preamble to the Constitution of the Republic of Indonesia in 1945, namely protecting the entire Indonesian nation, advancing public welfare, educating the nation's life, and realizing social justice for all Indonesian people. Therefore, legal politics cannot be seen only as a choice of government policy, but as a constitutional instrument to implement the values of Pancasila in the administration of the state.

In the field of employment, the constitutional orientation is emphasized through Article 27 paragraph (2) of the Constitution of the Republic of Indonesia of 1945 which guarantees the right of every citizen to work and a decent livelihood for humanity, Article 28D paragraph (2) which guarantees the right of every person to work and obtain fair and decent remuneration and treatment in employment relations, and Article 33 which mandates the implementation of the national economy based on the principles of togetherness, efficiency and justice, sustainability, independence, and balance of progress and national economic unity. These three provisions affirm that worker protection and economic development are two constitutional mandates that must be realized harmoniously through legal politics.

The implementation of the political law is reflected in the establishment of various legal instruments in the field of employment, including Law Number 13 of 2003 concerning Manpower, Law Number 21 of 2000 concerning Trade Unions/Trade Unions, Law Number 2 of 2004 concerning the Settlement of Industrial Relations Disputes, and Law Number 6 of 2023 concerning the Stipulation of Government Regulations in Lieu of Law Number 2 of 2022 concerning Job Creation Law. The development of these regulations shows that the politics of labor law are dynamic because they must be able to respond to changes in economic conditions, the development of industrial relations, and the challenges of globalization without neglecting the protection of workers' constitutional rights.

From the perspective of the legal system, Lawrence M. Friedman explained that the effectiveness of law is influenced by the integration between legal substance, legal structure, and legal culture. Thus, the success of legal politics is not enough to be measured by the quality of the norms formed, but also by the institutional effectiveness and legal culture that supports its implementation. This perspective is one of the conceptual foundations in this study because the evaluation of legal politics is not only directed at the content of norms, but also at its ability to achieve real legal goals.

This view is in line with Jimly Asshiddiqie who emphasized that the State of Law based on Pancasila not only places the law as an instrument limiting power, but also as a means to realize social justice. This idea is in line with Gustav Radbruch's theory of legal objectives which places justice, legal certainty, and utility as three fundamental values that must be realized in a balanced manner in every formation and application of law. In the political context of labor law, these three values must be realized proportionately so that worker protection does not hinder industrial sustainability, and economic development does not reduce respect for workers' rights.

In the development of international law, the International Labour Organization (ILO)

through the Declaration on Fundamental Principles and Rights at Work in 1998 and the Decent Work agenda affirms that respect for workers' basic rights, social protection, social dialogue, and opportunities for decent work are the foundations of inclusive and sustainable economic development. As an ILO member country that has ratified various fundamental conventions, Indonesia is obliged to pay attention to the development of these international standards. However, its implementation is not carried out mechanically, but must be harmonized with Pancasila, the Indonesian constitutional system, and the mandate of the 1945 Constitution of the Republic of Indonesia as the basis of national legal politics. Thus, international standards function as a comparative perspective that enriches national legal politics without shifting the position of Pancasila as the source of all sources of state law.

Based on this description, legal politics in the field of labor is a constitutional instrument that connects the values of Pancasila, the mandate of the 1945 Constitution of the Republic of Indonesia, positive law, legal doctrine, and the development of international law in order to realize a balance between the protection of workers' rights, legal certainty, industrial sustainability, and social justice. Therefore, the success of political law and law is not measured by the number of regulations formed, but by its ability to realize the state's goals as mandated in the Preamble to the Constitution of the Republic of Indonesia in 1945.

Scientific Propositions 1

The legal politics of worker protection in labor-intensive industries is a constitutional instrument that integrates the values of Pancasila, state goals, positive law, and the development of international law to realize a balance between the protection of workers' constitutional rights, legal certainty, industrial sustainability, and social justice as the goal of the State of Law based on Pancasila.

This proposition shows that the politics of law cannot be understood separately from the character of the State of Law based on Pancasila which is the philosophical and constitutional foundation of the Indonesian legal system. Therefore, the following discussion describes the concept of the State of Law based on Pancasila as the basis for the formation, evaluation, and reconstruction of the legal policy of worker protection in labor-intensive industries.

The Rule of Law based on Pancasila as the Political Basis of Worker Protection Law

Article 1 paragraph (3) of the 1945 Constitution of the Republic of Indonesia affirms that Indonesia is a state of law. This provision is a constitutional foundation that places the law as the basis for state administration as well as an instrument to achieve national goals as formulated in the Preamble to the Constitution of the Republic of Indonesia in 1945. However, the concept of the state of law adopted by Indonesia cannot be understood only based on the doctrine of *rechtsstaat* that developed in the Continental European legal tradition or the rule of law in the Anglo-Saxon tradition. The Indonesian Constitution places Pancasila as the basis of the state and the source of all sources of state law so that the concept of the state of Indonesian law has distinctive characteristics.

These characteristics are reflected in the Preamble to the 1945 Constitution of the Republic of Indonesia which affirms that the state was formed to protect the entire Indonesian nation and all Indonesian bloodshed, promote public welfare, educate the nation's life, and realize social justice for all Indonesian people. The formulation shows that the law in the Indonesian constitutional system not only functions to maintain order and legal certainty, but also as a means to realize welfare and social justice. Therefore, every legal policy, including

legal politics in the field of employment, must be directed at achieving these constitutional goals.

These values have a philosophical foundation in Pancasila. The precepts of a just and civilized humanity require respect for the dignity of workers, the precepts of Indonesian unity require the balance of industrial relations as part of the national interest, the precepts of the people led by the wisdom of wisdom in representative deliberations affirm the importance of the participation of the parties in the formation of labor policies, while the precepts of social justice for all Indonesian people are the final orientation of labor law politics. This orientation is also reflected in various Constitutional Court decisions that place the protection of workers' constitutional rights, meaningful public participation in the formation of laws and regulations, and a balance between the interests of workers and economic development as part of the implementation of the principle of the rule of law based on Pancasila.

The principle of the state of law based on Pancasila is also reflected in the regulation of citizens' constitutional rights. Article 27 paragraph (2) guarantees the right to work and decent livelihood for humanity, while Article 28D paragraph (2) guarantees the right of everyone to work and to receive fair and decent remuneration and treatment in employment relationships. Furthermore, Article 33 of the 1945 Constitution of the Republic of Indonesia stipulates that the national economy is organized based on the principles of togetherness, efficiency, justice, sustainability, environmental insight, independence, and maintaining a balance of progress and national economic unity. The provision emphasizes that economic development must not override the protection of human dignity and social justice.

These constitutional principles are then described in various laws and regulations in the field of employment. Law Number 13 of 2003 concerning Manpower and the changes made through Law Number 6 of 2023 are a form of state policy in regulating labor relations, worker protection, and the interests of the business world. In addition, Law No. 21 of 2000 concerning Trade Unions/Trade Unions and Law No. 2 of 2004 concerning the Settlement of Industrial Relations Disputes show that the state not only establishes substantive norms, but also provides institutional mechanisms to ensure the implementation of workers' rights and the fair settlement of industrial relations conflicts.

In the doctrinal study, Jimly Asshiddiqie explained that the Indonesian legal state is a concept that develops based on the values of Pancasila so that it is not identical to the concept of *rechtsstaat* or rule of law. Indonesia's rule of law not only emphasizes the rule of law, but also integrates democracy, human rights protection, and social justice as complementary elements. In line with that, Bagir Manan emphasized that the law must be positioned as an instrument to realize the state's goals as determined in the constitution, not just as a tool to control state power. This view is in line with Gustav Radbruch's theory of legal purpose which places legal certainty, justice, and utility as fundamental values that must be realized proportionately in every legal policy. Meanwhile, Mahfud MD argued that national legal politics must always be oriented towards the legal ideals of Pancasila so that the formation of laws is inseparable from the values of justice and community welfare.

In the international perspective, the concept of the modern state of law has also developed with increasing attention to the protection of social and economic rights as part of human rights. The International Labour Organization (ILO) places worker protection, social dialogue, freedom of association, and decent work as the foundation for sustainable development.

Although each country has a different legal system, these developments show a global trend that the state of law is no longer only understood as a guardian of the rule of law, but also as an institution responsible for ensuring the welfare of society through fair legal policies.

Based on this description, the author argues that the character of the state of law based on Pancasila provides a different orientation to the politics of labor law in Indonesia. Thus, the protection of workers cannot be seen as an obstacle to investment or economic growth, on the contrary, the protection of workers is a prerequisite for the creation of stable industrial relations, increased productivity, legal certainty, and the sustainability of labor-intensive industries. Therefore, the balance between worker protection, legal certainty, and industrial sustainability is a direct manifestation of the principle of the rule of law based on Pancasila.

Thus, the state of law based on Pancasila is not only the basis for the legitimacy of law formation, but also a benchmark for assessing whether a legal policy has reflected the values of divinity, humanity, unity, democracy, and social justice. In this context, the state of law based on Pancasila is the philosophical foundation as well as the normative parameters used in this study to evaluate the political direction of the law for worker protection through the Pancasila Legal Political Analysis Framework (KPHPP).

Scientific Propositions 2

The State of Law based on Pancasila is a philosophical and constitutional foundation that requires the legal policy of worker protection in labor-intensive industries to be prepared based on a balance between respect for workers' rights, legal certainty, sustainability of the business world, and the achievement of social justice as the goal of the state.

The discussion of the character of the state of law based on Pancasila shows that the protection of workers is part of the state's constitutional responsibility in realizing public welfare. Therefore, the next discussion is directed to the analysis of legal politics as the implementation of the concept of the welfare state, which is the basis for the state's involvement in providing legal protection for workers in labor-intensive industries.

Legal Politics of Worker Protection as the Implementation of the Welfare State

Article 1 paragraph (3) of the 1945 Constitution of the Republic of Indonesia affirms that Indonesia is a state of law. This provision not only places the law as the basis for state administration, but also contains the consequence that all state policies, including legal politics in the field of employment, must be formed, implemented, and evaluated based on the constitution. However, the concept of the state of law adopted by Indonesia cannot be understood solely based on the doctrine of *rechtsstaat* in the Continental European legal tradition or the rule of law in the Anglo-Saxon tradition. The Indonesian legal state has a distinctive character because it is based on Pancasila as the basis of the state as well as the source of all sources of state law.

In the doctrinal study, Jimly Asshiddiqie explained that the State of Law based on Pancasila is a concept of the state of law that integrates the rule of law, constitutional democracy, human rights protection, and social justice in a unified constitutional system. Thus, the law not only serves to limit state power, but also becomes an instrument to realize the state's goals as formulated in the Preamble to the Constitution of the Republic of Indonesia in 1945. In line with that, Bagir Manan emphasized that the law must be positioned as a means to achieve state goals, not just as a tool for controlling power. This view is strengthened by Mahfud MD who stated that national legal politics must always be oriented to the legal ideals

of Pancasila so that the formation of laws still reflects the values of justice, utility, and community welfare.

The constitutional basis of the concept is reflected in the Fourth Paragraph of the Preamble to the Constitution of the Republic of Indonesia in 1945 which emphasizes that the state was formed to protect the entire Indonesian nation and all Indonesian bloodshed, promote public welfare, educate the nation's life, and participate in implementing world order based on independence, lasting peace, and social justice. The formulation shows that the purpose of state administration is not only to create legal order, but also to realize welfare and social justice. Therefore, every legal politics formed by the state must be directed at achieving these constitutional goals.

The philosophical foundation of the constitutional purpose is found in Pancasila. The precepts of the One God emphasizes that the administration of the law must be based on moral and ethical values. The Precepts of Fair and Civilized Humanity require respect for the dignity of workers as human beings who have constitutional rights. The precept of Indonesian Unity requires the creation of harmonious industrial relations as part of the national interest. The People's Precept Led by Wisdom in Deliberation/Representation emphasizes the importance of stakeholder participation in the formation of labor policy. The Precepts of Social Justice for All Indonesian People are the final orientation of all national legal politics, including the legal politics of worker protection in labor-intensive industries.

The five precepts form a unity of values that form the basis for the formation, implementation, and evaluation of national legal politics. Therefore, every labor law policy must be able to maintain a balance between respect for human dignity, national interests, constitutional democracy, legal certainty, and social justice.

These principles are emphasized in the provisions of the constitution that regulate the rights of citizens in the field of employment. Article 27 paragraph (2) guarantees the right of every citizen to work and livelihood that is decent for humanity. Article 28D paragraph (2) guarantees the right of everyone to work and to obtain fair and decent remuneration and treatment in employment relations. Furthermore, Article 33 of the 1945 Constitution of the Republic of Indonesia mandates that the national economy is organized based on the principles of togetherness, efficiency, justice, sustainability, environmental insight, independence, and maintaining a balance of progress and national economic unity. These three provisions show that the Indonesian constitution requires the creation of a balance between the protection of workers' rights and economic development as an inseparable unit.

The implementation of the principle of the State of Law based on Pancasila in the field of labor is realized through various laws and regulations, including Law Number 13 of 2003 concerning Manpower and changes made through Law Number 6 of 2023, Law Number 21 of 2000 concerning Trade Unions/Trade Unions, and Law Number 2 of 2004 concerning the Settlement of Industrial Relations Disputes. The overall regulation shows that the state not only establishes substantive norms regarding labor relations, but also establishes institutional mechanisms to ensure respect for workers' rights while creating harmonious and equitable industrial relations.

The character of the State of Law based on Pancasila is also reflected in the development of the Constitutional Court's decisions, especially Decision Number 91/PUU-XVIII/2020 and Decision Number 168/PUU-XXI/2023. Through these rulings, the Constitutional Court

emphasized the importance of establishing laws and regulations that meet the principles of meaningful public participation, the protection of citizens' constitutional rights, and the balance between the interests of workers and economic development. This shows that the politics of labor law must always be in the corridor of the constitution and the values of Pancasila.

From an international perspective, the development of the concept of the modern state of law also shows a growing concern for the protection of social and economic rights as part of human rights. The International Labour Organization (ILO) through the Declaration on Fundamental Principles and Rights at Work in 1998 and the Decent Work agenda places worker protection, freedom of association, social dialogue, and decent work as the foundation of sustainable development. For Indonesia, these international standards serve as a comparative perspective that enriches the development of national legal politics. However, its application must still be harmonized with Pancasila, the Indonesian constitutional system, and the mandate of the 1945 Constitution of the Republic of Indonesia so as not to shift the position of Pancasila as the basis of the state and the source of all sources of state law.

Based on this description, the State of Law based on Pancasila provides a distinctive orientation to the politics of labor law in Indonesia. Protection of workers cannot be positioned as an obstacle to investment or economic growth. On the contrary, worker protection is a prerequisite for the creation of harmonious industrial relations, increased productivity, guaranteed legal certainty, and the sustainability of labor-intensive industries. Thus, the balance between the protection of workers' constitutional rights, legal certainty, the sustainability of the business world, and social justice is a direct manifestation of the principle of the State of Law based on Pancasila.

Therefore, the State of Law based on Pancasila is not only the basis for the legitimacy of law formation, but also the conceptual basis for the Pancasila Legal Political Analysis Framework (KAPHP) as a normative analysis model used in this study to evaluate the political direction of the law for worker protection in labor-intensive industries.

Scientific Propositions 2

The State of Law based on Pancasila is a philosophical and constitutional foundation that requires the legal politics of worker protection in labor-intensive industries to be built on a balance between the protection of workers' constitutional rights, legal certainty, industrial sustainability, and social justice as the state's goal.

This proposition shows that the protection of workers is a direct consequence of the character of the State of Law based on Pancasila which places the law as an instrument to realize public welfare and social justice. Therefore, the next discussion is directed to analyze the politics of law in the perspective of the welfare state, as a basis for the involvement of the state in providing legal protection for workers in labor-intensive industries.

Political Developments of Worker Protection Law in Indonesia

"Everyone has the right to work and to be rewarded and treated fairly and decently in employment relationships."

(Article 28D paragraph (2) of the Constitution of the Republic of Indonesia of 1945)

The Politics of Workers' Protection Law Before the Reform Era

This document analyzes the politics of labor protection law in Indonesia before the 1998 Reform, framing this period as essential background for understanding the political transformation that followed. It shows how political configuration, economic development

orientation, and state policy shaped labor law's direction during this era.

Constitutionally, Article 27(2) of the 1945 Constitution recognized every citizen's right to work and a decent livelihood from the outset, showing worker protection was part of the national legal ideal from independence. However, in the early independence period, this guarantee was not the main policy focus, as the government prioritized state consolidation, postcolonial economic recovery, and establishing stable governance, with labor regulations mainly replacing colonial provisions.

During the New Order era, labor law politics shifted significantly under a development strategy oriented toward industrialization and economic growth, positioning law as a tool for political stability, legal certainty, and investment climate rather than expanding worker rights protection. This is reflected in the concept of Pancasila Industrial Relations, which framed workers, entrepreneurs, and government as partners based on deliberation and cooperation—though in practice, political stability and economic priorities limited freedom of association, social dialogue, and collective bargaining, creating a gap between normative ideals and actual practice. A key milestone was Law Number 25 of 1997 concerning Manpower, intended to codify scattered labor provisions, but it was never effectively enforced due to rejection from workers and business actors amid the economic crisis and political upheaval at the end of the New Order.

The document draws on Mahfud MD's view that centralistic political configurations tend to produce conservative legal products, while democratic configurations yield more responsive laws—explaining why pre-Reform labor law prioritized development stability over expanding workers' constitutional rights. From the Pancasila State of Law perspective, worker protection was normatively recognized but not fully realized as a constitutional right, with legal politics still dominated by economic development orientation rather than a balance among worker rights, legal certainty, and industrial sustainability. Internationally, though the ILO increasingly promoted freedom of association and workers' rights during this period, these standards were not fully integrated into Indonesian labor policy, which prioritized industrial-relations stability.

The author concludes that pre-Reform worker protection policy centered on industrial stability as a tool for economic development rather than on balancing constitutional rights, legal certainty, industrial sustainability, and social justice—providing crucial context for understanding the paradigm shift after the Reform era, discussed in the following section.

The Legal Politics of Worker Protection in the Reform Era

This document examines how the 1998 Reform fundamentally reshaped Indonesia's constitutional system and, by extension, the political direction of national labor law. The changes went beyond a shift toward a more democratic political configuration, also strengthening constitutional supremacy, human rights protection, and public participation in lawmaking—transforming labor law politics from a stability-oriented approach toward one centered on protecting workers' rights as part of the national legal reform agenda.

This shift gained firmer constitutional grounding through the Second Amendment to the 1945 Constitution, which affirmed the right to work and fair treatment in Article 28D(2) and expanded human rights recognition in Chapter XA—establishing worker protection as a constitutional right rather than mere social policy. Following this amendment, the government modernized labor law through several key statutes: Law Number 21 of 2000 on Trade Unions, which broadened freedom of association; Law Number 13 of 2003 on Manpower, which

comprehensively regulated employment relations, wages, worker protection, occupational safety, training, and termination; and Law Number 2 of 2004 on Industrial Relations Dispute Settlement, which established the Industrial Relations Court. Together these laws repositioned the state from a dominant controller of labor relations to a regulator ensuring balanced rights and obligations through democratic mechanisms, while strengthening social dialogue and collective bargaining.

Indonesia's growing engagement with international law also shaped this transformation, evidenced by its ratification of ILO Convention No. 87 (Freedom of Association) and No. 98 (Right to Organize and Bargain), reflecting a commitment to harmonize national labor law with international principles while preserving the Pancasila-based national legal system. The document draws on Mahfud MD's view that democratization produces more responsive legal products, and Satjipto Rahardjo's emphasis on law evolving according to societal needs and human protection—both supporting the characterization of Reform-era labor law as increasingly responsive, though still required to maintain legal certainty for economic development.

The document notes that this progress also introduced new tensions: economic globalization and investment competition pushed for more flexible regulations even as workers sought stronger protections, illustrating labor law's ongoing challenge of balancing social interests with economic competitiveness. The author concludes that the Reform era represented a critical transitional phase—strengthening constitutional guarantees and democratizing industrial relations, while global economic pressures eventually drove the shift toward Law Number 11 of 2020 on Job Creation (later Law Number 6 of 2023), setting up the next subchapter's analysis of that regulatory reform and its implications for worker protection in Indonesia.

Legal Politics of Worker Protection after Law Number 6 of 2023

This document traces the development of labor protection law in Indonesia following the regulatory reforms through Law Number 11 of 2020 on Job Creation, which was later stipulated as Law Number 6 of 2023 through the Government Regulation in Lieu of Law Number 2 of 2022. These reforms aimed to boost investment, expand job opportunities, accelerate economic growth, and strengthen Indonesia's competitiveness amid global economic dynamics, reflecting a policy shift toward integrating worker protection with national economic development needs.

The constitutional basis remains anchored in Article 27(2) and Article 28D(2) of the 1945 Constitution, which guarantee citizens' rights to employment and fair treatment, alongside Article 33, which requires the national economy to operate on principles of togetherness, efficiency, justice, sustainability, and independence—placing post-2023 labor law politics at the intersection of worker-rights protection and economic development as a constitutional mandate.

The reform altered several aspects of labor relations: Fixed-Time Work Agreements (PKWT) gained greater flexibility for business needs; outsourcing regulations expanded with emphasis on fulfilling workers' rights; the minimum wage mechanism was revised to account for economic and productivity variables; and termination of employment (PHK) procedures and compensation calculations were adjusted to provide legal certainty for both workers and employers. While the government and business actors viewed these changes as necessary for a competitive investment climate and industrial sustainability, labor organizations, academics,

and civil society expressed concern that the added flexibility could weaken protections around employment certainty, wages, outsourcing, and termination mechanisms.

These tensions reached the Constitutional Court, which in Decision Number 91/PUU-XVIII/2020 found Law Number 11 of 2020 formally defective and conditionally unconstitutional, emphasizing that lawmaking must fulfill meaningful public participation—the rights to be heard, considered, and explained. This ruling underscored that legal politics' quality depends on both policy substance and the constitutional legitimacy of the formation process; the government subsequently revised the regulation into Law Number 6 of 2023, illustrating a checks-and-balances mechanism between lawmakers and the Constitutional Court.

Drawing on Mahfud MD's view of legal politics as state policy directed toward constitutional goals, Jimly Asshiddiqie's emphasis on staying within constitutional bounds, and the ILO's position that labor-market flexibility must be paired with protection of workers' basic rights and decent work, the document concludes that Law Number 6 of 2023 reflects an attempt to balance worker protection, legal certainty, investment growth, and economic sustainability. However, its success ultimately depends on conformity with constitutional principles, Pancasila values, and effective implementation—setting the stage for the next section's normative evaluation using the Pancasila Legal Political Analysis Framework (KAPHP).

Political Evaluation of Worker Protection Law in Labor-Intensive Industries Based on the Political Analysis Framework of Pancasila Law (KAPHP)

This document discusses the first parameter—Constitutionality Evaluation—within the Pancasila Legal Political Analysis Framework (KAPHP), examining the legal politics of worker protection in labor-intensive industries as an implementation of constitutional mandate. It argues that evaluating the political direction of law requires more than assessing policy effectiveness or economic development outcomes; it must first test conformity with constitutional norms as the highest law in Indonesia's constitutional system, with the constitution serving as both the legitimacy basis for lawmaking and the normative benchmark within KAPHP for assessing whether legal policies reflect the state's goals as set out in the Preamble to the 1945 Constitution.

Constitutionally, worker protection draws strong support from Article 27(2), which guarantees every citizen's right to work and a decent livelihood; Article 28D(2), which guarantees fair and decent remuneration and treatment in employment; and Article 33, which mandates that the national economy be organized on principles of togetherness, efficiency, justice, sustainability, and balanced progress. Together these provisions frame worker protection and economic development not as conflicting interests but as harmonious constitutional goals.

Tracing legal-political development, the document notes a shift from an emphasis on national development stability before Reform, to strengthened constitutional worker rights during the Reform era, and toward a new balance between worker protection and economic competitiveness through Law Number 6 of 2023. It emphasizes that constitutional conformity depends not only on the substance of norms but also on the quality of the lawmaking process, citing Constitutional Court Decision Number 91/PUU-XVIII/2020, which stressed that legislation must fulfill democratic principles including meaningful public participation—the right to be heard, to have opinions considered, and to receive explanations. The document also

draws on Jimly Asshiddiqie's view of the constitution as binding on all state administrators and Mahfud MD's definition of legal politics as state policy directed toward constitutional goals.

The author concludes that worker-protection legal politics in labor-intensive industries has a strong constitutional foundation, remaining oriented toward the right to work, fair treatment, and economic development. However, the trajectory from Law Number 11 of 2020 to its correction via Law Number 6 of 2023 shows that legal politics' quality depends on both substantive orientation and adherence to democratic lawmaking principles. Constitutional conformity is thus framed as the unity of legal substance and lawmaking procedure—setting up the next discussion on the protection of workers' dignity and rights as KAPHP's second parameter.

Evaluation of the Protection of Dignity and Rights of Workers

This document discusses the second parameter—Protection of the Dignity and Rights of Workers—within the Pancasila Legal Political Analysis Framework (KAPHP). This parameter is grounded in the understanding that workers are not merely factors of production but human beings possessing constitutional rights and dignity that the state must respect, protect, and fulfill. Evaluating worker-protection legal politics therefore requires more than confirming the existence of relevant laws; it must also examine how effectively those regulations translate into real protection within industrial relations practice.

Its constitutional basis rests on Article 27(2), Article 28D(2), Article 28I(4), and Article 28J of the 1945 Constitution, which obligate the state not only to respect the right to work and fair treatment but also to protect human rights through legal policies that balance the interests of workers, employers, and society. Historically, worker-rights protection strengthened significantly during the Reform era through recognition of freedom of association, improved industrial dispute-resolution mechanisms, and the establishment of a national social security system—shifting legal politics from an emphasis on industrial-relations stability toward recognizing workers as legal subjects with constitutional rights. However, regulatory reform through Law Number 6 of 2023 also reflects the need to adjust employment regulations to investment dynamics, technological change, and shifting labor-market structures, particularly regarding Fixed-Time Work Agreements (PKWT), outsourcing, wages, and termination of employment—changes that increase flexibility for business but raise debate over job security, decent income, and social protection for workers.

The document draws on Philipus M. Hadjon's view of legal protection as a means of ensuring rights recognition through preventive and repressive mechanisms, and Satjipto Rahardjo's emphasis that legal policy success should be measured by real societal benefit, not normative certainty alone—consistent with the Pancasila precept of Just and Civilized Humanity. The ILO's Decent Work agenda reinforces this by framing worker protection as inseparable from sustainable economic development, requiring regulations that balance labor-market flexibility with respect for workers' basic rights.

The author concludes that Indonesia's labor law politics has shown positive development through strengthened constitutional guarantees, a more democratic industrial relations system, and an expanded social protection system. Nonetheless, policy adjustments aimed at boosting investment and competitiveness must not erode the substance of worker protection—the true measure of success lies in maintaining respect for workers' dignity as constitutional rights-holders, not merely in achieving employment flexibility. This sets up the next discussion: legal

certainty and industrial sustainability as the third KAPHP parameter.

Evaluation of Legal Certainty and Industrial Sustainability

This document discusses the third dimension—Legal Certainty and Industrial Sustainability—within the Pancasila Legal Political Analysis Framework (KAPHP). This dimension rests on the premise that the legal politics of worker protection must not only safeguard workers' rights but also create legal certainty for all industrial relations actors and ensure business sustainability as a prerequisite for job creation. Accordingly, evaluation cannot focus solely on the level of normative protection given to workers, but must also consider how far regulations foster stability in industrial relations, legal certainty, and sustainable national economic development.

Its constitutional basis rests on Article 28D(1) of the 1945 Constitution, which guarantees everyone's right to fair legal recognition and certainty, and Article 33, which mandates that the national economy be organized on principles of togetherness, efficiency, justice, sustainability, and balanced progress. Together these provisions require an inseparable balance between legal certainty, worker protection, and economic development. Within KAPHP, legal certainty means not merely clear and consistent norms, but the legal system's capacity to provide predictable guidelines for workers, employers, and government—forming the foundation for harmonious industrial relations and industrial sustainability, particularly in labor-intensive sectors.

Historically, the need for legal certainty evolved from maintaining industrial-relations stability in the pre-Reform era, to strengthened worker-rights protection through Laws No. 21/2000, No. 13/2003, and No. 2/2004 during the Reform era, and toward accommodating both worker protection and investment competitiveness through Law No. 6/2023—which reformed regulations on fixed-term contracts (PKWT), outsourcing, wages, and termination of employment. While the government views these changes as adaptive and simplifying, some segments of society still debate the resulting level of job security, indicating that legal certainty depends not only on clear norms but also on consistent implementation, effective enforcement, and public trust.

The document draws on Gustav Radbruch's view that legal certainty must be balanced with justice and utility, Lawrence M. Friedman's framework linking legal effectiveness to substance, structure, and culture, and the ILO's emphasis on regulatory certainty and social dialogue as prerequisites for decent work and sustainable development.

The author concludes that Indonesia's worker-protection legal politics—particularly through Law No. 6/2023—reflect efforts to balance worker protection, legal certainty, and industrial sustainability, though success ultimately depends on regulatory consistency, enforcement effectiveness, and safeguarding workers' constitutional rights rather than investment attraction alone. Legal certainty and industrial sustainability are thus framed not as standalone goals but as means toward sustainable worker protection and national development goals under the 1945 Constitution, setting up the discussion of the fourth KAPHP dimension: social justice orientation.

Evaluation of Social Justice Orientation

This document discusses the fourth dimension—Social Justice Orientation—within the Pancasila Legal Political Analysis Framework (KAPHP), which represents the culmination of the evaluation because it situates the legal politics of worker protection within the framework

of state goals as formulated in the Preamble to the 1945 Constitution of the Republic of Indonesia. While the three preceding dimensions assess constitutional conformity, protection of workers' dignity and rights, and legal certainty alongside industrial sustainability, this dimension evaluates whether the overall legal policy genuinely leads to general welfare and social justice for all Indonesian people, thereby functioning as a synthesis that integrates all evaluation results within KAPHP.

Its constitutional foundation draws on the Preamble to the 1945 Constitution and the fifth precept of Pancasila, as well as Article 33 of the Constitution, which directs the national economy toward principles of togetherness, efficiency, justice, and sustainability. Within the KAPHP perspective, social justice orientation is understood as legal politics' capacity to build a proportionate balance between protecting workers' constitutional rights, legal certainty, industrial sustainability, and national economic development—rather than absolute alignment with any single interest.

Historically, this orientation shifted from a focus on developmental stability in the pre-Reform era, toward strengthened constitutional guarantees for workers during the Reform era, and eventually toward adjusting labor policy to investment dynamics through Law Number 6 of 2023. The document also draws on Gustav Radbruch's thinking (justice, legal certainty, and utility as the three fundamental values of law), Satjipto Rahardjo (law as service to humanity), and the ILO's Decent Work concept, which affirms that worker protection and economic development are mutually reinforcing rather than conflicting goals.

The author concludes that the legal politics of worker protection in labor-intensive industries have shown progress toward a better balance, yet social justice cannot be measured by regulatory changes or economic indicators alone—it must also be reflected in the consistency of democratic lawmaking, the effectiveness of regulatory implementation, respect for workers' dignity, and the state's ability to balance the interests of workers, employers, and society. Together, the four KAPHP dimensions form a comprehensive normative analysis model for evaluating the political direction of worker protection in Indonesia, constituting this research's conceptual contribution to the development of national legal-political studies.

CONCLUSION

This research demonstrates that the legal politics of worker protection in labor-intensive industries in Indonesia has continued to develop in response to constitutional dynamics, changes in industrial relations, and the demands of national economic development. This development is reflected in the shift in legal policy orientation, which during the pre-Reform era focused primarily on development stability, while the Reform era strengthened recognition of workers' constitutional rights. This process continued through Law Number 6 of 2023, which seeks to balance worker protection with investment growth, legal certainty, and industrial competitiveness. These developments confirm that labor law politics in Indonesia is not static but continues to adapt to social, economic, and constitutional changes while remaining grounded in Pancasila values and the 1945 Constitution of the Republic of Indonesia. The evaluation of worker protection legal policy cannot rely on a single indicator; instead, legal politics must be understood as a state policy that integrates the protection of workers' constitutional rights, legal certainty, industrial sustainability, and social justice orientation as a comprehensive framework.

This study developed the Pancasila Legal Politics Analysis Framework (KAPHP) as a normative analytical model for evaluating legal politics through four dimensions: constitutional conformity, protection of workers' dignity and rights, legal certainty and industrial sustainability, and social justice orientation. These dimensions are interconnected and represent the characteristics of Indonesian legal politics based on Pancasila as the foundation of the state and the ideals of national law. The limitations of this research include its focus on normative analysis without empirical field research and its analysis of only two Constitutional Court decisions. Future research should expand the analysis to include additional Constitutional Court decisions related to labor law, conduct empirical studies on the implementation of labor policies in labor-intensive industries, examine the integration of local wisdom values in industrial dispute resolution, investigate the effectiveness of labor inspection systems in reducing the gap between written regulations and actual practices, and develop comparative studies on approaches adopted by other countries in balancing worker protection and industrial competitiveness. The Pancasila Legal Politics Analysis Framework (KAPHP) is expected not only to serve as a normative analytical model for evaluating worker protection legal policies in labor-intensive industries but also to contribute as a conceptual reference for the development of Indonesian legal politics studies rooted in Pancasila values and national legal ideals.

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