

## ABSTRACT

*Every state needs investment to increase their economic activity, specially for developing countries who need foreign investment from developed countries in order not only concerning the economic value as well as for increasing the quality of human resources from their own state who called as labor. Every direct investment activity in any states needs labor to running their production activity. Investor who run the investment in Indonesia have right have to guarantee and given, and obligation to be fulfilled. The labor who work for the investor also have right to guarantee and given, and obligation to be fulfilled. The relationship of both parties sometimes happen some conflicts, and the party have their own way to claim their right regarding those conflict as guaranteed by Indonesia legislation. In Indonesia, when the right is not fulfilled by the investor, most of the labor will does demonstration regarding their normative demand to investor, and will use any kind of ways like illegal strike, without obeying the legal procedure for doing strike itself. This kind of action by labor give so big damage to the investor such as the termination of production activity, material damage, obstacle to filling promise to other parties etc. It is not also give impact to investor, as well as give impact to investment climate of Indonesia State, which will make candidate of investor dissuade to invest in Indonesia. There some cases happen in Indonesia regarding the illegal strike which already bring to the court. This thesis will discuss regarding the legal protection for foreign investor from the illegal strike by labor and the impact which will given by illegal strike itself to investment climate in Indonesia.*

**Key-word: Legal Protection, Foreign Investor, Illegal Strike, Labor.**