Reproduced from Indonesia Assessment 1994: Development in Eastern Indonesia edited by Ross H. McLeod (Singapore: Institute of Southeast Asian Studies, 1994). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of the Institute of Southeast Asian Studies. Individual articles are available at < http://bookshop.iseas.edu.sg >

Index

Abdi Bangsa Foundation 72
ABRI 53-71
Adams, Dale W. 294
Aizenman, J. 105
Anderson, Benedict 51
Arismunandar, Wismoyo 53
Arndt, H.W. 107-109
Asian Development Bank 306, 308
Askrindo 151, 296
Australia 6, 96, 97, 123, 250, 261, 265
authoritarian corporatism 49, 52
automatic teller machines 2, 181

Bahana, PT 47
Balassa, B. 105
Bank Bukopin 17, 316-332
Bank Bumi Daya 65-66, 175
Bank Dagang Negara 66, 175
Bank Duta 4, 12, 90, 146
Bank Ekspor Impor Indonesia, 175
Bank Rakyat Indonesia 17, 66, 91, 144, 159, 175, 294-312, 331
bank services 2, 184
Bank Tabungan Negara, 173

Bank Summa 5, 13, 81, 90, 135, 146, 169, 186, 188, 198-199 banking deregulation 5 banks, secondary 131, 139, 312 Bapindo 5, 12, 55, 63-72, 81, 89-90, 95, 146, 187, 194, 204, Baramuli, Arnold 67 Barito Group 66 base money 27, 28, 29, 30, 103, Bentoel, PT 65, 135 Besley, Timothy 314 Bimas 17, 293-299, 307 Boediono 10-11, 119, 141 bonds, government 16 borrowing, offshore 9, 111, 144-145 Bouman, F.J.A. 324 BPPC 66 **BPPT 71** branch network 2, 86, 112, 172,176-177 broad money 103, 120, 133

capital account 7, 9, 101, 105,

122

109, 112-114, 121-122, 173 capital account, open 7, 101,

capital adequacy 13, 143, 151,	credit ceilings 8, 83
160, 166, 177-182	Crouch, Harold 53, 70
capital flows 3, 10, 15-16, 21,	current account 9-10, 31, 97-
26-31, 94, 98, 101-116, 122-	122, 319, 321, 323
124, 144, 154, 271	
capital market development	Darusman, Marzuki 55
165, 223, 225, 226, 229, 241,	defined benefit 260, 265
242	defined contribution 260,
capital mobility 30, 104, 115	264-265
central bank	democratisation 50-52, 70
balance sheet 10	deposit insurance 13, 186-199,
certificates 8, 254	311
control 80	deposit mobilisation 17, 302
credit 107	depositor protection 5, 8
independence 125	deposits
regulations 171	demand 193, 197
supervision 11, 311	mobilising 12
cheque account deposits 133	rupiah time 194, 196,
Chinese, ethnic 69, 70	198
Cole, D. 101	depreciation 7, 10, 27, 34, 103
competitiveness 10, 14, 34,	107, 113-115, 122, 281
44-45, 95, 98, 113, 115, 123,	deregulation, banking 5
220, 259, 292	deregulation, financial 6, 82,
concentration, economic 224-	91, 96-98, 136, 226
228, 237-244	devaluation 114, 281
concentration of	Dili 73
economic power 3, 135, 144,	dirigisme 64
153	Djoyohadikusumo, Hasjim 72
financial activity 91	dwifungsi 52
lending 13, 146, 153	
loans 5	early warning system 11, 163
conglomerates 5, 14, 44, 51, 54,	economic development 3, 6, 8,
63-69, 91, 134-135, 149, 152,	21, 42, 85, 92-93, 130, 250,
210	255, 264
Congress, US 61	Edwards, S. 105
corporate sector 4, 176, 210-	Eng, Pierre van der 32, 44
214, 224	equity capital 3, 155, 203, 229
corporatist institutions 50	exchange rate
corruption 54-55, 63, 69, 145, 152	changes, movements 145, 258, 278-287
credit cards 2	expectations 30

fixed 123	foreign investment, direct 9,
floating 9, 94, 123	31, 111, 244, 268
policy, management 6, 21, 94, 122, 131	foreign portfolio investment 9, 212, 238
protection 104-106	foundations 15, 53, 131, 174
realignments 91	251
risk 286, 288	freedom of the press 54, 63
stability 92	full funding 15, 260-261
exchange rates, multiple 107,	201 201
110	Gadway, J.F. 303
expropriation 63	Golden Key Group 66, 146
	Golkar 53-59, 67
Fane, George 9, 16, 31, 101,	government intervention 1, 6,
143, 146, 187, 268	80, 83, 138, 191, 314
Finance, Department of 144,	Grenville, S.A. 7-10, 94, 110,
208	123
Finance, Minister for 27, 67,	Gumelar, Agum 53
140, 149, 268	
financial institutions,	Habibie 53-58, 70-73, 242-243
informal 306	Harberger, A.C. 105
financial institutions, rural	Hariyoto 56
303, 305, 311	Harjono, Budi 60
financial prices 3, 188, 198	Harmoko 57-58
FKPPI 57	Harris, John R. 91
foreign banks 6, 13, 110, 135,	Harsono, Kentot 53
137, 139, 141, 149, 173, 175,	Hartono 53
182, 193-195, 219	Hartono, Lukman 216-217
foreign debt 9, 16, 65, 110, 115,	Hasan, Bob 72
268-289	Hefner, Robert 54
foreign exchange	Hendropriyono 53
balances, holdings 110	Hewison, Kevin 51
banks 162	Higgins, Benjamin 8
business 138	Hoff, K. 314
earnings 109	,
exposure 13	ICMI 53, 57, 73
licence 144, 196	Indonesian Democratic Party
markets 108	55, 58
operations 88	inflation tax 103-104
risk 180	inflation, high/rapid 101-
reserves 10, 83, 89, 124	104, 107, 210
speculation 12, 90	informal finance 6, 306-310
opeculation 12, 70	Internal Interior of 500 510

insurance	Kadin 54
informal 14, 250	Kane, Edward J. 190-191
companies 6, 15, 131, 151,	Kartika, Kristiya 59
248-266	Kassospol 53, 56
health 252	Kemp, M.C. 105
life 3, 14, 15, 248-266	keterbukaan 73
social security 3, 249, 252	KIK/KMKP 17, 293-297, 307
interest rates	Kilby, P. 293
controls on 83	Kirab Remaja 57
domestic 10, 29, 86, 122,	Knox, D.M. 14-15, 248, 256
154	KNPI 55, 57
effective 331	Kodel group 66
foreign 27, 122	Kopassus 53
real 92, 103, 154	KORPRI 55-57
subsidised 308	Kosgoro 55
intermediaries 2, 100, 131,	KUK 181-182, 297
308, 315	Kupedes 17, 92, 297-300, 307,
investment	310
approvals 6, 33	Kusumaatmadja, Sarwono 55
climate 33, 42	Kwik Kian Gie 59, 64
deregulation 38, 40	KWIK Klair Gle 55, 61
expertise 265	labour disputes 63
foreign 9, 16, 21, 27-46, 73,	labour rights 62-63
84, 111, 227, 244, 254,	LBH 62
268	liberal intelligentsia 50
fund 6, 14, 87, 203, 208, 214	Linnan, D.K. 13, 184, 223
guidelines 254, 257, 261	liquidation 90, 168, 188, 199
income 254	ilquidation 90, 100, 100, 199
infrastructure 127	M0 120
licences 42-43	M1 26, 120, 133
loans 214, 293, 331	M2 26, 120, 133-134
management 261-266	MacIntyre, Andrew 33, 186
managers 218, 266	Mantrust, PT 65, 135
portfolio 9, 31, 116, 212,	market forces 3, 79, 95, 100,
229, 238, 241-242, 246	108, 141, 165, 305, 315
projects 127, 224, 248, 273	market share 2, 12, 85, 88, 148,
restrictions 254	180, 198, 232
returns to 123	market, primary 210-213, 224
I	market, secondary 13, 165,
Jamsostek 249-265	205-209, 212-213, 220, 229,
	241

Marsinah 55, 61, 62, 63, 73	supply 7, 10, 21, 27, 65, 88,
Martokoesoemo, Soeksmono	104, 106, 110, 115, 126,
B. 16, 292, 294, 306	154
McCawley, P. 95, 276	money market securities 8,
McKinnon, Ronald I. 79, 94,	136, 155, 158, 196
96, 137	monopoly 3, 6, 44, 65-66, 243
McLeod, Ross H. 1, 29-30, 83,	Muir, Ross 111, 273
	Mulya Lubis 70
143, 160, 180, 243, 268, 311	Mulya Lubis 70
Medan riots 55, 73	Nadbatul IIIama E0
Media Indonesia 72, 150	Nadhatul Ulama 59
Megawati Sukarnoputri 53, 60	Nasution, Anwar 8-11, 16, 70,
Meliala, Sembiring 58	130
Memet, Yogie 60	Nasution, Buyung 70
Mikkelson, W.H. 236	National Consultative
Moerdani 53	Assembly 51
Moll, H.A.J. 17, 298, 314, 324	New Order 5, 49-50, 63, 94-95
monetary	116, 203
authorities 9, 115, 119, 122,	nomenclatura 52
124-125	notables 52-58
management 80, 122, 136	
policy formulation 119	oil
policy instruments 128	and gas 276
policy objectives 83	boom 61, 102, 111
policy, conduct of 119, 124,	prices 11, 21, 27, 64, 112,
127, 141, 147	289
policy, conventional 128	sector 11, 22
policy, effectiveness of	oligopoly 6, 231
126, 128	open market operations 8, 83,
policy, independent 30	136, 141, 155, 158
policy, instruments of 3,	
83, 125, 128	Padmanabhan, K.P. 306
policy, tight 8, 88, 172,	Pakfeb 1, 4-5, 11, 160
176-177, 210, 300	Pakjun 1
system 12, 106	Pakmei 1, 160, 166-167
money	Pakto 1, 85, 90, 136-140, 148-
growth 8, 21, 145	149, 172, 177, 183, 186, 193,
market 29-31, 89, 140-141,	195
163	PAL 71
narrow 120, 133	Pancasila 50, 59-60, 242-243
114110 11 120, 100	Pangestu, Mari 6, 21, 243, 268
	Pangestu, Prajogo 65-66, 143
	Taligestu, Trajugu 05-00, 145

Patten, Richard H. 294, 302, 304	avoidance 195 bank 188-189
payments mechanism 2, 144,	burden of 188, 191, 289
191	country/sovereign 27
PDI 53-61	credit 144, 298
Penny, D.H. 107, 109	default 105
pension benefits 15-16, 253-	indicators 180
256, 265	investment 260, 286
pension funds 3, 14-15, 132,	management 162, 187, 199
135, 221, 228, 238, 248-266	market 229, 232
pension liabilities, unfunded	premium 115, 189-190
15	Robison, Richard 7, 49, 56, 64
Petisi 50 70	Rudini 56
Pitt, M.M. 108	Ruru, Bacelius 202, 210, 217
PKI 61, 69	
politics 7, 49	Sadikin, Ali 70
pribumi 51, 57, 64, 67	saving and investment 249
Prime, C.M. 14-15, 248, 258	savings accounts/deposits 2,
problem loans 5, 65, 90, 148-	142, 185, 193, 196
153, 166-168, 195	SBIs 10, 28-30, 83, 88-89, 95,
prudential regulations 4, 79-	136, 141-143, 147, 155, 158,
80, 84, 130, 138, 143-148,	254
153, 161, 177, 179, 312	SBPUs 28-30, 83, 95, 136, 141-
prudential standards 11-12,	143, 155, 158, 196
86, 138, 149, 181	SBSI 69
,,,	scripless trading 13, 220, 221
Ramli, Rizal 64	Sender, Henny 65
RCTI 72	sequencing 9, 99-102, 106
reform(s)	share issues 3, 203, 206
macroeconomic 8	Shaw, E.S. 79, 83
microeconomic 5, 7, 11	Shin Yoon Hwan 64
banking 137, 193	Simpedes 17, 301-302, 307, 310
economic 93	Siti Hardiyanti Rukmana 57,
financial 5, 9, 84, 91, 95,	60
134, 192, 301	Sjahrir 33, 64, 186
Reisen, Helmut 281-287	small businesses 2, 12, 17, 89,
representative electoralism	166, 295, 309
50	Soeharto 5-8, 16, 49-73, 107,
retirement 15, 248-264	293
rights, human 62, 70, 73	Soeharto, Tommy 65-67
risk	Soerjadi 59

soundness requirements 156, 158, 185 soundness, bank 156, 171 speculation 4, 12, 89-90, 97, 100, 146 speculation, currency 4, 89, 146 SPSI 61, 63, 69 stabilisation 5, 29, 107, 130 Stiglitz, Joseph E. 314 Stock Exchange Jakarta 2, 13, 87, 95, 136, 176, 202-235 Parallel 205, 209 Surabaya 87, 156, 206 Sudharmono 55-57, 64 Sudomo 67 Sudradjat, Edi 71 Sukardi, Laksamana 59 Sukarno 60, 106, 107, 293 Sumarlin 67, 140-143, 149 Sumitro 56 supervision bank 8, 11, 86, 160-164, 168, financial 254

Talley, Samuel H. 189
Tanjung, Feisal 53, 69, 71
Tansil, Eddy 67
tax treatment 14, 251
taxation 116, 254, 256
telebanking 2
Thee, Kian Wie 292
time deposits
high interest rate 94
mobilising 141
Trihatmodjo, Bambang 57, 72

Usman, Marzuki 202-206

village units 17-18, 159, 298-312, 331 Von Pischke, J.D. 314

Wahono 56 warships 70-72 Wickramanayake, B. 293 Winston, Clifford 82 Witoelar, Rachmat 55 Woo, Wing Thye 244 World Bank 61, 65, 114, 131, 151, 277, 279, 308

Yaron, J. 304, 305, 331 yayasans 15, 53, 251