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INDONESIA

A S S E S S M E N T

Population and Human Resources

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INDONESIA

A S S E S S M E N T

Population and Human Resources

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ABBREVIATIONS AND ACRONYMS

ABRI	Angkatan Bersenjata Republik Indonesia [Indonesian Armed Forces]
APBN	Anggaran Pendapatan dan Belanja Negara [national development budget]
ARI	acute respiratory infection
ASEAN	Association of South East Asian Nations
BAPEDAL	National Pollution Control Agency
Bangga Suka	
Desa	Pembangunan Keluarga dengan Suasana Perkotaan di Pedesaan [Family Development with Urban Context in the Rural Area]
BAPPENAS	National Development Planning Agency
BI	Bank of Indonesia
BKKBN	National Family Planning Coordinating Board
BKPM	Coordinating Agency for Investments
Botabek	Bogor-Tangerang-Bekasi region
BPS	Biro Pusat Statistik [Central Bureau of Statistics: CBS]
CBZ	<i>Centrale Burgerlijke Ziekenhuis</i> [Central Civilian Hospital - see also RSUP]
CDR	crude death rate
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CPR	contraceptive prevalence rate
DPK	Departemen Pendidikan dan Kebudayaan [Ministry of Education and Culture, MOEC]
DPR	Dewan Perwakilan Rakyat [National Parliament]
EPTE	Entrepot Produksi Tujuan Ekspor [export processing zone]
ESCAP	Economic and Social Commission for Asia and the Pacific
FP	family planning

GBHN	Garis Besar Haluan Negara [Guidelines of Basic State Policies]
GDP	gross domestic product
GNP	gross national product
GOI	Government of Indonesia
Golkar	Golongan Karya [the state party]
HHS	Household Health Survey
HRD	Human resource development
ICD	International Classification of Diseases (WHO)
ICMI	Ikatan Cendekiawan Muslimin se-Indonesia [Association of Indonesian Muslim Intellectuals]
ICPD	International Conference on Population and Development (1994)
IDHS	Indonesian Demographic and Health Survey
IDT	Inpres Desa Tertinggal [Presidential Instruction for Assistance to Backward Villages]
IFLS	Indonesia Family Life Survey
IDI	Ikatan Dokter Indonesia [Indonesian Medical Doctors Association]
IKIP	teacher training institutes
ILO	International Labor Office
IMF	International Monetary Fund
IMR	infant mortality rate
IPD	infectious parasitic disease
IUD	intra-uterine device
Jabotabek	National capital region comprising DKI Jakarta, Bogor, Tangerang, and Bekasi
JMDPR	Jabotabek Metropolitan Development Plan Review
JPKM	Jaminan Pemeliharaan Kesehatan Masyarakat
KAMI	Indonesian Students Action Front
KB	Kawasan Berikat [bonded export processing zone]
KBPN	Kantor Badan Pertanahan Nasional [National Land Administration Office]

KIPP	Komite Independen Pemantau Pemilu [Independent Election Monitoring Committee]
Kopassus	Red Berets [military]
Kostrad	Green Berets [military]
KTP	Kartu Tanda Penduduk [Residency Card]
LD	Lembaga Demografi [Demographic Institute, Faculty of Economics, University of Indonesia]
LEB	Life expectancy at birth
MARI	Majelis Rakyat Indonesia [Indonesian People's Council]
Masyumi Baru	Majelis Syarikat Umat Muslimin Indonesia — a new quasi-party
MCH	Maternal and Child Health [program]
MOEC	Ministry of Education and Culture (see DPK)
MOH	Ministry of Health
MORA	Ministry of Religious Affairs
MMR	maternal mortality rate
MPR	Majelis Perwakilan Rakyat [People's Consultative Assembly]
NGO	non-government organisation
NHU	non-gonococcal urethritis
NRR	net reproduction rate [population]
NU	Nahdlatul Ulama [Muslim scholars' organisation]
OTB	organisasi tanpa bentuk ['formless organisations']
Parkindo	Partisipasi Kristen Indonesia — a new quasi-party
PCPP	Persatuan Cendekiawan Pembangunan Pancasila [Association of Pancasila Development Intellectuals]
PDI	Partai Demokrasi Indonesia [Indonesian Democratic Party]
Pepabri	[Association of Former Armed Forces Officers]
PHC	primary health care

PJP	Pembangunan Jangka Panjang [Long-Term Development Plan or Phase]
PKI	Partai Komunis Indonesia [Indonesian Communist Party]
PLKB	[family planning field workers]
PMA	Penanaman Modal Asing [foreign investments]
PMDN	Penanaman Modal Dalam Negeri [domestic investments]
PNI or PNI Baru	Persatuan Nasional Indonesia — a new quasi-party
PPM	Pemenuhan Permintaan Masyarakat
PPP	purchasing power parity
PPP	[United Development Party]
PRD	Partai Rakyat Demokratik [The People's Democratic Party]
PROPER	Program for Pollution Control, Evaluation and Rating
PTN	higher education public institutions
PUDI	Partai Uni Demokrasi Indonesia [Indonesian Democratic Union Party]
Repelita	Rencana Pembangunan Lima Tahun [Five-Year Development Plan]
RSCM	Cipto Mangunkusumo Hospital
RSUP	Rumah Sakit Umum Pusat
SBSI	[unofficial trade union]
SD Inpres	primary school special program
STDs	sexually transmitted diseases
Susenas	Survai Sosial Ekonomi Nasional [National Social and Economic Survey]
SUPAS	Survai Penduduk Antar Census [Intercensal Population Survey]
SVRP	Sample Vital Registration Project
TBAAs	traditional birth attendants
TKBK/TMK	[mobile family planning teams]
TFR	total fertility rate
U5MR	Under-5 mortality rate

UNICEF	United Nations Children's Fund [orig. United Nations International Children's Emergency Fund]
UNFPA	United Nations Population Fund [orig. United Nations Fund for Population Activities]
WHO	World Health Organisation
WTO	World Trade Organization
YKPK	Yayasan Kerukunan Persaudaraan Kebangsaan [National Brotherhood Reconciliation Foundation]

GLOSSARY

<i>abangan</i>	nominal Muslim
<i>aliran</i>	school of thought or beliefs
<i>ani ani</i>	small blade (used in harvest)
<i>asas tunggal</i>	sole ideological basis [refers to <i>Pancasila</i>]
Bandung Raya	Metropolitan Bandung
<i>bidan desa</i>	midwife
<i>Bupati</i>	head of a <i>kabupaten</i>
<i>calo</i>	recruiter
<i>Camat</i>	head of subdistrict or <i>kecamatan</i>
<i>desa</i>	village
<i>dosen</i>	teaching staff of university
<i>dua anak cukup</i>	'two children are enough'
Gerbankertasusila	Metropolitan Surabaya
<i>golput</i>	<i>golongan putih</i> [lit. 'blank group'-see Chap. 8]
Indonesia Bagian Barat	Western Indonesia
Indonesia Bagian Timur	Eastern Indonesia
<i>KB Mandiri</i>	self-reliant family planning
<i>kabupaten</i>	administrative regions
<i>kelompok pelangi</i>	'rainbow' organisations
<i>keluarga sejahtera</i>	family welfare
<i>kelurahan</i>	lowest administrative unit
<i>kesempatan kerja</i>	[lit.] 'employment opportunity'
<i>kotadesasi</i>	process whereby geographical areas have mix of urban and rural activities (after McGee 1991)
<i>kotamadya</i>	municipality

<i>kuningisasi</i>	[lit.] 'yellowisation' (painting objects yellow, the colour of Golkar)
<i>makar</i>	anti-government unrest
<i>mandor</i>	foreman
Mebidang	Medan-Binjai-Deli-Serdang [Metropolitan Medan]
<i>organisasi tanpa bentuk (OTB)</i>	'formless organisations'
<i>Nomor Induk Penduduk</i>	national population registration number
<i>Pancasila</i>	State ideology based on five national guiding principles
<i>pesantren</i>	Islamic boarding school
<i>posyandu</i>	health posts
<i>puskesmas</i>	community health centre
<i>puskesmas pembantu</i>	health sub-centres
<i>ramah dan manusiawi</i>	to be treated friendly and humane
<i>santri</i>	devout Muslim
<i>setan gundul</i>	[lit.] 'bald devils'
<i>skripsi</i>	thesis
<i>swarkasa</i>	self-sponsored [migration]
<i>swarkasa</i>	spontaneous
<i>taikong</i>	agents
<i>tidak mau tahu</i>	'don't want to know'
<i>warung</i>	trade store

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From its humble beginnings in 1988, the *Indonesia Assessment* volume is now well established as a major annual publication. Since 1994, it has been published jointly by the Department of Political and Social Change, ANU, and by the Institute of Southeast Asian Studies in Singapore, enabling it to reach a wider audience—especially in the Southeast Asian region—than when it was published in-house at the ANU. Our thanks go to the Institute, and particularly the Managing Editor, Triena Ong, for their co-operation in bringing out this volume quickly and in handsome format.

Opening Address

His Excellency Mr S. Wiryono Ambassador of Indonesia to Australia

Professor Hal Hill, Fellow Speakers, Ladies and Gentlemen,

Before anything else I would like to thank Professor Hal Hill for inviting me to address this 13th annual ANU Indonesia Update, a forum which traditionally assesses various aspects of life in Indonesia, including political, economic, security and other specific developments of the previous year. May I also take this opportunity to congratulate the Australian National University on its 50th Anniversary. As you know, it was only last week that Indonesia celebrated its 51st Anniversary—which means that the Australian National University and Indonesia have grown up together and it is therefore altogether appropriate that they should take a great interest in each other.

Over the years, the ANU Update has provided insightful and valuable contributions to the study of Indonesia. It has promoted better understanding in Australia of its neighbour to the near north, which seems to be always an enigma. As former Prime Minister, Paul Keating has said, '... Australians fail to understand Indonesia in all its complexity'. That might have been stated in terms that are too absolute, but I feel there is some degree of truth in it.

As the theme for this year's Update is 'Population and Human Resources', I would like to share with you some background on this topic as well as a few thoughts on Australian-Indonesian relations.

Among the many things that have been achieved in the course of Indonesia's national development, none have been considered more important than improvements in the quality of life, education and employment opportunities of its citizens. Certainly none has been more dramatic than the drop in the percentage of the population living below the poverty line, from 70 per cent two and a half decades ago to a little over 13.5 per cent today.

From the early days of the republic, Indonesia's leadership realised that a steadily broadening education base and sound health practices were necessary foundations for modern nationhood. While nation-building was the primary focus of the nation's leadership's efforts at that time, before the advent of the New Order, during the past 25 years the government endeavoured to strengthen the economic and social foundations of Indonesian society in order to maintain and strengthen national cohesiveness. It has been our experience, however, that whenever a problem is resolved, new challenges arise in its place. There will always be those second-guessing the government's system of priorities. Whatever policy the government adopts, there will always be those who gain more and those who will be less fortunate.

Naturally, those who are left behind have a tendency to complain and even become impatient. Not only are these processes of nation-building, economic development and democratisation replete with pitfalls, they also exact a social and political cost that many developing nations cannot afford, but sometimes cannot avoid. Indonesia is fortunate that by following a policy of maintaining political stability, promoting economic growth as well as equity, it has so far been able to surmount these challenges, albeit not without the occasional hiccup.

The Indonesian government is constantly identifying areas that have to be addressed in order to ensure steady social and economic development. Always of high priority are measures towards the eventual eradication of poverty among the so-called 'left-behind communities', both in the cities and in the villages. For this purpose, the Indonesian government has mustered massive resources to provide quality health care as well as expanded educational opportunities and training to improve the quality of the country's human resources which is absolutely necessary for further development. This creates a new pressure on the government; for those who have acquired an education now clamour for an appropriate place in the economic development process and this is not always possible. What needs to be done is to not only improve the quality of human resources, but also match these human resources with the requirements of economic development. This is one aspect of population planning that the government is now giving more attention to.

All our endeavours at development have been guided by a basic philosophy which is often enunciated by President Soeharto, the 'Trilogy of Development'. The three elements in this trilogy are stability,

economic growth, and equitable sharing of the fruits and responsibility for economic growth. There has to be stability for economic growth to be possible; there has to be economic growth so that there will be fruits of development available for sharing out; and the sharing of the fruits of development as well as the responsibility for it has to be equitable—so that the people's common sense of social justice is satisfied and thus stability is maintained. The trilogy works like a spiral and its three mutually reinforcing elements are regarded with equal importance.

When we in Indonesia speak of stability, therefore, we do not mean imposed or enforced stability, but one that is based on the strength, resilience and creativity of the nation. To maintain that kind of stability, we must see to it that more and more Indonesians share in the responsibility for and the fruits of development. This means wider and more intensive participation in the decision-making processes which affect their lives and their future so that they acquire and maintain a sense of control over their own destiny. In a word, democratisation.

This we are determined to achieve, not at a pace that is dictated by external influences, nor as demanded by a vocal minority in the country, but one that is comfortable to a majority of our people. I am confident that it will be achieved—for the experience of many nations has been that as people attain prosperity, as the middle class grows and the people no longer have to worry about their day-to-day basic needs, they tend to grow more politically active. We just have to make sure, however, that political activism is neither a mask nor an excuse for anarchy and gross irresponsibility.

Meanwhile, through a national policy that has dedicated every means available both to increase national wealth and to ensure its equitable distribution, poverty is being systematically eradicated in Indonesia. World Bank statistics indicate that Indonesia has demonstrated the highest annual reduction in the incidence of poverty over the past two decades. Some 25 years ago, the population of Indonesia was 145 million, 70 per cent of whom lived under the poverty line. Today the population of Indonesia has increased to 195 million but the percentage of the population living below the poverty line has dropped sharply to 13.5 per cent. This is no less than a two-thirds reduction of the incidence of poverty—but what makes it particularly impressive is that a large part of Indonesia's poor started at levels close to the subsistence level. As people rise above the poverty line,

they are on their way to joining the middle class. This means that we are now developing a broader, stronger middle class. The American economist Edwin Mills once observed that Indonesia's middle class '... is stronger than that in many countries in its stage of development, but fairly typical of South East Asian societies. The benefits of such rapid growth are not shared equally in any society, but all major groups have benefited greatly [in Indonesia]'.

In relation to health services, the government continues to upgrade hospitals and other public health facilities all over the country and to establish new ones where needed. Through these medical and health facilities, most Indonesians now have access to basic medical care, immunisation and vaccination, treatment of common diseases and nutritional guidance. During the past decade, the number of medical professionals in Indonesia has more or less doubled.

In the field of education, Indonesia's highest priorities today include the expansion of the educational system, particularly at the junior and senior elementary levels, and the upgrading of its teaching staffs, keeping in mind the requirements of economic growth and the realities of the job market. As a result of the government's determined endeavours in education, the national literacy rate has greatly increased during the past two decades. University enrolments have also grown rapidly, and the government predicts that by the year 2000, each year, some 3.9 million students will be earning college degrees.

In the early 1990s a key concern among government planners and private business people has been how the country could train a sufficient number of skilled workers to meet the growing requirements of the rapidly growing economy. They knew that if the country could not provide the employee skills at a quantity and quality that matched demand, there would be a tremendous loss in terms of economic opportunities and competitiveness in the international market on which much of Indonesia's prosperity depends.

In response to this challenge, Indonesia's policy-makers have begun to redefine the role of government in education: no longer would it serve as the sole provider of education but would now also assume the role of catalyst for training programs initiated and maintained by the private sector. So we now have a situation where an array of increasingly sophisticated skills-training programs are being developed by the private sector and more imaginative and focused programs are being developed by the government. Once these advanced and refined social infrastructures are firmly in place, Indone-

sia should be well on its way to acquiring a work force that is more capable of meeting the challenge of global competition.

New jobs created for some 15 million workers during the past decade have been the result of policies of sound economic management, leading to robust economic growth. Such growth indeed has been especially marked by rapid job creation in the manufacturing and service industries. Also emblematic is the increasing importance of private enterprise—as distinguished from government or state-owned enterprises. The private sector has now truly become the engine of economic growth and as such the chief provider of new jobs. Over the past two decades, we have seen a greater number of women enter the work force, rises in the level of the minimum wage and a general improvement in labour conditions. The labour laws of Indonesia are now being codified in conformity with ILO standards in order to ensure that the rights of labourers are exercised and respected.

Although the achievements of Indonesia in economic development have sometimes been described as ‘miraculous’, we have no illusions that we have solved all our problems. We know, for instance, that some 25 million Indonesians still live below the poverty line, that we have to watch our current accounts deficit and our external debt level carefully. We know only too well that Indonesia has indefatigable detractors waging a relentless propaganda campaign against the country in international circles. It is therefore vital to Indonesia that it is perceived for what it actually is, rather than as it is variously and simplistically imagined by both detractors and friends.

Indonesian society is complex enough to start with: we are 195 million people living in an archipelago of 17,000 islands, with more than 300 ethnic groupings speaking more than 200 different languages. Apart from that, we are also trying to achieve two objectives which, at least at the beginning, could and often do contradict each other: economic development and democratisation. Indeed these twin objectives have been the subject of continuing debate which will, I suppose, go on for a long time. One view, propounded by former Prime Minister and now Senior Minister Lee Kuan Yew of Singapore, is that democratisation should not be a priority in a developing country, as discipline rather than democracy is what is needed to achieve economic growth and social progress. A contending view, held by Madam Aung Sang Suu Kyi of Myanmar, is that the length of time it took Western countries to achieve democratisation should not be used as a valid reason for Asian countries to be slow in its implementation.

Indonesia has chosen to take the middle path towards democratisation, as we are aware of the complexity of the effort in realising these twin objectives. If an observer takes into account the complexity of Indonesian society and the complexity of what we are trying to achieve, perhaps a less judgemental view might emerge from our friends and neighbours. Certainly, oversimplifications and stereotypes shed no light and will not help bring about mutual understanding and goodwill.

As to Indonesia's relationship with Australia, it has often been said that no other two countries could be so geographically close to each other and yet be so vastly different from each other. This I do not dispute, for we differ in our historical experiences, in our political system, and in our cultures and social structure, as well as in many other ways. And although we are neighbours, we do not really know each other very well, a state of affairs which I feel needs rectification. This feeling is shared by many Australians, many of whom have gone beyond merely lamenting it to doing something about it, by going to Indonesia and investing there or simply enjoying themselves there. In this respect, the role played by the Australia-Indonesia Institute, and the soon to be announced Indonesia-Australia Institute in Jakarta, is very important in contributing to the promotion of mutual understanding. The organising of the visit by Australian editors to Indonesia a few months ago is an example of a useful and constructive activity initiated by and involving Australians who desire to strengthen our existing bilateral ties.

Australian economic interest in Indonesia has over the years grown tremendously and can be seen from the fact that last year alone, the investment flow from Australia to Indonesia amounted to A\$3.7 billion involving 38 projects, thereby making Australia the ninth largest investor in Indonesia. The number of tourists from each country visiting the other has been constantly on the increase and there appears to be a growing number of Australians who have finally realised that Indonesia has a great deal more to offer for the wholesome enjoyment of the traveller than the beaches of Bali. The number of Indonesian students choosing to study in Australia is continually growing. At any one time, there are some 15,000 Indonesian students enrolled at various educational institutions all over Australia. In addition, I am pleased and impressed by the enthusiastic effort among Australian schools—primary and secondary, as well as tertiary institutions—to teach Bahasa Indonesia. To me, this bespeaks a keen

desire to promote the relationship between our two countries and educate students so that any remaining barriers of ignorance can be broken down.

On the other hand, Indonesians feel a growing need to know and understand Australia better. In this, it has been of great help that there are a growing number of literary publications on Australia now circulating in Indonesia. The translation of these reading materials into Bahasa Indonesia has been initiated but needs to be expanded.

What is important is that we should not let the differentiations between our two countries become obstacles in the growth and flourishing of a mutually beneficial relationship. The differences between our systems, our cultures and our respective situations are real and are not easy to bridge, but it may rightly be pointed out that these differences are precisely the ingredients for a synergistic relationship, an effective partnership for economic and social development, as well as a sharing of responsibility for the maintenance of regional peace, security and stability.

Indonesia is a country in transition: economically, it is moving towards industrialisation; politically, it is moving towards greater democratisation. And the nation-building process goes on. We are, of course, already a nation but, given our problems and our aspirations, not yet the nation we wish to become.

Indeed, after almost 30 years of rapid economic development and six Five-Year Plans which have brought the Indonesian economy to the take-off stage, and with the rise of a new generation that experienced neither the throes of revolution nor the upheaval of the mid-1960s, Indonesia would seem to be entering a new era. Both forces of continuity and the forces of change are interacting in Indonesia and their interaction should be managed in a creative and constructive way if the future of Indonesia is to be more secure. To be able to do so, we need to share the objective observations and the useful insights that can be provided by solicitous friends such as the Australian National University. That is why it is very important for me, as Indonesia's Ambassador to Australia, to be here listening to and exchanging views with you.

Let me also say this in conclusion: my country is grateful for the attention, patience and understanding, as well as co-operation extended to it by its friends and neighbours. It is also eager to prove that it is worth all that attention, patience, understanding and co-operation, not only by reciprocating bilaterally but, most importantly, by

contributing as much as it can to regional and global peace, stability and equitably shared prosperity. That is the constitutional mandate of the Government of Indonesia. That is also the sentiment of the Indonesian man in the street.

Thank you.