

**BUSINESS
IN INDONESIA**

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BUSINESS IN INDONESIA

New Challenges, Old Problems

edited by

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M. Chatib Basri, Jakarta
Pierre van der Eng, Canberra
March 2004

GLOSSARY

| | |
|----------|---|
| \$ | US dollars |
| ACILS | American Center for International Labor Solidarity |
| ADB | Asian Development Bank |
| AFTA | ASEAN Free Trade Area |
| ANU | Australian National University |
| APBD | Anggaran Pendapatan dan Belanja Daerah (local government budget) |
| Apindo | Asosiasi Pengusaha Indonesia (Employers Association of Indonesia) |
| Apkasi | Asosiasi Pemerintah Kabupaten Seluruh Indonesia (Association of Indonesian Districts/District Heads) |
| ASEAN | Association of Southeast Asian Nations |
| Bapepam | Badan Pelaksana Pasar Modal (Capital Market Supervisory Agency) |
| Bappenas | Badan Perencanaan Pembangunan Nasional (National Development Planning Agency) |
| BCA | Bank Central Asia |
| Benteng | policy of granting <i>pribumi</i> importers privileged access to import licences in the early years of independence |
| BIN | Badan Intelijen Nasional (National Intelligence Agency) |
| BKPM | Badan Koordinasi Penanaman Modal (Investment Coordinating Board) |
| BLBI | Bantuan Likuiditas Bank Indonesia (Bank Indonesia Liquidity Support for banks) |
| BNI | Bank Negara Indonesia (State Bank of Indonesia, a state-owned commercial bank) |

| | |
|-------------------|---|
| BPK | Badan Pemeriksaan Keuangan (Supreme Audit Agency) |
| BPS | Badan Pusat Statistik (Statistics Indonesia, the Central Statistics Agency, formerly Central Bureau of Statistics) |
| BPSP | Badan Penyelesaian Sengketa Pajak (Tax Disputes Settlement Agency) |
| BRI | Bank Rakyat Indonesia (Indonesian People's Bank, a state-owned bank specialising in microfinance and small-scale enterprises) |
| BUMN | Badan Usaha Milik Negara (state-owned enterprise) |
| <i>bupati</i> | head of a <i>kabupaten</i> (district) |
| <i>bumiputera</i> | indigenous Malays (literally, 'sons of the soil') |
| CAR | capital adequacy ratio |
| CEO | chief executive officer |
| CGI | Consultative Group on Indonesia |
| CODB | cost of doing business |
| CPI | consumer price index |
| CR | current ratio of assets to liabilities |
| CSPA | conditional sale and purchase agreement (between Cemex and the Government of Indonesia) |
| D/E | debt–equity ratio |
| DAU | Dana Alokasi Umum (General Allocation Fund, General Purpose Fund, or fiscal equalisation transfer to regions) |
| DI | Daerah Istimewa (Special Region) |
| DKI | Daerah Khusus Ibukota (Special Capital Region) |
| DPD | Dewan Perwakilan Daerah (Council of Regional Representatives) |
| DPR | Dewan Perwakilan Rakyat (People's Representative Council, Indonesia's parliament) |
| ECFIN | Institute for Economics and Financial Research |
| EU | European Union |
| FBSI | Federasi Buruh Seluruh Indonesia (All-Indonesia Labour Federation) |
| FDI | foreign direct investment |
| FEUI | Fakultas Ekonomi Universitas Indonesia (Faculty of Economics, University of Indonesia) |
| FNPBI | Front Nasional Perjuangan Buruh Indonesia (National Front for Indonesian Workers' Struggle) |
| FSPM | Federasi Serikat Pekerja Mandiri (Federation of Independent Workers' Unions) |

| | |
|-------------------|--|
| FSPSI | Federasi Serikat Pekerja Seluruh (Federation of All-Indonesia Workers' Unions) |
| FSPSI-Reformasi | Federasi Serikat Pekerja Seluruh- <i>Reformasi</i> (Reformed Federation of All-Indonesia Workers' Unions) |
| FSU | Forum Solidaritas Unionis (Unionists' Solidarity Forum) |
| GAM | Gerakan Aceh Merdeka (Free Aceh Movement) |
| GDP | gross domestic product |
| Golkar | Golongan Karya (the state political party under the New Order, and one of the major post-New Order parties) |
| GRDP | gross regional domestic product |
| GSBI | Gabungan Serikat Buruh Independen (Association of Independent Labour Unions) |
| <i>hajj</i> | pilgrimage to Mecca |
| HMI | Himpunan Mahasiswa Islam (Islamic Students' Association) |
| IBRA | Indonesian Bank Restructuring Agency (also known as BPPN, National Banking Rehabilitation Agency) |
| ICFTU | International Confederation of Free Trade Unions |
| ICG | International Crisis Group |
| ICMI | Ikatan Cendekiawan Muslimin Indonesia (Indonesian Association of Muslim Intellectuals) |
| ICSID | International Centre for Settlement of Investment Disputes |
| ILO | International Labour Organization |
| IMF | International Monetary Fund |
| Indonesia Bangkit | Indonesia Arises (coalition of economists and other intellectuals who advocate ending Indonesia's relationship with the IMF) |
| Inpres | Instruksi Presiden (Presidential Instruction, a program of special grants from the central government) |
| IPO | initial public offering |
| IPTN | Industri Pesawat Terbang Nusantara (Indonesia's state-owned aircraft manufacturing industry) |
| ISIC | International Standard Industrial Classification |
| IUF | International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations |
| JBIC | Japan Bank for International Cooperation |
| JI | Jemaah Islamiyah |

| | |
|------------------|---|
| <i>jilbab</i> | headscarf |
| JSE | Jakarta Stock Exchange |
| <i>kabupaten</i> | district |
| Kadin | Kamar Dagang dan Industri (Chamber of Commerce and Industry) |
| Kapet | Kawasan Pengembangan Ekonomi Terpadu (Integrated Economic Development Zones) |
| Kepmen | Keputusan Menteri (Ministerial Decree) |
| KHM | Kebutuhan Hidup Minimum (Minimum Subsistence Needs [index]) |
| KKN | <i>korupsi, kolusi, nepotisme</i> (corruption, collusion, nepotism) |
| KL | Kehidupan Layak (Appropriate Standard of Living [index]) |
| Kopassus | Komando Pasukan Khusus (Special Forces Command) |
| Korpri | Korps Pegawai Republik Indonesia (Indonesian Civil Servants Corps) |
| <i>kota</i> | city, municipality |
| KPC | Kaltim Prima Coal |
| KPEN | Komite Pemulihan Ekonomi Nasional (Committee for National Economic Recovery) |
| KPK | Komisi Pemberantasan Korupsi (Corruption Eradication Commission) |
| KPKPN | Komisi Pemeriksa Kekayaan Penyelenggara Negara (Public Officials' Wealth Audit Commission) |
| KPPOD | Komite Pemantauan Pelaksanaan Otonomi Daerah (Regional Autonomy Watch) |
| KPPU | Komisi Pengawas Persaingan Usaha (Business Competition Supervisory Commission) |
| KSBI | Konfederasi Serikat Buruh Indonesia (Indonesian Confederation of Trade Unions) |
| KSBSI | Konfederasi Serikat Buruh Sejahtera Indonesia (Indonesian Confederation of Prosperous Trade Unions) |
| KSPSI | Konfederasi Serikat Pekerja Seluruh Indonesia (Confederation of All-Indonesian Trade Unions) |
| KSO | <i>kerjasama operasi</i> (joint operation scheme) |
| KSPI | Kongres Serikat Pekerja Indonesia (Indonesian Trade Union Congress) |
| KTP | <i>kartu tanda penduduk</i> (resident identification card) |

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|--------------------------|--|
| LOI | Letter of Intent |
| LPEM | Lembaga Penyelidikan Ekonomi dan Masyarakat (Economics and Management Research Institute, University of Indonesia) |
| MFA | Multi-fibre Arrangement |
| MPR | Majelis Permusyawaratan Rakyat (People's Consultative Assembly) |
| MRP | Majelis Rakyat Papua (Papuan People's Council) |
| Muhammadiyah | Indonesia's largest modernist Islamic organisation |
| NEP | New Economic Policy (Malaysia) |
| New Order | the Soeharto era, 1965–98 |
| NGO | non-government organisation |
| NU | Nahdlatul Ulama (Indonesia's largest traditionalist Islamic organisation) |
| OECD | Organisation for Economic Co-operation and Development |
| OPM | Organisasi Papua Merdeka (Free Papua Organisation) |
| PAD | Pendapatan Asli Daerah (locally derived revenue) |
| PAN | Partai Amanat Nasional (National Mandate Party) |
| Pancasila | the five guiding principles of the Indonesian state |
| PDI-P | Partai Demokrasi Indonesia-Perjuangan (Indonesian Democratic Party of Struggle) |
| PEG | Partnership for Economic Growth (USAID program) |
| <i>peraturan daerah</i> | local regulation, regional government by-law |
| PERC | Political Economic Risk Consultancy |
| <i>pesantren</i> | Islamic boarding school |
| PKB | Partai Kebangkitan Bangsa (People's Awakening Party) |
| PKI | Partai Komunis Indonesia (Indonesian Communist Party) |
| PLN | Perusahaan Listrik Negara (State Electricity Company) |
| PP | Peraturan Pemerintah (Government Decree or Regulation) |
| PPM | post-program monitoring |
| PPP | Partai Persatuan Pembangunan (United Development Party, the Islamic political grouping) |
| <i>pribumi</i> | indigenous, not of immigrant stock |
| <i>pungli</i> | <i>pungutan liar</i> (irregular payments) |
| <i>reformasi ekonomi</i> | economic reform |
| <i>reformasi</i> | reform |

| | |
|------------------|--|
| <i>retribusi</i> | user charge, levy, local charge |
| RCA | revealed comparative advantage |
| ROA | return on assets |
| ROE | return on equity |
| Rp | rupiah |
| Sakernas | Survei Angkatan Kerja Nasional (National Labour Force Survey) |
| SARS | severe acute respiratory syndrome |
| SBI | Sertifikat Bank Indonesia (Bank Indonesia Certificate) |
| SBJ | Serikat Buruh Jabotabek (Greater Jakarta Workers' Union) |
| SBSI | Serikat Buruh Seluruh Indonesia (All Indonesia Labour Union) |
| SDO | Subsidi Daerah Otonom (autonomous regional subsidies; central government grants to finance regional government expenditure before the 2001 decentralisation) |
| <i>shariah</i> | Islamic law |
| SI | Sarekat Islam |
| SITC | Standard International Trade Classification |
| SME | small and medium-sized enterprise |
| SOE | state-owned enterprise |
| SPSI | Serikat Pekerja Seluruh Indonesia (All-Indonesia Workers Union) |
| STT | Singapore Telecom and Telemedia |
| TNI | Tentara Nasional Indonesia (Indonesian National Army) |
| UN | United Nations |
| UNCTAD | United Nations Conference on Trade and Development |
| US | United States |
| USAID | US Agency for International Development |
| VAT | value-added tax |
| WIR | <i>World Investment Report</i> |
| WTO | World Trade Organization |