

# Country Briefing

# Indonesia



## INDONESIA



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## Geography

**Time** - Indonesia is +7/8/9 hours GMT based in West/Central/East location.

Indonesia is the 16<sup>th</sup> largest country in the world measured by land area, which measures 1,919,440 square kilometers (741,050 square miles). Indonesia lies between

mainland Southeast Asia and Australia in the Indian and Pacific Oceans and is the world's largest archipelago state. The Indonesian Archipelago consists of about 17,508 islands, of which 6,000 are inhabited. However, the country is comprised of five main islands – Sumatra, Java, Sulawesi, Kalimantan (part of the island of Borneo) and Irian Jaya (the western half of New Guinea) in addition to 30 smaller archipelagos. As a result, the landscape varies from island to island, ranging from high mountains and plateaus to coastal lowlands and alluvial belts.

Indonesia shares land borders with Malaysia on the islands of Borneo and Sebatik, Papua New Guinea on the island of New Guinea, and Timor-Leste on the island of Timor. Indonesia also shares borders with Singapore, Malaysia, and the Philippines to the north and Australia to the south across narrow straits of water. The capital, Jakarta, is on Java and is the nation's largest city, followed by Surabaya, Bandung, Medan, and Semarang.

The country's proximity to the equator results in a tropical monsoon climate, with a wet and dry season. The eastern monsoon brings the dry weather from June to September, while the western monsoon causes heavy rainfall from December through March. Regions with higher elevation are slightly cooler, but the weather is usually hot and humid. Mountainous areas such as the west coast of Sumatra, West Java, Kalimantan, Sulawesi, and Papua also receive the most precipitation. Average daily temperatures are between 26°C and 30°C (79°F to 86°F) for most of the year.

**Required Clothing** Lightweight clothing and outerwear can be worn for most of the year. However, it is appropriate to bring rain wear because of frequent precipitation during the monsoon season. Warmer jackets and insulating material for the winter should be worn. Conservative attire is preferred, and women should observe Muslim dress codes -- long pants or skirts and long sleeves. Although some men may wear shorts, the norm is a shirt with long or short sleeves and long pants or jeans.

## **Political Background**

Indonesia is a republic with a presidential system where power is concentrated in the central government. For 32 years, President Suharto governed Indonesia until his resignation in 1998. Under his "New Order" administration, Suharto constructed a strong, centralized, and military-dominated government. However, Suharto's 1975 invasion and occupation of East Timor (now Timor-Leste) led to mass deaths and displacement and outcries from the international community. Over time, it was revealed that Suharto grossly misappropriated government funds in addition to a number of other corruption charges. Since 1998, Indonesian political and governmental structures have undergone major reforms. The president of Indonesia now serves as the head of state, commander-in-chief of the Indonesian National Armed Forces, and the director of

domestic governance, policy-making, and foreign affairs. The president may serve a maximum of two consecutive five-year terms.

The highest representative body at national level is the People's Consultative Assembly ("MPR"). Its main functions are supporting and amending the constitution, inaugurating the president, and formalizing broad outlines of state policy. The MPR is comprised of two houses: the People's Representative Council ("DPR") and the Regional Representative Council ("DPD"). The DPR passes legislation and monitors the executive branch, and has gradually increased its role in governance. The DPD is a new chamber for matters of regional management. The Supreme Court can hear cases from some three hundred subordinate courts in the provinces but cannot impeach or rule on the constitutionality of acts by other branches of government.

Indonesia held its first direct presidential and vice presidential election in 2004. The President, Susilo Bambang Yudhoyono, has made counter terrorism efforts a cornerstone of government. In 2005, Yudhoyono's administration won international acclaim for signing a peace deal with separatist rebels in Aceh province

## **Economy**

Indonesia is one of the fastest growing economies in the developing world, with real GDP growth of 6.1% in 2008 and purchasing power parity GDP totaling \$915.9 billion U.S. dollars.

The services sector is the economy's largest and accounts for roughly half of GDP. This is followed by industry and agriculture. Major industries include petroleum and natural gas, textiles, apparel, and mining. Major agricultural products include palm oil, rice, tea, coffee, spices, and rubber. Additionally, the country has extensive natural resources, including crude oil, natural gas, tin, copper, and gold.

Indonesia's main export markets are Japan, the United States, China, and Singapore. Financial stewardship and strong exports of key commodities has driven growth and the country has experienced trade surpluses in recent years.

Indonesia is Southeast Asia's only member of OPEC, and the 1970s oil price raises provided an export revenue windfall that contributed to sustained high economic growth rates. However, it was not immune from the Asian financial crisis in 1997, and GDP shrank over 13%.

Although mass political and social corruption among all levels of the public and private sector occurred throughout the 1990s, the government has introduced significant reforms in the financial sector, including in the areas of tax and customs, the use of Treasury bills, and capital market supervision.

## Society & Culture

**Population:** 240,271,522 (July 2009 est.); **Ethnic groups:** Javanese (40.6%), Sundanese (15.0%), Madurese (3.3%), Minangkabau (2.7%), Betawi (2.4%), Bugis (2.4%), Banten (2.0%), Banjar (1.7%), Other (29.9%); **Religion:** Islam (86.1%), Christianity (Protestant, 5.7% and Roman Catholic, 3%), Hinduism (1.8%), and other minority religions (3.4%)

**Language:** Bahasa Indonesia is the official spoken language, but English, Dutch, and several local dialects are also common. The most widely-used local dialect is Javanese.

**Family:** The family is the axis of social life and structure, and the nuclear family is the most common family unit. However, depending on location and culture, extended family consisting of elders and unmarried siblings exist as well. An exception is the traditional, rural matrilineal Minangkabau, where the grandmother is often the head of household. Kinship is extremely vital in all aspects of daily life. Correlated with these important roles of family and kin are practices of familial and ethnic patrimonialism, nepotism, patronage, and paternalism in private sectors and government service.

**Meeting & Greeting:** Handshakes are the most common form of greeting with foreigners, followed by the word "Selamat," a standard formal greeting. Many Indonesians may give a slight bow or place their hands on their heart after handshakes. Hierarchical relationships are significant, with respect shown towards those with status, power, position, and age. Introductions should start with the eldest person in the room or the person with the most important title.

In Indonesia, the concept of "face" and preserving and demonstrating honor is extremely important. The idea of saving face and avoiding shameful behavior, "malu," has more to do with respect than pride. Polite manners are greatly appreciated and usually go far in establishing a relationship. As a result, face-to-face communication is strongly preferred. Indonesian culture also promotes indirect communication, oftentimes as a form of respect or civility. It is important to err on the side of formality and to pay attention to body language and gestures.

Indonesians are reserved and speak in a subdued manner, so it is advisable to not behave animatedly. Decisions are not rushed, but carefully thought over. This concept is known as "jam karet."

Public displays of affection should be minimized and pointing is considered a rude gesture. Short tempers are not tolerated, whereas smiling is a cultural tradition and appreciated, even in uncomfortable situations.

During formal meetings, members usually enter the room according to rank (the most senior members will enter the meeting first) and business cards are exchanged. It is a sign of respect to have one side of the business card printed in Bahasa, and cards should be accepted with either two hands or the right hand. Business attire is

conservative, and women should fully-cover themselves below the neck and down to the ankle.

**Gift Giving Etiquette:** Gift giving etiquette in Indonesia depends on the ethnicity of the receiver. Some general gift giving guidelines include:

*For the ethnic Chinese:*

- It is respectful to verbally refuse a gift before accepting it.
- Avoid gifts that include scissors, knives, or any cutting utensil that signifies severing a relationship.
- Red and gold are considered auspicious colors.
- Do not give clocks, handkerchiefs or straw sandals as they are associated with funerals and death.
- Gifts are not opened by the recipient until later as a sign of respect.

*For ethnic Malays and Muslims:*

- Alcohol should never be given.
- Gifts of food should be "halal," which means prepared according to Islamic principles.
- Gifts should be offered with the right hand.
- Gifts are not opened by the recipient until later as a sign of respect.

*For ethnic Indians:*

- Red, yellow, and green are considered auspicious colors.
- Do not give products made of leather to Hindus.
- Alcohol is not recommended.
- Gifts should be offered with the right hand.
- Gifts are not opened by the recipient until later as a sign of respect.

## **Communication**

**Telephone:** The international dialing code for Indonesia is +62 (followed by 22 for Bandung, 361 for Bali, 21 for Jakarta, 61 for Medan and 31 for Surabaya).

**Mobile Telephone:** Roaming agreements exist with many international mobile phone companies. Travelers are advised to check with their mobile phone service provider.

Coverage is excellent in urban and metropolitan areas and varies depending on location in rural areas.

**Internet:** Internet cafes are available throughout major cities and towns, but may vary in rural areas.

**Post office hours:** Mon-Fri 0800-1600; Sat 0800-1300.

**Press:** The two largest daily publications are *Kompas* and *Pos Kota*, although *The Jakarta Post* and the weekly *Tempo* are popular English-language publications. Televisi Republik Indonesia (“TVRI”) is a public broadcaster that operates two networks. Radio Republik Indonesia (“RRI”) is a public broadcaster that operates six national networks, regional and local stations, as well as the external service, *Voice of Indonesia*.

## Money

**Currency:** Known as the Rupiah (Rp): \$1 USD = 10,060.4 Rp. The coins in circulation are 100, 200, 500, and 1,000 Rp. The bank notes in common circulation are in 1,000, 2000, 5,000, 10,000, 20,000, 50,000, and 100,000 Rp.

**Currency Exchange:** Money exchange facilities for both currency and travelers' checks are available at major airports, hotels, and department stores. The U.S. Dollar is the most easily convertible currency.

**Credit/Debit Cards and ATMs:** Credits cards including American Express, MasterCard, Visa, Diners Club and Eurocard are widely-accepted in Jakarta and major metropolitan areas. Sufficient cash should be carried in more remote locations. ATMs are readily available throughout the country.

**Banking Hours:** Mon-Fri 0830-1400; some banks are open Sat 0930-1230.

## Transportation

### Getting Around by Air

Most long-distance travel is conducted by air. The national airline is Garuda Indonesia ([www.garuda-indonesia.com](http://www.garuda-indonesia.com)). Other airlines that fly domestic routes include AirAsia ([www.airasia.com](http://www.airasia.com)) and Merpati Nusantara Airlines ([www.merpati.co.id](http://www.merpati.co.id)).

Major airports include Jakarta International in Java, which is 20 kilometers (13 miles) northwest of Jakarta’s city center, and Denpasar in Bali, which is 13 kilometers (8 miles) from the city center.

## Getting Around Towns and Cities

**Rail:** The major train operator is PT Kereta Api ([www.infoka.kereta-api.com](http://www.infoka.kereta-api.com)).

In Sumatra, trains connect Belawan, Medan and Tanjung Balai/Rantu Prapet (two or three trains daily) in the north, and Palembang and Panjang (three trains daily) in the south. An extensive rail network runs throughout Java.

**Bus:** Bus fares are inexpensive and fares are fix-priced. There are night buses on a number of long-distance routes, but buses are extremely crowded and traffic is heavily congested. *Bemos* and *opelets* are communal minibuses with pre-negotiated fares. Lorena Transport ([www.lorena-karina.com](http://www.lorena-karina.com)) operates an extensive network of routes on Java and Sumatra.

**Taxis/Other:** Taxis are widely available in cities and towns. Motorbike taxis known as *ojek* are available in cities and towns for pre-negotiated fares. Other vehicles include the motorized *bajaj* and the *becak*, which is pedal-powered. Fares should be negotiated in advance. Taxi cabs fares are generally metered.

## Health

Water used for drinking, brushing teeth or making ice should be boiled or otherwise sterilized. All branded milk products are pasteurized; powdered or tinned milk is also available. Eat only well-cooked meat and fish. Vegetables should be cooked and fruit peeled.

**Other Risks:** The following vaccinations are recommended: Adult diphtheria and tetanus, Hepatitis A and B, Typhoid, Malaria, and Rabies. Malaria is a legitimate risk, but the frequency of occurrence depends on the area. It is important to consult the CDC or WHO on appropriate medical vaccinations before departing for the country.

**Health Care:** Medical insurance is strongly recommended. Medical care and emergency services are usually excellent in major cities and urban centers. Doctors and hospitals often expect immediate cash payments before any treatment is given, and medication is often costly. Healthcare and medical facilities are inadequate in towns and rural areas.

## Safety & Security

According to the State Department, Indonesia's terrorism risk as of July 2009 was still relatively high, despite significant efforts by the government to curb the threat in recent years. In July 2008, Indonesian authorities arrested nine suspects in Sumatra who had been building bombs reportedly in preparation for anti-Western attacks, and in September 2008, a bomb was found in a shopping center in Palu. Specifically, the

Jemaah Islamiyah (“JI”) is recognized by the U.S. government as a terrorist organization with operational cells in Indonesia.

Extremists may target both official and private interests at locations such as sport venues, residential areas, business offices, hotels, clubs, restaurants, places of worship, schools, and public spaces.

Protests, strikes, and other civic actions may occur at any time and disrupt transportation on a local and national level. This is particularly true before, during and after elections or other major political events.

**For the latest security information, Americans traveling abroad should regularly monitor the Department of State, Bureau of Consular Affairs’ web site ([travel.state.gov](http://travel.state.gov)), where the current Travel Warnings and Travel Alerts as well as Worldwide Caution can be found.**

## **Food & Drink**

Indonesian cuisine reflects the vast variety of people that live on the islands, resulting in many regional cuisines. Popular Indonesian dishes such as satay, beef rendang, and sambals are also favored in Malaysia and Singapore. Soy-based dishes made of tofu or tempe is also commonly consumed. Tempe is regarded as a Javanese invention. Indonesian meals are commonly eaten with the combination of a spoon in the right hand and fork in the left hand.

Rice is the staple product in Indonesia and consumed in various forms, served plain (nasi putih), ketupat (rice steamed in woven packets of coconut fronds), lontong (rice steamed in banana leaves), intip (rice crackers), desserts, vermicelli, noodles, brem (rice wine), and nasi goreng (fried rice). Other staple foods in Indonesia include maize, sago, cassava, and root tubers.

Two important features in Indonesian dishes are the use of peanut sauce and coconut milk. Peanut sauce is prominently featured in dishes such as satay, gado-gado, karedok, ketoprak, pecel. Peanut sauce is usually applied on the main ingredient or used as a dipping sauce. Coconut milk, or santan, is used in dishes such as rendang, soto, sayur lodeh, opor ayam, and desserts such as es cendol, and es doger. The extensive uses of coconut milk especially found in Minangkabau cuisine, while in Minahasan (North Sulawesi) cuisine, coconut milk is used sparingly.

Popular street food include bakpao (buns), bakmie (noodles), and bakso (meatballs), bubur ayam (chicken congee), bubur kacang hijau (green beans porridge), nasi and mie goreng (fried rice and fried noodle), toge goreng, laksa, and gorengan (Indonesian assorted fritters). Street vendors also sell numerous cakes and pastries, known as kue, that include risoles, pastel, lumpia, lemper, lontong, tahu isi, lapis legit, getuk, bakpia,

bika ambon, lupis, lemang, kue pisang, klepon, onde-onde, nagasari, soes, bolu kukus, and many more.

There are also a number of tropical fruits indigenous to Indonesia, such as mangosteen, rambutan, jackfruit, durian, and staple fruits such as the banana and coconut, which find uses in a number of dishes.

**Legal drinking age:** 18 years old.

**Tipping:** Many hotels add a 21% charge, of which 11% is government tax and 10% is a service charge. Restaurants will also generally include a service charge between 5 and 10% of the bill. If a service charge is not included, it is generally recommended that a tip in that amount be left with the bill. It is not necessary to tip taxi drivers, but it is generally acceptable to round the cab fare.



## References

- <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>
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