

August 6, 2008
Draft only.

Indonesia: Business and Politics

James Castle and Karl D. Jackson

Fall 2008

Date and Place: Monday 2:15-4:15, Rome 533
ERES Code Jakarta08

Office Hours: See below

Prof. Jackson
Rome 619
Tuesday, 10 - 2

Prof. Castle
Rome 618
Tuesday, 9-11 AM

Course Description

For the last several years private capital flows into developing countries have been ten times the size of the public capital flows from all of the bi-lateral and multi-lateral development assistance organizations combined. Since 1975, Asia has witnessed the greatest reduction in poverty in the history of mankind, as a result of the jobs and wealth generated primarily by burgeoning private sectors. All of this has taken place under governments that in varying degrees have provided neither dependable legal systems nor rules-based systems of protection from unreasonable demands for either domestic or foreign investors. This course will be about economic development in Indonesia, one of the most corrupt nations in the world that averaged more than 7% annual GDP growth for almost 30 years, 1968-1998. The course and the practicum in Indonesia in January 2009 are open to all SAIS students.

How can the largest amount of growth, for the greatest number of people, in the shortest time have taken place in Asia in business environments characterized by collusion and corruption as well as lack of transparency and accountability? Why didn't the lack of good governance inhibit the flow of foreign and domestic investment that allowed the Indonesia economy to quadruple in size? Given the expansion of political participation after the fall of President Suharto in 1998, why has legal certainty lagged so badly behind other reforms and has corruption actually increased? Will the spread of more representative institutions crush corruption or merely democratize it by increasing the number of rent-seekers?

This course examines the dynamics of power, business, and politics in Indonesia. The course begins with a review of modern Indonesian history, its political, social and

economic development, and the crises that have brought chaos and opportunity to the world's most populous Muslim state. It examines contemporary Indonesian politics and Indonesia's complex relationships with global capital markets, international financial institutions and donors. With this as background, the course looks at how state-owned enterprises and private businesses have grown and how the relationship to politics has changed, from the 1950s to the present, in oil and gas, pulp and agricultural processing.

The course will be co-taught by Karl Jackson and James Castle. Because the course intends to convey the real world of business and economic reform in Asia, the Chairman of CastleAsia, James Castle, will make available the wealth of practical knowledge he has gained through thirty years of business experience in Indonesia (including his service on two national commissions on labor law and tax reform).

Practicum in Indonesia in January 2009.

The Southeast Asia Studies Program plans to conduct a field trip to Indonesia for half of the students in this course over the January Intersession (January 3rd-18th 2009). The trip will be designed to expose students to a range domestic and foreign business developments in Indonesia. The students on the trip will be divided into two teams, one concentrating on the Indonesian oil and gas business and one on a successful multi-national in Jakarta. The purpose of the field research is both analytic and practical. Each team will be asked to describe the real business environment in which their sector operates and to provide practical policy suggestions for increasing the development impact of their particular sector on growth, employment, poverty reduction, the environment, and the general social space in which their industry operates. The readings and class discussions are prologue to a practical introduction to the world of business in the fourth most populous country in the world.

Note: Students must apply no later than 7PM September 12, 2008 to participate in the intersession trip. The course is pre-requisite to the trip. Students will be selected and notified no later than Sept 16.

The course is capped at 20 students. Preference will be given to students going on the intersession trip. However, students do not need to be going on the trip to take the course. If the course should go to bidding, students selected for the trip will not need to bid.

Students not participating in the trip will do a desk-top term paper exercise in consultation with the instructors on one sector of the Indonesian economy. The topic must be selected and approved no later than Friday October 3.

Course Requirements

1. **Short Papers.** Course requirements include discussion of the required reading, class participation, three (3) separate three-page analytic papers, and a final paper. The first paper can be turned in at any time during the first three weeks of the

course but is due no later than 5PM Friday, September 26, 2008. Paper No. 2 can be turned in at any time during Weeks 4-6 but no later than 5PM Friday, October 17th, 2008. Paper No. 3 can be turned in any time during weeks 7-9 but no later than 5PM Friday November 7, 2008. The short, analytic papers may be on any relevant topic of the student's choice, approved in consultation with the professors. The analytic papers will be based on at least two of the required readings, where each student will compare and contrast the readings and apply the ideas and points raised to a practical problem of the student's choice. Sample paper topics will be provided in the first class session. Note the papers may not be longer than three pages double-spaced, font-12, normal margins.

2. **The intersession trip** is a data gathering mission designed to result in a group paper. A four to six page detailed outline for the paper is due no later than November 28, 2008. The purpose of the detailed outline is to ensure that sufficient thought be given to defining the problem and conducting preliminary research prior to testing conclusions in the field (for those going on the trip) or for concluding a thorough desk top analysis (for those not going on the trip). The final paper is due no later than 5PM January 23, 2009. Students should allow ample time for the actual drafting of the paper, and it is recommended that a working draft be out together in Indonesia, for those students going on the trip, and well before the first week of classes for spring semester 2008 for those students not going on the trip. On Saturday, January 24, 2009, the findings of all group studies will be presented to the entire class at a student led-seminar, 1:30 to 5:30 PM. The seminar will be followed by a group dinner. Make sure this date is on your calendars. Attendance is compulsory.

3. **The final paper** will be structured as follows: The paper will commence with a two page single-spaced Executive Summary. This will be followed by two pages - single-spaced - containing policy recommendations – aimed at the business community, the Government of Indonesia, or the donor community (if relevant). The main body of the paper will examine the issue being studied in greater depth and will be no longer than 15 pages, double-spaced. Citations and a bibliography will be separate and additional. Samples of the format for citations and bibliography will be provided. Papers, which are longer than this, will receive a lower grade. Papers received late – without a valid reason determined in advance in consultation with the Professors – except for a bona fide emergency (e.g. a death in the family, a serious illness) will also receive a lower grade.

For the students who will not join the intersession trip, a detailed outline and final paper on the sector of their choice must be approved in advance by Professors Castle and Jackson and completed in the same timeframe. They will also make a verbal presentation to the class on January 24, 2009.

There are two films that will be shown as a part of the course. *Max Havelaar* will be screened on Friday September 19, 4:15-6:30PM, and *The Year of Living Dangerously*

will be screened on Friday, October 3, 4:15-6:30PM. While the films are required for the course, we welcome attendance by all students from both programs – these are classics that all will enjoy.

Grading:

Final grades will be based 20% on class participation, 45% on 3 short papers (15% each) and 35% on the final group papers (of which 5% will be on individual oral presentations and 30% on the written papers). The major papers will include full bibliographies and citations and will follow the format outlined above.

Required books:

Students should purchase:

M. C. Ricklefs, *A History of Modern Indonesia Since c. 1200, Third Edition*, (Stanford: Stanford University Press, 2001).

Ross H. McLeod and Andrew MacIntyre (eds.), *Indonesia: Democracy and the Promise of Good Governance*, (Singapore: Institute of Southeast Asia Studies, 2007).

M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004).

Richard Robison and Vedi R. Hadiz, *Reorganizing Power in Indonesia: The Politics of Oligarchy in an Age of Markets*, (N.Y.: Routledge Curzon, 2004).

Week I. Monday, September 8, 2008. History of Indonesia. Only Fools Ignore the Past.

Required Reading:

World Bank, *Doing Business 2008: Comparing Regulation in 178 Economies*, (Washington, DC: 2007), pp. 126. This is a thumbnail sketch of the Indonesian business environment of today; how did it evolve?

Joe Studwell, *Asian Godfathers: Money and Power in Hong Kong and Southeast Asia*, (New York: Atlantic Monthly Press, 2007), pp. xi-xxvi, 43-64. (All development in Southeast Asia is rent seeking by ethnically Chinese elites.)

M. C. Ricklefs, *A History of Modern Indonesia Since c. 1200, Third Edition*, (Stanford: Stanford University Press, 2001), pp. 247-286 (Japanese occupation and revolution) and pp. 289-311 (Democratic period, 1950-55).

Recommended Reading:

Week II. Monday, September 15. Societal Strains Underpin Conflict and Constrain Problem Solving: Religious beliefs.

Film: Max Havelaar – screened Friday September 19, 4:15-6:30PM

Required Reading:

Animism and Mysticism

William A. Hanna, “The Magical, Mystical Syndrome in the Indonesian Mentality: Signs and Seers,” *American University Field Services Staff, Southeast Asia Series*, Volume 15, No. 5 (November 1967), pp.1-12.

Calvin Sims, “Witch Hunts in Java Called a Cover for Murders,” *New York Times*, January 2, 2001, p. A3.

Agama Jawa

Clifford Geertz, *Religion of Java*. (Glencoe: Free Press, 1960), pp. 16-29, especially 28-29.

Santri-Abangan and Political Behavior

Karl D. Jackson, Chapter 13, “Jakarta: Meaningful elections in a Nascent Democracy,” *Cultures of Democracy in Asia*, (forthcoming), pp. 29- 39.

Greg Barton, “The Prospects for Islam,” in Grayson Lloyd and Shannon Smith, *Indonesia Today, Challenges of History*, (Singapore: Institute of Southeast Asia Studies, 2001), pp. 244-55.

Islam in Indonesia: Force for Violence or Moderation?

“Remarks of H.E. Dr. H. Susilo Bambang Yudhoyono, President of the Republic of Indonesia at Islamic University of Imam Muhammad Bin Sa’ud, Riyadh, April 26, 2006.

Recommended Reading:

Robert Van Niel, *The Emergence of the Modern Indonesian Elite*, (The Hague: Van Hioeve, 1970).

Karl D. Jackson, *Traditional Authority, Islam and Rebellion*, (University of California Press, 1980), pp. 72-128.

R. William Liddle, "Leadership, Party and Religion: Explaining Voting Behavior in Indonesia," *Comparative Political Studies*, 2007

Robert W. Hefner, *Civil Islam: Muslims and Democratization in Indonesia*, (Princeton: Princeton University Press, 2000).

Greg Fealy, ed., *Political Islam in Southeast Asia*, SAIS Conference, March 25, 2003.

Koentjaraningrat, *Javanese Culture*, (New York: Oxford University Press, 1985).

Week III. September 22. Social structure, patron client relations, and corruption. Not all countries create political and economic power in the same way.

Required Reading:

William Backman, *Asian Eclipse: Exposing the Dark Side of Business in Asia*, (New York: John Wiley & Sons, 2001), pp. 2-3, 7-10, 13-21, 22-24, 26-32, 291-305.

Richard Robison and Vedi R. Hadiz, *Reorganizing Power in Indonesia: The Politics of Oligarchy in an Age of Markets*, (N.Y.: Routledge Curzon, 2004), pp.18-40.

Mythologies of the Indonesian Chinese

Karl D. Jackson, Chapter 14, "Jakarta: Public Opinion, Leaders, and Democracy," in *Cultures of Democracy in Asia*, in manuscript, pp.10-16.

Overseas Chinese Business Networks in Asia, (1995), pp. 7-47, 163-82.

Robert W. Hefner, "Society and Morality in the New Asian Capitalisms," in Robert W. Hefner (ed.), *Market Cultures: Society and Values in the New Asian Capitalisms*, (Singapore: Institute of Southeast Asia Studies, 1998), pp. 1-32

Patron-client Relations: The Ties That Bind

Karl D. Jackson, *Traditional Authority, Islam and Rebellion*, pp. 184-204, 237-244.

Karl D. Jackson, Chapter 13, "Jakarta: Meaningful elections in a Nascent Democracy," *Cultures of Democracy in Asia*, (forthcoming), pp. 40-50.

Corruption

Karl D. Jackson, Chapter 14, "Jakarta: Public Opinion, Leaders, and Democracy," in *Cultures of Democracy in Asia*, in manuscript, pp. 16-22.

Recommended Reading:

Joseph Conrad, *An Outcast of the Islands*, (N.Y.: Doubleday, 1921 (originally published 1896), pp. 3-31.

Sebastian Mallaby, *The World's Banker: A Story of Failed States, Financial Crises, and the Wealth and Poverty of Nations* (New York, Penguin Press, 2004), Chapter 7, pp 174- 206,

G.W. Skinner, "Change and Persistence in Chinese Culture Overseas," *Journal of the South Seas Society*, Volume 16 (1960), pp. 86-100.

Dahana, "Pri and Non-Pri Relations in the Reform Era" in Leo Suryadinata, ed., *Ethnic Relations and Nation-Building in Southeast Asia: The Case of the Ethnic Chinese*, (Singapore: Institute of Southeast Asian Studies, 2004), pp. 45-56.

Ross H. McLeod, "Gaining Democracy But Losing Effective Government in Indonesia," (unpublished paper) completed at SAIS by the Editor of the Bulletin of Indonesian Economic Studies, 2003.

Week IV. September 29. Soekarno, GESTAPU, the New Order and the Bureaucratic Authoritarian state under Suharto.

Film: The Year of Living Dangerously. – screened on Friday Oct 3, 4:15-6:30PM

Required Reading:

M. C. Ricklefs, *A History of Modern Indonesia Since c. 1200, Third Edition*, (Stanford: Stanford University Press, 2001), pp. 312-407.

John Hughes, *Indonesian Upheaval*, (N.Y.: David McKay company, 1967), pp. 3-42

Recommended Reading:

Soekarno: An Autobiography, (N.Y.: Bobbs Merrill Company, 1965)

Willard Hanna, *Bung Karno's Indonesia*, "The Politics of Mystification," (N.Y. American Universities Field Staff, Inc., 1961) (see Preface and first two short articles for a sense of the mad cap nature of the late Guided Democracy Period).

Benedict Anderson and Ruth McVey, "A Preliminary Analysis of the October 1, 1965 Coup in Indonesia," (Ithaca: Modern Indonesia Project, Southeast Asia Program, Cornell University, 1971).

Leonard C. Sebastian, *Realpolitik Ideology: Indonesia's Use of Military Force*, (Singapore: Institute of Southeast Asia Studies, 2006), pp. 1-15.

Week V. October 6. Rapid economic and social change under a centralized state, 1968-98. Economic growth and no political change remains a formula for political crisis. Castle and Jackson

Required Reading:

Michael E. Porter and Christian Ketels, "Indonesia: Attracting Foreign Investment," (Harvard Business School, 11/9/07), pp. 1-22.

Thee Kian Wie, "Reflections of the New Order 'Miracle'" in Grayson Lloyd and Shannon Smith, *Indonesia Today, Challenges of History*, (Singapore: Institute of Southeast Asia Studies, 2001), pp.163-180

Howard Dick, "The Challenge of Sustainable Development: Economic, Institutional, and Political Interactions, 1900-2000," in Grayson Lloyd and Shannon Smith, *Indonesia Today, Challenges of History*, (Singapore: Institute of Southeast Asia Studies, 2001), pp. 200-204 (see especially the graph on p. 202).

Richard Robison and Vedi R. Hadiz, *Reorganizing Power in Indonesia: The Politics of Oligarchy in an Age of Markets*, (N.Y.: Routledge Curzon, 2004), pp. 40-68.

Benedict Anderson, "Exit Suharto: Obituary for a Mediocre Tyrant," *New Left Review*, Volume 50, March-April 2008.

Recommended Reading:

R.E. Elson, *Suharto: A Political Biography*, (N.Y.: Cambridge University Press, 2001).

Week VI. October 13: Case study of buccaneer capitalism at Pertamina vs. the Berkeley Mafia. Castle and Jackson.

Required Reading:

Seth Lipsky (ed.), *The Billion Dollar Bubble*

Jean Aden, "The Struggle for Control of Oil Based Borrowing," in *Oil and Politics in Indonesia, 1945-80*, (Cornell University, Ph.D. Dissertation, 1988), pp. 348-447.

Week VII. October 20. The Crash of '97, the collapse of the New Order, and its aftermath. Crisis begets political change but the changes remain limited by the underlying social structure, existing interest groups, and the quality of leadership. Castle and Jackson.

Required Reading:

Karl Jackson, (ed.), *Asian Contagion: The Causes and Consequences of a Financial Crisis* (Westview Press, Boulder, 1999) Introduction, pp 1-28.

"The Peregrine Debacle," (Center for Asian Business Cases, 11/9/01), pp. 1-12

International Monetary Fund, *The IMF and Recent Capital Account Crises, Indonesia, Korea, and Brazil: An Evaluation Report*, (Washington, 2003), pp.

Richard Robison and Vedi R. Hadiz, *Reorganizing Power in Indonesia: The Politics of Oligarchy in an Age of Markets*, (N.Y.: Routledge Curzon, 2004), pp.71-102

Recommended Reading:

Ross McLeod, "Indonesia's Crisis and Future Prospects," Karl Jackson, (ed.), *Asian Contagion: The Causes and Consequences of a Financial Crisis* (Westview Press, Boulder, 1999), pp 209-240.

J. Soedradjad Djiwandono, *Bank Indonesia and the Crisis: An Insider's View*, (Singapore, Institute of Southeast Asia Studies, 2005).

Karl D. Jackson, "Indonesia: Twilight of an Era," unpublished manuscript, September 1994, pp. 1-19.

Richard Chauvel, "The Changing Dynamics of Regional Resistance in Indonesia," in Grayson Lloyd and Shannon Smith, *Indonesia Today, Challenges of History*, (Singapore: Institute of Southeast Asia Studies, 2001), pp. 146-158

Week VIII. October 27: Case study: Indonesian Bank Restructuring Authority (IBRA). Castle and Jackson.

Required Reading:

George Fane and Ross H. McLeod, "Banking Collapse and Restructuring in Indonesia, 1997-2001," *Cato Journal*, Vol. 22, No. 2, Fall 2002, pp. 277-295.

Ross H. McLeod, "Dealing with Bank System Failure: Indonesia, 1997-2003," *Bulletin of Indonesian Economic Studies*, Volume 40, No. 1, 2004: pp. 95-116.

Ross H. McLeod, "Indonesia's New Deposit Guarantee Law," *Bulletin of Indonesian Economic Studies*, Volume 42, No. 1, 2006, pp.59-78

Recommended Reading:

Week IX. November 3. Politics in democratic Indonesia, 1998-2008. Remarkable political transformation in tandem with continuing rejection of the requirements of full globalization.

Required Reading:

Ross H. McLeod and Andrew MacIntyre, "Introduction" in Ross H. McLeod and Andrew MacIntyre (eds.), *Indonesia: Democracy and the Promise of Good Governance*, (Singapore: Institute of Southeast Asia Studies, 2007), pp. 1-9.

Karl D. Jackson, "Participatory Democracy in Indonesia," (forthcoming), pp. 1-5

M. C. Ricklefs, *A History of Modern Indonesia Since c. 1200, Third Edition*, (Stanford: Stanford University Press, 2001), pp. 408-421.

(Habibie period). Conference proceedings.

Andrew Ellis, "Indonesia's Constitutional Change Reviewed," in Ross H. McLeod and Andrew MacIntyre (eds.), *Indonesia: Democracy and the Promise of Good Governance*, (Singapore: Institute of Southeast Asia Studies, 2007), pp. 21-40.

Greg Fealy, "Parties and Parliament: Serving Whose Interests?" in Grayson Lloyd and Shannon Smith, *Indonesia Today, Challenges of History*, (Singapore: Institute of Southeast Asia Studies, 2001), pp. 97-111.

Karl D. Jackson, Chapter 13, "Jakarta: Meaningful elections in a Nascent Democracy," *Cultures of Democracy in Asia*, (forthcoming), pp. 1-6 and 8-29.

Recommended Reading:

Marcus Mietzner, "Abdurrahman's Indonesia: Political conflict and Institutional Crisis," in John Bresnan (ed.), *Indonesia: The Great Transition*, (N.Y.: Rowman and Littlefield Publishers, 2005), pp. 29-44.

Annette Clear, "Politics: From Endurance to Evolution," in John Bresnan (ed.), *Indonesia: The Great Transition*, (N.Y.: Rowman and Littlefield Publishers, 2005), pp. 137-188.

Richard Robison and Vedi R. Hadiz, *Reorganizing Power in Indonesia: The Politics of Oligarchy in an Age of Markets*, (N.Y.: Routledge Curzon, 2004).

Aris Ananta, Evi Nurvidya Arifin, and Leo Suryadinata, *Emerging Democracy in Indonesia*, (Singapore: Institute of Southeast Asian Studies, 2005).

Week X. November 10. Ten Years After the Asian Financial Crisis: The Indonesian Business Community: How Much Has Changed; What Remains the Same?

Required reading:

World Bank, *Doing Business 2008: Comparing Regulation in 178 Economies*, (Washington, DC: 2007), pp. 6, 88-102, 126.

Peter van der Eng, "Business in Indonesia: Old Problems and New Challenges," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp. 1-20.

Ron Duncan and Ross H. McLeod, "The State and the Market in Democratic Indonesia," in Ross H. McLeod and Andrew MacIntyre (eds.), *Indonesia: Democracy and the Promise of Good Governance*, (Singapore: Institute of Southeast Asia Studies, 2007), pp. 73-92

John Bresnan, "Economic Recovery and Reform," in John Bresnan (ed.), *Indonesia: The Great Transition*, (N.Y.: Rowman and Littlefield Publishers, 2005), pp. 189-237.

James Castle, "Investment Prospects: A View from the Private Sector," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp. 72-89.

Natasha Hamilton-Hart, "Government and Private Business: Rents, Representation, and Collective Action," in Ross H. McLeod and Andrew MacIntyre (eds.), *Indonesia: Democracy and the Promise of Good Governance*, (Singapore: Institute of Southeast Asia Studies, 2007), pp. 93-114.

Recommended Reading:

Week XI. November 17. What has changed; what remains the same?

Required reading:

Ross H. McLeod, "Survey of Recent Developments," *Bulletin of Indonesian Economic Studies*, Volume 44, No. 2, 2008: 183-208.

Henry Sandee and Peter van Diermen, "Exports by Small and Medium-Sized Enterprises in Indonesia," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp.108-121.

Bambang Brodjonegoro, "The Effects of Decentralization on Business in Indonesia," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp.125-140.

Tony Prasetyantono, "Political Economy of Privatization of State-owned Enterprises in Indonesia," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp.141-157.

Daniel Fitzpatrick, "Tinkering Around the Edges: Inadequacy of Corporate Governance Reform in Post-Crisis Indonesia," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp. 178-190.

Merly M. Khouw, "The Private Sector Response to Public Sector Corruption," in M. Chatib Basri and Pierre van der Eng (eds.), *Business in Indonesia: New Challenges, Old Problems*, (Singapore: Institute of Southeast Asia Studies, 2004), pp.204-220.

KDJ legal reform proposal, Nov 06

Recommended reading:

J. Thomas Lindblad and Thee Kian Wie, "Survey of Recent Developments," *Bulletin of Indonesian Economic Studies*, Volume 43 (1) April 2007, pp. 7-33. Replace with newer version.

I Ketut Putra Erawan, "Tracing the Progress of Local Governments since Decentralization," in Ross H. McLeod and Andrew MacIntyre (eds.), *Indonesia: Democracy and the Promise of Good Governance*, (Singapore: Institute of Southeast Asia Studies, 2007), pp.55-69.

Patrick Guinness, "Local Society and Culture," in Hal Hill (ed.), *Indonesia's New Order: The Dynamics of Socio-Economic Transformation*, (Honolulu: University of Hawaii Press, 1994), pp. 267-304.

Lex Reiffel and Jaleswari Pramodhawardani, *Out of Business and On Budget: The Challenge of Military Financing in Indonesia*, (Washington, DC, Brookings, 2007)

Wise, William, Indonesia's War on Terror (Washington: United States-Indonesia Society, 2005)

Noorhaidi Hasan, Laskar Jihad: Islam, Militancy, and the Quest for Identity in Post-New Order Indonesia (Ithaca, NY: Cornell University, 2006)

Sebastian Pompe, *The Indonesian Supreme Court: A Study of Institutional Collapse*, (Ithaca: Cornell Southeast Asia Program, 2005).

Marcus Mietzner, "The Politics of Military Reform in Post-Suharto Indonesia: Elite Conflict, Nationalism and Institutional Resistance," *East-West Center Washington Policy Studies* 23 (2006)

Week XII. December 1. Case Study: Unilever, Successful Example of Enterprise Growth and Development Impact. Positive Outcomes. Castle and Jackson.

Required reading:

Jason Clay, *Exploring the Links Between International Business and Poverty Reduction: A Case Study of Unilever in Indonesia: An Oxfam GB, Novib, Unilever Joint Research Project*, (Netherlands: Oxfam and Unilever, 2005).

Bill Guerin, "Indonesia: Unilever washes investment woes away," *Asia Times*, July 27, 2004.

Alison Maitland, "Oxfam's Review of Unilever in Indonesia Yields Surprising Findings," *Los Angeles Times*, December 12, 2005.

Steven Gray, "In Indonesia, a Fight for Soy-Sauce Crown," *Wall Street Journal*, April 20, 2007, p. B3.

Recommended Reading:

Week XIII. December 8 – Indonesia at the Crossroads – Recap of key themes. Castle and Jackson.