

AN INSIDER'S GUIDE

B.41

B.42

Indonesian
BUSINESS
CULTURE

ROB GOODFELLOW

Published by Butterworth-Heinemann Asia, an imprint of
Reed Academic Publishing Asia,
a division of Reed Elsevier (Singapore) Pte Ltd
1 Temasek Avenue
#17-01 Millenia Tower
Singapore 039192

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical or photocopying, recording or otherwise, without the prior permission of Reed Academic Publishing Asia.

© Reed Academic Publishing Asia 1997

ISBN 981008420X

Typeset by Keyword Editorial Services
Printed by KHL Printing Co Pte Ltd, Singapore

Contents

Preface	
<i>Adrian Vickers</i>	
Introduction	
<i>Ron Witton</i>	5
Chapter One	
The New Order: President Suharto's Government and Economy in Historical Perspective	
<i>Rob Goodfellow</i>	11
Chapter Two	
Culture and Language: The Rich Tapestry of Indonesian Society	
<i>M. Dwi Marianto</i>	27
Chapter Three	
Understanding Islam and Business in Indonesia	
<i>Mohammed Akhyar Adnan</i>	43
Chapter Four	
The Chinese Indonesians and Business	
<i>Tjiptobadi Sawarjuwono</i>	77
Chapter Five	
An Introduction to Indonesian Corporate Culture	
<i>Fr Ninik Yudianti</i>	95

Chapter Six	
The Culture of Economic Change in Indonesia: From Rapid Economic Growth to the National Car Policy	
<i>Anggito Abimanyu</i>	115
Chapter Seven	
Management in Indonesia: A State of Transition	
<i>Antony Marsh</i>	141
Chapter Eight	
Westerners and Business in Indonesia: A Meeting of Two Minds	
<i>Rob Goodfellow</i>	161
Chapter Nine	
Indonesian Business Almanac	
<i>Clarence Da Gama Pinto</i>	175
Index	215

Biographical Details

About the Editor

Rob Goodfellow is an author, researcher and cultural consultant who specialises in Indonesia. He has extensive practical experience in the field of Indonesian business. Rob has been involved in numerous Indonesian-centred research projects which involve the gathering, cross-referencing and analysis of sensitive commercial, social and political data.

About the Contributors

Dr Anggito Abimanyu is a Senior Lecturer in the Faculty of Economics, Gadjadara University. Presently Dr Abimanyu is working with the World Bank investigating Indonesian commodity information and regulations. His particular field of interest is environmental economics.

Dr Mohammed Akhyar Adnan is the Director of the International Program at the Islamic University, Indonesia at Yogyakarta. He is Editor-in-Chief of *The Accounting and Auditing Journal of Indonesia* and a member of the Editorial Boards of *The International Journal of Accounting and Business Society* and *The Indonesian Tactic Journal*.

Clarence Da Gama Pinto is a Member of the Directing Staff/Program Director, Executive Programs at the Monash Mt Eliza Business School. Clarence was master of ceremonies and facilitator for 1993–Bali, 1994–Beijing and 1995–Bangkok Pacific Rim Forums. He is scheduled to again fulfill this role in Hong Kong in June 1997 to coincide with the historic hand-over of the Crown Colony to China. Clarence's particular research interests are in leadership and cross-cultural training.

Dr Dwi Marianto is the Head of the Research and Development Department of the Indonesian Art Institute at Yogyakarta. He is one of Indonesia's leading art critics. Dr Marianto is an internationally recognised expert in Indonesian Surrealist Art. He is co-ordinator of the Indonesian Art Triennial.

Dr Antony Marsh is a researcher with the Australian-based Centre for Research Policy. Dr Marsh's research interests are in the cultural dimensions of Indonesian and Australian commercial technology joint ventures. In 1997 he, along with colleagues at the Centre, commenced work on a World Bank funded project to study science and technology development strategy in conjunction with BPPT, the Indonesian Agency for the Assessment and Application of Technology.

Dr Tjiptohadi Sawarjuwono is a Senior Lecturer in the Economics Faculty of Airlangga University at Surabaya. He is the Vice-President of the Indonesian Academic Accountant Association and Editor-in-Chief of *The International Journal of Accounting and Business Society*. Dr Sawarjuwono is a regular contributor to many of Indonesia's leading newspapers and magazines.

Dr Adrian Vickers is a Senior Lecturer in Southeast Asian history at the University of Wollongong. He has been travelling to Indonesia since the 1970s and is the author of many works on Indonesian culture, including *Bali: A Paradise Created*, which has been translated into German, Japanese and Dutch.

Dr Ron Witton is a professional Indonesian interpreter and translator who visits Indonesia regularly. Dr Witton has taught about Indonesia and the Indonesian language internationally. He has conducted courses in most of Indonesia's leading universities.

Dra Fr Ninik Yudianti is the head of the Accountancy Department at Sanata Dharma University at Yogyakarta, lecturing in accounting theory and production management. Her research

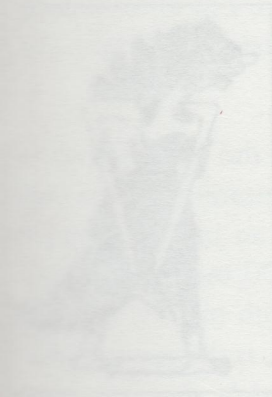
interest is in managerial accounting, cross-cultural understanding and globalisation.

About the Photographer

Toto Raharjo is an Indonesian-based freelance photographer who specialises in black and white photography. He is the winner of numerous Indonesian and international photography awards.

Preface

John Vickers



Cross-cultural understanding, in business as in other aspects of life, can be a fraught process. This book grew out of one kind of cross-cultural meeting, the contacts made between a group of Indonesians and Australians when they were

studying at the University of Wollongong. The collective experience the authors bring to this book is an experience of mistakes-learned-by and insights into each other's cultures, insights which they wish to share with a wide range of people.

Chapter Three

Understanding Islam and Business in Indonesia

Mohammed Akhyar Adnan
Rob Goodfellow

Part One Indonesia and Islam



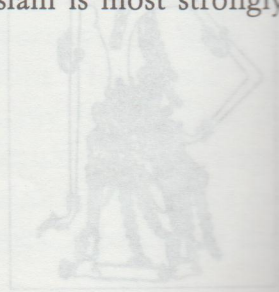
Indonesia is the most populous Muslim country in the World. The vast majority of Indonesians, or some 80% of the nation's 200 million people, identify with the Is-

lamic faith. If you want to conduct business in Indonesia, or Malaysia for that matter, it is essential that you have some understanding of what Muslims believe. You also need to be aware that Islam has profoundly influenced both the culture and the history of Indonesia.

As a businessperson there are a number of questions you might like to ask about Islam. For example, how do you demonstrate to your Indonesian Islamic business associate that you are sensitive to the religious obligations of his or her faith? Do you treat your business counterpart any differently because he or she is a Muslim?

Muslims believe that religion should have an influence on all human activities. This includes business. This brief introduction to the Islamic faith and economics demonstrates how an appreciation of the Muslim faith can maximise the chances that you will be successful in Indonesia.

This introduction is divided into four parts. The first examines some of the most important events on the Islamic calendar. The second discusses the concepts of *haram* and *halal*, or the 'prohibited' and the 'permissible'. The third is an introduction to Islamic economics. Finally, the last section introduces information about areas or provinces of Indonesia where the influence of Islam is most strongly felt.



A Brief Introduction to Islam: The Five Pillars of Faith

Under Islamic Law Muslims must observe both articles of faith and compulsory worship. These rites are called 'the five pillars of Islam'.

They include:

- A declaration that there is none worthy of worship except Allah, and that Mohammed is His Messenger to all human beings until the Day of Judgment. (Koran 3:17, 2:119–129)
- The performance of daily prayers (five times a day) at the times, and in accordance with, the code set out in the Koran and the traditions of the Prophet. (Koran 2:3, 43–46, 83)
- The payment of *Zakat*, a religious tax or, as it is often translated, a special form of worship related to the social life of the community. (Koran 2:43, 83, 116)
- The observance of the fasting Month of Ramadan. (Koran 2:183–185)
- The obligation to make a pilgrimage to the Holy City of Mecca at least once during one's life, if one is able to do so. (Koran 2:158, 189, 196–200). There are some special requirements before this particular form of worship can be undertaken. For example, one would need to be financially able and sufficiently healthy to undertake the journey to Saudi Arabia. In addition, a candidate for the pilgrimage or *hajj* should not inflict hardship on their dependents as a result of their absence or the expense of travelling. In Indonesia, the national airline, Garuda, provides special charter flights at considerably reduced prices.

The Koran

It is interesting to learn just a little about the background to the Holy Book of Islam, or the Koran. It is divided into 30 sections containing 114 chapters. The process of its revelation was created verse by verse over a period of 22 years, two months and 20 days, according to specific events or problems encountered by the Prophet. The first of these revelations occurred when Mohammed was 41 years old; this moment is recognised as the beginning of Mohammed's Prophethood. The last verses of the Koran were revealed when Mohammed undertook the pilgrimage to Mecca in his 63rd year.

Returning to Islamic practice, while the first of these five 'pillars', as described in the Koran, is a pre-eminent statement which affirms that 'there is no God but Allah and that Mohammed is his Prophet', the other four are religious obligations. It is the second and fourth of these obligations, Islamic prayer and the significance of Ramadan, which are most poorly understood by non-Muslims, and most relevant to foreign businesspeople.

The second 'pillar' of Islam is a call for Muslims to pray five times a day. Each adult Muslim, male and female, must perform these compulsory prayers. The haunting sound of the call to prayer can be heard almost everywhere (except in Hindu Bali)—it is a distinctive feature of life in Indonesia. The times of these prayers are determined by Islamic law and range from early morning, just after dawn, until late at night. Having an appreciation of the timing and significance of this ritual is important. At one level it demonstrates that you understand the signifi-

cance of compulsory prayer to Muslims. At another level it gives you an opportunity to anticipate the movements of your Indonesian associates.

The first of these prayers is called *Subuh* (pronounced 'soo-booh') or *Fajar*. This prayer should be performed in the early morning, or at least before sunrise. The second prayer is called *Zuhur* (pronounced 'zoo-hoor') and should be performed around the middle of the day. The third prayer is called *Ashar*. This prayer can be conducted between 3.30 pm and sunset. The fourth prayer, *Maghreeb* (pronounced 'ma-greeb'), is normally observed between the hour preceding or following sunset. The final prayer of the day is referred to as *Eesbia*, and is held between 7.30 pm and the time of the first daily prayer, *Subuh*.

In the Islamic faith a Muslim who observes this 'pillar of faith' is called an 'obedient' or 'devoted' believer. The 'devoted' businessperson will perform these prayers faithfully. The prayer itself does not take up a lot of time. Including the ritual washing of feet, hands, face etc., prayer takes around 10 to 15 minutes. For women this may take a little longer, because like Western women Indonesian women may also wish to apply make-up after bathing.

During a business meeting do not be surprised when your Muslim associate asks for permission to leave in order to meet his or her religious obligations. Understanding the significance of this will create a very good impression, especially if you are able to remind your partner that the hour of prayer is at hand. Devout Muslims will interpret this as an indication that you are sensitive to the unconditional requirements of their faith.

Friday Prayer

Besides daily prayer, there is one other compulsory prayer, performed on a weekly basis. This prayer is called *Jumu'ab* (pronounced 'joomoo-ah') and is practised on the Muslim day of worship, or Sabbath, which is called *Jumu'at* (or Friday in English-speaking countries). This prayer is obligatory only for Muslim men. Muslim women may, if they wish, choose not to observe this prayer. If they do not then they are obliged to perform the *Zubur* prayer instead. Friday prayer is held at the same time as *Zubur* prayer, that is about midday. However, unlike the *Zubur* prayer, the weekly prayer takes a little longer and is preceded by a short *khubbah* or sermon which is delivered by an *Emaan* or prayer-leader. Friday prayer, which usually takes 30 to 45 minutes, should be performed in a Mosque. Moreover, it is different from the five daily prayers which can be performed individually and in a private place other than a Mosque.

On Friday you will find many offices, shops or stores closed. If you find a business owned by a devout Muslim open at this time, it will probably be occupied or run by women, who are able to meet their religious obligations without going to the Mosque. With this in mind it is strongly recommended that that you avoid making appointments to discuss business on Fridays, particularly between 11 am and noon. Beyond these times you will find your Muslim counterpart more than obliging.

Ramadan

While prayer is the second of the five 'pillars' of the Islamic faith, the fourth is fasting. Fasting occurs during the month of Ramadan, determined by the lunar calendar. The lunar year is shorter than the Western calendar by approximately 10 days. To determine exactly which days constitute the first and the last days of Ramadan, you can refer to a current Indonesian calendar. In 1995, for example, Ramadan fell over the months of February and March; in 1996 in February/March and the first days of April, and so on.

Since fasting is believed to be one of the 'pillars' of the Islamic faith, Ramadan is recognised as the most important month of the year. During Ramadan, devout Muslims abstain from eating, drinking, smoking and sexual gratification from sunrise until sunset. During the fasting month, Muslims are also strongly encouraged to read the Koran or listen to the teachings of the Prophet Mohammed at home or in the Mosque. Consequently, the affairs of business will become a secondary concern. With all this in mind there are a number of things for the non-Indonesian, non-Muslim businessperson to consider.

First of all, during Ramadan you should appreciate that your business partner is fasting. Food, drink and even cigarettes should be put away. Although Muslims will never prohibit you from eating or drinking, they nevertheless do appreciate it if you do not eat or drink in their presence. An evening meeting can be chosen if you wish to provide your associate with food and drink, only again,

some Muslims may prefer to spend the evening in worship and use the daytime for business discussions.

Second, remember that Ramadan is a special event for Muslims. You may find that orders are not filled to schedule, or domestic business concerns are considered before international commitments are met. However like the Christmas and New Year period in the West, after Ramadan the routine of business will revert to the way it was before the Holy Month

The first day following the fasting month is called *Eidul Fitri* or *Hari Raya*. In economic terms, especially retail trading, *Eidul Fitri* can be compared to Christmas in the West. During *Eidul Fitri*, gifts are exchanged much in the same way as during the Christmas celebration. Therefore demand for almost all goods and services dramatically increases in the weeks and days prior to the end of Ramadan. In fact, in Indonesia there is speculation every year about whether the retail trade index will be higher or lower than during previous *Hari Rayas*. Because of this, the domestic market becomes highly favourable to imports. If you are able to appreciate and respect the religious obligations of your associates, if you are able to grasp the economic significance of Indonesia's peak period of religious celebration, then there is no reason why both you and your Muslim associates cannot conduct business successfully during Ramadan and *Eidul Fitri*.

Again it must be stressed that just like with the Christmas and New Year period in the West, during Ramadan business transactions, as well as the international and domestic transfer of banking funds, can be either delayed or post-

poned. This is a festive season, and Indonesians enjoy celebrating *Eidul Fitri* with their family and friends. For a short time business is of secondary importance. In fact many urban dwellers from Jakarta or Surabaya, for instance, will return to the villages or the islands of their relatives or ancestors in order to celebrate the season with their extended families. In the Islamic culture of Indonesia the annual family reunion associated with *Eidul Fitri* is of particular importance because it involves children, both adult and otherwise, asking for and receiving the blessing of their parents.

Eidul Adha

The other major event on the Indonesian Islamic calendar is *Eidul Adha*, normally celebrated two months and 10 days after *Eidul Fitri*. As with other officially sanctioned holidays in Indonesia, the day and date of *Eidul Adha* is clearly indicated on calendars or in business diaries printed in Indonesia. During *Eidul Adha* Muslims also attend the Mosque for prayer. The important difference, however, is that during this celebration animals, usually goats or lambs, are slaughtered and acknowledged as a sacrifice to Allah. This is done in remembrance of Abraham who was prepared to sacrifice his son Isaac as a demonstration of his faith in Allah—an event recorded in both the Islamic Koran and the Christian Bible. Subsequently the meat is distributed to the poor or needy as a practical demonstration of brotherly concern between believers.

The *Shari'ah* Law: *Halal* and *Haram*

There are five basic categories or classifications in the *Shari'ah* or Islamic Law. However, the most important classifications for a non-Muslim businessperson to understand are the concepts of *halal* and *haram*.

Halal is what is allowable, lawful or permissible in regards to conduct or diet. In Islamic law, beyond worship activities, everything is *halal* except what is clearly stated as *haram* or prohibited. Therefore, anything can be done or consumed except that which is clearly stated as *haram* in the Koran and/or in the *Abadith*, a set of moral guidelines exemplified by the Prophet Mohammed. These principles do not pose any obstacle to the success of your business. The concept of *halal* is clearly stated. In fact the classification of consumable items as *halal* is a powerful marketing tool which offers Indonesian customers choices based on religious obligation. On the other hand, however, the concept of *haram*, or prohibited practices, does deserve some further discussion.

Haram is the opposite to *halal*. More specifically, *haram* is anything which is unlawful or prohibited under Islamic Law. In the Koran or the *Abadith* there are only five types of food and beverage which are prohibited: animals which are not slaughtered in accordance with Islamic Law; carrion or any animal which has died of itself (except fish or sea creatures); blood; the flesh of swine (pork, pork products, or cooking facilities or instruments which have been used in the cooking or preparation of pork); and food 'that on which any other name hath been evoked besides that of Allah'. In addition to these *haram* foods, it is also stated

in the Koran that Muslims should avoid all intoxicants. According to some Islamic Jurist interpretations, this includes all alcoholic drinks.

A discussion of what constitutes *haram* or prohibited activities is beyond the scope of this chapter. But to give you some idea of what sort of behaviour is considered to be *haram* by devout Muslims, we can give you a few examples:

- Gambling of any kind or form
- Watching sensuous dancing as a form of sexual gratification or amusement
- Dressing in a provocative manner
- Any physical contact between unmarried men and women.

Like Christianity, Islam demonstrates many differences between the interpretation and the practice of religious law. While some Muslims will totally reject any kind of *haram* activity, others may be less strict, especially in regards to those *haram* activities which are widely accepted in other parts of the world. In Indonesia you will find that while many Muslims are devout, others are less so.

What then are the important points to remember when conducting business in Indonesia with a Muslim? The most important thing is obviously to avoid any food, beverage or activity which is believed to be *haram*, and therefore offensive, to your associate. Your sensitivity in this matter will be greatly appreciated. Finally, if you are in doubt about whether something is *haram* or *halal*, it is advisable to ask your associate. He or she will be only too pleased to explain it to you.

Islamic Economic Principles

Islam is a way of life. Unlike in the West, where there is both a distinctive and deliberate separation of religion from other activities, such as politics or economics, Islam provides integrated guidance for daily living. This includes guidelines for what constitutes sound economic practice. In addition to the Koran, a more detailed form of guidance can be found in a number of other sources, such as the *Abadith* (traditions of the Prophet Mohammed), through the work of Muslim religious scholars, Judicial conventions, and 'religious analogues' or *Qiyas*.

Economics as developed and practised in the West is founded on what is often called the Scientific Method. This implies a degree of spiritual self-sufficiency which rejects many non-judicial regulatory restraints. Islam teaches a very different approach. According to some Islamic scholars this can be defined according to seven foundational principles:

- The *Tambid*, or God's unity and sovereignty
- Brotherhood
- The right to private property
- Mankind's basic dependency on work
- The right of society to redistribute private property
- The right of inheritance
- The exchange of the factors of production.

In order to provide a basic reference point for understanding Islamic economics, the following topics will be briefly discussed:

- Ownership—private and public or common ownership
- Questions of property and distribution

- *Zakat*
- Market mechanisms and pricing
- Islamic economic values.

The prohibition of interest is covered at length in Part Two of this chapter, in the section on 'Islamic Banking'.

Ownership under Islam

Because all resources are considered to be gifts from Allah to humanity—the trustee—these resources must be utilised in the most efficient manner possible. This is undertaken with a view to producing a favourable outcome based on God's plan to establish worldly prosperity, and most importantly, rewards in the hereafter. The consequence of this is that no person holds absolute ownership of anything. If someone holds ownership of something, for example the means of production, he or she must assume the role of trustee and utilise these assets efficiently. As trustees, men and women have to carry out their responsibilities within a framework set by the Almighty. This is explained in the *Shari'ah* or Islamic Law. Breaching the *Shari'ah* Law is considered to be a violation of Allah's trust. It follows that this concept embodies the fundamental principles discussed earlier.

Islam does, however, still recognise private ownership within a given limit. The right of private ownership, however, is not unconditional or absolute. First, it is subject to the interests of the community. If the state, for example, considers that it should reserve for itself the ownership of a specific property, a private individual cannot overturn the decision. However, it is important to remember that

while the majority of Indonesians are Muslims, Indonesia is not an Islamic state.

Secondly, Islam totally prohibits the acquisition of property by the violation of trust, by bribery, looting, deception and fraud, by prostitution, theft or robbery, cheating in weights and measures, interest, gambling or any other wrong or *haram* deed. To summarise:

- Property must be continuously utilised
- *Zakat* must be paid in proportion to the production capacities of the land
- The land must be used properly without causing harm to others
- The land must be lawfully possessed
- It must not be used in any way that would bring discredit upon Islam
- It must be used with the view of securing fair and just due benefits
- The transfer of land must comply with the Islamic Law of inheritance.

In regard to the prohibition of an individual owning something, Islamic Law, and Indonesian convention for that matter, prohibit an individual from being the owner of three things:

- Utilities—public roads, bridges, hospitals, schools and Mosques
- Goods that attract a vast disparity between the cost of production and the sale price—according to some interpretations this includes, for example, the mining of gold and oil
- Property that has always been held in public ownership—this may include forests, fishing grounds and mines; if the state believes that these can be better oper-

ated privately, then it is permissible providing that ownership remains with the state.

The overriding principle of Islamic land ownership is that property must be utilised in accordance with *Shari'ah* Law as productive capital used to raise productive output, and thus the general standard of living of the community.

Zakat

Zakat, as mentioned earlier, is one of the 'five pillars of Islam'. Literally, *Zakat* means 'purification'. Technically, it is a contribution of a proportion of one's wealth for use by the poor or needy, and is in fact very similar to the Christian concept of 'tithe'. It is intended as a means by which wealth can be purified against evil. There are criteria for what kind of wealth is subject to *Zakat*, the minimum requirement for gaining an exemption, the period of time by which it is due, and even a rule which determines who is eligible to receive it. Since *Zakat* is obligatory, it is not charity, the latter being given on a voluntary basis. It is the right of the needy or the poor. According to most Islamic scholars, *Zakat* is not a tax.

Market Mechanisms and Pricing

Islam maintains the importance of market mechanisms and therefore price determination. Significantly, the Prophet Mohammed discouraged any interference in this process by the state or by individuals. He also prohibited business practices that could lead to market imperfections. In this respect there are some significant similarities between Islamic economic convention and capitalism, where the market price is determined by supply and the

effective demand of those willing to pay. It is interesting to note that the 14th century Islamic scholar, Ibn Khaldun, discovered the necessity and virtues of the division of labour—centuries before Ricardo, he elaborated on the relationship between economic activity and population growth before Malthus and insisted on the role of the state in the economy before Keynes. Clearly Islam provides both a sound economic and historical basis for the understanding of business principles. Alternately many scholars have likened Islamic business values to the 'Protestant Ethic' as analysed by the German sociologist Max Weber.

Islamic Economic Values

Islamic economic values include moral principles and/or accepted standards of behaviour. These include either the positive values that should be applied or the negative ones that should be omitted. One should appreciate the importance placed on these in the Koran. Positive values include an instruction to be just and fair, to show generosity or magnanimity, to demonstrate honesty and co-operation. Negative values include cheating, lying, depriving others of their due rights, malice and hatred, amassing wealth or hoarding, greed, niggardliness and excessive indebtedness.

Regional Variations

While the majority of Indonesians are Muslims, the influence of Islam is more strongly felt in certain areas. The province of Aceh is located in the north of the island of Sumatra, and is considered to be one of the most devoutly

Islamic provinces in Indonesia. The Acehnese are also good businesspeople. Armed with your new appreciation of Islam, there should be no reason why you should not be able to conduct a successful enterprise anywhere, even Aceh. In the west of Sumatra is the city of Padang, the centre of the Minangkabau people. Padang people are involved in business all over Indonesia to the extent that they are often compared to the Indonesian Chinese. The Minang are famous for their eagerness to leave their homes, emigrate to other islands or provinces and establish businesses outside West Sumatra. It is well known in the Indonesian capital, Jakarta, that small to medium business is dominated by the Minang. Many restaurants in the major cities of Indonesia are owned by Padang or Minang people. These restaurants are very well known, and very well patronised; the distinctive style of *balal* cooking is called *masakan Padang*, or Padang fare. As with the people of Aceh, the Minang are almost all Muslims.

The people of South Kalimantan call themselves the Banjar after the capital of that province, Banjarmasin. Like the people of Aceh, the Banjar are well known as obedient Muslims. And like the Minang, the Banjar often emigrate to other areas of Indonesia. There are in fact large Banjar communities in most of the big cities of Java. Many Banjar are involved in the timber industry or in the mining and trade of precious stones.

Finally, the people of South Sulawesi, including the Makassar, Bugis and Mandar peoples, are equally regarded as faithful Muslims. Again, many of these people, particularly in the South Sulawesi capital of Unjung Pandang, or in Jakarta are businesspeople.

Conclusion

What then is the relevance of this new information to you as a businessperson? If your Indonesian business partner or associate has originated from one of these areas, that is North or West Sumatra, South Sulawesi, or for that matter West Java or the island of Madura, then he or she will have been strongly influenced by the Islamic faith. You can therefore expect that your associate will observe the 'five pillars of faith'—he or she will acknowledge that there is no God but Allah and that Muhammad is His Prophet, perform daily prayer and observe the fast during the month of Ramadan, observe the *Shari'ah* law and the conventions of *halal* and *haram*, and finally provide for the poor and make the pilgrimage to the Holy City of Mecca, once in their life, if possible.

On one final concluding note, it cannot be overstated how important it is for you as a businessperson to impress on your Muslim associates that you understand, appreciate and are aware of the central tenets of his or her faith. Your sensitivity will create an atmosphere in which business exchange will flourish.