

The Good Governance Monitor reflects another disappointing Q3.

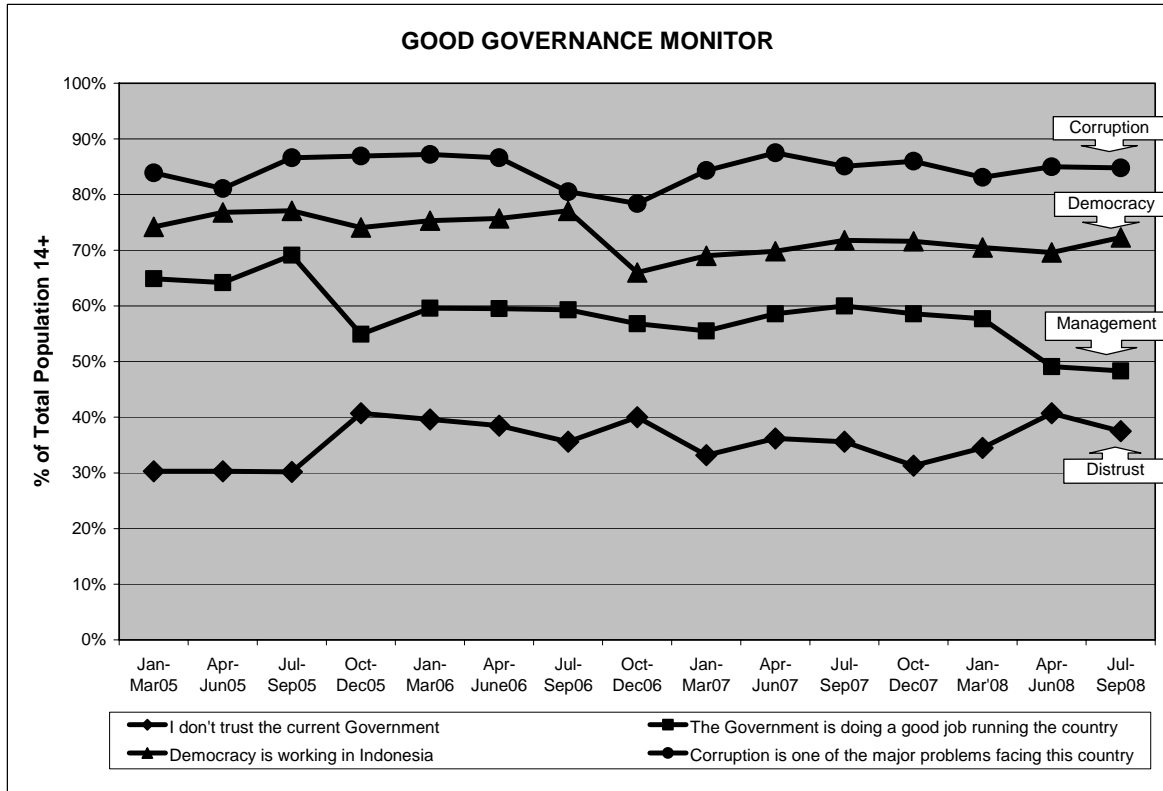
In the minds of the people, the July-September quarter of 2008 was not a particularly good time for the Indonesian government. With data from across the country collated over the three months and analysed recently, the Good Governance Monitor has little good news to offer. Even though the Roy Morgan Consumer Confidence index jumped up by a significant 5.6 points to 107.6 during the same period, influenced by noticeable declines in the price of several household essentials, it did little to bolster the overall verdict of the people.

A government that once was among the most highly rated in the world continues to lose its shine. On the key question “the government is doing a good job running this country”, only 48 per cent agreed, down one point 90 days ago, far away from the 70 per cent approval rating three years ago. The perceived ability to manage the country’s affairs has been in decline for four straight quarters now. Disasters, both natural and man-made, continue to plague a leadership that has lost much of its political capital. Ironically perhaps, “Democracy is working in Indonesia” climbed up two percentage point with 72 per cent now agreeing with that view. That collective achievement and its continuing celebration is the most positive sign in recent times.

Corruption remains the leading concern, with 85 per cent of the people continuing to believe it “is a major problem affecting this country”. There has been no change from the previous quarter. Efforts made by the government to fight this endemic malaise are seen as too little, compounded by the continuing and unresolved dramas involving high-profile personalities and officials. That it remains a major challenge is an understatement, but it is clearly an election promise that the electorate wants to see addressed more vigorously. “I don’t trust the current government” was echoed by 38 per cent of respondents, down from 41 per cent in the last quarter but far away from the honeymoon days three years ago.

Corporate Indonesia has an influential role to play in the prosecution of government efforts, to help bring about a cultural change. At a time when the consequences of runaway greed is decimating the economies of the world, facing the facts and embracing the truth are the first steps in the right direction. More than ever, now is the time for doing the right thing, making the right choices. Ignoring the obvious, hiding bad news or simply distorting the numbers can only delay the pain. The day of reckoning will inevitably arrive one day.

At the core of any business strategy or marketing plan is the critical need for robust, reliable information, periodically updated. Yet, all too often, what is already available is ignored or twisted, to perpetuate a myth that suits the convenience of the perpetrator. Of the 220 million population there are only 160 million Indonesians 14 years of age and older, who can therefore be deemed consumers in their own right. Half of them live below the poverty line, on less than two US dollars a day, including the unemployed and the aged. Most of them remain non-consumers for most products and services, with the obvious exception of food, detergents, toothpaste, shampoo and the like. These inescapable realities seem to be ignored in too many boardroom discussions.



Words like “passengers”, “account-holders”, or “subscribers” should be used with caution as they tend to project numbers of people, not the number of units sold. This can create a false picture. For example, less than three million Indonesians 14 years and older travels by air each year, yet an airline can claim to have over 18 million “passengers”, both local and overseas. A credit card can be issued to an existing customer unasked and unwanted, never really used, but counted as an “account holder” by the issuer. Not too many people are aware of the fact that this year alone over 60 million SIM cards will have been bought, activated and thrown away by the same “subscribers” who often use them like cheap calling cards.

The unflinching pursuit of the truth has yet to be embraced, willingly, as an intrinsic part of Indonesia’s business culture. Spin hasn’t done any good for anyone, in the long-term. Around the world, we are all now living the fallout of too much fiction, spun for too long. Truth on the other hand is appreciated by all, even when it is told with some imagination.

Roy Morgan Single Source keeps a finger on the pulse of Indonesia, with continuous interviewing every week. With over 27,000 Indonesian respondents annually, projected to reflect almost 90% of the population 14 years and older, both urban and rural, the reports are updated every 90 days. It is used by more marketers and advertising agencies than any other syndicated survey in the country.

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