

SMALL & MEDIUM ENTERPRISES AND THE PROBLEM OF INEQUALITIES IN INDONESIA

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SMEs TOWARD 'ASEAN COMMUNITY' 2015

- Expanded market segment
- Tighter competition
- Standardisation on
 - Quality and Safety
 - Social Responsibility
 - Ecological Responsibility

KEY ASPECTS AND DIMENSIONS OF INEQUALITY

- Technical dimension:
 - technological mastery
 - management skills
 - access to financial resources

- Political dimension
 - The government's programmes to support SMEs are ineffective:
 - lack of professionalism
 - local political game
 - corruption
 - poor coordination between agencies

- Cultural Dimension: The need to enhance the spirit of entrepreneurship and to broaden the extent of network
 - Challenges :
 - Aristocratic Culture
 - Bureaucratic Culture
 - Inward-looking mentality (familism)

- Weak political self-confidence among SME leaders
 - Experience of living under authoritarian regime
 - Experience of racial discrimination and social unrest
 - Persistent of feudalism

THE CONTRIBUTION OF SMEs IN ADDRESSING INEQUALITIES

- Making up 90% of all firms in the private sector, SMEs are the biggest source of employment
- Contributing more than 50% of GDP
- Saving the economic life in times of crisis
- Reducing the dominant of foreign establishments

BEST PRACTICES OF SME LEADERSHIP

- SME Leaders should be aware of their political rights:
 - Struggle for political justice → refuse to become object of oppression, corruption, and political game of government officials
 - Struggle for active participation in planning and implementing the government programmes for the development of SMEs

- SME leaders should upgrade their purpose of doing business from economic to institutional, social, and environmental justice:
 - commitment to fair condition of employment
 - commitment to fair trade
 - commitment to fair social relations
 - commitment to eco-friendly products and production

- SME leaders should be culturally smart:
 - More trust to rational and ethical procedures to challenge aristocratic and bureaucratic cultures, and to transform familism into professionalism
 - Enhance entrepreneurialism to win the competition creatively

‘JUSTOPRENEURSHIP’ AND SME LEADERSHIP

- Good SME leaders are not merely good entrepreneurs. They should be *‘justopreneurs’*
- *‘Justopreneurship’*:
balancing entrepreneurship (cultural intelligence) with the commitment to justice
 - Political justice
 - Economic justice
 - Environmental justice

THE POTENTIALS OF RELIGIONS IN THE EDUCATION OF SME LEADERS

- Religions contain rich ethical resources concerning both justice and entrepreneurship
- The participation of SME leaders in religious community is a good opportunity for educating them informally with religiously-informed concept of *justopreneurship*