Mapping Media Policy in Indonesia

Report Series

Engaging Media, Empowering Society:
Assessing Media Policy and Governance in Indonesia
through the Lens of Citizens' Rights

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List of abbreviations

AJI	*Aliansi Jurnalis Independen* / Alliance of independent journalists	
APJII	*Asosiasi Penyelenggara Jasa Internet Indonesia* / Indonesian Internet Service Provider Association	
ATVJI	*Asosiasi Televisi Jaringan Indonesia* / Association of Indonesian Network Television	
ATVSI	*Asosiasi TV Swasta Indonesia* / Association of Indonesian Private TV Broadcasters	
ATVLI	*Asosiasi Televisi Lokal Indonesia* / Association of Indonesian Local TV Broadcasters	
BAPEPAM-LK	*Badan Pengawas Pasar Modal – Lembaga Keuangan* / Supervisory Body for Capital Market and Financial Institutions	
BPS	*Central Bureau for Statistic*	
BPPT	*Badan Pengkajian dan Penerapan Teknologi* / The Agency for The Assessment and Application of Technology	
BRTI	*Badan Regulasi Telekomunikasi Indonesia* / Indonesia Telecommunication Regulation Body	
Deppen	*Departemen Penerangan* / Department of Information	
EMTEK	*Elang Mahkota Teknologi*	
FTA	Free To Air (for Television)	
IPPP	*Izin Prinsip Penyelenggaraan Penyiaran* / Principal Broadcasting Permit	
ISAI	*Institut Arus Informasi Indonesia* / Institute for the Study of Free Flow Information	
ISP	Internet Service Provider	
ITU	International Telecommunication Union	
JPNN	Jawa Pos National Network	
KIDP	*Koalisi Independen untuk Demokratisasi Penyiaran* / Independent Coalition for the democratisation of Broadcasting	
KPI	*Komisi Penyiaran Indonesia* / Indonesian Broadcasting Commission	
KPPU	*Komisi Pengawas Persaingan Usaha* / Commission for the Supervision of Business Competition	
KUHP	*Kitab Undang-undang Hukum Pidana* / Criminal Code	
MASTEL	*Masyarakat Telematika Indonesia* / Indonesian Telematics Society	
MNC	*Media Nusantara Citra*	
MPPI	*Masyarakat Pers dan Penyiaran Indonesia* / Indonesian Press and Broadcasting Society	
NAP	Network Access Provider	
NGO	Non-governmental organisation	
OSF	Open Society Foundation	
POP	Point of Presence	
PP	*Peraturan Pemerintah* / Government regulation	
Prolegnas	*Program Legislasi Nasional* / National Legislation Program	
PRSSNI	*Persatuan Radio Siaran Swasta Niaga Indonesia* / Indonesian Private Commercial Radio Broadcasters Association	
PWI	*Persatuan Wartawan Indonesia* / Indonesian Journalists Union	
RCTI	*Rajawali Citra Televisi Indonesia*	
RRI	*Radio Republik Indonesia* / Radio of the Republic of Indonesia	
SCTV	*Surya Citra Televisi Indonesia*	
SIUPP	*Surat Izin Usaha Penerbitan Pers* / Press Publication Enterprise Permit	
SPS	*Serikat Penerbit Surat Kabar* / Newspaper Publisher Union	
TVRI	*Televisi Republik Indonesia* / Television of the Republic of Indonesia	
USO	Universal Service Obligation	
UU	*Undang-Undang* / Law	

Executive Summary

The aim of this research is to highlight the trajectory of media policy in Indonesia and to assess its impacts on the different forms of media themselves and on the citizens and their rights, particularly with regards to their media rights. Such rights, in this study, are referred to as the right to access media infrastructure, to access trustworthy information and quality media content, and to participate in the media policymaking process.

We have arrived at several key findings, as outlined below.

1. Historically, the 1998 *reformasi* (reform) was a major turning point and is understood as being the main trigger in ensuring the citizen's rights to media. Following this came the second amendment of the UUD 1945 and the Human Rights Law No 39/1999 that guaranteed the right to information and media for citizens. Two policies in the post *reformasi* period constitute the main media regulatory framework, i.e. the Press Law No 40/1999 and the Broadcasting Law No 32/2002. These two Laws, normatively, are in the right direction: they have ensured the basic precondition for citizens to practice the freedom of expression and speech. However, when it comes to implementation, the story is different.

2. Media policies have failed to regulate the media *as an industry*. Existing policies are incapable of mitigating the excessively profit-driven logic of the media. As such, policymakers and state officials have failed to set a clear limitation between monopoly and oligopoly. The absence of a particular policy that acknowledges the commercial aspects of media industry and particularly governs its activities, is one of the enabling factors of its rapid expansion. Although Broadcasting Law No 32/2002 inserts limiting variables in the Article 18 and prohibits cross ownership *(kepemilikan silang),* the following Government Regulation No 50/2005 fails to pick up on the matter. As a future agenda, media policies need to treat the media industry as a particular sector, considering that the industry is using public goods and should not be given the freedom to utilise them according to its own interests. The key here is realising that media industry must be separated from other industries, as its impact exceeds rational economic calculations.

3. A bigger impact on media, and citizen's rights to media, are to a great extent imposed by *non-media regulating policies*. Examples of such policies are the Electronic Transaction and Information (ITE) Law No 11/2008, Pornography Law No 44/2008, and the Criminal Code (KUHP). These policies are often steered by the arguments of public morality and contain vague, unclear definitions in regulations. Citizens and media workers are thereby always in danger of being criminalised and accused of defamation. The use of these vague articles is also the easiest way to shut the opinions of the public down. Public opinion is not only hampered by policies, but also by the industry's agenda. *Self-censorship* practices and the vested interests of media owners are apparent in the agenda-setting of the media, and threaten the existence of an open public sphere.

4. The implementation of the *siaran berjaringan* (network-based broadcasting) system remains

central in democratising the broadcasting system. Thereby, revising the *Broadcasting Law* will be a crucial test for everyone involved, as is its implementation. The failure of its implementation will significantly contribute to the homogenisation of media, and harm the principles of diversity of content and diversity of ownership. The system is seen as a threat to the industry and has been constantly tolerated by both state authorities and industry. As a result, Jakarta-based TV stations have extended their reach and domination over local TV channels and broadcasters. The end beneficiary however, namely the citizen, is left with more choice of channels, but less option in content.

5. In regard to the failure of implementing the *siaran berjaringan* (network-based broadcasting) system, private broadcasting has dominated the broadcasting scene and is the main, when not sole, choice in terms of televised media. In an ideal situation, public broadcasting (*TVRI* and *RRI*) would deliver its role in generating a neutral, commercial-free content and thereby provide an alternative to the public. However, public broadcasting has deteriorated, in a time where it is actually expected to play a bigger role. It is overlooked by many stakeholders, and is also trapped by institutional issues without showing any signs of an internal transformation. This is the issue that needs to be resolved, as there is an urgent need to revitalise Indonesian public broadcasting.

6. Regulators, despite playing a decisive role in ensuring that media civilizes the public, are not in a strong position in governing the media. The main institutions involved are Indonesian Broadcasting Commission (KPI), Press Council (*Dewan Pers*), Indonesian Telecommunication Regulatory Body (BRTI), Business Competition Supervisory Commission (KPPU), and also the Ministry of Communications and Informatics. The current condition hints at *institutional failure,* with the industry being able to overcome the regulations and the rules set by the regulators. Another crucial aspect to this is the lack of coordination between existing regulators and their overlapping rights and responsibilities. Critical awareness of the public in monitoring media contents is also a prerequisite to the improvement of media. Without public participation, regulators are left alone in contesting the dominance of the media industry; to rectify this situation, an increase in media literacy is required.

7. As has been apparent throughout the history of media development in Indonesia, media policies will only be able to react to the changes set by technological innovations embraced by society. Convergence and digitalisation will prove to be the next tests. The current technological developments bear great promises and will transform the media experience. Digitalisation will open numerous possibilities by unlocking new channels. This creates new opportunities for new media actors to contribute in providing new content. But a clear roadmap and allocation of channels is needed to prevent another media (medium) monopoly. In the future, media practitioners will be divided into two roles: content provider and network provider, with most activities relying on broadband and internet-protocol. But to what extent this opportunity will be used to the maximum, only time can tell.

8. The Internet remains very much open to new innovations, particularly ones that could trigger social impacts. The mixed and intertwining use of social and mainstream media has made news producing and agenda setting less predictable. The interactive character of Web 2.0 opened new channels for the public to place pressure on many issues and showed that in the Indonesian context, the Internet is currently an effective tool in driving and mobilising public opinion. The question left unanswered here is whether or not the Net should be further regulated. With its growing and ever expanding character, it seems inevitable that the Net becomes fully sterile of any form of regulation. Rules

may not only be set by the state, but should also be agreed by its users, who should seek for a consensus on many themes, including the use of social media and practices of citizen journalism.

9. While the small but significant minority of Indonesians are always connected to the Net, large populations and areas of the nation are still trapped in blank spots, with only limited access to media and its infrastructure. Access to main media is still only enjoyed by citizens in Java and areas with thriving economies. Alas, market demand is still the most effective driver in opening access. Inventive policies are needed here to either accelerate media infrastructure development by the government, or stimulate the (local) industry to primarily establish new markets, for the Internet, whilst fostering a healthy competition. The government should stimulate the growth of local ISP and NAP and thereby help to close the digital divide.

In summary, the more one takes a close look at the current mediasphere, the more the importance of media policy becomes obvious. The advancement, and decline of, citizen's rights to media depends entirely on its disposition. Nevertheless, the public sphere is actually open for active engagement of citizens. At this point, the citizen's right to media has unfolded itself as a right which cannot be taken for granted, but one which must be fought for.

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"... so in more democratic societies, that (media conglomeration) can be controlled first of all through policies, namely policies that are guarding public interest and represents an equilibrium of media being a business institution and as a social institution. Policies are at the first place formulated in that way."
(Agus Sudibyo, Press Council, interview, 27/10/2011)

There is perhaps nothing today that has impacted upon society more significantly than media has. Media and media technology have globally impacted upon individuals and groups in society, at a level greater than we could possibly ever imagine. Such impacts have encompassed the range of human experience—including affection, cognition, and behaviour—in activities, events, and societal interactions. As media have been important drivers for societal change, they need to be governed to ensure benefit for the betterment of social life because media are public and their workings always fall within the public domain (Habermas, 1984; 1989; then followed by Herman and Chomsky, 1988; McLuhan, 1964; Thompson, 1995 among others). However, governing media through policy can be a very gruelling, if not impossible task, in a context like Indonesia.

While it has been widely, but sadly, acknowledged that in Indonesia policies can contradict each other, media might be the sector where this contradiction appears to be the most obvious and has quite appalling impacts on many people, yet remains neglected. For example, while the Broadcasting Law No 32/2002 is motivated by the spirit to uplift the diversity of media content and ownership, other regulations such as Government Regulations PP No. 49-52/2005 that are supposed to enforce the law, bash such value by allowing media companies or groups to operate in up to 75% of the total provinces in Indonesia. This is all despite the House of Representative's critical notes (KPI, 2006). As a result, not only is the spirit of media diversity quashed, such policy contradiction has created severe consequences in the development of the media in Indonesia, albeit advertently or inadvertently.

In this report we trace the dynamics of media policy in Indonesia, in our effort to understand how policy –across different time periods in the country—tries to ensure and vanguard the public character of media. This is not an easy task to undertake, for analysing media policy requires not only knowledge and comprehension in unveiling the obscured policy making processes, but also the ability to sense the often implicit contexts in which the policy has implicated the conduct and governance of media practice and pinpoint them with clarity. Despite these difficulties, we find this study worthwhile in two senses: One, it has brought us to uncover, if not scrutinise, the *publicness* of media which, until now, has just been assumed or taken for granted. Such scrutiny is important, for it enables us to be more critical towards the intended and unintended consequences of media practices in Indonesia. Two, this research confirms, on the one hand, the importance of media as the 'Fourth Estate' (Carlyle, 1840:392; Schultz, 1998:49) that plays a vital role in maturing society in an infant democracy, and on the other, how the problems and contradictions of media have become a pool of political agenda and hence leads to the deterioration of its own social function.

This report focuses on mapping media policy and its relation to the political economy of media landscape

in Indonesia and its implication on citizens' rights to media content and infrastructure. The premise is that media policy and governance play important roles in the constitution of open, democratic, and informed citizenship. This report itself is part of a research project on media and citizens' rights, which also maps the dynamics of the media industry landscape in Indonesia (Nugroho et al., 2012), and investigates, through case studies at national level, how a number of vulnerable citizens groups in the country exercise their rights to media (Nugroho *et al.*, forthcoming).

1.1. Background and rationale

Careful reading shows how policy often plays a very important role in any public domain (Parsons, 1995). However, strangely, the importance of policy is often neglected in media analysis: in a number of studies and analysis on media development, the policy aspect is often entirely absent (as also suggested by a recent research of Balabanova, 2010). Even in theory, the discourse on media development is often seen as detached from policy analysis (e.g. Coyne and Leeson, 2009). While such detachment might have some theoretical justification, we argue here that at the empirical level, such is not the case; at least in the Indonesian context.

The Indonesian media industry landscape has drastically changed since the fall of Suharto's authoritarian administration in May 1998. Since then, the country's media industry became highly liberalised. This affects all types of media –including newspaper, magazine, tabloid, radio and television stations, as well as Internet media. In addition to local and national media, international franchise media then appeared quickly in the Indonesian market after being banned during Soeharto's regime, made available up to 80% of its original content translated into *Bahasa Indonesia*, allowing some additional local content. To compare, prior to 1998, there were 279 print media and just five private television stations. Within less than a decade later, the numbers have doubled for private television broadcaster (excluding some of 20 local television stations) and tripled for print media. Likewise, for radio stations, the increase was not only about numbers but that they were given more space for sourcing and creating their own content, particularly news, after being forced for years by the regime to relay the state's official radio station (RRI). The progress of Internet technology and innovation and its wide adoption also marked the development of Indonesian media industry, in that the internet has been no longer perceived as an 'alternative' media since the 1998 Reform and is now accepted as another form of media that can be explored by journalists or other members of the society.

The table below depicts the change, up to 2005 (Laksmi and Haryanto, 2007:53).

Type of media	Total number up to 1998	Total number in 2005	Notes
Print Media	279	Estimated 600	An old established association was SPS (Union of Indonesian Newspaper Publishers)
Nationally Broadcast Private Television	5	10	The Private Television Station set up an association, called ATVSI
Radio stations	Unknown	831	An old established association was PRRSNI (United of Private Radio Stations)
Local Televisions	n/a	20	They formed an association of local television stations (ATVLI)
Cyber Media	3	5	So far there is no association of cyber news media

Table 1.1. The development of media in Indonesia: 2005
Source: Laksmi and Haryanto (2007)

Media industry has been growing at an unprecedented speed, and not all have survived. In media industry, survival is determined by the political economy context. Despite the fact that some Indonesian audiences can now watch popular global movies and television programmes, there has been concern over the concentration of power. This reflects a global trend, where only a few media companies actually own and control the development of the media industry (including access to it) and have power over the distribution of the content to other parts of the world (Gabel and Bruner, 2003).

Whether what appears to be systematic liberalisation is taking place, due to orchestration or as a *resultante* of chaotic development, remains an unanswered question. The change however involves not just policy and politics, but economy, too, but this is often overlooked. Often what goes unnoticed is the power of policy in determining the direction of media development. One explanation for this is perhaps the unavailability of thorough data that concerns both media development and media policy. As the result, the main approach to media research and analysis is often reductionistic and fails to recognise both the very nature of media's characteristic as public domain and the whole intricacy behind how the media works. Unless we rectify this problem, we risk letting at least three important aspects of media research escape our attention: (i) the extent to which and the ways in which media policies correlate with the current media industry expansion; (ii) the extent to which and the ways in which media policies affect the media content; and (iii) whether or not the current media policies and regulatory frameworks are adequate in ensuring that media are civilizing the public and the extent to which they are, if so.

Understanding these three aspects will help explore the citizens' rights to media, which in Indonesia is in danger of being undermined, if not entirely neglected. What we refer to as *citizens' rights to media* here covers three dimensions. First, citizens access to information. Access to information allows the most vulnerable groups to be involved in human development and to transform their lives. Second, citizens access to media infrastructure. Access to media for citizens assumes and requires equal availability and access to the infrastructure. Lastly, citizens' access to influence the regulatory framework. Public policy, and in general regulatory framework, must be made in consultation with citizens. However, uninformed and unempowered citizens cannot participate in such important process –which is very much the case in Indonesia.

In this study we aim to address these three important aspects by tracing the development of media policy in Indonesia, through gathering, analysing and putting into perspective all the empirical data accessible to us –primary and secondary, quantitative and qualitative.

We wish to make clear from the outset that this research is intended not primarily as a scholarship and academic exercise, but to yield results which aim to contribute to wider Indonesian society in terms of building a better understanding of the complexities of media issues in the country. Moreover, we also expect that the results might be used to enrich (and empower) civil society groups and organisations in Indonesia in their discourse and in their attempt to strategise their link with the media groups, or/and in using media to foster their civic activism.

1.2. Objectives

The purpose of this research is to empirically map the dynamics of the media policy and governance from the perspective of citizens' rights. At the macro level, the focus is to understand the media policy trajectory. This is done through identification of current and future laws and regulatory frameworks in media, rationales of the policy, the internal working mechanism of the policy-making processes, the power relations amongst stakeholders, and the implications towards citizens' rights to media. At the micro level, the attempt is to map some grassroots response to media policy in terms of their initiatives in generating and distributing contents and the ways in which these impact upon the local socioeconomic and political contexts (and possibly beyond).

We should signpost here two important notes. Firstly, what we refer to as 'civil society groups' here do not necessarily mean formal NGOs or CSOs. They can be any self- and independently-organised interest groups of citizens which usually have no direct links to governmental bodies or private firms; organise themselves formally or informally to pursue certain purposes/goals or to strive for certain values (as largely discussed in our previous works Nugroho, 2007; 2008; 2010a; 2010b; 2011b; 2011c; Nugroho and Tampubolon, 2008). Secondly, in our analysis, we try to use a perspective of citizens' rights to media. This is in response to most research of media that refers to or use the 'Article 19' of the UDHR[1] to defend media rights (in this case, mostly freedom of press institutions and/or journalists) but often what is more needed is to protect the citizens who have a much narrower and limited area of freedom in media. Research on the importance of citizens' rights to media in relation to media policy in Indonesia is still a rarity.

As aforementioned, we locate citizens' rights to media in three dimensions. Firstly the rights of the citizens to information, with particular focus on the rights to access trustworthy information and access to generate information. Trustworthy information can help citizens to make a right decision for their life or to take part and get involved in the decision- making processes in matters that relate to their citizenship. Access to generate information enables citizens to create content that can empower themselves. More often than not, bottom-up user generated content leads to the creation of bottom-up trustworthy information. However, this requires another facilitator, such as infrastructure. Hence, the second dimension of the citizens' rights to media is access to media infrastructure. In Indonesia, most of the media and telecommunication infrastructure is unequally distributed. This is hampering citizens' participation to produce and distribute content of their own. Ultimately, inherent in the citizens' rights to media is the rights to access and to influence media regulatory framework. Ideally, public policy must be made in consultation with citizens. Hence we examine whether, and the extent to which, public policy making in media has taken citizens into account in the process.

1.3. Questions and approach

This study aspires to answer the following questions:

1. What does the media policy trajectory look like in Indonesia? How did it unfold over time and why?

2. What factors affect the development of media policies in Indonesia? How and in what ways do these factors interrelate?

3. What are the implications of the current media policy trajectory for the policy making, the development of the media sector, and the interest of citizens? How does the policy affect citizen's rights, specifically their access to information and infrastructure? How does participation of the citizen inform the decision making processes of media policy in Indonesia?

We have consciously chosen to put the emphasis on the notion of citizen's rights, in regard to the rights to media. In our attempt to answer the above questions, and as policy analysis stipulates, we approach the study qualitatively, combining secondary data collection (e.g. desk study and policy mapping, among others) with primary data sets (sourcing from in-depth interviews, which took place July to December 2011). In the earlier (inception) phase, we have worked on policy documents to give us a general view on the current media and policy landscape. We then continued the inquiry by conducting interviews to give us in-depth views on the research questions. A thorough description of the methodology and the

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1   The Article 19 of the Universal Declaration of Human Rights states, "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers."

data collection process will be outlined separately in Chapter Three.

1.4. Characterising media policy in Indonesia: A preview

While underlining and giving new meaning to what has been publicly known about the development of media policy in Indonesia, this report also attempts to reveal the details of the dynamics of media policy that have not perhaps yet been disclosed in the public domain. Media have always played a part in the history of the country, having undergone many unpredictable changes and been part of many narratives.

From Soekarno's administration, to Soeharto's order, and now to Yudhoyono's presidency, media policy has been an inseparable part of the regime. Understandably, media policy has always been used as a political tool: first as a means of propaganda (in Soekarno's era), then as a form of control (mainly in Soeharto's time), and now as a tool for the government's image building (in Yudhoyono's period). The political reform (*reformasi*) in 1998 brought enormous changes in the media landscape in Indonesia, and in its aftermath, has brought new challenges in terms of regulating it. The development of media sectors (and industries) are determined not only by the technological progress (i.e. media technology innovation) but also more importantly by the market dynamics (i.e. supply and demand creation in media content and infrastructure), and political interest (i.e. power). In the Indonesian case, this is very clear. As media represents -and is an embodiment of-power, media ownership and media policy are vitally important. The principle of 'follow the money' reveals the role of business interests in the development of media and how *realpolitik* affects such development, reflected in media policy in Indonesia. Political economy is at the core of the understanding of media policy in Indonesia –hence the perspective taken in our investigation.

What is important here is that citizens are often left out of this whole picture of media development. Not only are they counted as powerless within the political economy of media in the country, but their role is often regarded as insignificant in media development. One clear example is the role of citizens in community broadcasting which was acknowledged in the Broadcasting Law of 2002 but not in the discussion of the country's planning to digitalise the broadcasting system.

Secondly, as found elsewhere across many other sector in Indonesia, the lack of law enforcement and a weak, often self-interested bureaucracy add to the problems in regulating media in the country. While such problems might seem obvious in an infant democracy like Indonesia, the impact is lethal in the media sector: the media are losing their public character as nobody guards it – not even the state through laws and regulations. Such is evident not only in the unequal access to media infrastructure but also in the media content which no longer civilises the public – despite the absurd claim of its quality and diversity.

Thirdly, this all leaves the wider society on its own when facing the ever apparent media capitalisation. Obviously, the often-cited claim is that the development of media reflects the development of the society – or in other words, it is for society that media develops in a certain direction; that the content of the media reflects the market's tastes, desires and even aspirations. However, as we have found, this claim is empty. Unfortunately there is no one promoting the citizens' interest. No one objects to the situation whereby most media content does not have any significant educative component which is critical to building a strong society; necessary for a developing, fragile nation like Indonesia.

Finally, what we have observed in media sectors is how the rights of citizens have been reduced to the rights of consumers. While this begs an answer to the question of whether the public sphere in Indonesia still exists, what can be clearly seen here is that the policy has become defunct. In the media

sector, policies that are expected to respond and play their part in ensuring the public character of media have certainly failed.

If we are to hold the virtue of the media as the 'fourth estate' in our modern society (Carlyle, 1840:392; Schultz, 1998:49), we have found that the whole media policy in Indonesia needs a serious revisit. Given the complexity (let alone the interest, both political and capital) of this matter, this task is huge and requires a high level of seriousness and the political will of the state and participation of the citizens. Without this, we endanger and risk our own future society as we let current media practices crush it.

1.5. Structure of the report

Following this introductory chapter, *Chapter Two* highlights the theoretical perspectives used to explain and comprehend the realms of media, and media policy. This framework is then used reflectively throughout the study to stress the nature of media and the significance of public policy. *Chapter Three* then presents the methods used to gather data and the limitations set in this study. The findings of the study are first presented in *Chapter Four*. Here, the overview of Indonesia's media policy is laid bare. This chapter provides a general description but also presents the main findings of the study. *Chapter Five* zooms into the dynamics of media policy and its impacts. This chapter provides a thorough analysis of the respective policies regulating the media. As a continuation of this analysis, *Chapter Six* discusses media reform in Indonesia. The chapter zooms in to the particular mediums and their respective policies. In *Chapter Seven*, findings and analysis on the development of new media and the regulatory framework are outlined. Here, the main discussion revolves around the use of the Internet and its political milieu. The chapter ends with an outlook of media development and the role of (future) policies. *Chapter Eight* summarises the findings by pointing out implications of media policy in Indonesia. Conclusively, the chapter offers possible agendas to be undertaken by the relevant actors.

2. Understanding media policy: Some theoretical perspectives

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"What I am concerned (about) is the content of the media policy. So there are certain interests in it, and it (policy) has to encompass the economic, social and cultural dimensions. This is what policies have to regulate. Regulations must govern these three aspects. It must have a clear purpose."
(Paulus Widiyanto, interview, 14/10/2011)

Media studies and policy analysis have been major fields of study – particularly in social sciences and humanities. Surprisingly, the intersection between the two –media policy—is considerably much less studied. Perhaps, because media policy is in a state of flux, both at the empirical and theoretical level. As we already stated, this research is not a purely scholarly exercise but rather an in-field investigation that aims to offer civil society a nuanced understanding of the media policy in a developing economy and early democracy like Indonesia (and by so doing hopefully manages to empower). However we feel it necessary to devote a section in this report to theoretically review what media policy is about. This, we believe, will help shed light on our efforts to understand the intricacies and complexities surrounding the development of media policy in Indonesia.

This chapter shows why understanding the whole context of policy is key to understanding media policy. Furthermore, as media policy is central in the attempt to ensure the public character of media, it also needs to be open for public intervention (or scrutiny).

2.1. Media: A locus publicus

Etymologically, the word media comes from latin: *medium* (plural: media), which means 'in the middle,' 'in between,' 'seen by the public,' 'before the public,' 'shared ownership,' or 'mediation.' In short, the word media has a meaning very tightly connected to public; in fact, media are part of the public domain – *locus publicus*. What do the media mediate? Conceptually, the meaning of media is nearly impossible to be detached from the everlasting problematic tension between what constitutes the domain of private (*privatus*) and public (*publicus*). The notion of media always refers to a sphere in which the two can be linked, to enable and make possible the realisation of the so-called 'shared life (*polis*, or *res publica*). In other words, media function as mediating mediums for such a 'shared life'. In this sense, the domain of media spans very widely, from the physical space such as plaza, court, public meeting venue or theatre, to newspapers, radio, television, and any space for social interaction which has the power to shape life and culture. As life together (or shared life) is culturally constructed, the role of media becomes highly central: it mediates the possibility or impossibility of it[2] - this resonates with the work of Habermas to which we owe, for further conceptualisation of the working of media and the importance of media policy in this research.

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2   This paragraph is largely based on a summary presentation delivered by Dr. B. Herry-Priyono, SJ., in Yogyakarta, during the methodology training for a case study in media research, as part of the project to which this report belongs, on 5/10/11.

In gaining a thorough understanding of the functions of media, and the importance of having it regulated, we turn to the insights of Habermas in rationality and lifeworld system (1984; 1987) and his views on the public sphere (1989; 2006). His proposition in looking at modern societies is explained in two theoretical terms: first, a (micro-theory of) rationality which is based on the *communicative coordination*; and second, a (macro-theory of) systemic integration of modern societies through *mechanisms such as the market* (Habermas, 1987). To Habermas, in his analysis of communicative rationality, the rational potential is built into everyday speech and in modern society this is tied to modernisation. For him, rationality is not so much about possession of knowledge, but rather in "how speaking and acting subjects acquire and use knowledge" (Habermas, 1984:11). Based on his notion of the public sphere as *a gathering of private individuals discussing the matters of common concern* (Habermas, 1989; 2006), then what matters in our modern world is a network for communicating information and points of view. With the power of media, private ideas can quickly become public opinions. This is central not only to understand how public rationality is 'manufactured', and that there should be more careful attention paid to the border between the private and public spheres; but also the hint that what is 'public' is always closely connected with politics (Habermas, 1989). What is ideal to Habermas, then, is the availability of channels of 'undistorted communication' (1984) which are instrumental as emancipatory tools for participation in the public sphere (1989) – in which one interacts with society at large.

Habermas sees that in a deliberative democracy, the importance of public opinion is emphasised in the process in which the opinion is constructed. The need for a democratic sphere, where the public can discursively state its opinions, interests and needs, is central. To Habermas (1989), the 'political public sphere' is a communicative procedure. In this public sphere, individuals are to put aside their private interests and deliberate about truth and common good. Only when individuals' ideas are subjected to scrutiny through the principle of publicity as such, would emerge a universal public opinion that represents the truth upon which the state has to act. The more discursive the process taking place in the public sphere, i.e. the more rational and open it is to public examination, the more legitimate the outcome is. Of course, to Habermas, the idealisation of public sphere is that it should be non-institutionalised and must be accessible to everyone, and has an autonomy which cannot be intruded, or claimed by the state or the market. Furthermore, public space is not unitary in nature, but plural: there is no one single public sphere, but several (Habermas, 1984; 2006).

This understanding of public sphere, as well as the formation of public opinion, derived from the works of Habermas, is central in our attempts to understand the nature of media. If media are to bear their very *raison d'être*, they have to preserve their public character and function: to mediate relations between the individuals' interest and common good, between the society and the state. However we know very well that what is intended is not always what we see in practice. During its development, we have learned that media have become tools for swaying public opinions, instead of providing 'neutral' space where they can emerge organically. Despite the fact that neutrality has become more of an illusion in media domain, we have witnessed at least three tendencies. *One*, how modern media –from newspapers to television, from radio to online news—blatantly become representations of particular ideological positions, which in turn shape the discourse in our public sphere. If this were conducted in civilised fashions, then the problem might be less than what we experience today, but it is not. The ways in which media convey their ideological positions are banal –and as result they have not educated the society to accept differences in ideology but instead fuel their hatred and confrontation against those with different political views. It is a hindrance in the attempt to (re)build the Indonesia's democracy. *Two*, media have no longer played mediation roles: they neither link the society to the state (as Habermas idealises) nor the '*das sein*' and '*das sollen*' in making the society more civilised. By submitting to the 'lower taste' in non-educative contents, the media have not provided a healthy sphere for society to embark on a public discourse on the betterment of their societal life. Lastly, *three*, the massive privatisation and liberalisation of media: it they are no longer public in nature. What we see is the emergence of private media conglomeracy dwarfing public/state-owned media, operating purely based on the market logic, leaving citizens' rights and public interest behind. While the discussion of this will be focus of our other report (Nugroho et al., 2012), we need to highlight this tendency, to understand the development of media in Indonesia.

These tendencies, in light of Habermas' views (1984; 1987; 1989; 2006), show the clear and present danger of our media today, which are losing their public character and are on the brink of collapse in their role as *locus publicus*. In such a situation, the only hope is to revive our media through public policy.

2.2. Public policy: Guarding public interest and bonum commune

Quickly becoming one of the most well-established disciplines since being founded in 1937 in Harvard and gaining status as a field of science in 1951 (with the publication of "*The Policy Sciences*" by Lerner and Lasswell, 1951), public policy analysis can be traced back some 4,000 years to the Babylonian city of Ur (Porter, 1993). But what is public policy? In a nutshell, public policy is what public bodies implement – a course of action adopted and pursued by public agencies, such as government (Parsons, 1995). Public policy analysis refers to the study of the ways in which public policies –in the form of government regulations like laws, decrees, etc.—are made and implemented. Public policy analysis also has an imperative, i.e. that such analysis is done with the purpose of improving the formulation and implementation of the policy being analysed (John, 1998; Parsons, 1995).

Within a number of paradigms in public policy analysis, there are least three major viewpoints. First, the *incrementalist* paradigm of public policymaking and implementation (Lindblom and Woodhouse, 1993), which is characterised as being substantive, processual, descriptive, and objective. This paradigm is concerned with the substance of the issues (e.g. demographic change, environment, crime, etc), focuses on the process of how the policy process works in a specific field, and attempts to describe the process objectively. This paradigm is embraced mainly by political scientists[3]. Second, the *rationalist* paradigm, which is characterised as theoretical, effectual, prescriptive, and normative. As such it is concerned with the ways in which theories of public policy making develop, and its outputs as well as the effects of those theories in real life. This paradigm focuses on finding better ways of policy making and implementation. This way of thinking predominantly belongs to public administrators[4].

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3   There are six models of the incrementalist paradigm (Lindblom and Woodhouse, 1993). (i) The *elite/mass model* which contends that a policymaking and policy-executing elite govern a largely passive mass. As the policy flows downward from the elite to the mass, prevailing public policies reflect elite values. (ii) The *interest group model* in which the polity is considered as a system of forces and pressures acting and reacting to one another in the formulation of public policy. This model is associated with the legislature systems which increasingly are unable to distinguish between policies that are beneficial to the interests of the public and those that are beneficial to the interests of the groups being regulated. In other words, what is good for the groups is good for the nation, in the eyes of the regulators. (iii) The *systems model* which relies on the concepts of information theory (especially feedback, input, and output) and conceives of the process as being essentially cyclical, i.e. policy is originated, implemented, adjusted, re-implemented, and readjusted. (iv) The *institutionalist model* which focuses on the organisational hierarchy and arrangement of different policymaker bureaus and offices but not on the actual, active linkage between them. While legalities are given much interest, it is not the case with the behavioural connections between a public office and the public policy emanating from it. (v) The *neo-institutionalist model* attempts to categorise public policies according to policymaking subsystems, such as arenas of power, distributive policy, constituent policy, regulative policy, and redistributive policy. (vi) The *organised anarchy model* has three streams of concern, i.e. problem –which needs policy to solve; politics surrounding the formulation of the problems that need to be resolved through policy, and the policy itself which concerns with the decision agenda or alternative approach.

4   Rationalism approach in policymaking (after Simon, 1976) is the opposite of the incrementalist approach. Rationalist policymaking attempts to learn the values in a society, assign each of them a relative weight, explore all policy alternatives available, identify all the consequences of each alternative, work out how the selection of any one policy will affect the other alternatives, and finally select the most efficient policy alternative. Key to this paradigm is optimality (Barr, 2004). A Pareto improvement in rationalist policymaking means a change in economic organisation that makes everyone better off —or, more precisely, that makes one or more members of society better off without making anyone worse off (Gershuny, 1978; Lindblom, 1986).To rationalist policymakers, there are four types of goods and services to govern: (i) *private* (which are individually consumed, exclusive, with no problem of supply); (ii) *toll* (which are jointly consumed, exclusive, easily supplied by market, excluding consumers from using them is practicable); (iii) *common-pool* (which are individually consumed for which exclusion is not feasible, with no supply problems and free, and can probably be exhausted), and (iv) *collective* (which are jointly consumed for which exclusion is not feasible, but cannot be supplied by market and no one can be excluded from consuming them – yet can be exploited by 'free riders.' Public policymakers have the greatest responsibility in managing and regulating collective goods and services.

The last paradigm, *strategic planning*, somewhat combines the strength of the first two paradigms and avoids their pitfalls. It emerged from the business domain and recognises both short-term and long-term demands of any organisations along with an awareness that the future can be very different to the present time trajectory[5]. This paradigm combines incrementalist resources (traditions, values, aspirations, abilities and priorities of agency) and rationalist resources (analyses of long-term and short-term environment trends: threats and opportunities, perceptions and directions).

Understanding differences in the approaches of public policy making undoubtedly helps us scrutinise the ways that public policy (in this case: media policy) are formulated and engaged. Policy has surely played a pivotal role in our shared life: healthy communal engagement is only possible through healthy policies. In other words, policies cannot but about people's interest and the common interest defined in the public sphere. This way, the role of a good policy is to guard the public interest – and as such, it is a deliberation. The notion of deliberation is central here because policy making processes in a context like Indonesia can be, and may very possibly be, immune from the involvement of the wider public. Here comes the role of civil society in policy, i.e. to resonate the voices, opinions and troubles happening in the private domains into the public sphere so that they have to be picked up by policymakers, or otherwise the policymakers will risk losing their legitimacy as public agencies (some would call this strategy, '*public mongering*'). However, civil society driving public policy initiative is one thing; public policymaking in itself is another matter. Hence, public policy analysis.

In his *Analysing Public Policy*, John (1998) offers a rich way of viewing public policy analysis – despite the fact that he clearly belongs to the rationalist camp (see above). His approach encompasses political science approaches such as institutionalism, new institutionalism, ideas-based group and networks and rational choice theory. John bases his approach on usage and applicability as well as explanatory power for analysis and interpretation of public policy processes, which is judged by four main criteria, i.e. the conditions of *stability* and *change*, within a particular *sector* and *country*. What is important here is that public policy, to John (1998), is evolutionary: it evolves over time. Public policy is important as it introduces both change and stability (sometimes at the same time) in public life. On the other hand, the dynamics of the public itself influences the public policymaking processes. In other words, policy is never stagnant, as neither is the problems that are addressed by it – it reflects the evolving society. However, as John (1998) himself says,

> It is important to be careful in using the process of evolution in discussions about public policy, as the term draws its original meaning from the Darwinian idea of a competitive struggle for the fittest and from the Victorian notion of progress (p.183).

John seems to reiterate Dawkins' idea (1976) that a modern account of evolution, especially in social and political systems, does *not* assume that there is a competitive struggle among organisms or social and political actors. Rather, that they interact and modify their behaviour either through competition or co-operation to achieve the survival of their 'gene' or idea (Dawkins, 1976). In short, actors having their own interest in a certain public domain will be likely to compete or cooperate in the public policy making process.

Furthermore John believes in the evolutionary mechanism of public policy making and the role of societal interaction within the institutional, cultural, and socio-economic environments. Therefore, the changing of the policy environment could play a significant role in policy making mechanisms. As such, he believes that an evolutionary approach in policy analysis is more appropriate to explain change than stability:

5   A strategic planner places line decision-makers in an active rather than a passive position over the future of their organisation. It incorporates an outward-looking, proactive focus that is sensitive to environmental changes, but does not assume that the organisation is necessarily a victim of changes in its task environment. Because it is decision oriented, strategic planning blends economic and rational analyses, political values, and the psychology of the participants in the organisation.

There is no automatic process whereby some ideas and interests are favoured, and others are not. It depends on continual interaction and the changing nature of the policy environment. Evolutionary theory is not functionalist because it does not assume that policy-making and implementation are good for the political system as a whole. Evolution does not create stability (John, 1998:187).

What we learn here is that evolutionary theory seems to be a useful approach in public policy analysis as it is capable of mapping out the casual- interactive mechanisms of the public policy-making process. It also has sensible explanatory power to enable one to read between the lines of the main social factors on policy change.

If we now link John's idea of public policy analysis (John, 1998) and the Habermasian view of public sphere (Habermas, 1989; 2006) we can immediately identify the existing tension between normative condition and factual condition. In a democratic society there is a constitutional warranty for public sphere (*das sollen*), but in reality (*das sein*) it is not always the case, precisely because of the influence of political actors and culture. This is where Habermas considers the active role of critical civil society groups. To him, civil society and the public sphere play important roles in influencing the deliberation of the public policymakers to create a sensible and rational policy, i.e. policy that should govern and guard what is good for the public interest (for more detailed account see his other work, i.e. Habermas, 2001).

As active citizens engage through (what Habermas terms) 'media-based mass communication' in the political public sphere, media itself consequently becomes the contested arena for policymaking. Mass media can be seen as the chief of the public sphere. In turn, we now need to understand some deliberations in media policy and the ways in which they materialise into legal frameworks governing the workings of the media.

2.3. Media policy: Promises and perils

While the reason why media need to be governed by policy is now probably clear enough, the whole process of media policy making may still look blurred. It is not the aim of this report to provide a thorough review of scholarly work in media policy, rather, to present some ideas on what media policy is and how the understanding of it helps us –at a later stage—to comprehend what has been going on in the Indonesian context.

Inherent in the argument that media needs to be governed by public policy is the basic assumption that media are public and acknowledged to have public character. At least, the rationalist policymakers would see (mass) media as toll or collective goods (Djankov et al., 2003). More fundamentally, for Habermas, media are central in ensuring that society can enshrine the principle of free communication (Habermas, 1987) as this is a prerequisite to justice in any forms. It is only possible to pursue the betterment of community and social life if the media functions properly in mediating the society with the state. This lays the foundation of both why and how media should be guarded by policy.

There are at least four dimensions of media in which policy could play a role in ensuring that the public character of the media is kept. First, the *media institution*. This is concerned with the organisation of the media entity, including its financing. To keep the media entity organised and financed entirely publicly is impossible at the moment. Private media has in fact been a major player in many economies. However, it is also naïve to give up the media sector to private groups only. This is one area where media policy should be orientated: to ensure that public media (broadcasting in today's context, perhaps) still exists as the public guardian to voice public interest. Policy should also be concerned with the legal frameworks of ownership of the media, and in turn, control and licensing. In practical terms, media

ownership always means control of the content distributed to the audience and the infrastructure through which the content can be accessed. Media policy should ensure that despite the nature of the ownership, media content should always be open to public scrutiny and that the public accessibility to the infrastructure is kept as open as possible.

Second, the *media representation*. Again, despite the ownership, adequate media policy should be concerned about what the media portray and how this is transformed into content. The complexities of the matters that the society is dealing with are often inevitably reduced when they are pictured and represented by the media. While this inevitability is justifiable, media needs to ensure that the representation of the matters is proper. Of course this is a domain which is difficult to measure, but probably we can hold on to what Plato says, "*As the builders say, the larger stones do not lie well without the lesser.*" In a healthy society the lesser voice also has to be heard, which is only possible when media properly represents it. As such, this is the role of media policy: to ensure that the gatekeeping mechanism, including the organisational structure of the newsmaker enables the voice and interest of the minority to be properly represented.

Third, the *operating boundaries* of the media. Policy for media should be concerned with the area in which the media works, for they do not operate in a vacuum. In practical terms –when taking into account the importance of the public sphere—this refers to the scale and boundaries of the 'area' in which the media operate. This is of central importance as media innovation enables massive expansion of the operation area. While for conventional media like radio and television the boundary and scale is very much geographically/physically limited, for Internet technology it is almost infinite. Expansion of operation area, therefore, is one of the aspects that media policy should be concerned with. This is necessary as two things happen at the same time: on the one hand, media industry develops new business models that enable them to overcome the physical/geographical limitation of their operation (e.g. through partnership with local media), on the other, technological innovations in media develop and are adopted at an unprecedented speed, enabling new media to reach all corners of the world, making it effectively world-scale and boundary-less. One problem emerges here: if media are public and now operate at a global scale, can we assume the existence of global citizens and citizenship in the same public sphere? Certainly, society is diverse and plural in nature, and consequently media policy should ensure the pluralistic model of the media. This is a challenge in an economy in which a centralised business model might offer quicker capital return.

Lastly, but perhaps most importantly is the *social function* of media. Inherent in the very existence of media is its role of mediating between the society and the state, the individual and the social, and the individual's interest and the society's ideals of an imagined life together (see Section 2.1). In other words, it is about integration and inclusion –socially, economically, culturally, and perhaps also ideologically. Integration, as such, is certainly beyond media representation as media also needs to address complex socioeconomic and cultural interactions. Media policy plays its role to ensure that media do not neglect or ignore their social functions. Policy needs to ensure that media facilitates citizens to engage in collective practices through their activities and content. Policy also has to make sure that media 'educates' the public and enhances their sense-making ability in dealing with the complexities of society. This is done through mass-communications mediated by media. Here the notion of 'media as public sphere' becomes the core of the policy orientation – to ensure that media provides sites of social interaction which ultimately create social bonds between citizens.

While the mandates of the media policy (as abovementioned) are undoubtedly clear, as is the challenge faced: the practice does not seem to corroborate the theory. One problem is the control of the ownership –and the working—of the media. Control to the media means having control of the ways the mediation processes and contents are maintained and, in the end, the imagined social life is constructed. Take a simple example: If our televisions and printed media broadcast massively the programmes that worship hedonism and consumerism as the ultimate goal in life, do not be surprised if we then find ourselves in a hedonistic and consumer-focused society – or perhaps even we have turned ourselves into one of them. This is the problem facing our media policy today: the control of media has somehow been lost.

Media has been operating almost entirely within the private domain, whilst shaping and constructing the societal life. While it is probably too premature –at least for now—to say that media policy may have failed in ensuring the public openness of media, certainly media policy has become the last defence in our attempt to preserve the public character of media.

Maybe it is worth-noting here, as the last point in this section, that in order to understand the state control over the media, we may borrow from literature on Public Interest Theory and Public Choice Theory as discussed by Djankov et al. (2003). The Public Interest Theory, also referred to as The Pigouvian Theory states that government ownership of media is desirable for at least three reasons: information is public good, dissemination of information is costly and should be borne by the government and the neutrality of information should be maintained. In the other camp, the Public Choice Theory suggests that state-owned media is manipulative and would distort information in favour of the ruling party and ingrain its rule while preventing the public from making informed decisions, hence undermining democratic institutions. As such this prevents independent media from providing alternate voices.

Having understood the complexities of media, nevertheless, we can be sure that the perspective needed in media policymaking and policy analysis is found not in either theory, but perhaps somewhere in between, or in something that combines, the two (of course, this is in addition to other perspectives we have discussed in the earlier parts of the report). We will discuss this in more detail later in our case when we analyse media policy in Indonesia.

2.4. Analysing media policy: A simple framework of investigation

Here we offer a simple framework of investigation, comprising of few elements. Firstly, *the definition*. For the practical purpose of this study, we can define policy, *mutatis mutandis*, in terms of scale –to what extent it aims to affect. We are going to take a loose view of policy: "something bigger than particular decisions, but smaller than general social movements" (Heclo, 1972, quoted in Parsons, 1995:13). This way, we allow ourselves to focus either on a single media policy introduced at one point in time, or a constellation of policies, e.g. either on a particular media reform or on a trend in political reform spread out over many years, as in the case of Indonesia. With regard to policy analysis, Parsons (1995) suggests that it "is an approach to public policy that aims to integrate and contextualise models and research from those disciplines which have a problem and policy orientation" (p. xv).

This brings us to the second dimension: *level of analysis*. We distinguish three of them: meta, meso, and micro (Parsons, 1995) - in addition to the three paradigms in public policymaking and analysis (incrementalist, rationalist, and strategist). Meta analysis is the highest level that 'analyses the analysis' itself. In empirical work, normally this is done after the primary analysis is conducted, to evaluate the analysis in a critical way by evaluating its assumptions, origins, and significance (Parsons, 1995:1). Meso analysis is concerned with the ways in which the problem is defined, the ways that the agenda (which the policy will address) is set, and how the policy is formulated (Parsons, 1995:85). This helps us in framing the case by focusing on the problem and having an analysis that, ultimately, is aimed at "improving the quality of policy" (Hill, 1997:2). This level of analysis is helpful to analyse specific policies of countries or sectors (such as in our case: media policy in Indonesia) (see also John, 1998). Meso analysis has two components: (i) decision analysis, which is the "analysis of the decision-making process and policy analysis for decision-making,... [which] falls between policy-formation and implementation" (Parsons, 1995:245); and (ii) delivery analysis, which concerns itself with the investigation of the implementation, evaluation, change and impact (Parsons, 1995:457). Delivery analysis somehow links the meso level with the third level, i.e. micro level, of policy analysis that allows a particular research in policy implementation phase, focusing on change and impact.

Because of the nature of the media sector, as reviewed earlier, we focus our analysis at the meso level. This level of analysis and its components (decision analysis and delivery analysis) help us to carry out

an analysis of targeted policy, i.e. media policy, in all stages of the process, including policy orientation, policy-making, policy implementation, impact, feedback, and policy reform. Here, we may also recall John's framework (John, 1998) to enable a clearer sense of the change and stability that media policy concerns. However, while we have no aspiration to generalise the findings, meso level analysis helps us identify the quality of the existing media policies in our effort to offer a way of improving their quality. Meta analysis, on the other hand, will provide a suitable frame for us, as researchers, to evaluate the process as we carry out the policy analysis as a whole.

Finally, in terms of the dimension of *impact and imperatives*, public policy analysis helps us to understand the ways in which public policies affect the media, and in turn, how the media contributes to the social transformation (for better or worse). We need to be aware of actors influencing the policy-making process. As media is always a contested field, those who are able to yield enough power in influencing the decision-making process, may well determine the content of respective policies, in their own interest. This is where group and network approaches (as in Parsons, 1995) as well as evolutionary perspective (as in John, 1998) can give us a specific framework for understanding policy-making processes. However, ultimately we want to make this report accessible to wider society, particularly to various civil society groups, because, following Mundy and Sultan (2001), as cited in Zanello (2009:7), "information is useful only if it is available, if the users have access to it, in the appropriate form and language" (p.7). Therefore we want this research to have impact by making it available to the civil society groups to enable civic-driven change (Berkhout et al., 2011). This is the reason why we aim to prepare and provide the report in a more concrete, practical and user-friendly style as we believe any citizens must have the possibility and ability to access it in a quick and affordable manner (as also argued by Zanello, 2009).

2.5. Media policy in Indonesia: Some previous studies

Before we turn to our own analysis of media policy in Indonesia, we would briefly recall some previous studies on the same or similar topics. This way, whilst having a sense of what other works have achieved (in terms of results and insights), we can ensure that we do not 'reinvent the wheel'. With the studies we have available, we aim neither to critique nor to build a comprehensive analysis linking them, rather we aim to position this research in context. We now briefly review these studies in turn.

Firstly, Hill and Sen's study on the Indonesian media (*Media, Culture and Politics in Indonesia* by David T. Hill and Krishna Sen (Hill and Sen, 2000)) is probably the most often cited, since it covers the dynamics of the press, mainstream media and popular culture in Indonesia during the New Order. Not many studies have succeeded in comprehending the national media since it dealt with the subject of an authoritarian regime who opposed any forms of press freedom. Doing a research on media during the New Order was therefore a 'difficult' task to do. Secondly, in *Don't Shoot the Messenger* (Piper, 2009), Tessa Piper reports on the policy challenges facing the media in Indonesia, outlining many important facts about the latest trends in press freedom and freedom of expression in Indonesia. It highlights the important fact that the expanding media industry and increasing number of media workers has no correlation with the perseverance of press freedom. Public policies have played a significant role in creating a 'discouraging' atmosphere for journalists, information activists, and the public in general, that reduces the drive to exercise the freedom to create and share information.

In a similar vein, funded by Open Society Foundations, Toby Mendel authored a report, *Audiovisual media policy, regulation and independence in Southeast Asia* (Mendel, 2010). He provides an overview of the media policies, especially broadcasting regulations, in Southeast Asian countries, relating them to the character of the respective administration and/or regimes. The study gives important insights on the limitations of existing media policies, not only in Indonesia, but throughout the region. With most of the countries showing a slightly similar attitude towards citizens' rights to media, media policy becomes an important indicator of the overall democratisation process in the region. Mendel also tries to assess the extent to which new media is able to serve as an alternative to more traditional broadcasters.

The Freedom Institute and FNS launched a study entitled *Ensuring the Law and Civil Rights: Press, Film and Publishing* (FI and FNS, 2010). This joint study is an example of using citizens' rights perspective in examining the latest trends in media and press in Indonesia. In particular, it raises the discussion of the practice of citizens' rights in the field of press, films and literature. The report suggests that despite the *reformasi*, the general public still faces many constraints in exercising their rights. This is especially evident in the case of book banning, cases of defamation faced by journalists and critical citizens, and overlapping policies that hinder the promotion of freedom of expression. In terms of policy, some important findings that support the analytical framework of our study are: (i) that there are overlapping laws and regulations that are interpreted single-sidedly according to the vested interest of the policymakers; (ii) that there exist governmental bodies with excessive authority and overlapping responsibilities; (iii) that media policymaking process is not transparent and is unaccountable.

On the content side, Open Society Foundation funded another study conducted by Jeremy Wagstaff, *South East Asian Media: Patterns of Production and Consumption* (Wagstaff, 2010). This study offers a comparison and overview of current media development in South East Asia. With its large population, ASEAN is currently treated as a market as well as a lucrative base of production. The study surveys the latest media trends in ten out of eleven nations. It confirms the arguments about the latest development of increasing internet use among Asian countries and its potential to drive the regional economy. It also highlights people's behaviour in using the various forms of media with regard to the infrastructure available.

Our Indonesian fellows at the *Aliansi Jurnalis Independen* (Alliance of Independent Journalists) also annually delivers a report on the press and media situation in Indonesia (e.g. AJI, 2009, published annually). Each of them addresses specific concerns regarding the course of press freedom from the media workers' point of view. AJI's reports have provided much insight on the latest perils faced by the press community, most of all in cases of defamation. Apart from AJI there are few civil society organisations (CSOs) in Indonesia that have produced reports and analyses of the role of policy in media development –despite the freedom of expression and rights to media, particularly in the post-*reformasi* era, which has spurred wide attention of them. Among the few reports, most focus on how the government is hesitant in widening public's access to gain and produce information. For instance, Tifa Foundation consistently conveys the Freedom of Information Bill, and publishes several short reports on the issue (TIFA, 2010). Meanwhile, reports by ELSAM (e.g. ELSAM, 2010), Reporters Without Borders (particularly RWB, 2011), Human Rights Watch (HRW, 2010e.g.), and Pantau (in particular Pantau, 2009) have helped us view the media issue through the human rights perspective, which has been essential in our work. Other works that have been of great assistance are reports on convergence and internet uses, delivered by Mastel – telematics society[6], and Freedom House (2011). These reports contain the most recent data that informs us with the latest ICT trends and development in Indonesia.

Our research agenda aims to provide a detailed map of media policies in Indonesia, which has not been addressed previously. Moreover, our focus is mainly on the impact of the current media policy trajectory and the expansion of the industry towards citizens' rights. Through this we hope that our report may not only make a difference, but complement previous studies and together empower civil society in Indonesia in exercising their rights to media.

We now outline our methodology before presenting the findings of our study.

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6   See Roadmap ICT Nasional, available on www.mastel.or.id, 2010

3. Researching media policy in Indonesia: Methods and data

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""*Everyone who has been involved with data, surely knows that finding data in Indonesia is... problematical. And I have been working quite long in fields that have to deal with data. In reality interviewing people is not that simple ... although we as an institution [Ministry of Communication and Informatics] already have the necessary instruments in the local regions. As for the instrument, we have a bureau (UPT) which networks with the local governments. But still we must do that [formal procedures]. Doing interviews with people is also different; in fact it is easier to interview normal citizens, than with the industry. "*
(Siti Meiningsih, Ministry of Communication and Informatics, interview, 05/01/2012)

As previously reviewed, several studies (e.g. AJI, 2009; Hill and Sen, 2000; Piper, 2009; Wagstaff, 2010, among others) have described the journey of media in Indonesia. But what is missing in that trail is a comprehensive map on Indonesian media policy, i.e. one that comprises both historical as well as political economy aspects of media-policy making, in regard to citizen's rights to media. Finding previous studies on this matter was therefore difficult.

In organising this research, we have carefully considered a rigorous yet practical methodology that would help us find and employ valid data in order to generate a primary map of the trajectory of media policy in Indonesia and to build a conceptual explanation on its development. As such we anticipate the use of multi instruments for data collection following a main approach that we deem suitable to address the complexity of media policy analysis.

We detail our research strategy briefly below.

3.1. Approach

As we aim to map as well as reveal the making process of media policy in Indonesia, it is imperative that we adopt an interpretivist, qualitative approach (Denzin and Lincoln, 1994). Following Cassell and Symon (2004), we deem this approach suitable for our purpose on the grounds that: (i) we focus on the processes, mechanisms, details, and insights of the trajectory of media policy; (ii) we aim to be able to build explanations and give specific meanings to the phenomena involved in media policymaking processes; (iii) we are concerned with the contemporary settings of the media, its policy, and factors affecting both; (iv) we aim for flexibility in data collection as obviously policy analysis involves complex stages; and (v) we aspire to be able to offer our own reflections on the findings alongside the research process. Moreover, qualitative approaches such as this provide an 'insider's view' (Bryman and Bell, 2007), i.e. it enables us, the researchers, to see a phenomenon from the respondent's viewpoint.

In qualitative research, context is of central importance as it is both unique and dynamic. Consequently, while it is powerful in giving meanings to findings, context makes qualitative study difficult to replicate, let alone achieve the same result. Hence approaching the media policy research from a qualitative perspective requires a thorough and detailed contextualisation, which also links to the notion of 'truth'. Basically, a qualitative approach does not assume the existence of a single 'truth' which is 'out there', waiting to be revealed. Instead, truth is subjective to the researcher, depending on the understanding, meaning, and context embodied within it (Cassell and Symon, 2004).

A qualitative approach is highly useful when researching a complex subject –such as in our case: media policy and policymaking processes—as in-depth exploratory explanation is required. This approach is also useful when the research topic needs to be approached using certain theoretical frameworks which are still developing (Creswell, 2003), or requires the combination of different strands of theory (Cassell and Symon, 2004). In our case, we do combine different theoretical camps in public policy analysis (Djankov et al., 2003; John, 1998; Parsons, 1995), in media studies particularly to understand the working of private media (Herman and Chomsky, 1988; McChesney, 1999), and in the political economy perspective of the media (including the Internet) (Cohen and Arato, 1994; Mansell, 2004; Morozov, 2011). Understanding of citizens' rights builds upon previous scholarly works (e.g. Benhabib, 2004; Janowitz, 1980), particularly in the context of civil society in Indonesia and Southeast Asia (Bunnell, 1996; Eldridge, 1995; Ganie-Rochman, 2000; Hadiwinata, 2003; Warren, 2005).

Such an approach may appear excessive for this research, however it is designed to ensure rigour, as we are aware that different epistemologies will result in different interpretations of 'truth' from the same single reality (Cassell and Symon, 2004) – which in our case is the media and media policy in Indonesia.

We now operationalise the approach through the choice of methods and the data collection strategy employed.

3.2. Methods

Qualitative research can use any single or combination of a number of methods to collect data such as interview, focus group, workshop, ethnography, observation, or document/text, among others (Cassell and Symon, 2004; Creswell, 2003). For our purpose in this research, we have collected the secondary data from desk research, and primary data from in-depth semi-structured interviews and expert interviews known as Delphi interviews (Miles, 2002; Miles and Keenan, 2002).

The secondary data sources are from previous studies, published in any format accessible to us, e.g. papers, presentations, books and even grey literatures. These have been used to collect background data on the research object in order to produce a media policy map. To gather and make sense of existing media policies, we have mainly used text analysis by using legal documents, roadmaps, annual summaries, reports, papers and news articles to model the media policy map. The primary data is collected from direct interaction with resource persons through in-depth semi structured interviews and with experts through Delphi interviews. Key to this method is selecting the correct respondents. As this is qualitative research, the main consideration is not the question of representativeness, but whether the subjects have significant information or experience in their role or relevant expertise (be they policymakers, media practitioners or business owners)..

Once the methods were clear to us, we devised our strategy and prepared the instruments to collect the data.

3.3. Data collection strategy and instruments

Mapping media policy involves three important aspects, i.e. (i) identifying the policies; (ii) determining the links among policies; (iii) carrying out the analysis of the policies. These aspects were the main considerations in our strategy when scanning the array of secondary data available to us. As such, we paid attention to the historical aspect and the political economy context, in order to gauge a nuanced understanding of previous media policies, both during the Old and New Order era (i.e. from Soekarno's to Soeharto's administration) and during the more contemporary time (i.e. from *reformasi* to today). This secondary data was mainly gathered through desk-study, both online and offline. Perhaps it is worth noting that online desk-study by means of the Internet has provided us with quick access to official portals of relevant institutions and organisations whose data are often critical for us in our attempt to map media policy, or to understand the certain contexts around a certain policy. In particular, possibly thanks to the e-government spirit spreading in Indonesia's public offices today, we also benefit from the ability to access the official documents and regulations from the official websites of our relevant targets. Among them are the websites of the Ministry of Communication and Informatics, the Indonesian Broadcasting Commission, the Press Council, and the State Secretariat (Setneg). Major newspapers are also available online, helping us to quickly access and select articles relevant to our research.

In order to place the current policies (i.e. from *reformasi* until now) into context, first-hand information was key, and therefore was inevitably sourced. Hence, we conducted a number of interviews with actors involved in either policy-making processes (e.g. government, public officials, as well as CSO advocating some policies) or those that have direct experience in running media business (e.g. media practitioner, media business owners or executives) and are thereby affected by existing regulations. For these persons, our interviews focused on finding answers to the following key issues/questions: (i) what the main responsibility of the respective institution/regulator is; (ii) what the main policies affecting citizen's right to media are; (iii) the extent to which the state has ensured access to media infrastructure; and (iv) according to the background of each person, the specific needs and concerns over the latest media development and its relation to current media industry development.

In addition, we also held Delphi interviews (Miles, 2002; Miles and Keenan, 2002) which were conducted with a number of experts in media policy and media industry. These mainly comprised of academics and individuals from government, business and civil society sectors) who provided insights into the media policy making processes and the dynamics of media industry in Indonesia. In the Delphi we address the trajectory or map of media policies in Indonesia. In particular, we asked about the Broadcasting Law and the hindrances in implementing the *siaran berjaringan* (network-based broadcasting) system[7]. We confirmed the impact of such media policies, the factors influencing media policy-making, and considerations in assuring citizen's rights to media through media policy. Lastly, we also asked about the new media and its impact.

We follow the common best practice in rigorous qualitative research to process the data generated from the collection phase (Cassell and Symon, 2004; Creswell, 2003; Denzin and Lincoln, 1994). Accordingly, upon consent sought from the respondents, we recorded all the conversations and transcribed them. We then arranged the qualitative data for content analysis. (See Appendix 1 for the interview and Delphi protocols.)

3.4. Limitations

Despite the rigour applied in this research, for the sake of the validity of our findings, we acknowledge some limitations. First, a general understanding is that data, whether it comes in form of statistics or historical documents, is a limited resource in Indonesia. This has been our finding. Moreover,

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7   We will discuss this later.

limited data has been a problem to those policymakers we engaged with[8], in addition to overlapping responsibilities amongst authorities for certain official data. For example, while it is the responsibility of the Ministry of Communication and Informatics to collect the Indonesian ICT data, another authority, BPPT (or *Badan Pengkajian dan Penerapan Teknologi*/The Agency for the Assessment and Application of Technology) under the Indonesian Ministry of Research and Technology, also conducted an ICT survey (in 2008). As such, this has caused some confusion not only about which data can be regarded as 'official' but also about the role of authority in providing it. To respond to this, we take a loose approach: we use whichever data is available and accessible to us and analyse it all.

Second, we noticed that some data deemed necessary for this research was, in certain cases unavailable, partly because the subject had not previously been gathered. This applies most of all to internet-related-data in Indonesia. Since much of the relevant data is not regularly updated, some is obsolete. In response, we use the most recent data available accessible to us, which also includes sourcing from grey literatures, both on-line and off-line.

Third, in cases where the data is available, access is sometimes restricted. Data owned by private research institutions for example, must be purchased (often at a high price). However, worse, since these companies do not deliver national surveys, the data is often not representative. This is also a critic on the Nielsen method, from whom we did not purchase data, despite the existing need: there is a methodological constraint in which households surveyed are only based in ten cities, and therefore do not fulfil the expectations of a general portrait. Our response to this is to purchase data that is affordable to us (within our research budget limit). As this research is licensed under a Creative Common, we can comply with the copyrights clauses of the data publisher.

Lastly, we also faced restrictions in acquiring the primary, first-hand data, from policymakers, e.g. the Member of Parliament, or official/public commissioners. This is despite the anonymity and 'off-the-record' options that we offered when seeking their consent prior to the interview. Apparently, most of the data on media and surrounding media policymaking seem to be quite sensitive, even for research purpose. Taking this into account, the degree of depth for the various policy analyses that we conduct may vary: one policy may be analysed in much greater depth than another. However we try our best to put them into perspective in our attempt to capture the dynamics of the media policy in Indonesia.

3.5. Data profile

We briefly present here the profile of our data for quick assessment. Firstly, we have interviewed, in total, 20 respondents, of which four are policymakers, six are media practitioners, two are media owners, four are CSO senior activists, one is an academic and three are experts. Of those interviews, the Delphi makes up 6 of them (or 30 %). On average, interviews were about 60 minutes long, ranging from 45 to 90 minutes. Overall this yields 19 hours and 47 minutes of interviews which were then transcribed and as result we have 81,703 words of text for our content analysis.

Our secondary data originated from various sources. For the data we sourced from media, we consulted *Kompas*, *Tempo*, *Vivanews*, *Beritasatu*, *ANTV*, and *TransCorp*. This data ranges from 1960 to 2010. We also purchased the data from Central Statistics Bureau on ICT statistics covering the period of 2005 to 2010 in order to gain first hand data on access to media and its uses, obtained through the *Susenas survey (Survey Sosial-Ekonomi Nasional / Social economic national survey).* Despite the limitation as we described above, we consulted some official bodies such as the Indonesian Broadcasting Commission, Ministry of Communication and Informatics, and Press Council, to provide us with information regarding current policies in media.

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8   Interview with Siti Meiningsih, Pusat Data (Research Centre) at the Ministry of Communication and Informatics (05/01/2012). She openly stated the problem of data gathering eventhough acting as a state official.

All data is stored in our database and some is available for the audience upon request, subject to the copyrights conditions that are attached to some particular data.

Having presented the methodology of this research we now turn to our case: understanding media policy in Indonesia.

4. Media and media policy in Indonesia: An overview

4. Media and media policy in Indonesia: An overview

"Policies are very important, and it is the government who should bring us forward, leading the industry or whatever. And we hope that this leadership is executed by the government. We do have choices, but leadership will show itself, no matter what. In the jungle, a natural process takes place, where the lion becomes the ruler of the jungle, and it happens as expected. So is the business world. If no one is controlling this, a natural process will happen where companies will take the lead and then eventually dominate everything. That process will take place, and it will head towards monopoly. This will pose a threat, I think. Before that happens, the government should take the lead."
(Kanaka Hidayat, Masyarakat Telematika, interview, 13/12/2011)

The quote above describes perfectly what this chapter is all about. The Indonesian media has changed from predominantly public to largely private, particularly after the 1998 *reformasi*, which often is seen as *the* major turning point in the history of media in the country. Such a change requires media to be regulated, in order to ensure its public character and that it is mediating the public. However, the dynamics of the media sector are not always addressed by the policy in an appropriate manner. More than often, the policy does not match the practice or is unable to understand the new contexts in which the media works, and subsequently fails to anticipate its consequences.

A quick look at the history of media policy in Indonesia shows that the current national media policies revolve around the two main policies, namely the Broadcasting Law UU 32/2002 and Press Law UU 40/1999, which are both products of the *reformasi*. In addition to this comes Government Regulation PP 50/2005 on private broadcasting, which is often left out of the discussion on media policies in Indonesia. This regulation has in fact contributed to the recent dynamics of our media which is dominated by private media groups – be they in terms of infrastructure or content, be they for better or worse for our society. Also, Indonesia has witnessed the introduction of its first cyberlaw, namely the UU 11/2008 on Electronic Information and Transaction/*Informasi dan Transaksi Elektronik* (known as ITE Law). This law contains article No 27 which has stirred controversy over the infamous case 'Prita vs. Omni Hospital' when a housewife complaining about the quality of the service of a private hospital was charged with defamation using the cyberlaw as the legal basis.[9]

Clearly, policies, or the lack thereof, in the media sector in Indonesia not only affect the development of the media industry including its infrastructure and content, but more importantly impact upon the society in that the regulatory frameworks fail to ensure the public character of media. This chapter provides an overview of existing regulations and media policy;its relation to the industry and its political virtues. Furthermore we try to pinpoint the impact of media policies on citizen's right to media.

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9   The story on the case can be found in Puthut, et.al (2010)and also on Wikipedia.

4.1. Media and media policy in Indonesia before and after reformasi: A historical account

Early days, Old Order and New Order

In its earliest days, the media and press in Indonesia had been identified with resistance. From the eminent RM Tirto Adisoerjo who established *Medan Prijaji* during colonial oppression to the rigorous Mochtar Lubis with his *Indonesia Raya* newspaper, the Indonesian media has proven its reputation for having a daring, critical voice and character. In the early days of independence, the term '*Pers Perjuangan*' (Press for the political struggle) symbolised the role of media as a counterpart of the national struggle. President Soekarno has deliberately used the media as a 'tool for revolution', but also as a means of controlling his political and development agenda.

But it was not until 1966, or twenty-one years after its independence, that Indonesia had its first formal policy on press and media. The *Basic Press Law* UU No 11/1966, regulating printed press and principles of the national press, clearly stipulated the use of media as an ideological tool, literally stating:

> National press serves to integrate progressive-revolutionary forces in the struggle against imperialism, colonialism, neo-colonialism, feudalism, liberalism, communism and fascism (UU No.11/1966 Article 2).

What we see here is an instance in which national media had exceeded its function as 'the extension of man' (McLuhan, 1964), since it had now served as the extension of the state. Tracing the history back to the end of Soekarno's administration: during the G30/S 'event' in 1965 (which is often marked as the Indonesian Communist Party's/PKI's mutiny) and its aftermath (including Soekarno's fall), one central feature of the event was the drama around the taking over of RRI Tower (*Radio Republik Indonesia* or the Radio of the Republic of Indonesia, the state broadcaster). Attempting a *coup d'état*, the group of PKI elites controlled the radio tower while announcing to the whole nation half truths about the happening (Ricklefs, 2008). This illustrates the vital importance of controlling the media as the main source of information, and thereby the consent of a whole country. It might be one of the best examples showing that control over information determines the rule over the masses.

Following the turmoil post the G30/S movement, General Soeharto took the power and commenced his 32-year presidency, known as the New Order. Eventually, the New Order inherited Soekarno's art of governing mass media, although leaving the revolutionary attitude behind (Hill and Sen, 2000:53), whilst choosing a more pragmatic approach. Yet, censorship was common, and permits to establish new press companies were rarely given (Armando, 2011; Hill and Sen, 2000). Consequently, national media was still bound to restrict the state policies. Although enjoying a slight improvement in terms of cultural expressions (Hill and Sen, 2000:239), media was closely monitored by the Ministry of Information. The corridors in which media practices are allowed have been strictly set and demands conformity with no tolerance of critical views towards the state. The main policies governing the media during the New Order period are the *Press Law* No 21/1982 and the *Broadcasting Law* No 24/1997, however, they are seen as pure 'cosmetics' of the face of the regime.

Reformasi: Turning the Tables

Reformasi is indisputably a crucial turning point in Indonesia's modern history. Not only did it mark the fall of Soeharto's regime and with it the New Order, it also brought the promise of democratisation, most notably, in the form of freedom of the press.
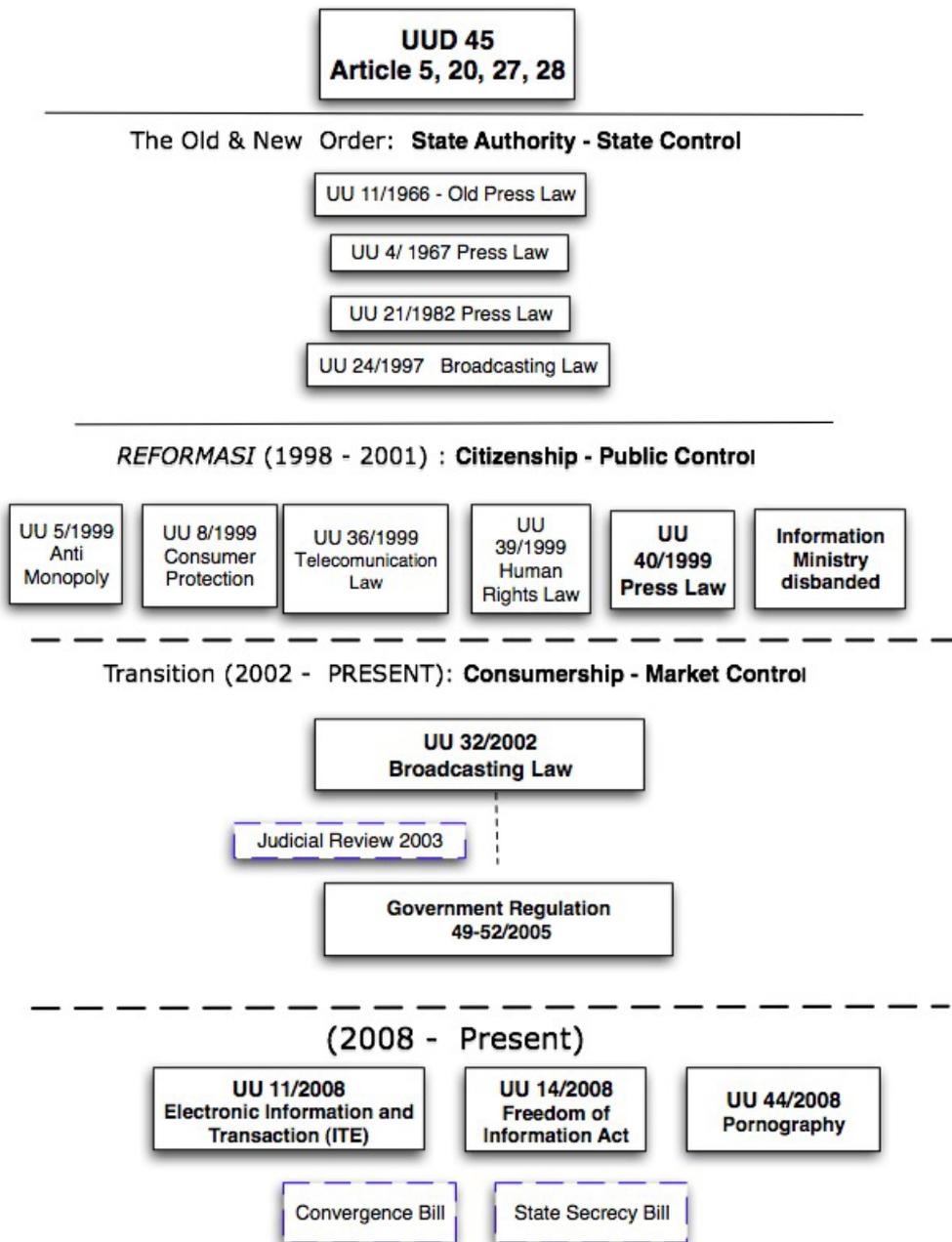
Figure 4.1. Media policy anatomy in Indonesia
Source: Authors

Thus, in terms of citizens' rights to media, the tables have been turned (Hill and Sen, 2000:221). *Reformasi* tore down all the walls that had barricaded citizens' access to media, particularly in acquiring, producing and distributing information. The momentum was perfect to perform a legal reform on the existing regulatory framework, in order to enact a lasting structural change. One major agenda

was the amendment of the state's constitution UUD 1945. Only then would other policies, including those related to media, be jurisdictionally correct, and have regulative power. Retrospectively, without the rights to media, the effort in ensuring the implementation of the Constitution, Laws, policies, regulations, and other regulatory framework through media would have no legal basis. Thus, in the Second and Third Amendment of the Constitution (UUD 1945), the rights to media and information have been clearly stipulated and explicitly written down.

Press Law No. 40/1999 (UU Pers 40/1999)

The first policy corresponding to the *reformasi* and its demands for the promised freedom of press was the Law No. 40/1999 (Press Law). Ensuring a free press was among the first priority of the new administration, led by Abdurrahman Wahid (or widely known as Gus Dur). He then continued the reform spirit by formalising the abolishment of the Ministry of Information, legalised by the Government Regulation PP No 37/2000. The Department, which served as the press and media control during Soeharto's era, now disappeared. With it, the obligation for obtaining the publication permit (known as SIUPP *Surat Ijin Usaha Penerbitan Pers*) also ceased to exist. As a result, numerous press companies and newspapers emerged. *Reformasi* has resulted in a mushrooming of newspapers as practically everyone was encouraged to join the race in setting up new print publications.

The broadcasting industry experienced a similar fever. Post 1998, new private broadcasting companies began to emerge. The government started to issue the permits for using terrestrial medium, and the shift from public broadcast to private broadcast became apparent. New private television stations (among others: Metro TV, Trans TV, Global TV) were queuing to air while at the same time, TVRI's role began to deteriorate – although this might also have been a result of the sentiment to the Old Order who used TVRI as a propaganda medium.

Noticing this pattern, the media community took into account that, in a similar way to their counterparts in the print media, they would eventually need a reformed broadcasting law. The one available at that time, Law No 24/1997 (Broadcasting Law), was simply inadequate to keep up with the latest changes in media technology and business expansion, and most of all in the socio-political contexts in which the media operate.

Broadcasting Law No. 32/2002 (UU Penyiaran 32/2002)

The drafting of the then Broadcasting Law No. 32/2002 (at that time was drafted and discussed as a bill) began in 2001. Just like other policies which address communication, national security, defence and international relations, the bill was coined by Commission I of the House of Representatives. The idea of drafting a new broadcasting law was simple: to replace the outdated, overly-controlling and determining existing Law with a reform-driven, access-assuring one. It might be worth mentioning that the media expert Toby Mendel, who was supported by UNESCO during the process, composed major parts of the draft (Armando, 2011). The drafting process was also motivated by the aspiration to not repeat the unhealthy ownership practices during the New Order, where television channels were mostly controlled by one family, i.e. that of President Soeharto known as *Keluarga Cendana*.

However the drafting process did not proceed as smoothly as it did with the drafting of the Press Law. The difficulties arose around the concept of '*Siaran Berjaringan*' or the Network-based Broadcasting system for television[10]. This scheme was eventually confronted by the industry, who found the concept threatening, since they would lose their share of advertisements to local television – and therefore lose their revenues too (Armando, 2011:57). The Network Broadcasting system inevitably requires major investments to set up local stations including the transmitters and studios. As such, this idea did not impress the broadcasting industry and investors very much. Nevertheless, the bill eventually gained its approval from the House of Representatives in November 2002. Although President Megawati never signed the Law as a gesture of disapproval (Armando, 2011), it remains effective and legally binding. The Broadcasting Law No 32/2002 also clearly formulates the role and responsibilities of the state regarding broadcasting matters. In order to avoid an authoritarian approach such as the one practiced during the New Order, the Law divides the power in regulating and controlling the broadcasting between the state and public, with the latter being authorised to a new independent body, namely KPI (*Komisi Penyiaran Indonesia*, or Indonesian Broadcasting Commission).

As an independent body, KPI is expected to be a neutral institution that fosters the principles of an autonomous and accountable broadcasting system. But many also feared that KPI would turn into a 'superbody' whose power exercise would exceed its initial authority. The media industry took immediate measures and brought the regulation in March 2003 to be reviewed by the Constitutional Court. Clearly, from the beginning, the industry had been trying to hamper, if not abolish, the implementation of the Law, especially the network-based broadcasting concept.

Government Regulation No. 50/2005 (PP 50/2005)

To the surprise of the public and proponents of the Broadcasting Law, the Constitutional Court appealed against part of the Industry. However, the Constitutional Court approved the major point demanded by the industry: that it was only the government who had a role in detailing the content of the regulation such in the Government Regulation (or *Peraturan Pemerintah*). The industry was represented by six associations, i.e. the *Ikatan Jurnalis Televisi Indonesia* (Indonesian TV Journalist Union), *Persatuan Radio Siaran Swasta Nasional Indonesia* (Indonesian National Private Radio Union)[11], *Persatuan Perusahaan Periklanan Indonesia* (Indonesian Advertising Companies union), *Persatuan Sulih Suara Indonesia* (Indonesian Voice Over Union), *Komunitas televisi Indonesia* (Indonesian television community) and ATVSI (*Asosiasi TV Swasta Indonesia*, or Association of Indonesian Private TV Broadcasters), with ATVSI acting as an informal leader of the industry.[12] As demanded by the industry, the role of the broadcasting regulator was returned to the state, namely in the hands of the Ministry of Communication and Informatics. The decision ultimately emasculated the role of KPI as an independent regulator who represented the interests of the public.

Hence it was the state itself that caused controversy in the implementation of the Broadcasting Law. In 2005, the government endorsed the Government Regulation No. 50/2005 to fill the void of a necessary regulation, following the outcome of the judicial review on the Broadcasting Law. This regulation marks another big, yet mostly unnoticed, turning point in the media policy course.

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10   Network Broadcasting (*siaran berjaringan*) scheme requires TV broadcasters with national coverage to relinquish the use of their allocated frequency in their coverage areas to local TV broadcasters. If the broadcasters located in the capital city (Jakarta) want to have their programmes to be received in certain areas, they have to cooperate with the local broadcasters in those areas. As such, the basic spirit of the scheme is to promote the diversity of ownership, the diversity of content, and local wisdom.

11   PRSSNI was formerly led by Siti Hardijanti Rukmana, first daughter of then president Soeharto.

12   ATVSI (Association of Indonesian Private TV Broadcasters) was established in l August 4, 2000 and founded by RCTI, SCTV, TPI, Indosiar, ANTV. Currently ATVSI consists of 10 members, namely the founders themselves plus Trans TV, Global TV, Metro TV, Trans 7 and TV One. All ten channels are airing nation-wide. ATVSI vision is to improve Indonesia's broadcasting industry, whereas its mission is to improve, uphold, and deliver the interests and common goals whilst enhancing work ethics, behaviour, professional responsibility and service in the interests of the society. (www.atvsi.or.id)

With the PP 50/2005, the industry started to gain more space to roam and manoeuvre, except for having to implement the *siaran berjaringan* (network-based broadcasting) system. Some regarded it as a drawback to Soeharto's regime (e.g. Laksmi and Haryanto, 2007:72). The content of the PP No 50/2005 contradicts many points set by the Broadcasting Law, most notably regarding the process in acquiring permits and the obligation to implement the Network Broadcasting system. In fact, the regulation defies the Broadcasting Law, by allowing a broadcasting network to cover a maximum of 75% of the total provinces in Indonesia. The enactment of this regulation was immediately denied by the House Members from the Commission I, and was ultimately criticised by media activists for neglecting many instructions stipulated in the Broadcasting Law. Media experts were concerned with the same thing:

> I do see the inconsistency in this regulation [PP 50/2005]; a lot of aspects contradict the [Broadcasting] Law itself. (I. Haryanto, interview, 22/08/2011)

Later, on 23 February 2006, the Indonesian government eventually ratified Article 19 of the International Covenant on Civil and Political Rights (ICCPR), which guarantees freedom of expression. The law protects not only the rights of individuals in self- expression but also their right to seek and receive information and ideas (Mendel, 2010:9). This however, was no assurance of the promised freedom of expression, as the course of political and legislative development which followed would show.

Revising the Broadcasting Law

The Broadcasting Law is now the subject of revision. Having gone through an extensive political process, mainly during the Judicial Review, the Law is now a mere legal document which remains ineffective in its implementation. After the endorsement and then the enactment of the Government Regulation PP No.50/2005, the Law and the KPI both became undermined, ironically by the government itself. In particular, KPI's role in regulating media has since clearly diminished. The regulation has reinstated the Ministry of Communication and Informatics as the main authority in issuing permits, and has the final vote in giving permissions to media to operate.

Now, nearly a decade later, the parties involved in the policymaking process as well as other stakeholders affected by the Law are aware that it needs revision. This has been acknowledged by practitioners and experts:

> "It needs a stronger KPI, and we also have agreed on the Siaran Berjaringan system. It becomes troublesome because the revision of the Siaran Berjaringan system is a political arena where we can see the different sides taking on their own interests. One thing is for sure, some want to undermine KPI's authority. They do not want the Siaran Berjaringan system, because it is not profitable. (I. Haryanto, interview, 27/10/2011)

A member of the Press Council, A. Sudibyo, adds:

> Regulation that is needed must be constituted upon the spirit of the initial Broadcasting

Law; that is to empower the Broadcasting Commission [KPI]. No matter what, the Commission must stand strong" (A. Sudibyo, interview, 27/10/2011)

As the current Broadcasting Law has no power in controlling media ownership, despite the article on *Kepemilikan Silang* or cross ownership (Article 18), the Law remains ineffective in preventing the agglomeration of media ownership that is currently taking place.

Logically, a revision of the Law would be a fitting opportunity to include further improvements that could bring the broadcasting scheme closer to its initial goals. It must be understood that the revision process is a political battleground. Until now, the Ministry of Communication and Informatics, CSOs, as well as KPI have submitted their drafts of the revision of the Law to the House of Representatives. The Ministry of Communication and Informatics have reportedly proposed that the state (in this case, the Ministry itself) should remain as the sole broadcast regulator[13]. As for which one of these drafts will be taken as the final version is subject to a highly political decision making process, where the public will very possibly not have much of a say.

Post-reformasi: Quo Vadis?

One of the difficulties in analysing current media policy dynamics in charting its history. For practical and analytical purposes, we term the current period *post-reformasi*, covering the period of 2004-present day. As an 'infant democracy', the ramifications of *reformasi* have not been clearly defined, and the current transition period would most fittingly be identified as such. President Soesilo Bambang Yudhoyono (SBY), the first directly elected president in Indonesia (2004-present), and his administration have contributed towards shaping the contemporary media policy framework. Despite stability in terms of security, politics and the economy, the effort to ensure citizens' rights in freedom of expression is consistently questioned.

In fact, in recent years, with 2008 often cited as the most significant, the public has witnessed a 'revival' of state intervention regarding public expression and public morality. While the media industry continues to walk along their own path, the general public and civil society have learned to overcome new barriers in exercising rights of speech and expression. The Pornography Law (UU No. 44/2008) is such a case. Heavily debated, the Law tends to limit the freedom of expression and individual rights and is discriminative to female individuals. It also contradicts many forms of cultural expressions that are inherent and passed along in many tribes and ethnic groups in Indonesia. With the passing of the Law, many media practitioners and creative groups such as filmmakers and artists worry that their work would be easily banned.[14]

The infamous Prita Mulyasari case is an example. Like most of the cases faced by journalists and other bold bloggers,[15] she was charged with defamation, enabled by vague articles in the ITE Law 11/2008, which states:

> Every person who deliberately or without given the right to distribute and/or transmits and/or enables access to electronic information and/or electronic documents containing offensive and /or defamatory material. (UU 11/2008 Article 27 Verse 3)[16]

13   Interviews with E. Suyanto (member of the Indonesian Broadcasting Commission, 16/09/2011), I. Haryanto (media expert, 22/08/2011)
14   See http://elsam.or.id/new/index.php?act=view&id=450&cat=c/101, accessed on 14/9/2011.
15   Beside Prita, other bloggers and ordinary citizens were threatened by the defamation act. Also in 2008, Agus Hamonangan, moderator of the *Forum Pembaca Kompas* mailing list was questioned by the police due to an article posted by Iwan Piliang, who accused then House Member Alvin Lie of racketeering (http://opensource.telkomspeedy.com/wiki/index.php/September_2008_-_Agus_Hamonangan_Moderator_Forum_Pembaca_Kompas_di_Periksa_Polisi), accessed on 20/08/2011
16   The original wordings in Indonesian, "*Setiap Orang dengan sengaja dan tanpa hak mendistribusikan dan/atau*

Still under SBY's presidency, the government endorsed other bills that endanger press freedom and public expression. In 2008, the Intelligence Bill, the General Election Bill and the State Secrecy Bill were issued and caused much debate and apprehension among civil society actors. Also, until now there are about 20 articles in the Criminal Code (KUHP *Kitab Undang-Undang Hukum Pidana*) which regulates aspects on state secrecy, national security, and trade confidentiality where the press and public will find hindrances in reporting on the subject (FI and FNS, 2010:8). These initiatives are considered as potential setbacks for the public, who have enjoyed a relatively supportive atmosphere in terms of exercising cultural expression in the course of post-*reformasi*. It appears that the year 2008 is considered as a setback in the great endeavour of achieving an ultimately independent and free media atmosphere in Indonesia, with four laws containing the potential to imprison journalists (Piper, 2009:47).

In 2009, a critical case was the banning of John Roosa's *Dalih Pembunuhan Massal* (A pretext for mass murder)[17] and four other books. Dealing with the much-disputed G30/S movement subject, the book successfully caught the attention of the authorities, especially the Supreme Court (*Kejaksaan Agung*), who listed these books as inappropriate and therefore revoked publishing rights. Even more baffling to the public, the verdict used an outdated Law that remains legally binding, i.e. the Law No. 4 /1963 on *Pengamanan terhadap Barang-Barang Cetakan yang Isinya dapat Mengganggu Ketertiban Umum* (Pacification of printed goods with Content that could endanger public order).

Following this, more recently in 2011, the Intelligence Law (UU No. 17/2011) was passed by the House. Members of the public and civil society were concerned that the articles in the Law which authorises state agencies in wiretapping, may be used against the exercise of the rights of freedom of speech – just as in the Prita Mulyasari's case above, which was based on the ITE Law. Similar to other rights-threatening regulations, the Law is vague in terms of the complaint and recovery mechanism and can therefore be easily used by anyone who feels to have been discredited or harmed (Piper, 2009:29-31). The Law is therefore not only a potential threat for journalists, but also for everyone who posts investigative and critical articles or information, which is a practice currently undertaken by many bloggers.

In addition to the Intelligence Law, Indonesia has at least nine laws that allow the authorities to conduct surveillance or wiretapping, namely (Freedom House, 2011:11): 1) Chapter XXVII Indonesian Criminal Code, Article 430—434; (2) Law No. 5 of 1997 on Psychotropic Drugs; (3) Law No. 31 of 1999 on Eradication of Corruption; (4) Law No. 36 of 1999 on Telecommunication; (5) Government Regulation in Lieu of Law No. 1 of 2002 on Combating Terrorism; (6) Law No. 18 of 2003 on Advocates; (7) Law No. 21 of 2007 on Combating Human Trafficking; (8) Law No. 11 of 2008 on Electronic Transaction and Information; and (9) Law No. 35 of 2009 on Narcotics.

In addition to this, comes the RUU *Tindak Pidana Teknologi Informasi* (TIPTI) or Informational Technology Crime Bill. It is anticipated as a follow up, or even perhaps substitution, to the existing ITE Law and aims to control digital interaction even further.[18] The bill has not been approved until now, but attention to the legislation process should be given, with comments warning that its substance might be more repressive than the ITE Law.

In sum, this historical account shows how Indonesia entered the *reformasi* era with mounting hopes of gaining the long-awaited freedom of expression and press freedom. In its early years, this hope proved to be rightfully placed. As the transformation process unfolds, however, freedom has illuminated itself as a right which cannot be taken for granted, but at any time must be stood up for, regardless, or even

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mentransmisikan dan/atau membuat dapat diaksesnya Informasi Elektronik dan/atau Dokumen Elektronik yang memiliki muatan penghinaan dan/atau pencemaran nama baik."

17   For a detailed report and coverage of the case, visit www.elsam.or.id, which was actively engaged in filing the case to the Constitutional Court

18   http://www.satudunia.net/content/mari-kritisi-ruu-tipiti, and http://nasional.vivanews.com/news/read/115795-uu_ite_diganti_ruu_tipiti_yang_lebih_keras, accessed on 27/12/2011

because of, the democratic promises by the government. What is concerning here is the fact that in this development, the citizen remains a mere object in the midst of competing media companies, who have come to realise that the public sphere is politically and commercially worthwhile, but less so socially. This would seem to resonate with Habermas' concern that public sphere cannot be assumed, let alone taken for granted (1989; 2006), as well as the nature of media in society (after, e.g. Herman and Chomsky, 1988; McChesney, 1999; McLuhan, 1964). Emancipating the public has, therefore, become more of an unintended consequence (Habermas, 1984; 1987), instead of a morally driven public duty (Cohen and Arato, 1994). In this light, taking up the challenge of defending citizens' rights to media is one of the vanguards in ensuring human rights, which are the rights of every individual.

4.2. Media and press freedom: The role of policy

Part of the reformist agenda was to ensure that the ideals of a free and independent Fourth Estate (Carlyle, 1840; Schultz, 1998) would attain legal assurance in the form of a new Press Law. As a result, only one year after the *reformasi*, the House eventually enacted Press Law no 40/1999. It provides journalists, press companies, and journalist organisations with a legal framework in which they conduct their work. The law also stipulates the necessary rules in managing press organisations and assures the least amount of state interference in order to establish a purely independent press atmosphere. The main policies regulating the national press are illustrated below.
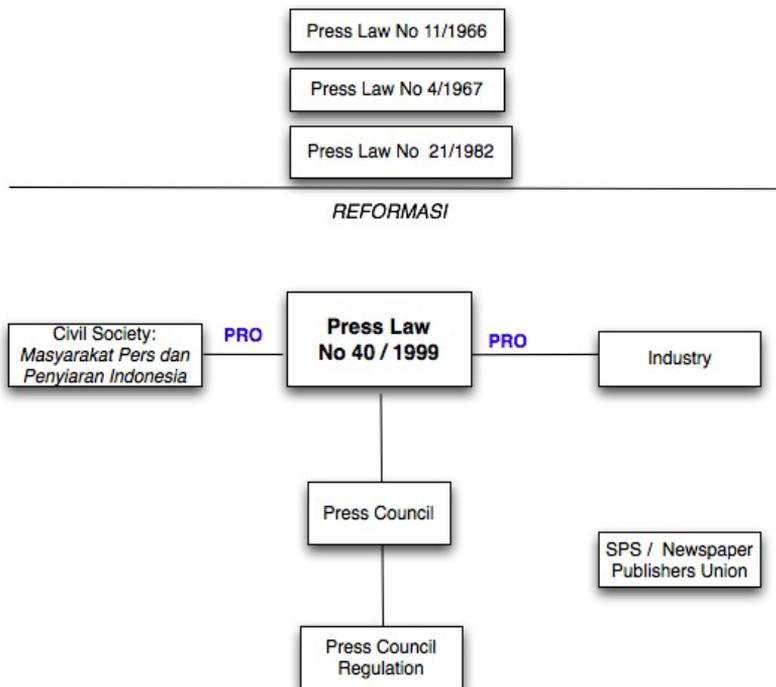
Figure 4.2. Main press policies in Indonesia
Source: Authors

As shown above, the press reform is one of the success stories of the early *reformasi* era. Both the press community as well as the industry supported the Law since its drafting. The press community eventually gathered to make sure that everyone was on the same page. According to Armando (2011:154), this was not a very difficult task, since all parties bore the same interest and vision: a self-controlling, self-

regulating press, that is immune to censorship and cannot be banned by any means. According to Piper (Piper, 2009:20) there are at least two positive aspects of the Law: First is the recognition of its role as a form of social control; and second, the application of sanctions or penalties instead of imprisoning media practitioners who broke the law. The Press Law did not require any government regulation to further regulate the press. This was to be the task of the Press Council, and of the press community itself (i.e. the publishers union, or journalists association).

We will see now the role of policy and its processes, in ensuring media and press freedom in Indonesia.

Reforming the Press Council[19]

The national press council was established in 1968 based on Basic Press Law No. 11/1966. As a consequence of the *reformasi*, a fundamental change took place in 1999, along with the change of power from the 'New Order' to 'Reform Order': the passing of Press Law No. 40/1999, signed by President Bacharuddin Jusuf Habibie. The Law requires the Press Council to become independent as stipulated in the Article 15, verse (1) "an independent Press Council is established in order to develop freedom of the press and improve the national press". In order to control the print media, the Press Council acts as a regulatory body that controls and organises the 'do's and don'ts' of print media activities. It has the authority to establish rules related to the national press in order to promote freedom of the press, both individually and institutionally. Some rules that have been set by the Press Council up to now include: Code of Journalistic Ethics, Journalists Competency's Standards, Expert testimony of The Press Council, Guidelines for Right of Reply, Guidelines for Adult's Print Media Dissemination and other content-related guidelines.

Problems within the press

The post-*reformasi* freedom and the passing of regulations that are supposed to protect the rights to media do not always mean the actual protection and fulfilment of them. Legally, the Press Law is not operationalised through Government Regulation (PP), and therefore depends on the guidelines set by the Press Council in controlling the press sphere. This means the need for further regulations in order to preserve the ideals of a reformed press in Indonesia and, when taking into account the technological progress in media and shift towards citizen journalism, a regulatory framework that is able to address such development. We map several aspects in which policies are needed to ensure the public character of press and media.

Ensuring the quality of the press

The growing media industry -print, broadcast and online- has become a booming venture and has attracted young Indonesians to pursue their career in this sector. But, this development does not correlate with the expected improvement in terms of content, language, or depth of the information presented in the media. A Press Council member, Agus Sudibyo stated publicly that even senior press members complained about the decline in quality and performance. Incompetence and lack of experience have been dubbed as the main factors contributing to poor performance[20]. Zulfiani Lubis, a Press Council member and senior journalist, acknowledged the same problem:

> [A] challenge to society is indeed the decline of quality in journalism, but for the media itself, this steady decline would result in the fact that the public will leave them for good. (Z. Lubis, interview, 16/11/2011).

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19   Credit on this part goes to Jauharul Anwar, who contributed a major part on this section as part of his internship task.

20   A. Sudibyo made the case during the public discussion, "Media and Violence". Salihara, Jakarta, 24/10/11

AJI, the Independent Journalist Alliance (*Aliansi Jurnalis Independen*) noted that poor quality or 'half baked' news is one of the main stimuli of violence against journalists. AJI recorded that from December 2010 to December 2011, there were 49 reports of physical violence and threats towards journalists in Indonesia. Almost half of that (48%) is reportedly due to lack of professionalism on behalf of the journalist.[21] The table below depicts the number of public reports on ethical violations by the press, submitted to the Press Council (Dewan Pers, 2010:19-21).

No	Year	No. of Cases
1	2007	319
2	2008	428
3	2009	442
4	2010	n/a

Table 4.1. Number of public report on press violations
Source: Press Council (Dewan Pers, 2010)

As the data shows, the number of cases filed by the public to the Press Council increased steadily from 2007 to 2010. Because we do not know the nature of the public complaints, we approached one of the Press Council members who confirmed that:

> ... the *ethical codes* are increasingly violated. If you check why these *ethical codes* are violated, well, that is because of the market considerations. The more sensational a news (story), the more hits (visits) you will get. There is a strong tendency to use quantitative parameters (A. Sudibyo, interview, 27/10/11, italics indicate actual wording).

It seems that market logic is at work within the freedom in the press in Indonesia. Press and media work more and more on the basis of commercial purpose. One direct consequence is that media content becomes less diverse as an effect of production principles which drive any market-based products and services.

Ensuring diversity of content

It would appear that new news channels have entered the mediasphere in recent years and have given the public more options with regards to information; however a closer look reveals the opposite: the increase of news producers does not result in varying news options. In fact most dailies, news programs and online portals offer the same thing, repeating the same subject, just with different headlines. Reports are also often subjective, with very few instances of objective journalism.

A recent study by Yayasan Pantau (Pantau, 2009) reveals that Indonesian journalists reported the Ahmaddiyya case with a slightly biased perspective, and could not withhold their personal views when reporting on the subject. Also, the study concludes that the pressure on media workers through media owner intervention has presenteda new challenge in providing reliable and credible information to the public.

Steady decline in press freedom

Freedom of the press or media is often measured through the freedom of communication and

21   See http://www.beritasatu.com/nasional/23494-aji-berita-tidak-akurat-memicu-kekerasan-pers.html

expression by means of electronic media and published materials. This freedom necessitates the absence of interference from the state, but it has to be preserved through the state's regulatory framework. The Indonesian press freedom, according to the *Reporters without Borders*, ranks lowly, i.e. 117 out of 178 countries, indexing 35.83. The report says:

> Media pluralism continues to consolidate itself in Indonesia, which has more than 700 publications, 1,200 radio stations and a dozen national and local TV stations. But the government fails to guarantee complete freedom for the media. Covering environmental issues, including industrial pollution, is still very dangerous in Indonesia, which is experiencing more deforestation than any other country in the world. The judicial system in both ineffective and repressive, because it is influenced by politicians and pressure groups. (Reporters without Borders, http://en.rsf.org/report-indonesia,64.html)

The index at annual basis shows the following trend.

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Indonesia	20.00	34.25	37.75	26.00	26.00	30.50	27.00	28.50	35.83
Malaysia	37.83	32.00	39.83	33.00	22.25	41.00	39.50	44.25	50.75
Philippines	29.00	35.25	36.63	50.00	51.00	44.75	45.00	38.25	60.00
Thailand	22.75	19.67	14.00	28.00	33.50	53.50	34.50	44.00	56.83
Singapore		47.33	57.00	50.67	51.50	56.00	49.00	45.00	47.50
Brunei								63.50	51.00
Vietnam	81.25	89.17	86.88	73.25	67.25	79.25	86.17	81.67	75.75
Cambodia	24.25	19.50	36.50	23.00	27.25	25.33	35.50	35.17	43.83
Burma	96.83	95.50	103.63	88.83	94.75	93.75	94.38	102.67	94.50
Timor Leste		5.50	13.50	13.50	18.50	27.00	13.75	16.00	25.00

Table 4.2. Press Freedom Index
Index of press freedom in ASEAN countries. The larger the number, the lesser freedom of press.
Source: Author, compiled from *Reporters without Border* (http://en.rsf.org/)

The index above shows the decline of Indonesia's press freedom. It is apparent that despite the growing amount of journalists and press workers, the quality of environment in which they work in is not increasing. On the contrary, press workers seem to be facing new threats each day. It seems that the once achieved press freedom is now in danger of disappearing again unless it is revitalised.

Addressing new technological innovations

The advancement of technological innovations, particularly the Internet and social media, has changed the landscape of citizens' engagement in Indonesian society (Nugroho, 2011a). Media, too, has to keep up with this progress as social and new media technology has transformed how press and media work in the country, for better or worse (Lim, 2011). Not only does new technology change the way people access news, it even redefines what news is. The Net has become the biggest repository of data – or news, depending on the perspective of those accessing it.

In November 2011, the Press Council released, after several weeks of discussions, a draft on the *Guidelines in Reporting on Social Media* (Dewan Pers, 2011) as a practical guide for journalists, citizen journalists, bloggers and the general public in generating news or other information gathered from the

internet and social media. This came as a response to several cases which happened in 2010[22], where the mainstream media picked up news which was spread through social media and then reported this back in their newspaper columns and TV shows. In these cases, quotes and statements given on social networking sites were often used and treated as a common data, without any confirmation of their accuracy.

This latest development has posed a new challenge for the press community while putting the policy question back into the game. Eventually, if the press hesitates to embrace the development of technological innovations in ICT and media, the mainstream press will be left behind. The press will have to be able to tackle the challenge of competition with the ever-increasing pace of information streams head-on. There have been questions in this quickly changing media environment, regarding whether the press ethics in the Internet and social media era will remain the same. One thing that is changing for sure is the way the public consumes the media. The rest are open to question.

The press community in Indonesia still has a long way to go before arriving at its goals: a national press that contributes to the betterment of the society. While the question of whether or not they will arrive at this Promised Land can only be answered by time and by the ideals held by the community, media policy is one important vehicle to take them there.

4.3. Media policy and the dynamics of media industry in Indonesia

Indonesian media industry: The genesis

Media industrialisation, in the Indonesian context, should not be seen as a particular 'post-*reformasi*' phenomenon. In fact, its roots have been long planted since the New Order. Citing Daniel Dhakidae, Hill and Sen (2000:51) argue that the shift from a political-discourse based press to a commercially significant industry took its earliest form during Soeharto's reign. Since the mid-80's, early signs of media corporatisation had appeared. The economic growth between 1970-1980, largely because of the oil boom, had been the catalyst for new sectors in the economy to emerge, including the media. This period also saw the launching of the Palapa satellite, the introduction of colour television set and the establishment of the ground relay stations (Hill, 1994:239). But understandably, this media expansion remained in the corridors set by the ruling administration. As our respondent puts it, people around Soeharto would describe the practice as "… shutting people up while gaining money" (DD. Laksono, media practitioner, interview, 21/09/2011).

But back then, it was not business as usual at all. Limiting policies were one of the factors that hindered the commercialisation of media. The Basic Press Law no 11/1966 hindered the practice by clearly prohibiting the inclusion of foreign direct investment in establishing press companies. But the drive to capitalise the media was very much in the air, until the opportunity was eventually realised by the deregulation of the media sector.

The progress in the economy and media during the 1980s was mostly driven by the expansion and influence of big money (Hill, 1994:257), but not many sources were able to provide fluid capital, except one: the President Soeharto's family, a.k.a. *Keluarga Cendana*[23]. This resonates with the findings of Djankov, et al (2003); that "…the two dominant forms of ownership of media firms around the world are ownership by the state and ownership by concentrated private owners, namely, controlling families" (p.343). As a matter of fact, the Family started to benefit from the media. The term 'Palace Press'

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22   The most notable case to mention here is when citizen journalist Iwan Piliang interviewed Nazaruddin, a suspect on corruption case via Skype, while being abroad, in 2011,

23   "Keluarga Cendana" is a term used to point at Soeharto's family and its cronies.

illustrates the scope of media owners who are limited to the Soeharto's family and its trusted circles. Here was the dilemma: These practices had to be legally justified and hence altered the regulations that were of big interest at that time – but they would refute the basic principles and interests of a regime, that was allergic to public criticism and freedom of speech, which by its very nature should be the function of media.

This period saw big changes in the economic sector driven by global changes and the intrusion of foreign financial capital. The demand to open the local market was almost unstoppable, and the media was part of a lucrative industry which was hungry for more capital in order to grow. Consequently, the Basic Press Law was seen as a barrier for financial expansion. The Ministry of Information came into dispute with entrepreneurs and investors who were willing to invest heavily in the "information industry" but were unable to do so unless they co-operated with the President's family.

Another influential factor in the development of the Indonesian media industry was the enactment of Foreign Investment Law No. 20/1994. The law opened the domestic economy to let in foreign capital and expand the media industry. Eventually, *Keluarga Cendana*, who has invested in television networks and satellite technology, managed to evade restrictions on foreign investment in the media through transfers between media and non-media branches within their conglomerates (Hill and Sen, 2000:63).

This clearly shows that the laws governing the industry and the media itself are, or have become, two separate entities. Until now, there are no clear efforts to regulate the media industry as a whole system. Existing policies are only able to intervene partially in terms of content and its carrier. While the state has failed to develop a policy that responds to the expanding (and simultaneously concentrating) media industry, the industry itself appears to have managed to establish its own self-regulating mechanism.

Reformasi and the rebirth of the Indonesian Media

Just like other sectors of the economy, the media industry entered the *reformasi* with high hopes. The new Press Law took only one year (1999) to be approved, and granted the print media industry with spoiling privileges. There seemed to be no reason why the broadcasting industry would, or should, not enjoy similar rights. Yet, it turned out to be the opposite. As discussed earlier, the Broadcasting Law came up with the revolutionary idea to implement the 'siaran berjaringan' (Network-based Broadcasting) system that, if consistently implemented, would limit the industry's reach and ultimately, their revenue.

That media ownership post-*reformasi* would soon create problems and challenges, was in fact anticipated by the Broadcasting Law No. 32/2002. In taking this matter into account, article No. 18 prohibits the practice of cross ownership. But this regulation is barely sufficient to prevent companies or groups from performing acquisitions and mergers. Also, the Network Broadcasting system, although not designed to limit the ownership of media, if effectively implemented, may affect the media landscape positively by decentralising the broadcasting system. However, the Law has been legally neglected, with the government endorsing the Government Regulation PP No. 50/2005. Besides restoring the authority of the state, it also saves the ruling industry players from its obligation to implement the Network Broadcasting system, as explained by a former KPI commissioner:

> PP 50 regulates private broadcasting. It is the implementation of the Broadcasting Law. The substance was made together by the Ministry of Communication and Informatics and KPI. But due to political process, including the process in the Constitutional Court, KPI is no longer invited in the process. KPI was deliberately sidelined in the making of the PP. In the views of some experts, it is apparent that the PP is beneficial for Jakarta-based TVs. Take the ones who exceed 80%; they are even allowed to reach a maximum of 90%. Yes, just like RCTI, SCTV, this clearly eases the life of established ones and creates a barrier for new players to enter. (B. Nugroho, former KPI commissioner, interview, 12/10/2011)

With regard to this, there is, however, a policy on business conduct that might be of relevance. The Law No 5/1999 on monopoly and competition actually regulates economic practices that are counterproductive with the principles of a just and healthy competition. In the spirit of *reformasi*, the Law aims to prevent the concentrated pooling of economic resources in the hands of the few. Unfortunately, the Law seems to have no direct link to the practices taking place in the mediasphere. Hence, apparently it cannot be used to tackle the bad practices regarding mergers and acquisitions in the media industry.

The current capitalisation of the media industry in Indonesia, with all its patterns and strategies, looks very similar to those of the 1980's where the country's industry started to flourish, but by neglecting the existing policies. Of course, there are differences in terms of scope and direction, but similar patterns are evident. The way the industry responds to political and economic challenges are also similar. In both circumstances, policies have failed to be implemented and enforced.

Policy without power and praxis

The Press Law and Broadcasting Law are the essential media policies since *reformasi*; but whether they are sufficient to control the expansion and the dynamics of the media industry is a question to which there is, as yet, no definitive answer. We offer some possible explanations of the expansion in the Indonesian media industry and its links to media policy, or lack thereof.

The absence of policy regulating ownership and capitalisation of media companies

Many of the television-based media companies neglect the Broadcasting Law. The Law actually compels the national TV broadcasters to limit their broadcasting reach in order to promote local broadcasters and media communities, and decentralise the broadcasting system. Many private television companies feel threatened by the Law. Existing policies have also failed to define a simple, yet sound regulation that preclude media companies from ownership practices that tend to dominate a particular medium or area.[24] This is the situation where we need media policy to respond to unprecedented growth and capitalisation in the media sector.

Inconsistent policies cancelling out one another

The clearest example of this is the Government Regulation PP No 50/2005, which puts the Ministry of Communication and Informatics in an unresolved dispute with the Indonesian Broadcasting Commission (KPI). The Regulation deprives KPI from its most vital privilege and responsibilities. It is only natural, that there have been suggestions to revoke the Government Regulation instead of revising the Broadcasting Law, as one interviewee stated:

> The way I see it, this Government regulation is inconsistent. You might even say it nullifies the Law itself. You know that the Broadcasting Law credits much authority to the Broadcasting Commission, but then the verdict from the Constitutional Court deprived them, and now the Commission is only limited to control the content (of the media). Initially they (the Broadcasting Commission) were authorised to regulate the infrastructure and other matters. (I.Haryanto, interview, 22/08/2011)

The enactment of the Government Regulation has indeed resulted in new problems, instead of guiding

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24   See for example, how the Netherlands develop media policies that oblige newspaper companies that own more than 25 per cent of the daily newspaper market to restrict their ownership of or involvement with a (public) broadcaster (NSCGP, 2006:47).

the broadcasting scheme in a new direction. In addition to this comes the Minister of Communication and Informatics Decree or PermenKomimfo No. 17 /2006 on the Procedures of permit adjustment for existing private broadcasters (*Tata Cara Penyesuaian Izin Penyelenggaraan Penyiaran Bagi Lembaga Penyiaran Swasta)*, which allows an exception for already existing media companies to implement the *siaran berjaringan* (network-based broadcasting) system. The problem lies in the fact that the regulation has given an exception to existing media companies to continue to air as usual, without having to decrease their broadcast as obliged in the Broadcasting Law. Inevitably, the Broadcasting Commission, who was initially appointed to govern the scheme, has lost its authority to the Ministry.

Lack of coordination among regulating institutions

In the specific context of Indonesia, the reason why the lack of cooperation among public institutions happens is often termed '*ego sektoral*' (or sectoral ego). In the media domain, such problems indicate the lack of cooperation: how different institutions see issues partially with no real will or commitment to regulate the media in the interests of the public. The KPI stands on its own with its own principles, while the Ministry of Communication and Informatics has its own interest and standpoint in regulating the media landscape. On the other hand, institutions like the Business Competition Supervisory Commission (KPPU) or Capital Market and Financial Institutions Supervisory Agency (Bapepam) may have no interest in seeing the public sphere as something that must be protected and regulated. KPPU, which should be held responsible for failing to oversee monopoly in the media sector, seems to be quite unconcerned and unresponsive in responding the increasing acquisitions and mergers taking place in the media industry. This, clearly, is an arena which appropriate policy should be able to address.

The notion that existing policies are able to address complexities in society is merely an assumption. Within the media sector, Broadcasting Law No 32/2002 and the Limited Liability Company Law UU PT No 40/2007 are not 'in tune' with each other. Both regulations are not aligned to govern and administer the development of media industry in Indonesia. Media owners, aware of this loophole, tend to hide behind the Limited Liability Company Law which justifies their practice of mergers and acquisition, which actually is not permitted by the Broadcasting Law. Alongside this is the use of frequencies, which are public goods, by media. The regulators seem to have failed to maintain the view that media companies should be regulated by both the Broadcasting Law and the Limited Liability Company Law – not one or the other.

At the policy level, this shows a flaw in the regulatory framework. There should be coordination among related institutions to manage the merger and acquisition. Each institution now has their own interpretation on various cases. To add more confusion, it was recently decided that the investment in media sector is not regulated by the Ministry of Communication and Informatics, but is done through the National Investment Board, on the basis of the Ministry of Communication and Informatics Regulation (*PermenkomInfo*) No 50/2009 which is currently in effect.

Serious problem of lack of law enforcement and supremacy of the law

Even if the necessary regulation exists, there are always backdoors that can be used to overcome these obligations. One practice that has been of concern for sometime is the trading of frequencies – the main resources in broadcasting business. 'Trading' of frequencies comes usually in the practice of acquiring stocks of the company, instead of applying for a new broadcasting permit. But both KPI and KPPU are not capable of proving it as a *bad* practice, and are not able to gain any legal proof that a media company has breached any regulation.

An important question which must be answered is therefore the job description on 'who does what' in regulating the media industry, especially regarding ownership issues and the limitations of cross

ownership. Hence, a strong and mutual cooperation between KPI and KPPU is necessary to address problems arising from the media ownership and scrutinise the practices of merger and acquisition by the media owners/companies. An example of such a case was that of *Media Nusantara Citra* (*MNC*), which was brought to the court but in the end released and found not guilty of practicing monopoly[25]. Another case that highlights the same problem is the case of *Sun TV* (now known as *Sindo TV*), a local TV bought by MNC. In cases like this, KPI faces several obstacles. On the one hand, the Broadcasting Law strictly forbids the trade or exchange of permits and frequencies, but on the other, the Limited Liability Company Law authorises the trading of stocks (KPI, 2008) This shows clearly that KPI can not solely govern the industry, especially when it comes to stock trading, although frequencies are subject to be governed by KPI.

Ultimately, the problem of controlling the industry is not limited to the problem of inadequate policies, but also the credibility of the regulators and, inevitably the problem of supremacy of the law. Industry will always strive to find backdoors which they can use to overcome or avoid regulations 'harmful' to their business. This is what we see in the case of ownership: the industry hides behind the Limited Liability Company Law that justifies mergers and acquisitions through stock purchase. As a media expert asserts, this manoeuvre is common among media companies: "KPPU could not conclude that this is a form of oligopoly" (I. Haryanto, interview, 22/08/2011).

Meanwhile, after the Judicial Review and the Government Regulation No 50/2005, the authority of KPI is limited to scrutinising the media's content only. Even then, KPI is still often overlooked as the industry hails rating as its highest 'authority'. In terms of content, the industry has also found ways to deceive the regulators. One example is the programme '*Bukan Empat Mata*' (literally: Not Four Eyes) show aired by Trans7. The show, originally named '*Empat Mata*' (Four Eyes), was sanctioned by KPI in 2007 for letting disturbing content be broadcast, and was prohibited from the air for a time limit. Since it was permitted to rebroadcast, the producers simply changed the name of the programme slightly and were able to run undisturbed.

This is only one simple example of how the industry has more power than KPI in regulating the content by practicing self-censorship. Self censorship or internal censorship, refers to the practices of media practitioners, mostly pressured by their owners or directors, who in producing certain information are limited by "constraints imposed by proprietary and other market and governmental centres of power" (Herman and Chomsky, 1988:ix). The Press Council is facing a similar condition. The growth of print industry and its growing experience is no guarantee in the increasing quality in reporting and delivering news and information. The constant number of cases filed to the Press Council is a simple indicator to this.

Towards oligopoly

Media regulators, and their guiding policies, operate within a clear and firm framework: ensuring the *diversity of ownership and diversity of content.* The latter can only be achieved if the first is guaranteed and administered. Both principles are central to media democratisation in Indonesia. The structure of the industry is nevertheless shifting. Media ownership is becoming more concentrated in the hands of few, as a media expert asserts:

> The problem here is that a centralisation of the broadcasting system by a few actors, that leaves no room for diversity. (A. Armando, interview, 27/10/2011)

We map the twelve major media groups in the country. They are tabulated below according to their network and the numbers of media belong to them. See Table 4.3 which also appears in our Media

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25   See, for example, http://duniatv.blogspot.com/2008/08/kppu-kembali-menyelidiki-monopoli-mnc.html, accessed on 18/7/2011.

Industry report (Nugroho et al., 2012:XX).

No	Group	TV	Radio	Print Media	Online Media	Other businesses[a]	Owner
1	Global Mediacomm (MNC)	20	22	7	1	Content Production, Content Distribution, Talent Management	Hary Tanoesoedibjo
2	Jawa Pos News Network	20	n/a	171	1	Paper Mills, Printing Plants, Power Plant	Dahlan Iskan, Azrul Ananda
3	Kelompok Kompas Gramedia	26	12	89	Kompas.com, thejakartapost.com	Property, Bookstore chain, Manufactures, Event Organizer	Jacob Oetama
4	Mahaka Media Group	2	19	5	n/a	Event Organiser, PR Consultant	Abdul Gani, Erick Thohir
5	Elang Mahkota Teknologi	3	n/a	n/a	1	Telecommunication and IT solutions	Sariatmaadja Family
6	CT Corp	2	n/a	n/a	1	Financial Services, Lifestyle and Entertainment, Natural Resources	Chairul Tanjung
7	Visi Media Asia	2	n/a	n/a	1	Natural resources, network provider	Bakrie & Brothers
8	Media Group	1	n/a	3	n/a	Property (Hotel)	Surya Paloh
9	MRA Media	None	11	16	n/a	Retail, Property, Food & Beverage, Automotive	Adiguna Soetowo & Soetikno Soedarjo
10	Femina Group	None	2	14	n/a	Talent Agency, Publishing	Pia Alisjahbana
11	Tempo Inti Media	1	1	3	1	n/a	Yayasan Tempo
12	Beritasatu Media Holding	2	n/a	10	1	Property, health services, cable TV, Internet service provider	Lippo Group

Table 4.3. Major media group in Indonesia: 2011
[a] These are business run by the same owner/group owner.
Source: Nugroho, et al. (2012:40)

This centralisation eventually affects the content of media, as another media expert explains:

> Currently, media regulators are only focusing on the content of the media. Although, in my opinion, we can not see the content as something detached from the structure of the industry itself, which I think can be seen as a oligopoly. (I. Haryanto, interview, 28/08/2011)

Policies and regulations have failed to draw a clear distinction between what is monopoly and what

is not. The extent to which the public and the regulators can tolerate current oligopoly is the most important question for policymakers to answer. It is indisputable that media is currently owned by only a few individuals, and the danger of having a co-opted media which impose their own agenda on the public is a risk not worth taking, especially when media literacy is not a subject of educational and social priority.

The media industry in Indonesia is still very young, yet it grows rapidly, in a way that does not always contribute to the betterment of society. There is therefore no reason for the state, and the public to step down in their efforts to control the media, taking into account the lessons learned from the first decade of *reformasi*. This is imperative in order to constitute new improved and watertight regulations controlling our media to ensure its public character and exercising citizens' rights to it.

4.4. Media and public engagement

The freedom to assemble and gather, and to express their opinions either verbally or written etc. is stipulated by the Laws (Constitution 1945 Article 28).

Every person shall have the right to assemble, gather, and express their opinion (Constitution 1945 Article 28E Verse 3, 2nd Amendment).

Every person shall have the right to communicate and to obtain information for the purpose of the development of his/her self and social environment, and shall have the right to seek, obtain, possess, store, process and convey information by employing all available types of channels (Constitution 1945 Article 28F, 2nd Amendment).

Indonesia's constitution clearly guarantees citizens' rights to gather, and to state one's opinion. Public participation is therefore ensured, and also guaranteed by the constitution. This is also one of the promises of the *reformasi*. But in order to enhance this participation, access to quality information is a pre requisite. Here we can see that *reformasi*, once again, has played a significant role in providing the necessary conditions, not only to democratise the political system, but also the whole social system, including citizens' engagement on a daily basis. The need for democracy inevitably calls for an open, independent and trustworthy media that adheres to the principles of a democratic society.

The call for a participatory, public involvement in governance requires press freedom. Media must enable citizens' participation in acquiring, producing and distributing information. But this alone would not ensure a thorough transformation of the public sphere. Other mechanisms must be ensured and preserved in order for the public to practice its rights. According to Habermas (1989), the constitutional warrant for the public sphere does not always get its way as it is deeply influenced by political actors and cultures. Here, media plays a vital role in opening discourse, triggering awareness, shaping discussions and, agenda setting. As such, media must always be encouraged, and reminded of their mediating role. This is what media policy should ensure.

Box 1. How is a policy formulated in Indonesia?

Based on the Law No. 10/2004 on the Formulation of Legislation or *Pembentukan Peraturan Perundang-undangan* (known as UU PPP), public participation in drafting policies is mandatory. This participation is mostly visible during the Discussion Level 1 (*pembahasan tingkat 1*) stage, where public hearing takes place to gain input from the public.

A proposition on a bill (RUU) can be submitted by three parties, namely the President, the House of Representative (DPR), or from the House of Regional Representative (Dewan Perwakilan Daerah/ DPD). Basically. The steps in constituting a law is outlined below:

Planning / *Perencanaan* à Refer to *Prolegnas*

ê

Preparation / *persiapan*

Drafting/*Perancangan*; Formulation mechanism/*teknik penyusunan*

à

composing academic papers, carrying out background checks

ê

Formulation / *perumusan*

Discussion of the Bill;

Discussion Level 1 / *pembahasan tingkat 1* **à** Public hearing / *Rapat Dengar Pendapat Umum-RDPU);*
Discussion Level 2 / *pembahasan tingkat 2*

ê

Approved : signed by the President à recorded in the Government Gazette / *Lembaran Negara*

ê

Enactment / *pengundangan*

ê

Socialisation / *penyebarluasan*)

The flow of a legislation process is shown above. But the real consideration and interests in deciding on a policy option, is rarely known by the general public. So is the implementation process of a policy. Despite of its existence, the Broadcasting Law for example, has not succeeded in democratising the broadcasting scheme. An explanation for this is broadly illustrated by A. Armando, an academic working on the media issue:

"The laws have not been enforced. No regulation is taking sides with the weak. Authorities and state apparatus are also not doing their jobs, defending the vulnerable. Policies, or laws, are basically just general guidelines, which of course are prone to be used for the public's interest, if the government wants it to. [Ownership matters] have been defined quite loosely, because it would have been also difficult to prohibit media concentration, and so it was only limited, not prohibited. And what is the definition of concentration? Then cross ownership *was prohibited. All depends on those who are mandated to take the decisions –the government. At first it was supposedly the government and the Commission [KPI]. And then [it was] only the government. They had no clear good willing from the beginning, and that is why, also from the beginning, they made this Law look as if it were impossible to implement. Then, it turned out that the intention was to reject the Law itself in the end. But it was actually simply due to lack of good will. But they acted as if it was due to the lack of the quality in the substance. The Law was bad mouthed by state officials. This was taken up by House members, they started believing that the Law was insufficient. ...*

It's not the law's fault. If the law is too general, then [the Government can] start creating regulations that [can] elaborate it. Because the [Broadcasting] Law 2002 is actually already quite detailed. At that time, the industry just started to grow. And you cannot predict its direction of growth. If you already forbid the industry to grow from the beginning, that would also be counterproductive. Then came the digital trend and others. That is why the Broadcasting Law is generally defined. It will complicate things further if it goes too much into details. It was assumed that the government consists of decent people, who would then do the rest in composing the regulation, workable ones. But then came a Minister [of Communication and Informatics] named Sofyan Jalil. I think it was a deliberate act [issuing the Government Regulation No 50/2005]. He made everyone defunct. All his successors never really understood [the problem]. And then Muhamad Nuh, and now Tifatul Sembiring [the successors], who I think are also not aware of the issue... If you ask the TV people, they will say, "The regulations are unclear. Where is your permit? That's not clear." You know that none of them hold a permit, maybe only a few. But their permit is actually not to air nationally. It is supposed to be a local permit, due the siaran berjaringan *[network-based broadcasting] system. But until now it has not been elaborated in the government regulation. It is really that bad".* (A. Armando, interview, 27/10/2012)

Source: Adapted and edited from www. parlemen.net, by PSHK; Presidential Regulation Perpres No. 68/2005; and interview with Ade Armando (27/10/2012)

In terms of media, the public must have access to information. The infrastructure to access information becomes a precondition for citizens' engagement and it must be available to every citizen, regardless of their cultural, economic, social and religious background. This is, too, stipulated in the constitution. The role of the state is to ensure the distribution of and equal access to infrastructure, hence providing the pre-condition in which the public sphere can grow. Therefore, media infrastructures, including frequencies and other terrestrial medium, should be treated as public goods because they actually are. Through media policy, the state also fulfils its duty is to provide the platform on which the public can express themselves.

Enabling and constraining policies

One regulation that aims to improve citizens' access to information is the Transparency of Public Information Law No. 14/2008 (UU *Keterbukaan Informasi Publik*). The Law was endorsed in 2008 and obliges state institutions to make information and data, which was previously restricted, public. The Law is praised due to its obligatory impact on state institutions and bodies in providing unrestricted access to information that is of public importance. However, the Law may also be abused since it contains a one-year jail term for anyone who misuses the gained information (Lim, 2011:22).

Although the Law came along with demands for good governance, transparency and accountability, its enactment did not help much in lifting the mood of media practitioners. This relates to the presence of other legislations enacted in 2008. The year witnessed two particular policies, namely the Pornography Law No 44/2008 and the ITE Law No 11/2008 which both have proven to be obstructions to people's right of self expression. Both regulations adopt vague and undefined terms which prove to be a boomerang to the lawmakers, and a real threat to the public, as both laws have been used in different cases and have resulted in a decline in freedom of speech. Also, the Criminal Code (KUHP) is used against critical journalists; the Criminal Code grants too much privilege and power for public officials and authorities to use the defamation act (Piper, 2009:18).

In the midst of harnessing regulations, the Supreme Court brought encouragement by endorsing the Circular or *Surat Edaran Mahkamah Agung* (SEMA) No.13/2008 acknowledging the role of the Press Council by formally suggesting all judges and magistrates to seek expert input from the Council in any trials of press-related cases. Through this Circular, the Supreme Court has given a positive breakthrough in the protection of journalists (Dewan Pers, 2010).

Another positive measure in defending the press and media rights is the Press Council's effort to find a settlement with the Police by agreeing on a Memorandum of Understanding (or *Kesepakatan Bersama*) between the Press Council and the Police regarding criminal cases involving media (Piper, 2009:21).

New media and social Control

On the bright side, the vast use of conventional media along with rapidly-increasing adoption of new media have also helped the public in controlling the behaviour of the political elites, showing that media eventually can function as a form of social control. This was evident in the case of a House member using his tablet to watch porn movies during a House session, or the case where a Minister drove his car along a special lane for public transport, amongst others. This shows that media can function as a 'reverse panopticon', enabling citizens to document the behaviour of prominent people and elites, as well as their community in general.[26]

Now, every individual, with the necessary tools and access to media, has the ability to report on subjects

26   This observable fact, together with other arguments and notions about the diminishing boundaries of the "private" and "public", was raised in a video festival held by *Ruang Rupa*, in Jakarta, 2011. See http://news. okvideofestival.org/.

that may result in social sanctions. The least that media can do is optimise their function as a form of social control. As a previous study on media workers concludes, "if even the task of being a watchdog of the public can not be fulfilled, then it is the public itself who will eventually suffer" (Piper, 2009:47).

Interactivity and an increased speed/pace are two new aspects of the media, partly thanks to innovations in ICT, which have brought a new flair into the current media milieu. The public can now respond promptly towards various issues much easier than before. With enough pressure and resonance, public opinion has enjoyed a more tangible power.. The media performs a function of accumulating the voices of the masses, and in some cases has proved to be an effective tool in influencing the decision-making process in Indonesia, that is still largely opaque to the public.

Therefore, despite the commercialisation and commodification of the public sphere, the latest media developments, particularly technological innovations in Internet and social media, have also created new channels of social control. Internet and new media have become amplifying tools for the public to voice its aspirations and remind the elite that their steps are being closely watched.

Reclaiming the public sphere

Much of the discussion about media in Indonesia today is dominated by rating, sensation, commercialisation, and even public voyeurism –as noted by commentators. There is little, if any, concern about how media should be rejuvenated to help citizens engage with each other. A media landscape that favours rating over regulation and sensation over substance, therefore, leaves us with no choice but to ask: To what extent is public participation through media actually assured and enabled? Is it genuine, or is it just another form of tokenism, constructed by the media industry as a new form of marketing gimmick?

Indeed, with the media industry being owned by moguls who bear certain private agendas and have certain political interests, the challenge for the ordinary citizen in Indonesia is to fight the monopoly of public opinion. As such, it is imperative for the citizen, be it individuals or as groups, to constantly look for means to channel their voice. Indonesia has indeed gone through interesting dynamics in terms of Internet use and public engagement, starting with the use of mailing lists during the early *reformasi* movement. Afterwards, between 1999 and 2000, the development of Indonesia's blogosphere began to take place, with most early blogs written by Indonesians living abroad and working in the field of information technology (Freedom House, 2011). The amount grew steadily, until it reached 15,000 in 2007 (Lim, 2011:9). Blogging has now become a common part of major online news-portals. Almost every big online portal has a separate blog in which their readers can contribute.

Although much debated, the facts have shown that new media does have the ability to enable social movements within its scope. Previous studies (Nugroho, 2011a:3) underline how a combined use of new and social media has succeeded in widening the civic space. That media can impose a certain agenda and force the government to respond and react has also been shown by several cases. After all, cases such as *Prita Mulyasari*, the phenomenal *Cicak-Buaya* rally and other similar stories have taught us that the public can act as a pressure group, and that public's voice can be raised to a level never seen before.

On the other hand, the 'exodus into the Facebook'[27] (the expression is used to describe the massive amount of *Facebook* users in Indonesia), has also raised scepticism of the effectiveness of online media in facilitating citizens to react more directly in an off-line realm. The 'click-activism' (discussed at length in Nugroho, 2011a:80) refers to the common behaviour of the netizens who engage only in the online

27   The expression is used to describe the massive increase of *Facebook* users in Indonesia (Puthut et al., 2010:78)

world by means of mouse-clicks, but never embark on offline, direct, engagement. While click-activism might play a role in resonating and amplifying ideas on the Net, on its own, it will never be enough to pursue change. The reason is clear: because change takes place in the off-line, real world. Moreover, the online realm is inherently problematic. This is very much the case in media business: creating bottom-up, user-generated information is possible, but only to the extent that the industry remains 'in control' of leading the agenda. Public participation by blogging and interactive comments on certain media programmes (e.g. in online newspapers, online TV, or radio) is a good example of this. While on the one hand the public inputs are genuine and direct, the programmes (and even the modes of interaction) are in the interest of the media alone, which predictably will only react to comments, or take measures, in their favour. Participation is thereby enabled by the interests of the mainstream media in producing new means of information-production, thus resulting in new commercial/material values. As such media has increasingly become a mere economic institution, and neglected its role as having social functions (this view is also strongly shared by a member of the Press Council, Agus Sudibyo, interview, 27/10/2011).

Critical awareness of citizens and the public is therefore a crucial factor in reclaiming the public sphere through media. Individuals and communities must understand their rights and responsibilities with regards to media access and infrastructure. Citing McChesney (2007), Arsenault and Castells (2008) believe that there is increasing citizen awareness and concern about media policies despite the corporate influence on regulatory decisions (p.10). In the Indonesian context, the latest aforementioned web-based movements might indicate this awareness. But, without being too sceptical, the public are, in general, still very much unaware of the media oligopoly and industrialisation. This certainly needs advocacy. As a Press Council member, Agus Sudibyo states:

> The problem in Indonesia is that public control is still weak. It means that the media literacy is still weak. That is why there is no sense of belonging of the people towards media. The society also still sees media as a business institution, as a private property. An awareness that media is a social institution has not grown yet. So there is no public demand towards a media that really represents the interests of the public. This weak public demand gives the industry enough reasons to abide by aspects of public interests. (A. Sudibyo, interview, 27/10/2011).

Here, it is important to recall the importance of the citizen as agency (active-self, or actor), and recognise the twofold dimension of change, i.e. actor and structure. In a mutually presupposing/assuming relation (or 'duality' as outlined in the 'Theory of Structuration' in Giddens, 1984), the actor is always a subject of a power–imposing structure, but in the meantime always maintains a relative autonomy through their reflexivity, that can be used to create its own space in altering practices in the media – or in other words, to create an alternative structure. As such, media, and more recently social media, can be a facilitating tool, without undermining the active role of citizens as actors[28].

Again, at this point we cannot but see that in a democracy, formal policy is a means to govern media conduct and practices, which in turn, is critical to enable public involvement and citizens' engagement as the core of democracy itself.

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28   Despite this encouraging trend in social media use and social engagement, we must nevertheless remember that the social media is after all mostly social and cannot be relied upon in order to enhance one-shot movements such as experienced in the 'Arab spring'. Hence, as Lawrence Lessig puts it, 'the challenge is to sow doubt' (Lessig, 2001:19).

4.5. Governing media through policy

When discussing media policy in Indonesia, it might be helpful to firstly list the policies that govern, or at least significantly affect, the workings of the media. See Table 4.3. below.

No	Media policies	Content / Issue
1	Human Rights Law, No 39/1999	Right to access information
2	Telecommunication Law No 36/1999	Abolish Telkom monopoly
3	Press Law No 40/1999	Press freedom, Press Council
4	Broadcasting Law No 32/2002	*Siaran Berjaringan* (Network Broadcasting, KPI
5	Government Regulation No. 49/2005	Foreign Broadcasting Activities
6	Government Regulation No. 50/2005	Private Broadcasting
7	Government Regulation No. 51/2005	Community Broadcasting
8	Government Regulation No. 52/2005	Subscription Broadcasting
9	ITE Law No. 11/2008.	Electronic transaction, Defamation
10	Freedom of Information Law No.14/2008	Public access to information
11	Film Law No. 33/2009	Film production and distribution
12	Convergence Bill (by January 2012 as revision of the Telecommunication Law)	Media convergence

Table 4.4. Media policies in Indonesia
Source: Authors

As we can see, there are numerous policies which regulate the way in which media works. But what are the rationales, if any, behind these policies? What are the implications on media and society, be they intended or otherwise?

The golden rule: Diversity

It is the task of public policy to preserve the *bonum commune* or common good. Public policies concerning media must aim to preserve the normative character of it, which is mediating the public. Therefore, it is imperative that the media must be regulated in order to accommodate the public interests, and to retain its mediating function. In a pluralistic society, media ought to reflect the plurality inherent in the society. Hence, the public must have its choice of media and information channels. Thus, media is more effective if it comes in various forms and with various options. And most of all, media is only effective if it is plural and diverse. The extent to which the state should intervene will be the subject of the debate.

The basic principles of Indonesia's media lie upon the rule of diversity, which shall be found in the content as well as in the structure of its industry. The main problem however, lies in the fact that diversity is understood as a technical requirement per se, rather than an intrinsic value. Hence, the importance of having a diversity of views, opinions and stories is not adequately sustained.

To date, there are two regulations that are seen as the '*umbrella law*' governing media in Indonesia, i.e. the Broadcasting Law and the Press Law. These two main policies are no doubt in the right direction towards the fulfilment of citizens' rights to media, particularly in ensuring the diversity of media. The Laws contain substances that are central to operationalise the spirit of protecting citizens in exercising their rights to practice media-related activities. The main problem, however, is the political

circumstances that hamper the implementation of these two Laws. To add to what we have discussed elsewhere earlier in this report, we found that what is lacking is the authority to implement these policies. The mandate given by the Broadcasting Law to the Indonesian Broadcasting Commission (KPI) to regulate the broadcasting scheme in Indonesia is undermined ironically by the government itself. The initial responsibilities mandated to the Commission by the Law were roughly disposed of and taken over by the government, who are no better in regulating the media business practices.

With no authority and no real political will to implement what has been set, especially in the Broadcasting Law as such, policies have only a limited impact on the content of the media. Content diversity is in danger as both the state and the media business are likely to be biased towards certain orientations of content in their favour or of their vested interest. In a pluralistic and diverse country like Indonesia, the absence of diversity in media content can therefore be detrimental, if not disastrous. Yet, media content links very closely to media ownership: ownership most likely determines the content. While there is no inherent problem in this with regards to diversity (i.e. more owners means more contents), concentration of ownership will certainly significantly reduce the diversity of content.

In such situations, what now proves to be missing is a strict policy on media ownership. Regulating media ownership has proven to be trivial, due to the lack of coordination between regulating bodies, especially between KPI, the Ministry of Communication and Informatics, and KPPU. Such was the case when dealing with the use of frequency; discussing whether the Broadcasting Law should be treated as a *lex special*i and that the Limited Liability Company Law should not be referred to when dealing with media ownership matters.

Governing the industry or the media?

As explained above, a series of historical events and technological developments have transformed the nature of media in Indonesia. The consequence is clear: to see the function of media as a pure social institution would be naïve – particularly for policymakers. Media is as public as it is private; it a social institution as much as it is also a business organisation. Hence, in understanding the media today, one has to take into account that most media behaviours are now based on rational cost-benefit analysis, i.e. by using market analysis such as ratings and shares rather than on its social and sociological impact. Most of what was considered as 'right' or 'wrong', are now definitely reduced to what counts as profit and loss. Media, and carrying out media-related activities (providing, as well as accessing, the content), have simply become economic activities which also need to be considered from a market-regulating perspective. To put it simply: There is the media; and there is the industry. What is lacking is a policy that regulates both entities as a unitary subject.

The current media policies, especially the Broadcasting and the Press Law, may well be adequate in ensuring the exercise of the rights to media, but they have not been equipped with technical, practical rules in addressing media ownership matters. These Laws also have failed to provide frameworks on which the authorities and the public can well define the characteristics and limitation of media monopoly or oligopoly.

It may well also be the case, that to take on the industry, policymakers may need a new set of policies, instead of just a single umbrella law. This is based on recent cases showing how media companies have easily found ways to overcome the Broadcasting Law and instead used the Limited Liability Company Law to justify their manoeuvres. This indicates that media ownership matters perhaps cannot be solely regulated by media policy *per se*.

Preserving bonum publicum

What we have found so far perhaps can be compressed in one sentence: the constitution of a public sphere is merely an unintended result of economic considerations within the media framework. This revelation is perhaps too strong, but it certainly makes sense. That is, for example, if a news-portal decides to integrate a blog within their portal, then the reader will have a dedicated page to themselves. Or, in order to increase the ratings of a show, the producer opts for a more interactive format and attracts the audience with games and prizes. The citizen, or the individual, is by default, seen as a number on a sheet.

As a result, the main goal of doing the media, i.e. to preserve the *bonum publicum* (public good) becomes an unintended consequence. Or, as Agus Sudibyo sees it,

> … the achievement of *bonum publicum* are no longer based on the deliberation of seeking the public good, but are the unintended consequences of everyone's performance that seeks for individual's vested interest. (Sudibyo, 2009:176, translated from *Bahasa Indonesia*).

Apparently, as long as the media is treated as an industry, and left unregulated, there will be no main role for the citizens to play in it. This anecdotal interview may represent the complexity involving the construction of the public sphere, the notion of diversity, and representation –or the lack thereof– in media:

> In a system as such, how can we talk about empowerment by the consumers, for instance from Jakarta to the rest of Indonesia? So a colleague of mine from Papua once told me a story: People in Papua have a low self esteem because they see themselves different than people in Jakarta who they see everyday in the television, because the faces of Papuan people never appear on the screen. Not only Papua, but also Kalimantan, Sulawesi, Sumba, Bali, Sumatera, all of them. So where is the society positioned? It has no position. It is only a commodity traded by the television stations to the advertising agencies (A. Armando, interview, 27/10/2011)

Obviously, media policy is the last reserve if we are to ensure the public character of media: the media should mediate the public, their content should reflect the societal diversity, and their function should enable wider citizens' engagement. Yet, there is a wide gap between the ideals and the realities. Media policies need to be revisited and revitalised in order to guard media's ideals. This also means a revisit and revitalisation of the whole policymaking processes.

4.6. Policy and citizens' rights to media: A brief overview

We have briefly outlined the trajectory of the media policy in Indonesia since its earliest days up to the most recent developments. Undoubtedly, media in Indonesia has both transformed and been transformed by socio-political change. The *reformasi* of 1998 has given impetus to the new era of press and media freedom, but then the development of media has become a boomerang for the citizens' rights to media as it loses its public character. The notion of 'citizens and their rights' has gradually disappeared before the media, and instead has been transformed into 'consumers and their choice'. While this may seem inevitable, or natural, given the recent dynamics and progress of the media industry, what remains worrying here is the missing function of media as central to the construction of our public sphere.

Therefore, even if we are to submit to the notion of 'media consumers' to describe today's society, we

need to think hard about what has been suggested by Arsenault and Castells (2008) in that

> "... [t]he greater the communicative autonomy of the media consumers, the more they are likely to become media citizens, thus restoring the balance of power vis-à-vis their would be controllers" (p.744).

Because, again, media is certainly a contested arena as it shapes society. Society can also shape the media, but only if they have access to it and to the media policymaking processes.

In the Indonesian context policies may affect and control the content and the working of the media, but have no power to regulate the structure of the media industry, which is eventually more powerful than the regulators. What is needed is probably a set of policies able to address both the public character of the media content and the economic character of the media industry because, on a daily basis, citizens are more affected by the industry than by regulations. The industry is able to create its own regulations or measures, such as in ratings and shares which have become much more powerful than any regulations in the broadcasting media. This also applies in print media (in terms of sales) and online media (in terms of hits and visits).

The whole discourse on the citizens' rights to media would be meaningless if this very reality of media is not acknowledged: that we can no longer see media without distinguishing its working mechanisms and functions from the economic/industrial structure that enables such dynamics. This distinction is important as history has taught us: no single policy is able to govern the complexities involved in the media sector. The trajectory of media policy in Indonesia has even shown us the bitter facts: that the state is powerless before the media industry; that the media policymaking processes are in favour of the media businesses, rather than the public interest; that the implementation of existing media policies is not lawfully enforced – among many others.

What is imperative here is a revisit of our media policy, and probably the bureaucratic paradigm behind it. This is central in understanding the ways in which the media policy in Indonesia was formulated and what future consequences it brings, particularly to the citizens' rights to media. This is the subject of the next chapter.

5. Media policy analysis: Aspects and models

5. Media policy analysis: Aspects and models

Media policy is most of all influenced by the ideals that the nation is aiming for. Without having a vision, then how could one achieve these aspirations that have been set earlier? Without it, how can we have some dreams in this world? What are we planning to do with Indonesia?
(Paulus Widiyanto, former House Member, 14/10/2011)

The social function of media is that it should, by nature, be a mediating institution, for the private and the public. Although the nature of media seems to be in constant change, policies need to stick to the normative stance: that media must be civilising, regardless of the medium or platform. Most importantly, media policies must always have as their main goal, ensuring citizens' rights to media.

As both media and policy are contested, all parties involved and bearing certain interests will be trying to impose their interests on media and its policy. These include business groups, governmental agencies, and political parties, among others. Moreover, our limited observation suggests that some groups are more powerful than the others in imposing their interests on media and its policy. This makes media policy making a heightened process, but one that is often not open for public scrutiny, thereby raising questions about transparency.

This chapter aims to analyse existing (previous and current) media policies according to their various contexts and functions using policy analysis. Here, we try to highlight the character and impact of media policies in particular. This chapter helps to remind us that policies are mainly influenced by political interests and aspects. It cannot serve the interests of everyone, but can serve those who will be most able to influence the output of policy and decision-making by shaping the public discourse and opinion. In doing so, we try to employ the institutional, group/network and rational choice theory (John, 1998; and also Parsons, 1995) in trying to gain an understanding on policies in general, and media policy in particular as well as its impact on current media development in Indonesia.

5.1. Media policy in Indonesia: A rational choice policy?

Media policies have the purpose of ensuring that media retain their social function, namely mediating the public. The importance of controlling the media is to maintain the ideals of an imagined life together. Beyond this function, media have always been close to the ideas of power and influence, especially when used as part of an authoritarian regime which realises the political realms of media and uses this as part of its hegemonic measures. The media was and will always be an effective tool in socialising ideas and ideals. This feature was most apparent during the Old and New Order in Indonesia. Both regimes utilised media to maintain their power, and to retain their political position and legitimacy.

It took an historical occasion such as the 1998's *reformasi* to 'restore' the natural, independent role

of the media, in which the control over media was brought back to the public, and its independence reinstated. But, enabling a mediating public sphere requires more than just technical regulations. It has to encompass the ideals of the nation, and the ultimate aim of the nation's foundation. Policies must be able to convey these aims. The Broadcasting Law is one of the few regulations that were actually composed in this spirit. The idea of having a decentralised broadcasting scheme entails the necessity of having the diversity of ownership and content. To the policymakers, i.e. the members of the Commission I of the House, and some interests groups like MPPI, ATVSI, ARSS and UNESCO Indonesia, the Broadcasting Law goes along with the national constitution, and would benefit the public with its Network Broadcasting (*siaran berjaringan*) system, enabling the public to gain a diverse choice of television channels and content (Laksmi and Haryanto, 2007).

But to the media owners and practitioners, the Broadcasting Law and particularly the idea of the Network Broadcasting has proven to be a counter-productive measure. To the industry, the Law is even a threat to both revenue and influence. From the media industry's point of view, rejecting the Network Broadcasting system is rational, and in accordance with the economic principles they subscribe. The industry objected the Law due to these reasons:

> So with the broadcasting law and concept of Network Broadcasting, we must adapt ourselves to the new system. They do not think about the consequence. There are at least fourteen other laws that must be contravened by the national television stations [like us]. [For example] the Banking Law, the Financial Market Law, Limited Liability Company Law, Telecommunication Law … (Z. Lubis, ANTV, interview, 16/11/2011)

On the other hand, to the policymakers, the Network Broadcasting system fits perfectly with the decentralisation process taking place in Indonesia which was also widely promoted after the *reformasi*. Here it is important to note that the *content* of the policy is produced by the *knowledge* owned by the actors involved in the process (Parsons, 1995:55). Hence, we can see that the outcome (i.e. the Broadcasting Law with Network Broadcasting system) was very much in line with the interest of the policymakers (i.e. the government promoting decentralisation).

However, the Broadcasting Law failed to convince the industry of the benefits in allocating the broadcasting scheme to other regions outside of Jakarta. Ultimately, the government enacted the Government Regulation No 50/2005 on Private Broadcasting. This Regulation uses the term 'permit adjustment' or '*penyesuaian ijin*', which fundamentally contradicts the principles of the Broadcasting Law, which actually had a higher legal status than the Regulation.

As such, the Ministry of Communication and Informatics took initiatives that were counterproductive for the needs of society. Not only did they deprive the Indonesian Broadcasting Commission (KPI) of its authority, they also took the liberty of delaying the implementation of the *siaran berjaringan* (network-based broadcasting) system – all by enacting Government Regulation No. 50/2005. Commenting this condition, media expert and academic, Effendi Ghazali, stated:

> But I am trying to state here that we cannot furthermore tolerate any delays or make a compromise against capital and then hesitate to implement the or *siaran berjaringan* system (E. Ghazali, public statement, House Hearing, 8/12/10).

The Broadcasting Law is now subject for revision. It has flaws that have been used as loopholes for the industry to enable the concentration of media ownership. The Law requires several, detailed improvements. A former House member who was leading the drafting of the Broadcasting Law, Paulus Widiyanto, publicly states:

> Parts of the Broadcasting Law are not final – loose, ambiguous and not clearly defined.

> We need to formulate it further, keeping it updated with the latest progress. We need to consider the latest trends and ask whether, for example, digitalisation and convergence are issues we need to focus on. (P. Widiyanto, public statement, House Hearing, 8/12/10).

What we see here might resonate with what John terms 'policy as epiphenomenon' (John, 1998:214), i.e. that the policy is just a secondary phenomenon that occurs alongside, or in parallel, to a primary phenomenon, which is the commercialisation of media and the public sphere. In such situations, although existing policies can "set the agenda for 'new' problems and provide the discourse within which these problems will be constructed" (John, 1998:214) if there is no effort to make policy prominent, it will never be in a position to legitimately direct the development of the media sector in Indonesia.

What factors actually influence the policymaking process in the Indonesian media sector?

5.2. Factors influencing media policy making

There are a number of policies other than those directly intended to govern media but whose content impacts upon the media sector in Indonesia. See Table 5.1., which is not meant to be an exhaustive list of all policies which have affected the working of the media, but rather to identify those with relative significance.

No	Policy/regulatory framework affecting media	Substance / Potential impact
1	Human Rights Law, No 39/1999	Guarantees the right to media
2	Telecommunication Law, No 36/1999	Media infrastructure
3	Limited Liability Company Law (UU Perseroan Terbatas), No. 40/2007	Media merger & acquisition
4	Anti Pornography Law, No 40/2008	Media content
5	Criminal Code (KUHP)	Defamation
6	Intelligence Law	Wiretapping
7	State Secrecy Bill	Press criminalisation
8	General Elections Law	Press criminalisation

Table 5.1. Policies related to media in Indonesia
Source: Authors

From this much-condensed list we can see how the working of the media is not only of concern to the media sector, but instrumental to other sectors, particularly those within which the notion of citizens and their engagement is central. From one perspective, this list shows that the media sector holds important keys to the 'success' of the working of the other sectors (human rights, telecommunication, commercial, cultural, crime and security, and even *realpolitik*) – that media has to be regulated by policies external to the media policy domain itself. Another perspective would be the opposite: that the working of the media sector depends on and is affected by (in a submissive fashion) the working of other sectors. For both perspectives the role of media policy is central.

However, history teaches us that policies are always a result of compromises and that policymaking processes reflect a battle of interests (John, 1998; Parsons, 1995). In the media sector, such compromise

in policymaking is apparent, be it in a modern state (Hill, 1997), or in a developing economy like those in Southeast Asia (Mendel, 2010; Piper, 2009). Clearly, policymaking is never a linear process. As we have observed in our case in Indonesia, in respective media policies, from the drafting of one bill until it is finally enacted as a law, the decision-making process is always prone to interventions and interruptions which can cause different results to those expected.

First, the legal environment surrounding the media has changed, and will always change constantly, due to technological innovations and new business models and practices in media. Policymaking after *reformasi* is *by far* different to what it was during the New, or Old Order. Without trying to reduce the complexity of the policymaking process and avoiding a deterministic stance, we try to identify and analyse some factors influencing media policy in Indonesia.

Firstly, *open market*. In terms of media policy, a market-driven media is more difficult to regulate than media in a state-controlled atmosphere. Policymakers thus have to take into account that the interests of the industry will have greater influence on the substance of policies than any other groups. Also, an open market requires policies that are in tune with an investment-friendly atmosphere, and do not contradict the principles of a market-friendly media. This point of view is also held by Agus Sudibyo:

> Well, in my view, the industry is pragmatic and particular right? If we talk about the media industry from the capital perspective, well they use approaches commonly found in the financial market" [A. Sudibyo, interview, 27/10/11].

Certainly, profit is the main driver in the media industry as stated by a former House Member,

> Well like I said, the industry refuses to implement that [Broadcasting Law] simply because their motivation is profit. To gain profit is their motivation (P. Widiyanto, interview, 14/10/2011).

Indeed, the domestic media industry has grown rapidly in size; enabled mainly due to deregulation. However, it is important to note that market-friendly media policy does not mean the total submission of the workings of the media sector to the market economy, for media has to maintain its social function.

Secondly, *technological innovation*. Inherently, technology develops at speed much higher than the societal progress, creating 'disembeddedness'[29]. Media technology is among the technologies that advance very rapidly and coping with the technological progress itself is a problem for media. The birth and advancement of the Internet and Web 2.0 (Kaplan and Haenlein, 2010) has indeed not only changed the way the media works, but also increased the disembeddedness in the media sector. Instead of mediating the public, if not guided carefully enough by policy, new media technology will detach the public from the real, actual societal dynamics both in terms of access (technology-obsessive) and content (lifestyle and perspectives). For better or worse, technological innovation has become one of the main factors affecting the policymaking in media sectors. A clear example of how policymakers are forced to regulate the media as a consequence of emerging technologies is the current Convergence Bill. The diffusion of various communication tools into one single platform is the main reason why policymakers in Indonesia are now attempting to compose a new umbrella law on ICT and its uses. As a matter of fact, that "policy paradigm for media and communications is mainly driven by an economic and technological logic" has also been suggested by van Cuilenburg and McQuail (2003:199). This has also been highlighted by Paulus Widiyanto, a former House member:

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29   See the Yanuar Nugroho, "Innovation Policy and Development: Rethinking systems of innovation and competitiveness", Indonesian National Research Council, Pusppiptek Serpong, 14/12/2011, slide 13-14.

But since the technology has changed, from analogous to digital, communication has become much more interactive now. The technology has changed. Here we see that policies follow the changes happening in our society (P. Widiyanto, interview, 14/10/2011).

Thirdly, *pragmatism and short-term interests*. When both bureaucracy and industry collude, and operate in short term interests, then policies often become dislocated. Their functions become redundant and exist for legal and formal matters only. Often certain parties take advantage of such situations for their own benefit; both the regulators, and those being regulated. From the regulator's point of view, the problem lies in the pragmatic character of the bureaucracy, who only work for short term interests.

> Yes, they [the Ministry of Communication and Informatics] are pragmatic, right? The particular [concern of theirs] is what matters; the important thing [for them] is [just] getting the work done. Since the industry has been living in such an atmosphere for long, they are not prepared for changes. ... They (the Ministry) reclaim their power, merely as a political interest. What matters to them is that they remain in control. [What is] important to them is that permits are issued through the Ministry. That is how I see it. And there is economic and political [interest within it] (A. Sudibyo, Press Council, interview, 27/10/2011).

> **Allegedly, the broadcasting world in Indonesia is not exempt from bad practices such as bribery or collusion. It is often suggested that in order to afford licenses, media actors have long been practising scams (in Indonesian words: 'akal-akalan') in dealing with frequency use and permits in order to overcome restricting policies and regulation (see Box 2). This has also been implied by Paulus Widiyanto, the former Head of the Broadcasting Law Committee, in a House Hearing:** What I am trying to say here is that media owners will do whatever it takes to trick us out [in the case of frequency and broadcasting permits takeover]. I hope this is watched, because the owners of local media entities are sometimes not businessmen but the workers from those companies, so everything is possible here and I am asking you to watch out for this capital ownership issue (House Hearing, 8/12/10).

Without strong and tough law enforcement, broadcasting permits are merely used as licenses to misuse the license. Without a transparent and accountable bureaucracy, governing media has the potential to be misused. It is certainly in the interest of the public to gain knowledge on the constellation of frequency ownership, since it basically deals with public resources and terrestrial mediums which are public goods.

Lastly, *networks and clientism*. The content and end result of policy making is heavily influenced by the people, or parties, involved during the process (John, 1998) – as we also found in the media policymaking in Indonesia. The normatively encouraging content of the Press Law is one good example of how interest groups have succeeded in influencing the process by asserting their aspirations to the decision makers. But networks can also work the other way, namely by capturing policies in their own interests. The case becomes worse when certain members sitting in regulatory bodies are also representing interests of other actors or institutions. This is the circumstances surrounding the alleged case of the frequency and broadcasting permit trading where some media actors on the other hand are also known to have good connections with legal circles at the national level[30].

The network factor is thus highly related to the previous factor, namely when the bureaucracy is part of the network and the state operates in the interest of the business world. This has also been noted by Paulus Widiyanto:

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30   This issue has been raised numerous times by media activists we engaged with during the research. However, it is not in our capacity to lay bare the facts on frequency ownership and the described frequency trading.

> What I notice is the deceit in this business; who are these people, or owners and have manipulated or deceived the system; who are the actual owners of these broadcasting entities. (P. Widiyanto, interview, 14/10/2011)

Although these stories may not seem new, no serious action has also been to taken to date. This all leaves us, the general public and audience, with no choice but to question the responsible authorities.

5.3. Governing resources in media industry: Policy failure?

In his *Fate of the Commons*, Lessig (2001) warns us that

> 'For most of the century, in this context and others... the chosen desire of policy makers was to back up the desire of companies to architect and support systems that protected them against competition in the market' (p.47).

He is correct. There is a much closer link between business and policy than we may have thought. This link, despite being unseen, plays a very important role in the policymaking process in the media sector in Indonesia.

A network of self-interest

Based on the national Constitution (Article 33), all natural resources are used for the well- being of the people. The state's role is to ensure that these resources are owned and utilised to enhance prosperity in a just and sustainable way. Media rely on such resources, particularly frequency and land and therefore requires strict regulation to avoid the domination of certain individuals or groups in controlling these resources.

Currently, we are now witnessing private control over resources vital to media. As with content, the infrastructure industry is concentrated among few companies and players, which in turn affects the unequal distribution of media in Indonesia (for the detailed data, consult Nugroho et al., 2012). As a media practitioner commented, it becomes difficult to assure access to media, "...if even the medium is owned by a few people" (DD. Laksono, interview, 21/09/2011). From the policymaking process point of view, there is a strong indication of the huge influence of the corporate sector, that intervenes in the policymaking process to ensure that the policy is formulated and works in their favour (as also warned by John, 1998:78). Parsons (1995:257) adds that corporatist arrangement in policymaking will work in the interests of capital by directing or controlling privately owned business. How policies are easily overcome in order to serve the interests of capital-owners, is illustrated in Box 2.

Another policy that enables the penetration of (foreign) capital in the field of media infrastructure is Government Regulation No. 77/2007 on Business Fields Closed to Investments and Business Fields That are Conditionally Open for Investments. As stipulated in the regulation, the field of telecommunication and media infrastructure is open to foreign investment, together with other sectors. The law itself derives from the Foreign Investment Law No 25/2007, which is heavily criticised for being too open and permissive for foreign investment in strategic local resources.

A key in analysing the circumstance of media policymaking process in Indonesia is to identify the key players who have enough power to influence the decision making and to steer the processes. An

indication of this is the presence of regulatory body members who have, or had, other functions and positions that they had to preserve (Armando, 2011:256). With this in mind, let us see this particular case: only a few days after being appointed as the new Minister of Communication and Informatics, Tifatul Sembiring met the associates of ATVSI. The association tried to play its cards and influenced the Minister. It was on this occasion that Karni Ilyas, as head of ATVSI, stated that "... the *siaran berjaringan* system will, even until the doomsday, not be implemented" (Armando, 2011:272). It is true - the system has never been implemented. Did ATVSI manage to 'buy' the Ministerial support for not implementing the system? What did the Minister gain or lose for giving way to AVTSI? These are among the questions that will never be answered.

While we can only speculate the close and mutual link between ATVSI and the Minister of Communication and Informatics based on Armando's (2011) account, this sends a strong message: regulatory bodies are never neutral in the policymaking process. In fact they are at risk of being co-opted by those who are supposed to be regulated. In the media sector, we will take a closer look at the Ministry of Communication and Informatics and other regulators.

The Ministry of Communication and Informatics

The main regulatory body for media, the Ministry of Communication and Informatics has evolved over time. It was established during the early days of the country (1945) to the end of Soeharto's era (1999) under the name of *Departemen Penerangan* (Ministry of Information), was abolished (1999-2001) and was then revived as the State Ministry of Communication and Information (2001-2005), Ministry of Communication and Informatics (2005-present). It is perhaps worth noting here that after being dissolved as part of the *reformasi* agenda (1998) the Ministry of Communication and Information was eventually reinstated in 2001. Despite this change, the institution (i.e. the staff, the civil servants, and other tangible resources) was in fact never really abandoned, but only being prepared for a total transformation: from being an extension of the state in controlling and regulating the public sphere, to being a policy maker and public servant in the field of information and communication.

Box 2. How to apply for a broadcasting permit?

Based on Infocom Minister Decree (PermenKominfo) No. 28/2008, these are the procedures in acquiring a broadcasting permit, known as *Izin Prinsip Penyelenggaraan Penyiaran* (IPPP). The rule applies to all broadcasting entities, private as well as community-based ones. At first, based on Broadcasting Law No 32/2002, these permits are given by the Indonesian Broadcasting Commission. But due to the result of the judicial review, and Government Regulation 50/2005, requests for permits are now submitted to the Ministry of Communication and Informatics, and its approval is to be discussed with the Commission.

Broadcasters are basically required to issue a license first before airing. This applies to private as well as community broadcasters. The formal procedure in acquiring such license is outlined below.

Application / *Permohonan*
Submitted to
ê
The Government (Ministry of Communication and Informatics);
and Indonesian Broadcasting Commission (KPI)
ê
Evaluation and hearing / *Evaluasi Dengar Pendapat*
ê
Meeting Forum / *Forum Rapat Bersama*
ê
Issuance of the Broadcasting Permit / *Izin Prinsip Penyelenggaraan Penyiaran*
ê
Trial period / *Uji Coba Siaran*
(6 months for radio, 12 months for television)

A good practice of broadcasting would require every television or radio station to apply for such a permit. The problem lies in the national level, namely in the Central Indonesian Broadcasting Commission (KPI Pusat) where most permits are held up. Meanwhile, community broadcasters, for example who are airing at a very limited scale, are waiting for these permits to be issued. Hence, at some level, these permits can be counterproductive with the needs faced by small-scale broadcasters.

But, as stories from the field suggested, the practice is often overshadowed by trades and deals on these permits. This was also hinted by a Commissioner herself:

> *"Well, on paper, when we are asked about practices of frequency trading, we do not know for sure. But you know the business people. They hold many cards, and are always ahead of us [the] regulators. In terms of issuance, we [KPI] are always involved. But if we want to revoke a license, then we would also be breaching the regulation. We just cannot [intervene]. This is the Ministry's [of Communications and Informatics] ground. We are involved in the process. A few times we detected deviant practices. Basically, three parties are here at the table. First, us, KPI [who are] monitoring the content. Second, the Ministry [who is responsible] for the administration. Then third* Balai Monitoring *[Monitoring Body] [who is responsible] for the frequency use. They check the instruments. Then the applicant may air for three months. So it is these three parties who then meet up to discuss the suitability of the applicant* (E. Suyanto, Broadcasting Commission, interview, 16/09/2011)

A relatively unknown side to the formal procedures, and revealing the opposite to what is publicly known, is the story told to us below. Media companies here rely on the leaks and tricks given by certain brokers, who hold possession of the data about frequencies. Companies seeking to expand their coverage, or to renew their license, are in many cases forced (and more often do it deliberately) to use services from this 'inside-man', to cut procedures short and getting business done. A lengthy explanation on the 'dirty business' practiced behind the scene is given by an interviewee who asked for anonymity in this interview:

"There are two alternatives in solving the problem of lastmile connection. *The first is through satellites, and the second is through local TV, who own license to frequencies. Since the Telkom [Public telecommunication company] and PLN [National Electricity company] are hard to deal with, and they already have their own schemes running, the only door left [for the broadcasting companies] is to make deals in trading frequencies, to get access to satellites. Look at TV X [anonymised]. It is now cooperating with the Association of Local TV in Indonesia, with few local TVs [whose links to TV X] have been kept secret. It is because they are not formally bought [by TV X], but their stocks were purchased by A [anonymised] [who actually is a broker of TV X]. The target [of such practice] according to business plans set by B and C [anonymised, the owner of TV X] is to have around 30 local terrestrial TVs and 60 Cable TVs.... Now this is just the surface, we can dig deeper into this. Now the next group, Y [anonymised]. This is rather unique, compared to the others. If we ask its former editor in chief for example, "who owns the content?" they would say, "It is Y". What is the company? They would say "YY" [the group, anonymised]. But if you ask them who owns that company, nobody can give you an answer. Who do we look for if we need to know the owners? Nobody can tell you that. Now how about agenda setting? Agenda setting has become more brutal thanks to conglomeration. Meetings in the ZZ [anonymised, a group] are directly led by D [the group owner]. ... Agenda setting is driven [directly] by the owners. While they have all the frequencies controlled and own all forms of medium, the agenda setting has also become one, and all in one news room."* (Anonymous, interview, 2011, emphasis indicates original wordings)

Source: E. Suyanto (interview, 16/09/2011); Undisclosed interview (October 2011)

This change of the Ministry into a policymaker has proven to be a tricky and trivial task, since many key high-rank bureaucrats (Echelon I to Echelon IV) had previously served in the old Ministry of Information. They still retained their attitude and disposition from the past as the Ministry being a state apparatus for controlling the public – while as a matter of fact they are now policymakers who have to protect public's rights to media and information. It seems to be nearly impossible to change such attitudes and therefore it is no big surprise that many policies are counter-productive with the *reformasi* spirit and reflect some paranoia towards freedom of expression (FI and FNS, 2010:38). If we are to stretch this speculation, such circumstances within the Ministry of Communication and Informatics will put media policymaking processes at risk from interventions by other interest groups (e.g. business firms, political parties, religious authorities, etc.), especially due to the insensitivity of what citizens' rights to media are and how they can be protected through policy.

Other regulators

One regulator in the media sector is the Indonesian Broadcasting Commission. The Commission was designed to be an independent regulatory body as stipulated in the Broadcasting Law, but its role was then significantly weakened after the review of the Law and the enactment of the Government Regulation PP 50/2005. Surrounding the review, there were concerns, if not fear, of the industry that KPI would become a 'superbody' whose authorities would limit the expansion of the media industry in Indonesia.

As a matter of fact, the weakened position of the Commission is detrimental to the wider public in Indonesia as the power in the media sector is concentrated only in one hand, i.e. the Ministry of Communication and Informatics. The weakened KPI is no longer able to control the workings of the media industry which become both trickier and greedier day-by-day. One issue prominent today is the trading of frequency which probably could have properly been taken care of had KPI retained its original mandate and authority. A former KPI commissioner told us,

> Frequencies are traded through stock trade. Yes, stocks! [It] has always been. Then, who is responsible for that? [With KPI being unable to control] someone has to be responsible if something goes wrong, right? Whoever has been given a permit, [they] must be evenly controlled, right? They have to be controlled and also punished [if proven that they trade

their frequencies and permits]. What if they don't give those permits back [after being proven guilty]? Would it be appropriate to give them a permit again [after a certain period of time]? Actually, [it should be] no. Because then the actual owner and producers of the program have changed. [But in reality it is a 'yes']. This is a sad fact actually (B. Nugroho, interview, 12/10/2011).

It is no wonder that the dispute results in a spectrum scarcity. Of the 14 channels available in one region, 10 are being used by the national channels, 1 is stocked for TVRI and 2 channels for digital simulation. This leaves only 1 channel for local television station (KPI, 2008:15). This results in a blank-spot, where the majority of the people are marginalised technologically, forcing them to come-up with their own initiatives and alternatives.

Consequently, ownership in media becomes a matter of 'back door' dealings, instead of legitimate procedures. Previous studies also called for more transparency in spectrum licensing and urged that information on its allocation should be made accessible to the public (Lim, 2011:25). Further, an expert's account also emphasises that,

> We must actually differ our approach in managing commercial and non-commercial use of frequencies, thus it requires a different spectrum management. Don't you think? It can't be matched. It must be differentiated(P. Widiyanto, interview, 14/10/2011).

A competitive investment policy may be the answer, but who is to define the limitations and terms of condition? A simple example is the Internet infrastructure: to what extent should the state own the main resources? The difficulty in finding a common perspective, or a consensus in handling ownership matters is the most worrying matter. The key institutions such as KPI, Ministry of Communication and Informatics, and KPPU, are using their own, different, jurisdictions in analysing the ownership cases. This was acknowledged by KPI commissioner Ezki Suyanto who stated

> KPI has its own standpoint: But in some issues, we have our own stand point [taken into account only] in terms of legal opinion (E. Suyanto, interview, 16/9/2011).

Such a case could perhaps be prevented had the Indonesian Broadcasting Commission (KPI) had higher authority. But they did not – and their argument was undermined in the discussion among regulators on the issue of media ownership. The main regulator such as the Ministry of Communication and Informatics refers to the Broadcasting Law when dealing with the ownership matters and believes in the legality of the Law. But again, here we see a bureaucracy who is very pragmatic in ensuring the implementation of the existing policies. Rules and regulations are entangled by the short term interests of the government elites, executives or officials. An informant from the Ministry of Communication and Informatics tells a story – an example of this pragmatism:

> … But in fact it was the stocks that were bought [not the frequency or broadcasting permit]. The stock owners are still [mentioning a television station]. So this practice is *indeed in accordance to the rules that we have set* for broadcasting entities, *that they only buy the stocks* (A. Widiyanti, interview, 27/10/11, emphases added).

Such pragmatism can seriously impair the regulators when dealing with the increasing complexity of the media industry. As such, the government (Ministry) as a regulator is at risk of not only being incapable of ensuring the rights of the citizens to access media, but also being unable to fulfil its mandate to provide media infrastructure which is vital for the achievement of developmental programmes.

> How can we possibly ever achieve our goals if even the [internet] backbone has not been established? But then comes the question: who should be able to access this [internet]

backbone?" (P. Widiyanto, former house member, interview, 14/10/2011).

The issue of ownership is indeed central as it is not just about business ownership, but also about the whole infrastructure, mechanism, and content. In media, everything very much depends on the ownership. Media independency may be assured as long as media ownership is varied, not concentrated in the hands of the few. This also applies to the content: domination of the medium destroys diversity of content as choice will disappear.

5.4. The medium or the message? Policy response

Regulating the mediasphere poses its own challenges. As the media is always a contested field, each actor is bound to protect and preserve its own interest. Regulating the media is therefore not only the sole responsibility of a single actor, but is a subject of a common interest and should always refer to the *bonum commune.* This should always be considered when composing a policy on media. This has been emphasised by a former House member*:*

> ..[the] Broadcasting Law must provide accessibility for the remote communities towards broadcasting. That is why there must be chance for community broadcasters to grow, at the local level (P. Widiyanto, House Hearing, 8/12/10).

But of course, what the policy implies is one matter, and what happens in reality is another. What lies in between, from our observation, is the problem of coordination.

The making of policy is often the result of a network of individuals. This is clearly emphasised by John (1998), who sees that "political actors who recognise the complex and changeable nature of policy are likely to be more successful than those who uphold rational procedures" (p.27). However, 'successful' here may have different connotations when applied in the Indonesian context, in which a 'successful' policymaking process is not always judged against whether public interest is protected, but if the policymaker's is. And because the policymaker is usually a group of, or networked, actors with different interests, coordination is often a problem.

In terms of administering the media and communication sector, a number of institutions are linked in the network of policymakers. They are: The Ministry of Communication and Informatics, Indonesian Broadcasting Commission, Press Council, Indonesian Informatics Regulation Body, and Film Censor Institution which are representing the state and public interests; and KPPU (Business Competition Supervisory Commission), BKPM (Investment Coordination Body), and *Bapepam* (Capital Market and Financial Institutions Supervisory Agency). On the industry's side, we may call the ATVSI (*Asosiasi Televisi Swasta Indonesia* / Association of Indonesian Private TV Broadcasters), SPS (*Serikat Penerbit Surat Kabar/* Newspaper publishers union], PRSSNI (*Persatuan Radio Siaran Swasta Nasional Indonesia/*Indonesian Private Radio Association), APJII (*Asosiasi Penyelenggara Jasa Internet Indonesia/*Indonesian Internet Service Provider Association), as their representatives. There are also professional organisations and interest groups such as PWI (*Persatuan Wartawan Indonesia/*Indonesian Journalists Union), AJI (*Aliansi Jurnalis Independen/*Alliance of Independent Journalists), as well as respective labour unions from each media company who compete for their interest and well-being. Meanwhile, the civil society banks several actors who also happen to have influence on the policy-making process and its substance. Among them are the MPPI (*Masyarakat Pers dan Penyiaran Indonesia/*Indonesian Press and Broadcasting Society), Mastel (*Masyarakat Telematika/*Indonesian Telematics Society), Tifa Foundation, ISAI (*Institut Studi Arus Informasi/*Institute for the study of free flow Information], SET (*Sains, estetika, teknologi*) Institute (Institute for Science, Aesthetics and Technology) and a few coalitions made up of several individuals who gather together once in a while to respond current issues.

All of these actors have unique positions and possess power that can be imposed according to needs and circumstance. The interesting thing is therefore the pattern in which these actors try to influence one another in order to achieve their respective goals. Although all parties are competing for a common good, a clash of interest and principles is often unavoidable despite several comprises and consensus-seeking processes.

After the controversial verdict of the Constitutional Court, the Indonesian Broadcasting Commission lost its power to the media moguls. In terms of regulating the broadcasting structure, its function is limited to being the public's 'watchdog', giving way to the government in regulating the media scheme (KPI, 2008). However, as a commissioner states:

> What previously could have been done by KPI now must be executed together with the government. And everything has to be coordinated. Some are coordinated and some are subject to government's authority. This is what has created obstacles in the course of progress. (E. Suyanto, KPI commissioner, interview 16/9/2011)

These contradictions became very obvious when concerned with the main policies and institutions in terms of *who* ought to be in charge of regulating the media industry. While the Ministry of Communication and Informatics refers to other regulations, such as the Limited Liability Company Law which leaves them with no authority to regulate media business (E. Suyanto, KPI commissioner, interview 16/9/2011), they themselves, in a subtle way, defend or justify their measure in regulating the industry. One clear example is their confusing standpoint in letting merger and acquisitions of media business take place.

> [Merger and acquisition] is *not prohibited* by the Limited Liability Company Law. Whereas in the Government Regulation [PP No 50/2005] we *only* administer broadcasting companies. *Broadcasting companies, not holdings* ... (A. Widiyanti, interview, 27/10/11, emphases added)

In the Ministry of Communication and Informatics' opinion, the existing regulations have even succeeded in acquiring easier permits, as affirmed by their Broadcast Director, Agnes Widiyanti that, "[t]he law, the government regulation, the ministerial decree have made it [issuing permits] easier". But despite this, the Ministry does not actually possess the mandate to "regulate the content, because the law says so" (interview, 27/10/2011). It seems that the problem of coordination is not due to the absence of the regulation, but that the existing regulatory framework (such as Laws) are not elaborated in a more detailed operationalisation through other government regulations that fully implement the respective laws.

Commenting on this quarrel and concluding the situation, Press Council member Agus Sudibyo believes that the Indonesian Broadcasting Commission (KPI) must be placed in a stronger position:

> KPI has no authority to formulate regulations together with the government, [and] to constitute the Government Regulations. Detailed rules are set by the government alone. This is where the government does two things: *re-bureaucratisation* which means that most of the authorities given to KPI in order to represent public's interest based on the Broadcasting Law, is taken back by the Ministry of Communication and Informatics, especially in terms of issuing permits (A. Sudibyo, interview, 27/10/11, emphasis indicates original wording)

Following him, this trend might be as well termed *re-bureaucratisation*, which refers to the situation where the state is resurging to control the public using formal, legitimate means. Indonesia today sees that the state still has a big interest in controlling the media, but not with the same means practiced during the New Order. The motive is also not as ideological as it was during the New Order, as it is

merely about image building.

Box 3. Who is in charge of controlling the media?

The dispute between KPI and the Ministry of Communication and Informatics regarding the highest authority in controlling the media, especially the broadcasting industry, is crucial in resolving the problem of media ownership concentration in Indonesia. Basically, KPI was meant to be in charge of regulating the mediasphere in Indonesia. Its authority comprises the right to draft regulations and issuing permits (also see Box 1). But the result of the judicial review in 2003 put the Ministry of Communication and Informatics back in the drivers' seat. Now, the Commission is only authorised to regulate the content, and is not to scrutinise any matter on ownership or frequency handlings.

The dispute represents the problem endured by the public, and particularly media practitioners in Indonesia: the obscurity of who is responsible for what. Below is a simple matrix on the regulators and their 'division of labour':

Regulator	Roles	Cases handled
Indonesian Broadcasting Commission	Regulating content, assist government in issuing permits	Ethical violations, defamation
Ministry of Communication and Informatics	Regulate carrier and content	Permits, ethical considerations, infrastructure
Press Council	Regulate press and journalism	Ethical violations
Central Information Commission (KIP)	Facilitate public interests on access to public information	Refusal to publish information
Indonesian Telecommunication Regulation Body (BRTI)	Regulate telecommunication operators	Misuse by operators
Film Censor Institution (Lembaga Sensor Film)	Monitor film content and give out permits	Ethical violations
Business Competition Supervisory Commission	Governing market competition	Merger, acquisitions

As stressed in other parts of this report, the overlapping role and responsibilities of regulators has contributed to the problem of law enforcement and policy making in governing the media. Beside the dispute between KPI and the Ministry of Communication and Informatics, there is also uncertainty on who is responsible in handling the misuse of text message operators, pointing at the Ministry and BRTI, who are both mandated in the field of regulating telecommunications, including operators. As far as the public is concerned, an end to this is far from sight.

Attempts to control the media are not inherent in media policies, but through moral-based driven regulations. Again Agus Sudibyo states that the government often contradicts initial policies which are meant to empower the public and also regulate institutions such as the Indonesian Broadcasting Commission:

> The Government Regulations [at the moment] only represent the interests of the government [while] KPI has no authority. While, in the past it was the Government Regulations that were always elaborated in greater detail. So, it is through the government regulations that the bureaucracy has removed many regulations made by the KPI (Agus Sudibyo, interview, 27/10/2011)

In this situation, it is very possible that media businesses may take advantage for their own benefit. We may now witness a phenomena where the media industry is not only exercising its power through capital-driven practices, but also more and more by means of driving the formulation of regulations.

If we now reflect on the trajectory of media policy in Indonesia, we will notice that there is no continuation in policy transformation, particularly after the *reformasi*, which actually is ironic. It leapt from one stage to another. As a consequence, media policies seem to have failed to follow the path opened by technological change and comprehend the socio-economic challenges it has brought. They have failed to create a healthy public sphere in which citizens can engage with each other to move forward towards the betterment of society.

Here we put a strong emphasis on the notion of civic driven change (Berkhout et al., 2011); believing in the power of the citizens. Change does not come from policy implementation or structural reform, but mainly from citizens' initiatives and from public engagement which, through various means, succeeded in creating influential tools or small transformations. In the Indonesian media context, citizens should take the law and policy in media into their own hands. Citizens have to take their own initiatives and demand their public space that has been long abandoned in the mediasphere – through policy and direct action (as will also be elaborated upon later in this report.).

However, we may also perceive this current situation as a transformation process where different groups and parties are contending to secure and seize their own position in a contesting society, before arriving at its most fitting formation.

5.5. Media convergence: Future policy challenge

Policies do not possess the required ability to predict, or forecast, upcoming social problems or phenomenon. Policies are mainly enacted when certain issues have already become a common agenda, acknowledged by public opinion. Currently, media practitioners are witnessing new technical and economic forms of media convergence that lead to a further integration of the domain of traditional mass media and telecommunications which are inevitably changing the media landscape (Netherlands Scientific Council for Government Policy, 2006:47).

In this light, the Convergence Bill (*RUU Konvergensi*) is seen as a response to the shifting trend of media usage. It is a political reaction towards change happening in the media industry. The drafting of the Bill acknowledges the shift towards a single platform, namely the internet, which is used by various media simultaneously. This Bill also affirms the shift towards IP (Internet Protocol) based media activities.

Critical views tend to question whether the bill is only a modification of the Telecommunication Law or whether it reflects a more substantial policy progress. On the surface, the Convergence Bill may seem to have impacted on the telecommunication industry only, but in fact, it will have a huge impact on the ways in which several industries may have to approach their business. From the legal framework perspective, with the Convergence Bill comes the question about the *hierarchy* of policies. Will the substance of the Convergence Law (after the bill is passed) contradict some prior policies, i.e.: the Broadcasting Law, the Press Law, and Telecommunication Law? The problem lies in the fact that the Bill will inevitably intervene in numerous media simultaneously, and may cause legal disputes.

In addition, the Convergence Bill was criticised for its tendency to treat citizens as mere consumers and not see them as rightful citizens. Policymakers have to ensure that the future Convergence Law does not only cover the interests of media companies and reduces the rights of citizens into consumers' rights only. The bill has limited itself in regulating only the commercial aspects of media usage in convergence, but has not considered the social aspects of it.

Perhaps more importantly, convergence and digitalisation have challenged policymakers to rethink the media as an industry, and to consider its economic dimensions, i.e. the changing business plan for media companies in response to the regulation. The bill also hints that the future of the media industry will be in the IP industry, and that the ownership of internet infrastructure means the possession of future media industry.

Our respondent from a private television station however addresses a concern:

> The current bill is heavy towards the infrastructure, [for example] the telephone. There are almost no talks about the changing business model due to the changing in content, [and] copyright because it will all change. So the regulation on the new business models as an impact of convergence is not clear yet. When we talk about comparative study on doing business in digital media, the one thing we want to know is how the new business model is going to be (Z. Lubis, ANTV, interview, 16/11/2011).

Policymakers are in a constant, endless race with technological change and its social impact. Hence, the Convergence Bill will not be the last legal measure on media development. In fact, government executives and lawmakers from now on have to prepare a legal framework on digitalisation, which will be the next chapter of media development. Drawing on the experience of the current process, public participation in the drafting process is crucial, for policymakers to gain more insight on the social impact and aspects of media, to avoid reducing the substance to technical aspects only.

5.6. Towards citizens' rights to media: The role of policy

To conclude this chapter, we propose two main reflective points.

Freedom without liberation

Access to information is a basic right of citizens. This is guaranteed by the Constitution. The Government of Indonesia has also ratified article 19 of The International Covenant on Civil and Political Rights (ICCPR). With the current existing media policies, citizens in Indonesia are ensured of the freedom to express their opinions and to access information. But fundamentally, these rights are not assured by a democratic atmosphere that by nature would ensure its existence. Citizens' rights to media are treated as tokenism, or as an obligation which is explicitly stated on paper, only. Various defamation cases by public authorities are some of the main indicators of this argument.

Thus, citizens are constantly challenged to preserve their once-achieved freedom. The threats to this freedom are twofold. First, they emerge from the resurging state itself which backs its policies on moral-based considerations; secondly they surface from the ever thriving industry which sees the practice of doing media as a pure economic activity and abandon the values of civilising the public.

However, institutions such as independent media regulators, who are expected to be representing public interest, are often helpless in facing the industry. Trapped in a network of self-interest, regulators also often merely articulate the interest of the industry, as a media expert states,

> [We can see from] the character of the regulator [which] shows that it always prioritises the industry's interests, the interests of the business world (I. Haryanto, interview, 22/8/2011).

This argument was also seconded by a former Commissioner who is now a media practitioner,

> We are basically disappointed at regulators who are supposed to realise what should be controlled and what should not. They have no clues of what their priority is. Whether it is the Ministry [of Communication and Informatics] or KPI, they have no clue. The roles are clear. The Ministry manages the structure and the infrastructure [and] KPI governs the content. Now we have a Minister who is busy doing what he is not supposed to do, while the infrastructure has not been handled. The Ministry of Public Works can do better here. They build roads, know their priority. Clear and firm. The Ministry of Communication and Informatics have also clear tasks, they just do not do them (B. Nugroho, interview, 11/10/2011).

Meanwhile, with the current degree of commercialisation, media will eventually opt for content that is efficient to produce, with the highest possible output of rating, shares and sales. This logic leaves no room for in-depth coverage, essential news reports on non-mainstream subjects or minor stories that are of no interest in the national context. With such a situation, the option is for the citizen to create its own media, which is made possible by the current development of media policy.

The more one takes a closer look at the current mediasphere, the more the importance of media policy becomes obvious. Effectiveness of media policies is important in order for the media to establish its social function. In doing so, we also cannot abide by the fact that media indeed has become an economic institution. We need to put media into perspective and that should be the role of media policies, i.e. to require the media to operate within strict codes of conduct. In our case this should also be applied to the financial and economic realms of the media industry. This is also strongly emphasised by a former House Member, Paulus Widiyanto:

> So this is public policy. It requires that all aspects [of societal life] must be included in a regulation, be they economic, cultural and social – and this must be comprehensive. Because actually, this addresses the philosophy of our nation, what we want to become, what kind of nation we are aiming to be. (P. Widiyanto, interview, 14/10/2011)

In this regard, the government should have taken a policy option which addresses the rights to exercise freedom of expression (FI and FNS, 2010:51), precisely because at the very moment the Indonesian public grows concerned that the exercise of this freedom is being threatened. This might be what Morozov has meant with his book *Open networks, narrow minds* (Morozov, 2011:228).

Nowadays, it is nearly impossible to acquire media which is independent and detached from any interest group or economic and political motives. It has become a very difficult, if not impossible, to detach ourselves from the media industry, as every aspect of life itself has been commodified. The

promise of freedom in self-expression, speech and press, is contradicted by non-media regulating policies. This shows, that *reformasi* is not followed by a change of attitude in the ways government/ policymakers perceive the importance of public opinion and engagement. There is still a strong reluctance on the government's side in letting the public participate discursively in issues relevant to the public themselves. The state has not liberated its citizens to participate truthfully in crucial decision-making processes. But on the other side, citizens are also not yet able to define the limitations of freedom of speech. Now, more than a decade after the 1998 *reformasi*, the state as well the citizens are still trying to give meaning to the notion of freedom.

In addition, it is also imperative –within the notion of freedom and representation—that the media policymaking process ensure that minority groups and vulnerable groups have the chance to channel their voice in the media, and to situate their position in the public sphere, because, as Habermas suggests, the public sphere must not only represent the interests of the few and influential, but must ultimately include the 'voices from below' (Habermas, 1989).

Closing the information gap

In terms of media infrastructure, media policies need to ensure equal distribution of infrastructure and access to it, simply in order to close the digital divide and uncovered areas. This is essential to narrow other gaps that are closely linked to the information gap, i.e. the development gap, economic gap, and social gap, especially between Java and non-Java regions, or, western and eastern Indonesia. This problem has also been realised by industrialists, who admitted that the information gap is a consequence of the infrastructure inequality:

> "What I am trying to say is that the government is not handling the telecommunication infrastructure at all. Suppose they consider it important, they should take hold of it. What happens if the infrastructure is not owned by the government but by the private sector – be they Telkom, Indosat or other big players –but not by the government? Then eventually [there] will be an unequal distribution [of infrastructure] that will result in the unequal distribution of information. And what is the impact of this inequality or gap? Information gap. And what is the impact of information gap? Yeah, well, poverty and other forms of disparities. Because information is the power to everything. Without information we are blind, yes blind. That is what is happening now (K. Hidayat, interview, 13/12/2011).

Nevertheless, it would be wrong to assume that the current situation is a result of *policy failure* per se. It is also a matter of institutional defect, where regulators and their regulations need to be reconfigured. Regulators must be aware of the importance of preventing monopolies, and other forms of ownership concentration. Also, regulators must guarantee, facilitate, and monitor a healthy competition among the media companies including media infrastructure companies. Without improvement in the coordination between these regulators, the state will not be capable of fulfilling its minimum role, namely to ensure equal opportunity for citizens to access, produce and distribute information. At the end, the existing gap between the 'information rich vs. information poor' will continue to exist.

Over the past decade, we are witnessing a process where the forming of a new relationship between state and citizen is taking place. Both parts are now defining their new roles, which had not been experienced before. As a consequence, on the one hand the state can never return to its old authoritarian form, but requires new means of governing. On the other, the individuals or the citizens also have to have a clear understanding of their rights and responsibilities, especially in terms of freedom of expression. Here, media plays its pivotal role in enabling the citizens to exercise their rights to freedom, which at the same time serves as one of the most important fabrics of societal engagement in a modern, democratic country.

One critical note here, however, is that these all processes cannot be taken for granted. For example, despite the presence of adequate laws such as the Broadcasting Law and the Press Law which guarantee freedom of expression, the implementation remains problematic when the authorities are not controlled. This will consequently leave much room for deviant measures, e.g. by the use of broadcasting permits or defamation codes to criminalise and blackmail political opponents, instead of using them to restore truth and question the credibility of information.

It is clear that media policies have become a battlefield in which various industries with divergent views, citizens, consumers, and communities assert their rights to control the mediated public sphere (Arsenault and Castells, 2008:4). Eventually, this requires the state to play a bigger role in order to prevent the monopoly of information. In the case of Indonesia, this case can be examined through analysing media reform – which will be the subject of the next chapter.

6. Media reform in Indonesia: A critical path

6. Media reform in Indonesia: A critical path

That is a logical consequence – a logical consequence that (media) eventually experience diaspora. Then they become concentrated. Business will always be like that. But that is not the most important thing here. The most important thing here is that [whether or not] what is produced makes us more civilised humans. Does technology humanise us, does the news humanise us? For example, is it appropriate for us to consume news on the church bombing in Solo while we are having our lunch ? To put it more simply, whether it makes somebody lose his appetite. These journalistic virtues mutilate our humanity
(Bimo Nugroho, interview, 12/10/2011).

That our society is facing more complex challenges is inevitable. But that the majority of members of that society are powerless is something that we cannot accept as natural. Unfortunately media is not always helpful in providing the sphere in which the society can engage, let alone in empowering them to address the challenges. Indeed, media can and should facilitate the public in making sense of the world around them by providing quality content and information. But certainly media cannot and should not be left alone to do so, for sooner or later, public interest will have to give way to the profit motives of the media industry. This has been the case in Indonesia, as we have presented in this report. Even with media policy in place, governing media is an agonising struggle. This is the point where the analysis of media reform might help shed some light on understanding the nature of media dynamics in Indonesia.

It is important to have a closer look at the relationship between the media and the public interest. We need to understand whether the adoption of new media and technology helps or hinders the creation and strengthening of this link. The same goes for the phenomenon of media concentration and its impacts on media pluralism and diversity, including a range of alternative models developed by the society to sustain the public sphere and strive for public interest. While the importance of policy in media is obvious, unfortunately very seldom does policy set an agenda in media development. It is common that only after certain media has created considerable impacts, comes the need for the regulators to govern it, as it is only when media is part of a certain movement or change that policymakers are aware of its importance and impacts. However, it is also quite rare that despite such awareness, the regulators take the initiative and respond to introduce a policy framework. Instead, mostly, it is the work of concerned citizens and organisations who are calling for certain media policies.

This chapter looks closer at the dynamics of the respective mediums: print, broadcast, and online, and the policies arising from the media development throughout the years.

6.1. An historical overview of media reform: The policy following the medium?

When Johannes Gutenberg first invented the print machine in 1436, he was probably unaware that what he did would forever change the face of the world. Gutenberg's invention set a revolution, which we cannot now imagine life without. The rise of the printing industry which followed represented the emergence of new centres and networks of symbolic power (Thompson, 1995:53), which stood outside the direct control of the state. Thompson further argues that

> ...Print-capitalism emerged as a logical consequence and paved the way for a commercially based press. And soon enough, political authorities would exercise control over the rise of newspapers and periodicals by enforcing taxes to restrict production whilst adding revenue for the state" (p.68).

With the invention of other media, the same story is repeated. Media reform follows the technological progress. It is the media policy that largely adapts to the advancement of media technology; or, it is the policy that enables the use of certain technology in media – which in turn has massive impacts on the working of the media sector. Hence, from the policy perspective, there are always the odds that a *jurisdictional vacuum* exists between the open, unregulated space, where all parties (government/regulator, media industry, citizens/civil society) will compete for their respective interests, as the media is always a contested area.

In the Indonesian context, media policy also seems to follow the technological progress exposed by the media industry: from terrestrial television, the use of satellites, the mobile technology, digitalisation, the Internet, wireless, broadband and now 3G technology. In all of these technological advancements, policies are substantially limited in regulating what is *current* – that is, they have neither the ability nor the resources to predict upcoming change and innovation. One consequence will be the inability of policies to also anticipate, let alone control, the use of new mediums or technology, be it by the media industry or by citizens and society for their own purposes, which will certainly have some social impacts.

An essential feature in the history of the Indonesian media is its close relationship with the political realms of power struggles. Either, media became an apparent tool of mass-control and propaganda by the rulers who made effective use of its 'consent-manufacturing' feature (after Herman and Chomsky, 1988) effective to maintain power (Hill and Sen, 2000; Laksmi and Haryanto, 2007). Or, it was used as a tool of liberation to spread mass information and gather support and mobilise the masses. In Indonesia, media sectors have experienced both. The latter was evident during the student and activist mobilisation around the *reformasi* days (Hill and Sen, 2000). The internet was one important element that featured in the mobilisation efforts and was also used to gather and spread information to the outside world (Lim, 2003; Nugroho, 2010a).

However, after the *reformasi*, there is a significant change in the media landscape. From being propaganda tools for an authoritarian regime, the Indonesian media leans toward the market with media companies emerging and ruling the business of producing information. The 'euphoria' of press freedom has given birth to new media players who benefit from the atmosphere, enhancing both public sphere and market capitalisation. See Figure 6.1.

Timeline columns: 1950 | 1965 | 1970 | 1975 | 1980 | 1985 | 1990 | 1995 | 1998 REFORMASI | 2000 | 2005 | 2010 | present

Media policy (laws):

1950	1970	1980	1995	1998	1999	2000	2002	2005	2007	2008	present
UU No 4 1963 Public Order Law	UU No 11/1966 Press Law; UU No. 4/1967 Press Law	UU No 21/1982 Broadcasting Law	UU. 20/1994 Foreign investment Law	UU No. 24/1997 Broadcasting Law	UU No.5/1999 Anti-Monopoly Law; UU No.8/1999 Consumer Protection Law; UU No 36/1999 Telecommunication Law; UU No. 39/1999 Telecommunication Law	PP 37/2000 Department of Information is closed down	UU No 32/2002 Broadcasting Law	PP No 49/2005; PP No 50/2005 on Private Broadcasting; PP No 51/2005 on Community Broadcasting Institution; PP No 52/2005	UU No 40/2007 Company Law; UU No 25/2007 Foreign Investment Law	UU No 11/2008 ITE Law; UU No 14/2008 Freedom of Information; UU No 44/2008 Anti Pornography Law	Intelligence Law; Election Bill; State Secrecy Bill; Convergence Bill

Media industry:

1950	1965	1970	1975	1980	1990	1995	1998 REFORMASI	2000	2005	2010	present
1962 TVRI established; 1949 JAWA POS established; 1945 RRI established	KOMPAS established	1970's radio network expanding; Print media expanding; 1971 TEMPO established	1974 PRSSNI established	1978 KOMPAS being banned; Sinar Harapan and 12 other medias are being banned; 1982 TEMPO is temporarily closed	1989 RCTI established; 1990 SCTV established; 1990 TPI established	1993 ANTV established; 1994 Indosiar established; 1993 Republika established	1997 first franchise print-media (Cosmopolitan); TEMPO re-established	Metro TV established; TV7 established; 2000 ATVSI - Indonesian Private Television Association is formed; 2001 Koran Tempo established; 2001 TransTV established; 2002 Lativi established; 2002 ATVLI - Indonesian Local Television Association is formed	TV7 changed into Trans 7; 2004 Integration of Mahaka Media	Lativi changed into TVOne; Vivanews established	Kaskus is acquired by Djarum; Indosiar is acquired by SCTV; Detikcom is bought by Trans Group; ATVJI - Indonesian Network Television Association is formed

Figure 6.1. Media policy and media industry in Indonesia: A timeline
Source: Authors

We map the issues that the media policies touch upon.

Figure 6.2. Network map of issues discussed in the media policies in Indonesia

Network measures: N=136; d=0.1106185; 14-core; Kamada-Kawai 'free' plotting algorithm.
Source: Authors. See Appendix A.3.1. for the full node list.

A simple network analysis of the issues as mapped above confirms not only the breadth of the issues the media policies in Indonesia are concerned with (shown by the density, *d*), but also how those issues are widely connected to one another (shown by the core measure, *k-core*)[31]. The visualisation also reveals how close the issues relate to each other (shown by the thickness of the lines), in addition to their relative position in the network (whether they are central, peripheral, isolated, or brokerage). What is exposed here is that the issues in media sector are relatively cohesive: that one issue cannot be really separated from the other. Understanding the workings of the media would require the understanding of how these issues work and inter-relate.

The complexities of issues in media are also shown in the map of the policy network based on the issues shared among them in the actual content of the policy documents:
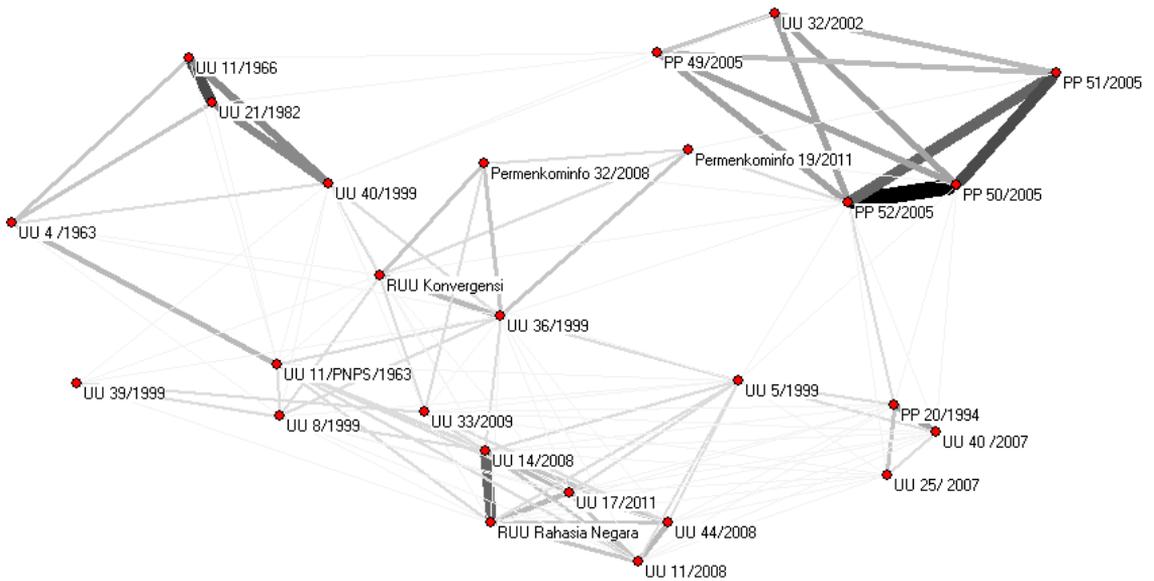
Figure 6.3. Actual media policy network in Indonesia: 2011
Network measures: N=26; d=0.3934911; 9-core; Kamada-Kawai 'free' plotting algorithm.
Source: Authors. See Appendix A.3.2. for the full node list.

The thicker the line between two policies is, the more issues are shared by them. As such, we can see how media policy is actually never a stand-alone product. Policies are closely linked to one another, reflecting the complexities of the issues they have to address. While the *actual* policy network map shows a depiction of a relatively intricate relation among policies, the *formal* policy network[32] is much simpler. See Figure 6.4.

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31   The d=0.1106185 shows a relatively dense network. The 14-core shows a cohesive network with each node connected to at least 14 others.
32   *Actual* policy network depicts the map of the relationship among policies based on the issues they jointly address/share as explicitly mentioned in the official text. *Formal* policy network maps the link of policies as mentioned explicitly in official text.
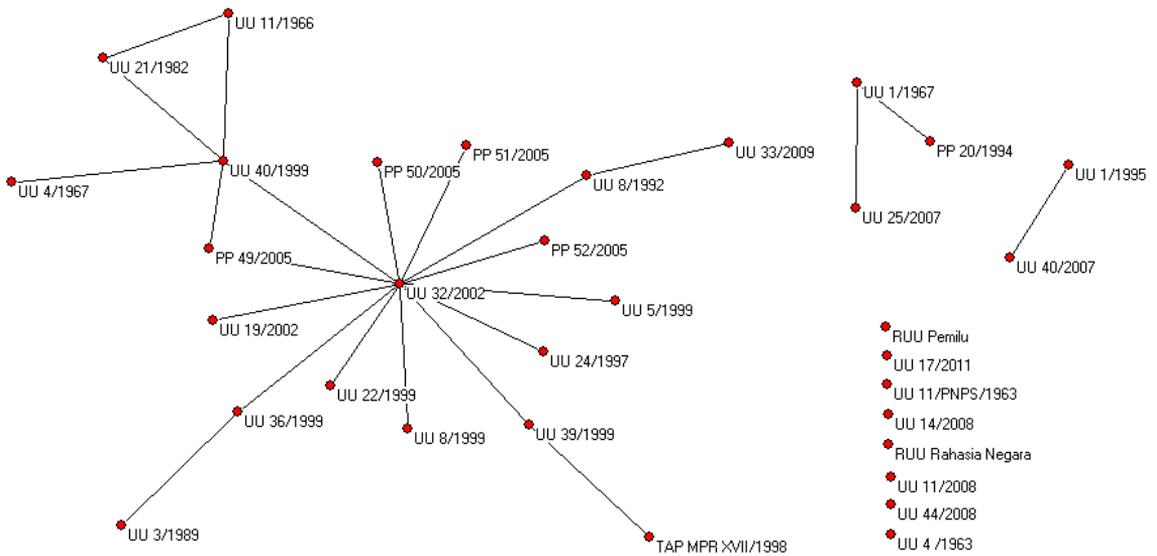
Figure 6.4. Formal media policy network in Indonesia: 2011
Network measures: N=33; d=0.0541781; 2-core; Kamada-Kawai 'free' plotting algorithm.
Source: Author

The network structure clearly shows a relatively low cohesion among the Indonesian media policies as formally/officially formulated (shown by a low *core*). A closer look will even reveal that a number of media policies are 'isolated' – that they are not linked or connected to other policies. There might be two possible explanations. One, that the formulation of a certain media policy does not adequately consider the existing policies. Two, that the policies are intentionally designed to leave some, or all, existing policies and instead focus on the issues they aspire to regulate.

Lately, this eventual shift becomes ever evident in the drafting of the Convergence Bill. While both Press and Broadcasting Laws put a strong emphasis on the active role of citizens in media, the Convergence Bill, in contrast, regards citizens merely as consumers. Why does this happen?

The inability to comprehend the social impacts of technology, especially the ICTs, often results in inadequate policies. The clearest example of this is the Electronic Information and Transaction (ITE) Law, where a policy which is supposed to be protective is misused to endanger the rights of citizens. This is an instance where regulations are used against its own constituents. One important aspect of these policy flaws is the presence of the so-called *pasal karet* (literally 'rubber article') indicating vague wordings in the Law that can be interpreted according to whoever would want to benefit from it. With this, what once was intended to be a medium to strengthen the public sphere has now probably proven to be a legitimate attempt to recolonise it. This could well indicate the possible revival of the authoritarian state post *reformasi* (after Habermas, 1989). The Laws and bills from 2008 until today are undisputable empirical evidence of this observation: citizens are witnessing a tendency towards an anxious state – or, conversely, they now find themselves anxious when they learn that the state suddenly regards itself as a moral guardian of them.

Reflecting on the historical account of media in Indonesia, the industry clearly sets the pace, with policies only able to follow. As the media agenda is driven by capital and profit motives, information is thus treated as a commodity. In the eyes of the media industry, the properties of information (truth, accuracy, quality, etc.) do not always count as things that are critical to life and have social impacts, but rather are considered in terms of how much profit they would bring to the company. In other words, bringing the *publicum* closer to the truth through information is an unintended consequence of an

intention to commercialise information, be it truthful or otherwise. The same goes for the creation of the public sphere through media: citizens engagement through the media is very likely never be an intention of media business, rather, an unintended consequence its practice.

However, the advancement of new media technology opens up opportunities not only for media business to expand, but also for citizens to reclaim their public space (Nugroho, 2011a). New media innovation has helped provide the means for citizens to explore new possibilities of being their own messenger, creating information that is considerably more relevant to them and their community. The task is thus now to preserve these rights and ensure that media retain their public character as a guardian of the public sphere. The fate of media will largely decide the nature of Indonesia's democracy, and is an important feature of the transition process, which should always be in the hands of the people.

We now look at the dynamics of various media in Indonesia over time and the policies affecting them.

6.2. Print media: From state ideology to business interest

Like media development in other parts of the world, print media set the first tone of the media landscape in Indonesia since its independence in 1945. It was labelled as '*Pers Perjuangan*', or press of the national struggle. The term was politically correct. The first media policy, i.e. Press Law No. 11/1966 legally made use of media as an ideological tool of the state. Under Sukarno's presidency, the press was used as a means of gathering mass support in light of the political contexts at that time. Sukarno's administration then passed Press Law No. 4/1967 that added one new article which cancelled out a regulation on book banning. The Law added no new features to the press and print media.

As the regime changed, print media welcomed new times during the New Order. Despite the authoritarian attitude of the regime, print media enjoyed its first 'spring' and was able to make use of permits to publish. But still, print media was subject to tight control, being obliged to issue a SIUPP, as a formal form of government control. And at any time, publications could be banned if regarded disturbing to the public order, the definition of which was 'broad and elastic' (Hill and Sen, 2000:37).

In order for the industry to become more competitive, investors called upon the then Ministry of Information to loosen the restriction for the broadcasting permit (SIUPP), and to allow "the market to determine the viability of print publications" (Hill and Sen, 2000:63). Due to the oligarchic character of Soeharto's regime which also controlled strategic businesses including media, being able to compete in the printing business during the time meant having good connections with the Palace circles. The obligation of having to pursue a SIUPP permit could be compensated by having close ties with Suharto and his family. Hence, for those who were part of the Palace network, SIUPP was only a matter of formality.

In such a situation, the market prevailed eventually and set the media landscape in motion. To the blooming print industry in the 1980s, a Tempo journalist once commented that "[e]very business group is only happy after it opens a bank, a supermarket and a newspaper" (Hill, 1994:271). This marked the beginning of the media commercialisation in Indonesia, where companies with no media portfolio started to enter the enterprise. It also shows that local capitalists started to perceive the media as a strategic part of their growing venture.

Despite the growing industry of press, political publications were heavily scrutinised during the New

Order. When policies on media did not suffice, other national security-driven policies would come into play. The Anti Subversion Act (Law No 11/PNPS/1963), would be the most common regulation, and was indeed often used, either to disband underground and/or student movements, to arrest individuals deemed to be 'dangerous' or 'threatening', or in media's perspective, to ban books and publications from its circulation or programmes from airing/broadcasting.

The most important policy to mention here is the Press Law No. 21/1982, which altered the function of the media without fundamentally giving it the necessary freedom. Literally, the Law stated the function of the press media as being 'the guardians of state ideology Pancasila' replacing the status of 'the guardians of the revolution' in Sukarno's time. In addition, the term 'Press of Socialism Pancasila' was also changed to 'Press of Pancasila'[33]. Apparently, Suharto wanted to guarantee that the press conformed to his ideas of development and Pancasila.

Another feature of the print media during the New Order is the early formation of print industry conglomerates, characterised by nepotism (Hill and Sen, 2000). By the early 1990s, the print industry became much more concentrated in fewer hands, but with larger readerships (p.57). This growing industry would eventually become a nemesis to Soeharto, as the press contributed to the pressure put on his presidency during the *reformasi* days.

With *reformasi* came also the press reform. Only one year after Suharto's fall, the House enacted Press Law No. 40/1999, giving way to the long awaited freedom of press and expression. It remains the only formal regulation on journalism and press to date. With no Government Regulation or any other formal policy, the print media entirely relies on the rules and guidelines set by the Press Council – until today. However, several non-media policies have imposed a strong influence on the content of print media, as well as on media in general. These content-influencing regulations are the Defamation Act, the Pornography Law, the Criminal Code and on the positive side, the Freedom of Information Act. There also have been calls to revise the Press Law. But since the majority of the actors regard the Law as unproblematic, altering the substance of the Law does not seem to be a priority (I. Haryanto, interview, 22/08/2011).

The dynamics of the print media, after *reformasi*, have been more influenced by market interests and technological development, rather than by public policies themselves. Public policies have enabled the industry to grow; later with greater independence, which fits with the demand of the industry. See Fig 6.2.

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33   See Press Law No 21/1982
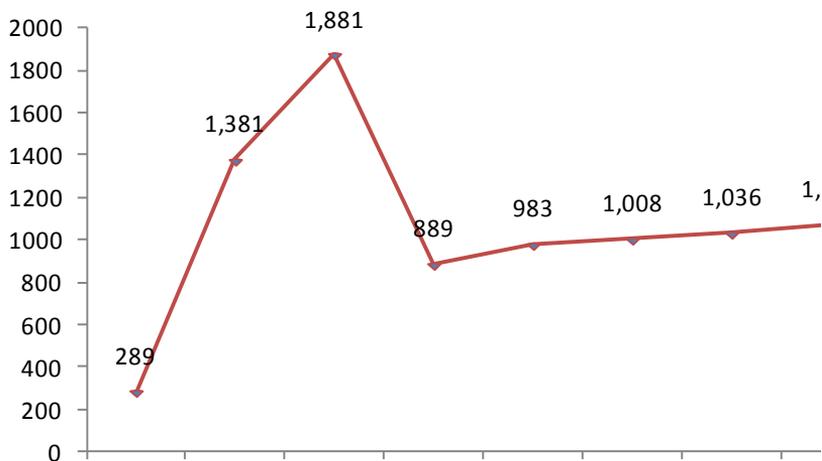
Figure 6.5. Number of print media from 1997-2010
Source: Authors; based on SPS (*Serikat Pekerja Suratkabar*/News workers union).

This situation is dilemmatic. On the one hand the absence of public policy intervention helps the media grow more freely; on the other, without policy controlling their work, media can abandon its public function and treat citizens merely as consumers.

The latest issue to highlight in the print industry is the emergence, and mushrooming, of licensed/franchised print media. Media companies are publishing more and more foreign magazines, with only little concern for the content of the media. This seems to be a paradox to the theory that with digitalisation, print media will eventually diminish. But with no need to acquire a publication permit, media companies are competing to publish more and more licensed foreign magazines. Again, it shows that Indonesia is merely treated as a potential market, with no restraints facing the demanding industry.

6.3. Radio: Business as usual

Radio has played a big role in the country since the early days of Indonesia's independence struggle. Almost like folklore, the story of how independence activists gained information that Japan surrendered marking the end of WW II by secretly listening to news on the radio, has been passed on through generations. It is a mandatory lesson told in schools. Indeed, radio was, and always is, a powerful source of information. After independence, the picture has quickly changed, most of all due to the invention of television. Nevertheless, the first steps towards private radio were taken in the days after Soekarno's fall. It was in the interest of Soeharto to let radios, most of them operated by students and youth communities, support the government in enhancing student movements and as a means of popular mobilisation in his administration (Armando, 2011:67).

Radio experienced its golden days before private television began to air. But it was also in these days that the first policy on private radio was enacted. Formal regulations on radio use were first constituted during Soeharto's era. The Government Regulation No 55/1970 certified that radio performed its 'social function' in educating, informing and entertaining the public. In doing so, radio had to refer to, and strengthen the state ideology Pancasila and the Constitution (Suranto and Haryanto, 2007:14). The regulation also stipulated that radio ought to endorse moral and ethical opinion that reflected the principles of Pancasila. Also, radio stations were not permitted to produce their own news, but must relay news from the state (Hill, 1994:239).

Clearly, politics has affected the development of radio, as well as other media. In the wave of media

boom, as a matter of fact, acquiring permits for private radio to air was not an easy task during Soeharto's administration, just as the print and television industry had experienced. To impose control on private radio, the government supported the establishment of PRSSNI, *Persatuan Radio Siaran Swasta Nasional Indonesia* or the Indonesian Private Radio Association in 1974. This newly-established association was meant to be the sole organisation for private radio in Indonesia.

During Soeharto's era, frequency allocation for media (not just radio) was trivial and not transparent, largely due to the state's interest in controlling the media. It was not until *reformasi* that frequency allocation mechanisms could be used, or even taken over, by non-state actors.

The country's largest radio network is KBR68H, which was established in 1999 as part of civil society response to the transition to democracy (Lim, 2011: 13). Even today, KBR68H is still a major news/content provider for many radios in Indonesia. The Broadcasting Law in 2002 had no influential impact on private radio (Armando, 2011:238). Before the Law was enacted, radio stations were already airing 'locally', that is, the permits and frequency were given at the local, geographically-bounded, scale only.

Currently, radio is also experiencing conglomeration and ownership concentration – this is despite the growth of the number of radio stations in Indonesia. See Figure 6.3.
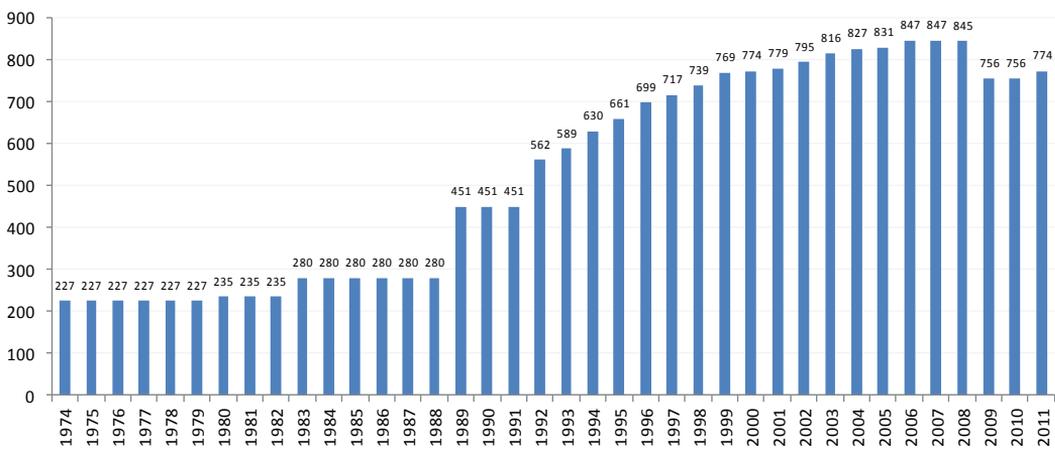
Figure 6.6. Private radio stations member of PRSSNI
Source: Authors; based on official data from PRSNII, processed (http://radioprssni.com)

The data shows the number of private radio stations which are members of PRSSNI. To avoid possibilities of oligopoly, or even monopoly, taking place, limitations of radio ownership need to be set (Suranto and Haryanto, 2007:61). This issue is often overlooked, since regulators are more focused in regulating oligopoly in television schemes.

Quite recently, there was a case which drew much attention from the public: the closing down of *Era Baru* Radio in Batam island in September 2011. It drew attention not only because the closing allegedly involved the intervention of another government's authorities, but also that it was done by force and suggested violating measures were used by the Ministry of Communication and Informatics.[34]

Radio remains an important medium and despite the emergence of other new platforms, it retains its position, socially and economically. It will continue to play an important part in the national media,

34   Press Release (*Siaran Pers*) No 66/PIH/KOMINFO/9/2011

albeit not a large one. But the continuing presence of radio in the national media landscape proves that technological development does not automatically result in the demise of radio. The key to its longevity is clearly advertisement. Policies are not responsible for the survival of a medium; whether or not a type of media survives lies in the hands of the market. In the case of radio, the market has clearly voted yes to radio, but expects no radical progress or transformations from it.

6.4. Television: Governing the medium or the message?

The history of television station in Indonesia is linked closely to the history of Indonesia itself. The national television channel, TVRI (*Televisi Republik Indonesia*) first aired in 1962. It was everything that the first president Soekarno had imagined about having a practical propaganda model. It was his means to most of his political ends. The establishment of TVRI was part of a future development agenda, together with other 'lighthouse' projects (or '*proyek mercusuar*') to bring Indonesia into the global spotlight.

The shift of the regime from the Old Order to the New Order did not bring about any changes to TVRI. Through the Information Minister Decree (*Kepmen Penerangan*) No 34/1966, TVRI remains a tool of government's propaganda. Despite its dependence upon the government, the TVRI's channel started to gain wider acceptance in the 1970's and 1980's when it started to run popular foreign programs. As a result of increasing advertisements and relatively gained financial autonomy, TVRI also started to make profit, which was also allowed by Soeharto's administration (Armando, 2011:76), who loosened their economic regulation by opening the domestic market.

The next big step in Indonesia's television history is the launch of the Palapa satellite. Despite disputes over the urgency in acquiring such infrastructure, the launch proved to be success, having quadrupled TVRI's viewers and resulted in a broader reach and 2 million household-owned television sets by 1980 (Armando, 2011:80).

At the time when RCTI pioneered the private broadcasting industry in the Soeharto's era, no regulating policy was available. RCTI first aired in 1989, only accessible to customers who had satellite dish and a decoder. This move was followed in 1990 by SCTV, who was still part of the RCTI group. Both were allowed to air as long as their reach would not interfere with TVRI's national broadcast. Hence, in their beginning, both RCTI and SCTV were actually running as local broadcasters. With no existing regulation, RCTI and SCTV were following 'instructions' set by TVRI, who was the only actor in the broadcasting 'business'. Both stations were operating under the SST (*Siaran Saluran Terbatas*, Limited Channel Broadcasting) permit.

When TPI entered the broadcasting arena in 1991, the broadcasting landscape eventually altered. The channel, established by Suharto's oldest daughter, Siti Hardijanti Rukmana, had the privilege of using TVRI's network and with its educative content, was allowed to air nationally. Technically, TPI is the Indonesia's first national private television station. Also, it was permitted to feature advertisements, which was questioned by RCTI and SCTV who were not allowed to do so. RCTI then launched a protest to this 'technical discrimination', and asked for similar favours. As a result, both RCTI and SCTV were, from August 1990 onwards, allowed to air nationally. The decision to let RCTI and SCTV a 'free to air' license marks the 'legal birth' of the national private television station.

Such development in Indonesia's television is largely influenced by external factors, not only by domestic politics. Globalisation, heavily driven by the need to open international trade and create new markets, and the progress in information technologies, played a major role in opening the media door in Indonesia – highly apparent in the television sector. The hunger to expand the local television industry goes hand in hand with the expanding economy and the inevitable flow of foreign investments. This development enabled the acquirement of media infrastructure and more advanced broadcasting

technology.

All of this progress eventually needed to be regulated. Soeharto's government then enacted Broadcasting Law No 24/1997. During its drafting, the initial idea of a network based broadcasting system was first brought up. The idea was eventually rejected, but brought back to the table in 2001 when drafting the 2002 Broadcasting Law. However, *Reformasi* was a turning point in the broadcasting world and gave a momentum for new TV channels to emerge.

The number of the national free-to-air television stations in Indonesia does not show a significant increase in the last ten years. Today there are 10 private free-to-air television stations that are merged into several giant groups. However, the number of *IPP Prinsip* or *Izin Penyelenggaraan Penyiaran* (Broadcasting Principal Permit) that are given for broadcast trials by KPI shows a significant increase from 2007 to 2008. *IPP Prinsip* is a permit given to a television station in order for them to conduct a broadcast trial.
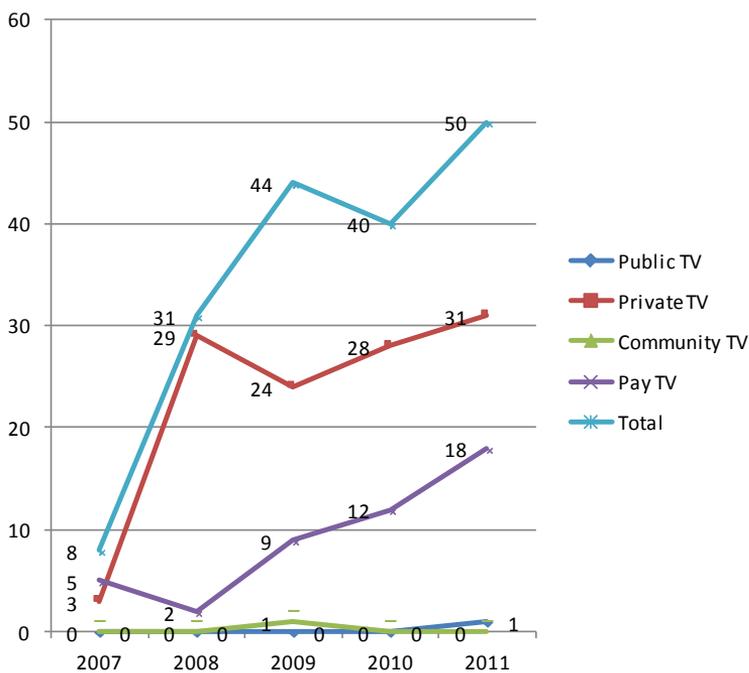
Figure 6.7. The number of the Principal Broadcasting Permit (IPP Prinsip) granted by KPI
Source: Authors; based on the data provided directly by the Indonesian Broadcasting Commission, processed.

There are some particular aspects directly affecting the dynamics of the Indonesian television sector which are worth-discussing.

Broadcasting Law No.32/2002: Challenging the system, and an unkept promise[35]

> ... What is currently happening is a centralisation and domination of Jakarta-based broadcasters, vis-à-vis the local broadcasters, and we all can see that everything is being

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35   Also see Chapter 4 for a historical overview on this issue

transmitted to the local areas…" (P. Widiyanto, House Hearing, 8/12/10).

According to Armando (2011:139), the idea of implementing a Network Broadcasting (*siaran berjaringan*) system was first introduced in the discussion of the 1997 Broadcasting Bill, where the idea to give local media the chance to build their broadcasting network and industry was first proposed. The idea was initially rejected. But with Soeharto's fall and *reformasi*, the momentum to revise the Broadcasting Law and to revisit the idea suddenly looked feasible. The main proponents of the Broadcasting Bill (at that time) were mostly academics, progressive practitioners and legislators who perpetuated the idea of a decentralised broadcasting system. The spirit of the bill was to create a platform that enabled local broadcasting companies to flourish, and create a balance between Jakarta based companies and local companies.

Broadcasting Law mandates the establishment of a network based broadcasting system, which compels national television channels (including RCTI, SCTV, Indosiar, MNC TV, Trans TV, Trans 7, MetroTV dan TV One) to limit their reach, in order to give local broadcasting stations a broader chance to air. But up to 2011, the rule has still not come into effect. The delay is mainly caused by industry's resistance in adopting the system. In fact it actually did not take long for the industry to counter the policy after the bill was approved by the House in November 2002. An ATVSI representative, Zulfiani Lubis acknowledged the disposition as follows:

> "[Since] at the beginning we clearly rejected it [the Network Broadcasting system], with a firm argument that we must turn our ways 180 degrees" (Z. Lubis, interview, 16/11/2011).

By 2005, after the Judicial Review (filled by the industry), and the enactment of Government Regulation No. 50/2005, the system suffered a heavy setback, resulting in another delay. The Regulation put the Ministry of Communication and Informatics back into the driving seat, jeopardising the fate of the *siaran berjaringan* (network-based broadcasting) system.

In their official statement, KPI acknowledged to have reminded The Ministry of Communication and Informatics about their responsibility, but also admitted that the limited authority *inhibited them to take any further action on these matters* (KPI, 2008). In 2007, under the then Minister Muhammad Nuh, the Ministry of Communication and Informatics stated that the implementation of the system would be delayed until December 2009. According to the minister (Armando, 2011:258), the principle could not be set in action due to the jurisdiction process, where the Law underwent review from both the Constitutional and Supreme Court. Also, he acknowledged the difficulties in the technicalities of preparing the new system.

However, until 2011, the Ministry of Communication and Informatics has given no decisive verdict on the matter. Furthermore, the Ministry has tolerated, and partly facilitated, the delay and thereby enabled the expansion of Jakarta-based media tycoons, which private television station then used as its legal justification for the expansion –alongside Government Regulation No 50/2005.

> We, from the ATVSI filed a judicial review of the Broadcasting Law, and then two articles were approved by the Court, of which we are committed to run. A dozen times we held meetings with the Ministry of Communication and Informatics and KPI [Indonesian Broadcasting Commission] to find a way of implementing the *siaran berjaringan* [Network Broadcasting] system. Even the KPI had no clue [of how to implement the system], until finally it was taken over by the government through Government Regulation No 50[2005] which contains the concept of *siaran berjaringan* applied to private broadcasting. And that is what we are doing now. (Zulfiani Lubis, interview, 16/11/2011)

Clearly, the idea of heading towards a *polycentric* broadcasting system is now endangered by the measures taken by the Ministry of Communication and Informatics. Until the system is implemented, the door to a democratic and decentralised broadcasting system will remain locked. However their perception towards the *siaran berjaringan* (network-based broadcasting) system, to scapegoat the industry alone for the failure in adopting the system is rather naïve. Political commitment is not only subject of political leaders and bureaucrats. All actors involved in a certain issue are also bound to political commitments. In this case it is not just the industry who lacks the commitment; the Government do too.

Rating vs. Regulation

As pointed out elsewhere in this report, the television industry seems difficult to regulate. It operates with a logic which is unmatched by the current regulatory framework. Although regulating bodies such as KPI and Press Council have already fulfilled their deeds by formulating content-regulating rules, the industry still remains untouchable. Even worse, the industry seems to be running on its own 'regulation', as a former media practitioner states:

> Now if you ask the TV people, they are the ones who feel most heroic. We make our shows based on ratings, they say. Ratings are a sample of the public. Now tell me how to conceptualise citizens' rights? This is purely market-driven(DD. Laksono, interview, 21/09/2011).

Press Council member, Agus Sudibyo also sees the domination of ratings as a main factor in the decreasing quality of TV programs, leading media workers to obey it as their guidelines (Sudibyo, 2009:177). Ratings have become an ideology in guiding producers and TV executives to believe in what is considered 'good' for the public. Ultimately, ratings have become more powerful than regulations.

As an instrument to push broadcasters to pursue more quality in their programs, the Indonesian Broadcasting Commission has initiated awards, in the form of Anugerah KPI or KPI Award. The award is priced annually for various segments, but most of them are TV programmes[36]. Despite these efforts, the values set by KPI have not yet been internalised by the industry.

Public broadcasting: Dying?

> We are hoping that public broadcasting companies can restore balance in the midst of commercialisation and sensation-seeking media" (I. Haryanto, interview, 22/08/2011).

In contrast to the blooming private television sector, public broadcasting has been out of the spotlight. The national channel, TVRI, and the national radio, RRI, are both in limbo, unsure of their future and prospects. Their images as national broadcasters who represented the views and opinions of the government has had a lasting impact on the public, who still retain a negative perception of both entities. Statistics have confirmed this negative trend, with the channel having the smallest share, namely 1.4% of the total television market share (Lim, 2011:12).

Following *reformasi*, Government Regulation No. 26/2000 transformed TVRI into a state-owned enterprise (SOE). This decision was followed by Government Regulation No. IX/2002 of 17 April 2002, transforming TVRI into a Limited Company (Perseroan Terbatas), owned by the state, and subject to supervision by the Ministry of State Owned Enterprise (Mendel, 2010: 18). On the one hand, this step

36   http://www.kpi.go.id/index.php?option=com_content&view=article&id=30267%3Apemenang-anugerah-kpi-2011&catid=14%3Adalam-negeri-umum&lang=id, accessed on 27/12/2011

strengthened the position of TVRI as an Indonesian public broadcasting company. But on the other, taking the commercialisation process in the private sector into account, it must be apprehended that both TVRI and RRI actually bear significant potential as non-partisan broadcasters. Both entities are waiting to be revitalised, in content as well as in their organisational reform.

Thus, the importance of having a credible public broadcaster will prove its worth in a steadily commercialising media environment. Investing in both institutions will therefore certainly pay off, as it will provide the public with a channel that is not commercially driven. There is the hope, and also demand, that both TVRI and RRI can play a bigger role in the future. There is however, also the recognition that this will not be easy as they will face the direct challenge of today's market economy. There are at least two hindering factors: the first are financial constraints: as public broadcasters without private advertisement, TVRI and RRI might have to rely on taxpayer's money and state budgets, limiting them from getting the financing scheme they need to expand. The second is competition. Television industry is a fierce field for competition; and having been protected by the state for quite some time, it is very likely that TVRI and RRI may have forgotten how to compete.

Another important aspect worth paying attention to is a common and acknowledged obstacle of the 'limited' quality of human resources. Internally, TVRI is composed of old professionals who lack the reforming spirit. In order to make a change, TVRI needs a thorough transformation and rejuvenation. But with the old generation sitting tight in their seats, TVRI has obviously opted for status quo (MRA. Prasetyo, interview, 4/01/2012).

6.5. Community broadcasting: The last fortress

Community radio: Actuating citizens' rights to media

> In my opinion, community media plays a very important role. But this is not taken into account by policymakers or even [by] the big media. Big media tend to play down... the existence of community media. Although, if we talk about genuine media, [what] we find is the community media. Don't you think so? (B. Nugroho, KompasTV, interview, 12/10/2011)

The acknowledgement of community radio in Broadcasting Law No 32/2002 is a positive measure. Since the enactment of the law, new community radios have begun to emerge.

There is no exact number on community broadcasting stations in Indonesia as they are not recorded well either in KPI, Ministry of Communication and Informatics, or JRKI. As such, data on community radio is gathered from different sources. In 2003, data from KPID West Java recorded 500 community radio stations operating throughout Indonesia. This number increased to 680 in 2005, and according to JRKI, increased to 700 in 2006. However, the latest data we have from JRKI, reports that numbers have decreased to just 372 radio stations in 2009.

The existence of community broadcasting was then further acknowledged through Government Regulation No 51/2005 on community radio/community broadcasting. However, community radios are still facing difficulties in acquiring broadcasting permits and frequency allocation. Community radios do not possess the necessary capital like private radios which can purchase equipment and infrastructure with ease. The regulation alone is inadequate; what is needed is facilitation, especially from the local government in order for community radios, and their organisations, to sustain themselves. As one respondent put it:

> ...in further procedures, to be acknowledged as a community radio is as problematic as the procedures for acquiring permits for a private radio (I. Haryanto, interview, 22/08/10).

This matter has affected the business of community radio on a daily basis. Community radios are always in fear of being closed down, or sanctioned by the *Balmon* or *Balai Monitoring* (Monitoring Body) who has the authority to control the use of frequencies. Technically, community radios are limited to have a geographical reach within a 2.5 km radius and a transmission antenna of 50 watt power. If a community radio is found to have exceeded these limits, then sanctions will be imposed or the permit will eventually be revoked. As a matter of fact, even without these limitations set by the government, community radios are struggling to survive. The organisational (including financial and human resource) capacities of each community radio organisation may be the main factors deciding the fate of whether one radio is able to develop or not. It must be understood that community radios are very 'organic' and mainly depend on the participation of their community members. Encouraging them to maintain broadcasting activity is also not an easy task. Community radios therefore rely heavily on the enthusiasm, and also the persistence of several individuals who maintain a passion for keeping the radio alive.

Another issue that was raised recently is time sharing among community radios. As a reaction to the limited channel for community radios, the Ministry of Communication and Informatics suggested that community stations should broadcast in shifts, considering that most community radios have their own slot of time in broadcasting, and are not necessarily bound to broadcast all day long. This idea was logically rejected by the Indonesian Broadcasting Commission. Instead, the institution proposed that a solution to this would be to add further frequency allocations for community radios. Forcing radios to sequence their broadcast is unjust and would create further problems. Regarding this matter, the Indonesian broadcasting commission proposed that the government add new channels during the revision of Minister Act No. 15 /2003, but the proposal was eventually rejected.[37]

Figure 6.8. Inside the studio of Radio Sadewa, a community radio in Bantul, D.I. Yogyakarta.
Source: Authors, courtesy of Fajri Siregar

Indeed, frequency discrimination is one example of how community radio is marginalised. Community radio as a whole only receives three allocations in the FM band, i.e. 107.7 – 107.9 MHz, which is the upper edge of the band, and is therefore technically difficult to access (Laksmi and Haryanto, 2007:72). This is also the concern of civil society. In their press release, the KIPD *Koalisi Independen untuk Demokratisasi Penyiaran* – Independent Coalition for Broadcasting Democratisation – stated that community radios are still being marginalised through the small amount of frequency allocation. Furthermore, the

37   http://www.kpi.go.id/index.php?option=com_content&view=article&id=30229%3Atime-sharing-no-tambah-kanal-yes&catid=14%3Adalam-negeri-umum&lang=id, accessed on 2/12/2011

complicated procedure in obtaining broadcasting permits also obstructs the life of community radios. KIPD also reiterated that these rights should be included in the revision of the Broadcasting Law. They also added that the revised version of the Law should explicitly stipulate the dedicated frequency allocation for community broadcasting, which should not be interfered with by any other parties; governmental or private.[38]

Community radio therefore faces two main problems. Internally, each community radio is constantly facing tough decisions on organisational and management problems relating to the survival of the organisation. Externally, they have to deal with enduring permit issues, and are always on the brink of being shut down by the *Balai Monitoring.* Public broadcasters and community broadcasters are in a weak position when compared to private broadcasters (P. Widiyanto, former Head of Broadcasting Law Committee, House hearing, 8/12/10). The toughest challenge however, is learning how to a find a place in the midst of the radio industry. Not only have the private radios sometimes 'hijacked' their radio announcer, but more importantly, community radio stations are struggling to find a channel to broadcast on, as most of the frequency is allocated to private stations.

To conclude, community radio is the last fortress for citizens to exercise their rights in acquiring and producing information. The role of community radios has proven to be crucial for 'ordinary' citizens to have a media, which relates to their everyday needs and allows for the construction of a 'shared life'.

Box 4. How to deliver content?

Media companies are racing to stay ahead of their competitors by always keeping up with the latest technological and medium changes. This has an effect on the competition of medium ownership. The main problem for media companies is the decreasing amount of available channels and the required IPPP (*Izin Prinsip Penyelenggaraan Penyiaran*) or broadcasting permit. The question for pushy media actors is thus how to overcome the rule. According to our undisclosed respondent, it is about 'creating your own rules' or when necessary buying out the 'referee' (regulator).

In doing this research, we stumbled upon stories illustrating the importance of owning the perfect medium. One story is the alleged use of direct cable routes to every household, via electricity and telephone lines. In other words, content provider or any other media moguls are now trying to get hold of access to telephone lines and electricity routes. Having them in hand, media companies will be able to deliver content to almost every household in Indonesia, without having to bother with frequency usage. In the words of our respondent (anonymised):

> "Lastmile connection *is momentarily dominated by two main infrastructures. [What I mean by] 'main' is as in affordable, and well laid out. The first is Telkom [state telecommunication company]. The problem here is that it acts as player and regulator simultaneously. The second one is its subsidiary, called Icon Plus. These two companies have become a major target now. They are now developing Icon Plus to be ready for IPO [Initial public offering]"* (Anonymous, interview, October 2011).

Through these companies, media workers are looking for ways to get their content into houses, by hitching onto the cable infrastructure. Another way of extending coverage is supposedly by buying local TV's (see A. Armando interview above and Box 2). The scheme of procuring local TV's and their frequency is outlined below.

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38   http://jrki.or.id/2011/05/negara-harus-berpihak-kepada-lpp-lembaga-penyiaran-publik-dan-lpk-lembaga-penyiaran-komunitas/, accessed on 5/09/2011
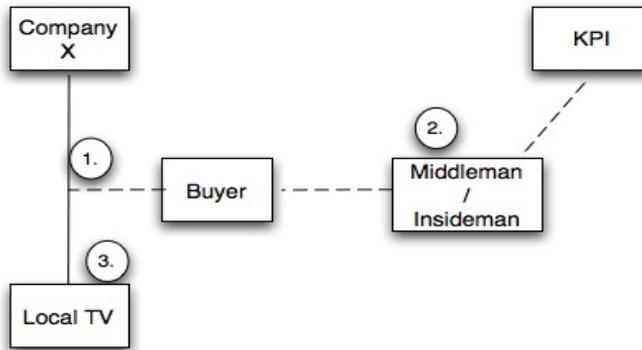
1. A media company would look for, or hire, a person who has enough insight or networks to link them up with local TVs or other media actors. Here, the person is called a 'buyer', acting on behalf of the company.
2. To know which local TVs or other media companies are available on the market, the buyer would need help from an inside man who has the data and information regarding broadcasting permits and companies owning valid permits. These trades often take place without the knowledge of the institution on both sides; the company and the regulator. It is thus difficult to prove that these activities have taken place.
3. After the buyer has the required information and made the calculation, the company can perform the acquisition by buying its shares, or by simply buying out its resources, with the latter being mostly executed.

It is clear to us that getting the content to the public is an important issue for media companies. But in any case, the ends do not always justify the means.

Source: Undisclosed interview (October 2011)

Local TV and community Broadcasting

After the enactment of Broadcasting Law 32/2002, local TV stations emerged. In the following years, requests for permits were increasing and private broadcasters were queuing to obtain frequencies. An indication of this progress is the growing number of members of the local TV association, ATVLI, with only 7 members in 2002, growing steadily to 41 members by 2011[39]. The goal of decentralising the broadcasting scheme, and to giving local people the deserved opportunity to run their own program and station was getting nearer.

However, limited availability of channels has been one major obstruction in the growth of local stations, since all channels are occupied by the Jakarta ones. Of the 14 channels available in one region, 10 are being used by the national channels, 1 is reserved for TVRI and 2 channels for digital simulation. This leaves only 1 channel for local TV (KPI, 2008:15). As such, it is understandable that local TV develops less progressively than the local radio does.

However, local TV is seen as a lucrative business. Very quickly, local moguls emerged and the ownership of local TVs correlated with the growth of the local industry. Logically, successful local capitalists would invest in the local media industry. It is known, for example, that *TA TV* (*Terang Abadi*) and *Borobudur TV* in Central Java is owned by a successful local businessman in the region. So is the case of *Bali TV*.

An unforeseeable paradox to this is the story of how local TV stations are now becoming a new target of

39   See http://www.atvli.com/index.php/cmain/profilanggota

national media companies. As discovered during this research, few local stations have been informally 'bought' by national media companies who sought new outlets in areas outside of Java and Jakarta. The mode was similar to that of acquiring frequency licenses. In fact, it was closely related since the buyer needed to get hold of its frequency use first, followed by the company (see Box 2 and Box 4). The existence of local stations attracted the big players also as a precautionary measure in running the *siaran berjaringan* (network-based broadcasting) system. This was brought to light by Ade Armando, academic and strong proponent of the system:

> Now supposed I am *RCTI*. Why would I buy *SUN TV*? What is the purpose? [The purpose is that] just in case the *siaran berjaringan* [network-based broadcasting] system is enforced, I already have a local TV. Now, most of them [local TVs] are at the edge of their existence, or probably just manage [to earn to] a break event point. Mostly are producing their programmes jointly, to reduce production costs. You can imagine how *SUN TV* previously just had a small revenue in advertisement. So why do they want to buy *SUN TV*? Because they have to be prepared, in case the system is enacted...why else should they buy local TVs if they have already got three national ones? (A. Armando, interview, 27/10/2011).

These sorts of scams and manoeuvres are surely a huge setback to the promise of media decentralisation and democratisation, and increasing the diversity of content. With such practices taking place in the broadcasting world, hopes of utilising the media to empower people, must probably be sought in other places in other mediums.

6.6. Online media: A new beginning or the Promised Land?

Apparently, media, and new mediums, have always had a close 'relationship' with political events taking place in history. So does the Internet in Indonesia. It rose to popularity for its use in mobilising information to challenging Soeharto's reign during the *reformasi* days. In that context, the early Internet days are mostly affiliated with the perception of the web as "an important tool in the struggle for political liberalisation" (Hill and Sen, 2000:194).

Internet development in Indonesia is a result of many unplanned and unexpected events and initiatives. Its establishment is marked by a pattern whereby individual actors shaped the infrastructure, which was then legalised by the government afterwards. But beyond that, the Internet bears enormous economic potential that, despite the dot-com bubble in the US, has attracted the Indonesian market. Online media was first set up by *Republika* in 1995, who introduced the first online news portal in Indonesia[40] (see Table 6.2 for the landmark of online media development). Soon, other media industries followed the endeavour, and online media very quickly mushroomed in the Indonesian media sector, calling for policies to step in with regulation

Year	Important event
1995	Republika developed its first internet publication service
1995	Tempo established tempointeraktif.com
1998	Kompas created kompas online under Kompas Cyber Media company
1998	detikCom – the first news portal without a print version – was established
1999-2000	Online media became more popular, news portal, entertainment and web-based business portal started to mushroom.

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40   Many consider *detik.com* as the pioneer in online news in Indonesia, but in fact *Republika* was the first online newsportal. *Detik.com* official first run was on 9 July 1998, three years after *Republika*.

Year	Important event
2003	The downturn of online portal and dotcom business. A number of online media portals had to be closed down or experienced a very hard time surviving.
2006	MNC Group launched okezone.com, an online news, entertainment, lifestyle, and sport portal.
2008	vivanews.com – an online news portal launched by PT Visi Media Asia – holding company of ANTV and tvOne. In only two years, vivanews.com has become the second most popular news portal in Indonesia after detik.com.

Table 6.1. Important events in the development of online media in Indonesia: 1995-2008
Source: Authors

In the next year, online media portals are set to mushroom with the help of of Internet development and the increase in online media advertising revenue. It is estimated that online media advertising revenue will increase by about 11-12 % in the next year.

Legally, the first national cyberlaw was marked by the enactment of the ITE Electronic Information and Transaction Law No. 11/2008. The ITE Law was the first policy that focused on regulating cyberspace i.e. the Internet and its usage. The law has come a long way, with its first draft proposed in 2003 by the Ministry of Communication and Informatics. The drafting team consisted of executives from the Ministry of Communication and Informatics, Ministry of Transportation as well as the (then) Ministry of Trade and Industry. It was designed to protect financial transactions and activities that used the Internet as a medium. Through the law, the government aims to eradicate cyber crime and other digital schemes that take place on the net.

The law is heavily criticised for its too-broad definitions, vague and ambiguous terms, mainly in using the defamation act. Victims have already fallen, and now the ITE Law is the subject of revision. Judicial review is also pending regarding Article 31 (4) on lawful interception by law enforcement institutions. Besides the ITE Law, one of the most significant drivers to the Internet explosion in Indonesia is probably the use of infrastructure. This refers to the permission of using carriers such as the 2.4 GHz and 5.8Ghz frequency, the blooming of ISPs, and the spread of internet cafes or *Warnet*.

With regard to convergence, the government also drafted the Media Convergence Bill. It will ultimately have an impact on the use of Internet, but it is not yet clear to what extent. With its Web 2.0 feature (Kaplan and Haenlein, 2010; O'reilly, 2007), the Internet has transformed itself as a participation-based media platform. Citizen journalism is one aspect that marks the new trend of producing information via user-generated tools. Nevertheless, escaping the fate of 'creative destruction' by the industry seems to be an almost impossible task. Here we refer to the case of the Huffington Post acquisition. Once set as a citizen-based news portal, the website was sold for $315m to AOL in 2011. The deal was perceived critically, as Huffington Post was generally seen as the strongest example of a credible citizen-journalism based news portal[41]. Its acquisition had left the readers wondering about the future similar portals albeit the owners' promise to deliver unmatched experience for both consumers and advertisers.

In another case, Kaskus, the nation's biggest online community and forum, was bought in 2011 by *Djarum, a* tycoon in the national tobacco industry. Meanwhile, *detik.com* was also bought in 2011 by *Paragroup*, owners of the *TransCorp*. Notably on *Kaskus*, this leaves us with question: where does it leave the users, who have set up most of the reputation that *Kaskus* now enjoys? *Detik.com* is now also being questioned for its subjective newsroom policy, with the online portal being accused of protecting

41   http://www.guardian.co.uk/world/richard-adams-blog/2011/feb/07/huffington-post-sale-aol-ariana accessed on 17/11/2011

the interests of companies owned by *Paragroup*, particularly when reporting on a Carrefour worker strike, only few weeks after its acquisition[42]. Taking this example, what will the future of user generated content-based websites look like? How soon will Indonesia's new media be co-opted?

In terms of regulating content on the web, the online sphere in Indonesia has also experienced an interesting journey. As an attempt the 'clean out' the web of morally inappropriate content, the Ministry of Communication and Informatics succeeded in blocking 300 websites, alleged to display radical content and ideas of terrorism, in August 2011[43]. In addition, the Minister Tifatul Sembiring reported publicly on the draft Ministry Regulation on the multimedia content (*RPM Rancangan Peraturan Menteri Konten Multimedia*), whereby the state intends to control the use of social media and the internet. The initiative was directly rejected by the Indonesian public and netizens. In terms of regulating the press and its use of social media, in November 2011, the Press Council issued a draft Cyber Media Code of Ethics (*Rancangan Pedoman Pemberitaan Media Siber*).

Despite of this intervention, Google and several other multinational companies (including Yahoo! and Multiply among others) are lurking to invest in the Indonesian market - and some have already done it. Internet growth has also been pushed by multinational companies and foreign investment and the emerging 'creative economy' market. Thus far, there is no indication that the online media business will slow down. On the contrary, the latest trend in recent years is just the beginning.

6.7. Media development in Indonesia: A constant flux

Media development in Indonesia is a result of changes in technological innovation, adoption, and adaptation. But changes to the media are not limited to its technical ability only. Their social functions have also changed and developed dynamically. Historically, in attempting to pinpoint this shift, one can trace back to the days when media workers started to lose their ownership of media. Media then began to take a more commercialised role.

> When the media was not owned by journalists, and not owned by political parties anymore, that is when the industry era really began (DD. Laksono, interview, 21/09/2011).

Although media character changes, its role and function should remain intact: reflecting the condition of society and mediating the public. In terms of policy however, regulations have failed to go along with the ever-increasing significance of the business realms of the media. Never before have we witnessed the media flourish more in Indonesia than it does these days. The interrelation of an open market, policy flaws, a pragmatic bureaucracy and weak law enforcement results in the concentration of resources in the hands of a few. The consequence of this is severe, as it creates "… a gap in this civilization, because the access to the medium itself is already restricted" (DD. Laksono, interview, 21/09/2011).

Meanwhile, public broadcasting has deteriorated in a time when it is actually expected to play a bigger role. Limited by institutional issues, TVRI and RRI are still far from the ideal picture of a productive public broadcaster. On the other hand, the new media and the Internet in particular, bears endless potential for new (social) innovations. The debate about to what extent it should or should not be controlled will eventually continue, but this should not hamper our efforts to find decent ways of ensuring a civilising online sphere. Another consequence of technology-driven change is the switch to a new dominant medium, namely broadband. Quite foreseeable, and already proven in other countries, the future of broadcast in the digital era lies in broadband – including in Indonesia (Z. Lubis, interview, 16/11/2011).

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42   Interview with D.B. Utoyo (16/10/2011)
43   http://www.republika.co.id/berita/nasional/umum/11/09/26/ls5147-kominfo-blokir-300-situs-kekerasan, accessed pn 18/11/2011

Hence, the next big test for policy makers and practitioners as well as for society is digitalisation. Undoubtedly this will be the next big thing and those who do not jump on the digital train will eventually be left behind. Migration to the new system will require a whole new approach in utilising media infrastructure and the possibilities offered during the production process. As a direct impact of this system, in the future, media companies will have two options to choose from: become a content provider, or a network provider. Digitalisation will also create a new business model which companies and policymakers must adapt to.

To the industry, there is not much to complain about, as it fits perfectly with what they pictured as a profiting democracy:

> Traditional media that I mentioned earlier will continue to exist, or else they will be left behind by the audience. So, I think the current media situation is democratic: society can be producers and consumers, too (Z. Lubis, interview, 16/11/2011).

However, in the future agenda, companies engaging in media need to be treated differently as businesses dealing with public goods in the public sphere.

> Doing business in the broadcasting sector must be treated differently from business in other sectors. Business in broadcasting is so particular that its form and content must also have different characters. (A. Sudibyo, interview, 27/10/2011)

Ultimately, media sectors have undeniably undergone a democratisation process, but has in the mean time seen themselves expand and give way to increasing corporatisation (Lim, 2011:2). Hence, regardless of the views of the industry, current media ownership concentration in Indonesia poses a serious challenge to everyone involved, particularly the public. Without any further efforts in monitoring and regulating the mediasphere, the public will eventually only be seen as consumers, leaving the industry in control of setting the agenda and media trend.

What we observe here is a phenomenon that perhaps can be best conceptualised as 'media disembeddedness' (after Polanyi, 1957). That is, a situation where media development is uprooted from the societal context in which it exists. Being dictated by the internal technological revolution, the media is more quickly sundered from its link with the societal evolution of the mass population. So much so, that the media loses any remaining roles in representing the societal problems faced by the mass population, for it has now become a product of the internal technological revolution. To illustrate this problem, Figure 6.2. below contrasts the (exponential) growth of Internet users in Indonesia (as % of population) with the (linear) progress against the Human Development Index.
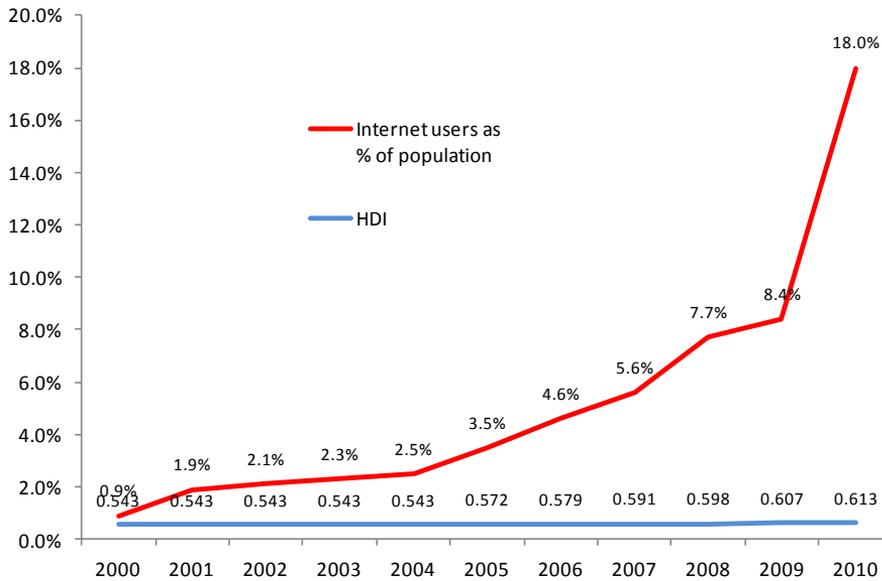
Figure 6.9. Internet Users (% of population) and HDI in Indonesia: 2000-2010
Source: Authors, compiled from various sources

As with all technologies, their development follows an exponential (or at least a logistic) trend – much higher than the linear progress of societal development. This is true for media technology, whose development is boosted by the Internet. Yet, merely following this development (and the market logic behind it) media progresses and creates content which uproots the audience from their reality.

In this light, media development can worsen the situation. The media will unmistakably act as the principal enforcer of the presently ongoing virtualisation of the economy, politics, culture and law. The impacts of this can be grave.

The most recent trends in media development are digitalisation and convergence. These have posed challenges for regulators and policymakers. What does this look like in Indonesia? The next chapter briefly discusses this latest development, before concluding the report.

7. Towards digitalisation and convergence: Future challenges for policy

7. Towards digitalisation and convergence: Future challenges for policy

But the Internet in Indonesia has not found its form, its character. I mean its content, its users, and its unique nature that shows particularity of Indonesian Internet; be it content on agriculture, farming, fisheries, or just by small peasants and small-scale economies. These contents [as they are] are not used on a daily basis for our economy. We only use it [the Internet] to find news. Most of them also just contain sensational news, taken from Jakarta. So it is Jakarta-centred; so the Internet has not become Indonesian Internet yet (Kanaka Hidayat, *Masyarakat Telematika Indonesia*, interview, 13/12/2011).

Hidayat's view above represents an important question that this study, particularly this chapter, is trying to answer: to what extent have we used technological resource in the media sector to really empower those in need? How much have we actually benefited from, and productively made use of, existing media options? More fundamentally: have the state and the market made sure that media infrastructure is equally spread and accessed throughout the archipelago?

These questions have become more and more relevant as media-related technologies have progressed at an unprecedented speed. Particularly with the Internet and new media – the innovation has been so rapid that it has, and may well in the future, completely change the face of the media. The media infrastructure is heading from multi platforms towards a single platform –in technical terms: convergence. Convergence, broadly understood, is about the intersection of old and new media, the single-channel services (through the Internet), or interaction between different individuals using different media platforms to create a single new experience.

Media convergence seems to be inevitable as the media industry becomes more efficient in its production and distribution of services. Yet it is more than just a shift in technology and technological use adoption. Media convergence requires the change of relationships between all stakeholders in the media sector: industry, technology, audience, and markets. In other words, media convergence changes two main aspects of the media: (i) the ways in which media operate (rationality), and (ii) the ways media consumers access content. Understandably, one precondition of such convergence is digitalisation – particularly digitalisation of content. This makes digitalisation a logical step towards convergence. Ultimately, convergence in media technology also requires convergence in business models, without which media industry cannot progress into the digital age.

These developments –digitalisation and convergence—pose new challenge to policy: to what extent does policy have to address digitalisation and convergence in the media sector to ensure that media, despite this progress, still retains its function to mediate and civilise the public? This is what this chapter aims to answer. We start by looking a little closer at the core-machine of convergence and driver for digitalisation: new media.

7.1. New media: Development and policy

Internet architecture: When policy matters

The Internet, as Lawrence Lessig describes it, is not a novel or a symphony. No one authored a beginning, middle and an end to it (Lessig, 2001:50). In fact, the Net started as a set of interconnected U.S. military computers and developed into a research network connecting academic institutions (Puddephatt, 2011:16). Similarly, the net in Indonesia grew out of experimentations and developed without a designed framework. The Internet experience, which is now enjoyed by around 45 million citizens (which constitutes approximately 18,5 % of the population) (Lim, 2011:4), is far from anything planned. Its expansion did not happen by design. In order to see the big picture of internet development in Indonesia, we must take a jump back in time, to the early 1990s.

In Indonesia, the Internet impetus began in laboratory sites during the early 1990's. It was first invented, or established, by a few students and IT researchers led by Dr. Onno W. Purbo trying to set up their own local network in their nearest community, with the campus being the most often used laboratory site. And it was indeed ITB (Bandung Institute of Technology) who enjoyed first 24 hours connection to the Internet in 1994 through the PAU Mikroelektronika ITB (Purbo, 1994). At that time, the connection speed was only 64Kbps and rose ten times to 640 Kbps in the following year (Hill and Sen, 2000:212). In April 1996, with the support of some private institutions, the Government initiated and launched the National Information Infrastructure concepts, which gave birth to the first Indonesian IT Project, NUSANTARA-21, or N-21 (Nugroho, 2007:39). Then, in 1997, the government started to issue permits for the private sector, by granting them to forty-one ISPs (Hill and Sen, 2000:212).

After *reformasi*, the Internet then began to take on a form of its own. A crucial factor came into play when the *reformasi* administration enacted Telecommunication Law No 36/1999. The law meant the end to telecommunication monopoly by state-owned Telkom, and thereby enabling the market to play its part. However, existing regulations regarding telecom access provision allowed for vertical integration (e.g. PTSN—long distance and international calls—duopoly) which made it hard to control anti competition practices (Lim, 2011:12). Hence, the importance of regulation is most obvious in controlling the internet infrastructure.

The table below outlines policies regulating the Internet infrastructure and related uses.

No	Law	Substance
1.	Telecommunication Law No 36/1999	Telecom infrastructure
2.	Communication and Informatics Minister regulation No.32/2008	Universal Service Obligation
3.	Communication and Informatics Minister regulation No.27/2009	Wireless Broadband Radio 5.8 GHZ
4.	Circular of Director-General Post and Telecommunication SURAT EDARAN Dirjen Postel 2010	Moratorium of ISP and NAP permits
5.	Communication and Informatics Minister regulation No. 16/2010	Security in using IP- based telecommunication network
6.	Communication and Informatics Minister regulation No 19/2011	Use of Wireless Broadband 2.3 GHz
7.	Communication and Informatics Minister Regulation No.14/2011	Standard on Internet telephony service quality for public utility

No	Law	Substance
8.	Convergence Bill	Media convergence

Table 7.1. Policies impacting the Internet in Indonesia
Source: Authors

As the history of Internet's development in Indonesia shows, an enthusiastic group of citizens, and an active civil society have always been the most effective actors throughout these years. This is showcased by the approval of using the 2.4GHz frequency, and then the 5.8GHz, when it was initiated by the 'IT activists' in the first place. Commenting on Transportation Minister Regulation No 2/2005 on the Radio Bandwidth 2.4 GHz, a member of the Indonesian Telematics Society *Mastel* states :

> At that time, the technology of the 2.4 GHz frequency was available, and it was widely used. [But] then it [the use of the frequency] was taxed [by the Government]. So our friends from ISP groups were pushing for the liberation of the frequency, and they succeeded. It [the frequency 2.4 GHz] was actually already considered a free resource by the ITU. But our government at that time still saw it as restricted and required us to apply for permits to use it. (K. Hidayat, interview, 13/12/2011)

In terms of software, in 2004, the Indonesian Government had encouraged the use of open source technology. This measure was initiated by the IGOS (Indonesia Goes Open Source) program, with the Ministry of Research and Technology as its main proponent, and backed by the Ministries of Communication and Informatics, Justice and Human Rights, Empowerment of State Apparatuses, and National Education. But, then again, the Ministry of Communication and Informatics (directly the Minister Sofyan Jalil) signed a memorandum with Microsoft, thereby contradicting, if not nullifying the IGOS initiative[44]. The memorandum was meant as a good will of the Government in challenging bootlegging and the use of illegal software, especially in the government offices. This shows the problem of coordination between government institutions and officials –in this case between the Ministry of Communication and Informatics and the Ministry of Research and Technology.

The IGOS initiative nevertheless continued with its own measures and resources. Although it failed to be implemented on a national level, several regions spurred on the program, encouraging local administrations and state/public institutions such as schools and hospitals to adopt open source software. Local champions that can be mentioned here, among others, are the municipals of Kebumen and Pekalongan – who have set examples of successful e-governance initiatives[45].

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44   See http://opensource.telkomspeedy.com/wiki/index.php/Sejarah_Internet_Indonesia:e-government, accessed on 23/11/2011
45   See http://opensource.telkomspeedy.com/wiki/index.php/Sejarah_Internet_Indonesia:e-government, accessed on 23/11/2011.

Box 5. RT/RW Net and the Use of Alternative Technology

The story of RT/RW Net is one of the best tales of using ICTs to support citizens without having to rely on major formal resources. Citizens and civil society groups have promoted the RT/RW Net service since the late 90's (pioneered by the Internet Guru Onno W. Purbo), but it is currently prohibited by the government. The problem lies in the fact this initiative is, obviously, operated by non-telecommunication operators, which is contradicting the Telecommunication Law No. 36/1999. If this avenue (RT/RW Net) is to continue, the citizen usually has to apply for an ISP permit in order to lay an internet access network, which is mostly for commercial use. In other words, the practice is not allowed as it is considered illegal and is done by means of using unauthorised resources.

The impact of the RT/RW Net however, is significant. Villagers and other remote communities have gained access without having to rely on Telkom or subscribe to private providers. Starting with very modest equipments, the system now uses wireless technology to allow multiple users to share a broadband connection (Freedom House, 2011). But the initiative did not proceed without obstacles. Many people were sought by the monitoring body (Balmon) for the illegal use of both frequency and ISP operations, such as experienced in Riau in 2007.

Alternative technologies require alternative approaches. In the case of the RT/RW Net implementation, the state clearly fails to see the necessity of adopting alternative technology to enhance media infrastructure access for the people. Lessons learned from the RT/RW Net is that networks can be built independently and that the ownership of infrastructure can be put in the hands of few responsible citizens. The case of RT/RW Net shows openly how the state is simply unable to adopt a sensible approach of using alternative technology.

Source: http://opensource/telkomspeedy.com

As infrastructure development is crucial in the ICT sector, the Ministry of Communication and Informatics released Minister Regulation No 32/2008 on Universal Service Obligation (USO). With the enactment of this regulation, ICT companies are obliged to take part in financing the setup of ICT infrastructure based on the USO consensus. Lately, the Government has also showed an increasing awareness and put concrete efforts into widening the Internet access to the vast archipelago, with credits going to the Ministry of Communication and Informatics, which made the expansion of Internet usage a priority (Freedom House, 2011:3; Lim, 2011:?).

In addition, the government has also set gradual targets towards *Masyarakat Informasi Indonesia* or Indonesian Information Society. These have been translated into a series of targets tabulated below.

No	Target	Year
1	Indonesia Connected	2012
2	Indonesia Informative	2014
3	Indonesia Broadband	2016
4	Indonesia Digital	2018

Table 7.2. Programmes of *Masyarakat Informasi Indonesia* (Indonesian Information Society) Source: Ministry of Communication and Informatics as depicted in Vivanews[46].

The Ministry of Communication and Informatics has initiated these targets, despite not having declared its indicators or parameters to the public.

All of these initiatives are meant to tackle the digital divide. One obvious contributing factor to this gap is that the country's main network-access providers (NAPs), which link retail-level ISPs to the internet

46   See http://teknologi.vivanews.com/news/read/269781-2019--indonesia-bisa-laksanakan-e-election, accessed on 4/12/2011.

backbone, are concentrated in Java, and particularly in Jakarta (Freedom House, 2011:4; Nugroho, 2011a:26-28). The blatant gap in internet access between rural and urban regions is highlighted in the table below (For the gap between Java and non Java see Table 7.5 at a later part of this report).

Classification	Year	Location to access internet (%of population)					Total (% of population)
		Household / Home Telephony	Cellphone	Internet Cafe	School / Office	Other	
Urban	2007	1.20	-	2.05	2.07	0.18	**5.49**
	2008	0.82	3.72	2.62	2.11	0.15	**7.29**
	2009	2.59	-	4.35	3.82	0.64	**11.41**
	2010	4.93	8.02	8.49	6.16	1.12	**17.74**
Rural	2007	0.09	-	0.13	0.24	0.3	**0.52**
	2008	0.02	2.03	1.25	0.22	0.2	**1.12**
	2009	0.22	-	0.66	0.57	0.9	**1.53**
	2010	0.39	2.40	1.88	1.18	0.13	**4.16**
Urban + Rural	2007	0.57	-	0.98	1.04	0.9	**2.69**
	2008	0.41	2.85	1.38	1.13	0.8	**4.19**
	2009	1.37	-	2.45	2.14	0.36	**6.32**
	2010	2.65	5.60	5.17	3.66	0.62	**10.92**

Table 7.3. How do Indonesians access the Internet: 2007-2010
Source: Central Statistics Bureau (BPS, 2011)

The table above describes the increasing access to the Internet in urban as well as rural areas in Indonesia. The data shows that urban individuals are more in touch with the Net than people in rural regions. There is a disparity in access, if not a 'digital divide', between rural and urban inhabitants. However, despite the lack of infrastructure, individuals in rural areas are still getting more familiar with the Internet, partly thanks to the use of cellphones to access the internet. Approximately 5.60% of the total population in 2010 has accessed the World Wide Web through the use of mobile phones (BPS, 2011:53), which is more than the use of fixed wired access.

The need to access social networking websites is one reason why Indonesians are in need of an easy and instant access to the Net. This has proved to be a significant driver in pushing an 'always mobile' culture (Nugroho, 2011:29). Regardless of the social consequences, growth of internet access via mobile phones has been a positive development, as prices are relatively affordable and the cost of the necessary infrastructure is far less than for cable broadband (Freedom House, 2011:2). To a great extent, this has helped tackle the digital divide, which would have been made worse by a lack of cable connectivity.

Private mobile providers are contributing a major part here. For example, *Telkomsel*, the largest cellular phone operator, operates 44,000 BTS (Base Transmitter Station) across Indonesia and is a major driver in the infrastructure business, acknowledging the potential in the data service sector. The company is targeted to gain 10 million new customers in 2012.[47] Other providers are no less eager to get a slice of the action. AXIS, a relatively new player in the field, has launched its '*Internet untuk rakyat*' (Internet for the people) campaign in attracting mobile internet users.

The story may sound good so far. However, the problem lies in the lack of a clear priority in choosing which medium to boost. Clearly what is lagging behind is physical (cable) infrastructure rather than mobile cellular; the consequence of which is multidimensional –from socio-economics, to cultural and even political (for detailed elaboration on this, see Nugroho, 2011a:25-35). This view is also shared by

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47   As depicted in the news, *The Jakarta Post*, 24/10/11.

Mastel, who suggested the need for a roadmap on national broadband strategy (or *rencana jaringan broadband nasional*). There is also the significant need to enhance the fibre optic network, instead of relying on wireless connection.

An interesting comparison on the Indonesian infrastructure data is provided by the World Bank, which compares media access in Indonesia with other countries.

Access	Indonesia		Lower-middle-income group	East Asia & Pacific Group
	2000	2009	2009	2009
Telephone Lines (per 100 people)	3.2	14.8	12.7	20.4
Mobile Cellular Subscriptions (per 100 people)	1.8	69.2	57.8	61.6
Fixed Internet Subscribers (per 100 people)	0.2	0.8	5.5	9.0
Personal Computers (per 100 people)	1.0	2.0	4.5	5.6
Households with TV/TV set (%)	62	69	-	-

Table 7.4. Access to media technologies: Indonesia and other countries
Source: World Bank (2010) - ICT at a Glance - Indonesia

Here it is interesting to see how the number of fixed internet subscribers in Indonesia is still very low (0.8 per 100 people), even in 2009, when compared to other countries in the lower-middle income group (5.5) This figure is important because as the Internet is entering the 3.0 epoch, society demands a more stable and fast connection. Large areas in Indonesia are still not covered by cable broadband connection and the majority of the urban population is ever dependent on internet connection, making it become a lucrative market for ISP's and IT companies.

In addition to the availability of infrastructure, Indonesia also has to overcome the low quality of its internet connection. As OSF's study implies, together with Vietnam, Indonesia ranks the lowest in a survey of Internet connection quality in ASEAN (Wagstaff, 2010:10). Once again, state intervention is needed to ensure that the primary right of having access to information is guaranteed by the availability of proper infrastructure, with the Internet being the current focus. This becomes more important as the problem of ownership concentration is also found in the market sector. The domination of big players and the concentration of Network-access providers (NAP) creates a significant barrier for small ISPs to enter the market legally (Freedom House, 2011:4).

Addressing this issue is supposed to be the government's responsibility. This role is played by the Indonesian Telecommunication Regulation Body (BRTI). It conducts regulation, supervision and control functions related to telecommunications services and networking. It is supposed to be an independent regulator, setting up and monitoring policies on telecommunication and information infrastructure. However, some parties have questioned its effectiveness and independence, as it is headed by the Directorate General of Post and Telecommunication director, and draws its budget from DGPT allocations (Freedom House, 2011:4)

Basically, the management of the Internet infrastructure depends on how the government perceives the importance of access to information, and the role it chooses to play in ensuring citizens' access to information. This responsibility is then translated into the kind of policy that ensures the availability of the Internet. In the US, the internet innovation cycles largely owed their success to the network's open architecture, a result of consistent FCC policy over the past 30 years (Bar et al., 2000). Indonesia,

conversely, is likely to continue 'experimenting' its Internet architecture, trying to find a balance between the role of state and market in driving Internet adoption across the archipelago.

Internet and new media: Off and running

Initiated in late 1990s, the Internet and digital media started to blossom between 2000-2010. By then, Indonesia's Internet usage was up and running. This has also been acknowledged by practitioners, who recognised the growth of Internet users:

> Well from 2000 onwards, the Internet was more and more affordable, and was easier to access, and that was when the market was also getting bigger. (DB.Utoyo, interview, 26/10/2011)

In retrospect, it is interesting to note how Hill and Sen (Hill and Sen, 2000) argued that "the Internet in Indonesia as a political medium has not been determined by the technology *per se,* but by the political agency of the growing middle class" (p.211). They also added that the Internet would not be available to the large majority of Indonesians, basically due to economic constraints and the degree of linguistic and technological literacy. This may well explain why Internet development in Indonesia is delayed, compared to those in other countries in the region. Indeed, the Internet was very limited and segmented in its beginning. But it gradually became available to the majority, with Cyber-cafes or 'Warung Internet' playing a key role in enabling Internet access to 'penetrate every corner of Indonesia at a relatively low price' (Freedom House, 2011).

Undoubtedly, Indonesia has witnessed a vast increase of Internet usage and along with it a major socio-cultural as well as economic impact. The growth of the local Internet industry corresponds to the economic growth taking place in recent years. This is a significant factor that drove the Internet expansion in Indonesia as suggested by a member of the Indonesian Telematics Society:

> "Borneo, Celebes, and Papua are the same. So the infrastructure is there but sometimes the people building them are in doubt if it will sell or not if the content is not available. That is why the Internet in Indonesia is developing slowly, slow as in it develops more slowly than other countries in the region" (K. Hidayat, interview, 13/12/2011).

In the beginning of the new millennium, Indonesia saw a big media migration to the Internet. Most of the initiatives in setting up internet connections came from the community and individuals who were aware of the potential of the Internet. These 'IT activists' are the ones who contributed to creating internet access for remote and underprivileged communities and groups. Like any other media, access to infrastructure is the prerequisite that must be fulfilled in order to be able to access the information itself.

To enhance the spread of internet infrastructure, the government is supposed to support the local IT industry. The idea is that the government should give incentives in order for the demand to rise, as Mastel member K. Hidayat explains:

> [The local IT industries are] not actually dictated, but [rather, they are] regulated. The government needs to give incentives. Industry people are simple, as long as there is a demand, people will come (K. Hidayat, interview, 13/12/2011).

Unquestionably, markets will only open up if the necessary demands are available. In this logic, we may be able to explain why areas outside of Java and Western Indonesia are still 'disconnected' or as a *blankspot* in terms of internet infrastructure. Either the initial demand for it is still low, or, the industry

has not seen it as being fit for a potential market and is yet to decide whether it should target the area.

The table below provides a good overview of internet access throughout the regions in Indonesia.

Code	Province	Have accessed Internet (%)	Have not accessed internet (%)	Total (%)
11	Aceh	8.26	91.74	100
12	Sumatera Utara	9.68	90.32	100
13	Sumatera Barat	12.19	87.81	100
14	Riau	11.12	88.88	100
15	Jambi	8.35	91.65	100
16	Sumatera Selatan	9.20	90.80	100
17	Bengkulu	9.25	90.75	100
18	Lampung	6.31	93.69	100
19	Bangka Belitung	9.43	90.57	100
21	Kep. Riau	15.81	84.19	100
31	DKI Jakarta	26.73	73.27	100
32	Jawa Barat	12.91	87.09	100
33	Jawa Tengah	8.86	91.14	100
34	D.I. Yogyakarta	21.08	78.92	100
35	Jawa Timur	8.97	91.03	100
35	Banten	12.45	87.55	100
51	Bali	13.13	86.87	100
52	Nusa Tenggara Barat	5.80	94.20	100
53	Nusa Tenggara Timur	3.78	96.22	100
61	Kalimantan Barat	7.99	92.01	100
62	Kalimantan Tengah	8.96	91.04	100
63	Kalimantan Timur	11.76	88.24	100
64	Kalimantan Selatan	17.48	82.52	100
71	Sulawesi Utara	14.07	85.94	100
72	Sulawesi Tengah	7.64	92.36	100
73	Sulawesi Selatan	12.00	88.00	100
74	Sulawesi Tenggara	8.10	91.90	100
75	Gorontalo	9.39	90.61	100
76	Sulawesi Barat	4.50	95.5	100
81	Maluku	7.32	92.68	100
82	Maluku Utara	5.85	94.15	100
91	Papua	8.13	91.87	100
94	Papua Barat	4.80	95.20	100
Total	**INDONESIA**	**10.92**	**89.08**	**100%**

Table 7.5. Citizen's access to the Internet: 2010
Source: Central Bureau for Statistics (BPS, 2011)

The table leads us to conclude that the spread of Internet has a strong correlation with the economic development in the respective province and area, i.e. internet is more accessed in relatively more developed areas, with presence of industrial activities and urban settlements. If we believe that the Internet is nowadays considered as a primary right in terms of access to information, then this is where the government should come into play. It should enable the first steps toward Internet access, with an aim of closing the digital gap between rural vs. urban areas, between Java+Sumatra vs. non Java+Sumatra islands.

Compared to other countries in the region, Indonesia is geographically a massive archipelago, is difficult to reach and has a far larger population, which all create challenges for realising the idea of providing equal access to communication infrastructure. For this purpose, the Ministry of Communication and Informatics, has initiated several programs, of which three are highly important: Firstly, the Ringing Village (*Desa Berdering*) programme which aimed to connect the remaining 3,000 unconnected villages[48].

48   See   http://www.detikinet.com/read/2011/09/27/164110/1731665/328/kominfo-tinggal-3000-desa-yang-belum-terjamah-telekomunikasi/, accessed 10/10/2011

Secondly, the Smart Village (*Desa Pintar*) initiative which aspires to provide internet access to all villages in the country by 2015 by developing 5,748 district Internet service. Finally, the Information Village (*Desa informasi*) which combines both programs of *Desa Berdering* and *Desa Pinter* and is providing access to cable television and local art performances. Eighty four of these villages have been facilitated, with an average cost of IDR2 billion for each village.[49]

Being overwhelmed by the virtues of the Internet, the Indonesian society is however unaware of the economic and political force lying beneath the fibre optics and broadband cable. If there is anything labelled as a *new* revolutionary force or tool in liberating the human condition, in order to achieve a just society, free from oppression and tyranny, then the Internet is most often referred to more than any other means. However, it is important to employ a critical perspective on the notion of the Internet as a democratic, neutral sphere. Being two sides of the same coin, we need to always be aware that the Internet has an ambivalent character: it can be used for better or worse, by any government or non-government actors. So, while it can be used as a freedom-encouraging tool, it is also at the same time a potential device that can be used by anyone to control citizens.

Although still heavily segregated and with resources not equally distributed, the Internet has increasingly become a primary source of information. This is also marked by the social media phenomenon, not only in Indonesia but throughout the world. Indonesians rank amongst the highest social media users. This increasing significance of the Internet as a medium of information-exchange and social interaction is evident in the ever-growing amount of social media (Facebook, Twitter) users. Latest figures showed that in Asia, Indonesia ranks fourth in Internet user numbers[50].

According to Freedom House's indicator (2011), the Internet in Indonesia is granted a *partly free* status. This assessment is based on the account of user rights violations happening in 2011 and an unequal distribution of Internet access.

INDONESIA	2009	2011
Internet Freedom Status	n/a	Partly free
Obstacles to access	n/a	14
Limits on content	n/a	13
Violations of user rights	n/a	19
Total	n/a	46

Table 7.6. Internet freedom indicator
Source: Freedom House (2011:1)

Supporting the assessment, new cases regarding online news have been brought to the Press Council. In November 2011, the Press Council issued a draft Cyber Media Code of Conduct (*Rancangan Pedoman Pemberitaan Media Siber*).[51] It mostly deals with issues regarding user generated content, verification of news sources, and administering comments on articles and forums. This has been a response to concerns about the ascending penetration of social-media generated news and information. Also, this is to avoid the condition of normlessnes on the social media landscape, since there is always a jurisdictional vacuum over content on the web (Puddephatt, 2011:9).

Subsequently, online media has also become a subject of content regulating policies. The introduction of ITE Law, Pornography Law, and the use of the Defamation code had consequences for individuals using the Internet who could now be charged with these jurisdictions. As a matter of fact, no cyberlaw

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49   See: Kompas, Tuesday December 27 2011
50   www.thejakartapost.com, accessed September 14, 2011.
51   www.dewanpers.or.id, accessed on 15/11/11

exists besides the ITE Law, and yet one article (27) of it is already enough to imprison citizens.

In addition, the Ministry of Communication and Informatics, led by Minister Tifatul Sembiring, has introduced policies and programs that have the public's attention. The minister has often stated publicly, be it to the press or via his *Twitter* account, about intentions to control the Internet due to unsuitable content. Eventually, in August 2011, the Ministry blocked 300 websites, accused of displaying radical contents and ideas of terrorism[52]. This move was drew mixed reactions but was a signal that the state did mean to regulate the Internet more seriously. From then on, every statement from the Minister Tifatul, was heavily scrutinised by the public.

In spite of all the criticism against the government, especially the Ministry of Communication and Informatics, Indonesia has not taken more serious attempts in protecting, or controlling the Web. Recently, Google reported a transparency resume[53] on the countries/governments that attempted to block or censor the net through the search engine. As it turned out, governments that most intervened in Google were in countries that are usually considered democratic ones, such as Germany, France or Australia. Compared to other countries, Indonesia requested to intervene much less; in fact only 10 times, which is not significant enough to accuse the state of being too ambitious in governing the internet. Google has in fact shown a big interest in the Indonesian digital market. The company has translated *Bahasa Indonesia*, and started providing the service in *Bahasa Indonesia* for its search engine by 2008[54]. Google and several other multinational companies are also reported to look to invest in the Indonesian market. The boom of the digital market is also encouraged by events showing, or celebrating, the social virtues of the net. Lately, Internet festivities became popular and attracted wide audiences, such as in the *Socmedfest* (Social Media Festival) in Jakarta (September 2011), *Solo Cyber Day* (December 2011) or informal gatherings through *Kaskus* member meetings*.*

The Government has also initiated the *ICT Pura* programme. It is an attempt to build ICT awareness, not only among state actors, but among society as a whole. An indicator of this is the connectivity of the academic, business, state and community sectors in terms of information technology. The award is intended as an annual program to push Indonesia to achieve its ICT goals, namely *Indonesia connected* by 2012, *Indonesia informative* by 2014, *Indonesia broadband* by 2016 and *Indonesia digital* by 2018.[55]

On the opposite side, comes the drafting of the Informational Technology Crime Bill (RUU TIPITI). The bill is considered to be a second threat after the controversial ITE Law. In fact, the bill was initially seen as a complimentary Law to the ITE Law, with its substance covering more aspects of Internet usage than the previous ITE Law. The increasing use of the Internet in a society which is still learning the values and limitations of freedom of speech, raises questions about the limitations of freedom of expression. To what extent can freedom be tolerated?

This is important because not only have the borders between the public and the private realm disappeared, the development of the Internet and new media may now require more definitive and strict measures to ensure the public character of the media.

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52   www.republikaonline.co.id, 18/11/2011
53   Google Transparency Report, 2011.
54   http://opensource.telkomspeedy.com/wiki/index.php/Oktober_2008_Google_menterjemahkan_Bahasa_ Indonesia, accessed on 6/01/2012
55   http://kominfo.go.id/liputan/detail/2245/Tiga+Kota+di+Jatim+Sabet+Penghargaan+ICT+Pura

7.2. Media convergence and digitalisation: New drivers for new policies

The call for convergence

Technologically, and also economically, media convergence seems to be an inevitable development. It is marked by the shift towards IP (Internet Protocol) based media activities. A simple understanding of convergence is the combining of traditional broadcasting with telecommunications (Puddephatt, 2011:3). It is first and foremost a technological issue. As a direct consequence of this technological feature, the industry has adjusted to this 'treat' and started to make use of the possibilities offered by its virtues. As one respondent puts it:

> Convergence is actually a *technological treat* right? So actually it compels us to cooperate in ways we actually do not intend to, because of the technology, not because we want to. Not because of my intention. But because of the technology. Its backbone leaves us no choice. Convergence is actually one event, one occasion that is reported using a multiplatform approach, and this is inevitable. So we are all heading towards this. But this does require a massive adaptation. Since [that in order] to do convergence, we need to have a unitary, common newsroom, so [we have to have] one joint newsroom ... from the agenda setting to the execution [the production] is done by one newsroom on a multiplatform. That is already convergence" (N. Patria, Vivanews, interview, 10/10/2011, emphasis indicate original wordings).

As other events have shown throughout the world, technologies develop faster than policies. Regulations merely respond to changes happening in society. Thus, inevitably, technological convergence and digitalisation are leading to a grey area between different forms of infrastructure and distribution channels (Netherlands Scientific Council for Government Policy, 2006:47). In order to avoid this grey area, policymakers need to set new guidelines on the media agenda. Consequently, the government has initiated the Media Convergence bill, which is now to be legislated as the Revision of the 36/1999 Telecommunication Law.

> The bill has indications of serving the interests of the few, by giving certain privileges through the acknowledgement of the commercial aspects in using the internet infrastructures (P. Widiyanto, interview, 14/10/2011).

Critics have raised concerns that under the current Laws, ICT applications (including websites) would be required to obtain a license from the Ministry of Communication and Informatics for a fee (Freedom House, 2011:11). The discussions on the bill are quite intense, with no clear signs of whose side is being most represented in the decision-making process. Interest groups such as Mastel have given enough input to policymakers[56], with hopes of introducing easier procedures to obtain permits in the media infrastructure business.

On the other hand, convergence is also a scheme used by the industry to achieve a more efficient way of producing information and content. Through having a plurality of platforms but one source of information, media producers have more outlet options without having to add to their production line. However, it is not purely technical. This move is also economic in nature. As Press Council member Agus Sudibyo puts it:

> Well actually convergence is an efficiency issue. It is technological enhancement to increase investment efficiency. So if a merger takes place, you only need to place one or two reporters in every city for every (media) group, from the print, radio and every other company (A Sudibyo, interview, 27/10/2011).

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56   For a close look on documents discussing the bill, see www.mastel.or.id (02/12/2011)

From the industry's side, the *Visi Media Asia* company (*ANTV-TVOne–Vivanews*) has been recognised as a rather 'progressive' company in terms of reading the media trend and market, acknowledging its convergence agenda.

> IPO VIVA shows the seriousness of all of us: ANTV, TVone and vivanews dot com – were together in VIVA to realise the media convergence (Z. Lubis, interview, 16/11/2011).

VMA has set up a new building to accommodate its 'one-roof' policy, where all three media companies will work and collaborate. It has already set up its digital control-room and other technical equipment. VMA also has a clear plan for its 'division of labour' and has set the roles of its company, i.e. *Visi Media Asia* will act as a 'content-provider', whereas *Bakrie Telecom*[57] will act as the 'network provider.

> ANTV is in the position of supporting the concept that business entities are allowed to choose between being a network provider or content provider (Z Lubis, interview, 16/11/2001).

A more intriguing insight is given to us by one of the top executives of the *Lippo Group*, who openly confirms the interests of its corporation in seeing convergence as a lucrative strategy, rather than just a technological consequence:

> For our business strategy, we see convergence as something inevitable. That is why we include media convergence into our business plan... But this actually derives from our main business strategy, and second of all, this is about leveraging our infrastructure. Maybe this is a coincidence but maybe also not, because this [*Beritasatu*] is part of the *Lippo* company, so the shareholders also have a say about which infrastructure to be leveraged and used. I think that is acceptable, because that is our resource. For example the fibre optic network in Jakarta, that can be used [by us] or when we have TV studios. Or another example, we have hotels that we can use, and [supposedly] there is an event like SEA GAMES in Palembang, you can imagine it would be much easier for us to cover the event by using them for our reporters and journalists while doing their job or for operational marketing communication needs" (E. Sambuaga, ex-CEO *Beritasatu Media Holding*, Interview, 10/12/2011).

This move resembles the cooperation strategy used by *Kompas TV* (*Kompas Gramedia*), who in their initial days cooperated with *First Media* (*Lippo Group*) to provide the backbone. On the other hand, the convergence issue may soon be overtaken by another 'technological treat', namely digitalisation. With other countries already having established a digital broadcasting system, Indonesia is once again lagging in adopting the system. But this will not be the case for very long.

Digitalisation: The inevitable transformation

One foreseeable and technologically inevitable agenda in the media sector in Indonesia is digitalisation. The Ministry of Communication and Informatics is responsible for setting up the necessary infrastructure, whilst preparing the regulation. Digitalisation would mark a third phase of Indonesia's broadcasting system development, with the first occurring in 1962, when president Sukarno officiated the country's premier TV broadcasting; and the second in 1976, when then president Soeharto launched the Palapa I telecommunication satellite.[58]

Indonesia is also bound to digitalise its broadcasting scheme by the end of 2015, as mandated by the International Telecommunication Union (ITU) of which Indonesia is a member. This time limit sets

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57   *Visi Media Asia* and *Bakrie Telecom* are both companies operating under the *Bakrie Group* owned by the chairman of once-ruling party, Golkar, Aburizal Bakrie.
58   See The Jakarta Post, 22/5/2009.

Indonesia to prepare the digitalisation of its broadcasting system in the following years to come. The government expects all broadcasters to migrate to the digital system by 2018[59].

Thus, the problem of limited frequency allocation will be solved as soon as Indonesia enters digitalisation. Once the analogous system has been digitalised, then one frequency channel will not be limited to only one broadcaster, but can be used by up to six broadcasters, and even 28 for radio broadcasts (KPI, 2008:36). Also, digitalisation will enable a more efficient broadcasting system, since it will require fewer transmitters. One big transmitter will be adequate, enabling it to be used by several different stations at once (KPI, 2008:36).

Figure 7.1. Supporting Digital TV
A billboard on Indonesia Digital by the Ministry of Communication and Informatics in Jakarta.
Source: Authors (courtesy Fajri Siregar)

A consortium on digital television (KTDI) was set up as part of the industry's preparation in operating the system.[60] TVRI has already been prepared for the digitalisation process, with trials being held in four cities, as explained by Ms. Agnes Widiyanti, the Broadcasting Director at the Ministry of Communication and Informatics (interview, 27/10/2011). When asked about the preparations in setting up the required infrastructure, she further responded:

> … the infrastructure will be prepared by the respective institutions. But we will try to help our public broadcasters (A. Widiyanti, interview, 27/10/2011).

Promising features offered by digitalisation does not ensure its automatic acceptance. In fact, there are

59   See The Jakarta Post, 22/5/2009
60   http://www.kabarindonesia.com/berita.php?pil=9&jd=KTDI+Gandeng+Enam+Stasiun+TV+Swasta&dn=20090520173621, accessed on 14/11/11

substantial issues that need to be clarified first. The most important question is whether the industry is in a position to support digitalisation. As one media expert puts it:

> ... With the current analogous system, [it is impossible for] newcomers to enter the competition. With the digital system, it is different: newcomers are able to compete. So, they, the industry, are happy with the analogous system (P. Widiyanto, former House member, interview, 14/10/2011).

The media practitioners themselves have also affirmed this:

> ...the challenge is now to start up the digitalisation process. There are many starting points to start broadcasting. The problem is that the big TV stations are hesitant. Why? Simply because they will get new competitors. Especially in advertising (B. Nugroho, interview, 12/10/2011).

Hence, it seems as if Indonesia is hesitant in embracing digitalisation. Currently, the government is preparing a roadmap[61] towards digitalisation, and is yet to set the regulations concerning infrastructure. A clear example is the utilisation of digital towers, which is one of the first terms that need to be defined, in order for the industry to plan ahead:

> The digital era makes it possible for us to share towers, that would be great but we have no idea until now, the ministry has said so, but they haven't published any regulation on that until now (Z. Lubis, ANTV, interview, 16/11/2011).

Unpreparedness in terms of policy will be a major issue. KPI as well as the Ministry of Communication and Informatics are responsible in preparing the regulations for a digital broadcasting system. But seeing the current dispute between the two institutions, chances are that KPI will not put up with its responsibilities and will leave it up to the Ministry of Communication and Informatics. Just recently, the Ministry enacted the Ministry Regulation No 22/2011 on the Migration from the Analogous to the Digital TV System.

With all of this, there are important, mostly practical, aspects to consider. For the industry, digitalisation will only be rewarding if it works with their business plan. Measures that are high in cost are to be avoided. A simple story is the required use of a set top box which costs approximately IDR300,000 (approx USD35) for one unit[62]. Is it up to the consumer/ citizen to acquire a set top box, or is it the government's task to make them available by enacting subventions or other cost-reducing programs? Furthermore, consumers may not be ready to access the digital system. The industry itself must adapt, and automatically acquire new instruments and equipments that enable them to perform on the digital level.

All told, digitalisation will ultimately alter our approach to media, by bringing new interactive virtues, which will push our media experience into a new dimension. Readers or, viewers will be able to participate in the program in real time. Undoubtedly, digitalisation is the next big thing, and those who do not jump on the digital train will eventually be left behind.

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61   See The Jakarta Post, 22/5/2009
62   http://teknologi.vivanews.com/news/read/123421 rp__225_ribu__maksimal_harga_set_top_box, accessed on 30 January 2012

7.3. The future of media; the future of media policy

Policies have only limited ability to regulate future agendas. It is also impossible to expect that policy, or policymakers are able to keep up with technological progress and innovations. In future national media policy, regulations must start with the clear logic of allocating the right resources according to the right proportion. That is, regulations must be based on a more detailed and specific set of guidelines of ownership, in content and infrastructure, including sanctions of breaching such regulations.

We can therefore only provide logical assumptions, based on what we found during this process of methodological inquiry. Firstly, that *print media will still be relevant*, despite the decreasing number of sales and demand. The print industry is part of a larger industry, namely the media itself. It is nowadays unthinkable to have a print media that stands alone and not have its digital outlet in form of a website, or *facebook* and *twitter* account. In sum, major media companies who started with print publications, are forced to couple their product with other (digital) forms of the publications.

Secondly, *broadcasting will remain the most dominant* of all media industry. With decreasing costs owing to convergence, the industry will be able to reduce production costs while retaining their revenue. Meanwhile, the convergence agenda has definitely established its feet in the media landscape. Several companies have initiated, and innovated the use of the digital platform to perpetuate their media business. Unlike digitalisation, convergence does not require the public to adapt to the system, since it merely affects the industry in its production system. Although regarding the policy, to date, we cannot predict any outcomes of the Convergence Bill, if enacted.

Instead, the initially promised future of the *siaran berjaringan system* will remain unclear. With the clock ticking faster towards digitalisation, regulators and proponents of the system seem to have given up on advocating its implementation. While this system is seemingly being left out of the discussion, policymakers and media actors must take more concrete measures in preparing the digital broadcasting system. Technically, the future of broadcast lies undoubtedly in broadband.

Thirdly, *digital media will continue to flourish*. As long as the (local) economy continues to grow and the average purchasing power increases, there seems to be no reason for the industry to hesitate in investing its capital in the local dot-com business. And finally, *social media will mostly be used for social purposes*. It will continue to be active and grow as an online sphere and market (Nugroho, 2011a:2). Hence, it will continue to attract new users. We should however put a critical note on this progress. If social media is still treated in a consumption-based approach, then it will only be treated as a temporary trend, and not as a new means of communication. The impact of social media will then be unsustainable, and what could essentially be a powerful tool for citizens to produce and disseminate information, is again reduced to a communication product only.

But with more and more information being spread on the Net, the government, especially the Ministry of Communication and Informatics, will find it difficult to withhold any interests of intervening in it. The Ministry has, on some occasions, demonstrated its will to regulate the Net. It has done so by practising censorship, blocking content, intervening in ISP and search engines. But objectively, we should admit that it has not yet taken further measures that have seriously endangered freedom to access the Internet. Here remains the question of whether the public is already capable of controlling the internet by themselves.

As Morozov suggests, the way forward is to acknowledge that the public pressure to regulate the Web is growing and that not all of the ensuing regulation should be resisted (2011:237). He continues to argue that the only way to get things right is not to spare the Internet with any regulation but rather to

...invest one's energy into seeking broad public agreement on what acceptable, transparent, just, and democratic procedures, by which such regulation is to occur, should look like (Morozov, 2011:237).

As a consequence of this trend, public policies can only follow what is being set by the industry, which has become a power structure of its own. Here we are still intrigued by the power of the industry, and are not yet able to answer whether in the Indonesian context, public policies are more effective than regulations, or other measures set independently by the market. Regardless of the policy the government chooses to enact, future regulations must be more clearly defined and avoid vague, normative terms. At all cost, cases suffered by Prita Mulyasari or bloggers who were sued for defamation must not be repeated.

In sum, the future of Indonesia's media will largely depend on technological innovation, most of all on access to the required infrastructure. The latest development has proved this. Another factor is economic development and the purchasing power. Hence, the ultimate driver will be the market, unless the state finds it necessary to intervene, for the better. As a result, unless the state, market and society can define their needs, and their wants, Indonesia will eventually only end up as a consumer. But with media being more open to participation and user-generated content, the public should be open to all possibilities.

7.4. Media in the Internet age: A synthesis on the role of policy

Technologies are here to direct people's needs. So this is what public policies are meant to anticipate. In the coming years, 2020, 2015, or 2030, what kind of society will we be? (Paulus Widiyanto, House member, interview, 14/10/2011).

The media in Indonesia has become a phenomenon as it has in the rest of the world. We have witnessed an information revolution and will continue to do so. The innovation of new (mass) communication tools has determined almost every aspect of our lives, the social being the most affected. Media in the internet age itself has a distinctive character. It is mostly shaped by the use of Internet-Protocol itself and is characterised by the disappearing boundaries, (or in other words: convergence) of media. In order to adapt, media policies have to take this into consideration, just as it has to 'follow the logic of the marketplace and the technology and the wishes of consumers (and citizens) rather than impose its goals' (van Cuilenburg and McQuail, 2003:23).

This study calls for a definite view on regulating the media and to acknowledge that there are two main components that need to be regulated: the carrier, and the content, as suggested by former House Member Paulus Widiyanto (interview, 14/10/2011). No matter what medium will be most dominant in the media system, these two aspects represent the framework policymakers should be using in approaching media policy.

Hence, in terms of the carrier, the development of the Internet in Indonesia may have changed the way people communicate, interact, and perhaps, live, but only in areas where access is available in the first place (Nugroho, 2011a:28). This research has taught us the importance of being rational in decision-making; and to take choices according to proportion and priority.

The aim here must be to lessen the existing 'blank spots' scattered across the archipelago. Facing the digital age, cable infrastructure is essential and must be developed. As not only broadcasting, but most other media will rely on the availability of broadband infrastructure, its presence will be of utmost importance. In fact, cable broadband is only available in major cities in Java, Bali, Sumatera, Kalimantan, and Sulawesi and more than 50% of the capacity is installed only in Jakarta and its satellite cities (Bogor, Depok, Tangerang and Bekasi) (Manggalanny, 2010).

Meanwhile, in terms of content, is the question of whether the focus should be on increasing media and internet literacy or simply on enacting *reactive policies*, such as banning websites, blocking content or intervening in ISP's. With current media commercialisation and capitalisation taking place, the only remaining options that are left, and should be produced if not available, are for the citizen to create his own information and media, which is enabled by the current development. Countless opportunities arise for the well-connected to produce information via the Web. Here, policies have the task of guaranteeing the freedom to do so and letting the public regulate the sphere while coming to a consensus on agreed norms that derive from the spirit of democracy and ideas of citizenship (van Cuilenburg and McQuail, 2003:25).

The next few years will prove to be a test to policymakers but also to the industry, in terms of whether or not they will be able to transform the media in Indonesia.

7.5. Media development: Increasing disembeddedness?

As we have seen, the development of media has by far outrun existing policies. Technological innovations, coupled with the socio-political context, particularly after *reformasi,* have created a strong recipe for dynamic public participation and engagement. Despite some ethical and political flaws, the media has confidently played a vital part in the current transition towards an embedded democracy.

Nevertheless, these trends are not significant enough as an indication of a consolidating public sphere. It remains a fragile sphere that is merely formed, and shaped, by the pragmatic interests of those making use of the supposedly public character of media.

Thus, hopes brought about by *reformasi* and the enactment of two influential media policies (Press and Broadcasting Law) of having power restored in the hands of citizens is (too) soon taken away by the interests of those representing the other promise of *Reformasi*: economic freedom. Media capitalisation appears as the common logic that operates the industry, and determines almost every agenda it seeks to set. The changing character of media, more driven by capital and less by community, is a feature that has been anticipated by policymakers, but not seriously considered as a threat and therefore more or less neglected. As a result, media, as signified by the content in all dominant mediums, has been reduced to merely being a subject of consumption.

In spite of this tendency, the citizen, in need of quality information and access to such, has been left with a certain amount of space to create his own independent media. But here he has to face other limitations set either by policies acting on behalf of public morality or pressures set by capital owners. Attempts to generate an independent media, or revive the independence of media, will continue to contest the domination of mainstream media. Hence, efforts in creating alternative media and means of expression will provide the public with more options and is seemingly the only way to balance the

media landscape, with public broadcasting being left behind.

The question of to what extent the media can guard the interests of the public can therefore not be answered through a simple conclusion. However, implications of this recent development can be recapitulated, and will be highlighted in the next chapter.

8. Ensuring citizens' rights to media, now and then: Implications and conclusions

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> *"Well this is an unfinished dialectical process. So there is only a preliminary conclusion. It may as well be that the industry benefits the public. This is not final yet. If we take a look at the print media for example, we can be a bit optimistic. The online media, albeit the amount of ethical violations, they are willing to obey the decisions or verdicts made by the Press Council. So this is not finished yet and the Press Law must be obeyed by the media, and the ethical code must be also be obeyed. We must not give up, and we should continue to educate, train and spread the knowledge in order for the society to become more literate, and critical towards the media"*
> (Agus Sudibyo, Press Council, interview, 27/10/2011).

8.1. Development of media and media policy in Indonesia: Some implications

Tracing media development in Indonesia, particularly in the *post-reformasi* period, may well be one of the most interesting social phenomenon to study in contemporary Indonesia. By looking at how media and the public have evolved, we may comprehend how far *reformasi* and the promised freedom to media really have empowered the society and the individual. Yet, zooming out of this snapshot, we cannot fail to notice the existing information gap.

On the one hand, we have areas and communities entirely alien to modern media; blank spots scattered throughout the media landscape in the archipelago. While on the other, we have new vibrant digital spheres that enable citizens to communicate with their political leaders on their smartphones.

In between these two extremes, media policies have to deliver their goals in ensuring that the rights to media are not only a privilege owned by urban, educated middle class citizens, but by every citizen regardless of their social or economic background. Moreover, they have to ensure that the very existence of media is to civilise the public.

Implications for policy

In terms of policy, media development will undoubtedly continue to pose new challenges. Considering the current *media capitalisation* and the concentration of media ownership, at the national as well as local level, policymakers are facing the need to regulate the media industry in a particular fashion. It cannot be treated in a general 'manner', as practiced recently. An industry that deals with public utilities cannot be considered as doing *business as usual*, as its impact exceeds rational economic calculations.

This study thereby serves to remind us that the Broadcasting Law should always be referred to in

handling media acquisitions and mergers. The main regulators held responsible, i.e. KPI and KPPU, must seek a consensus in dealing with these issues, especially since media institutions have different natures compared with usual business entities. To avoid previous disputes, a clear perspective should be mentioned in the *revised Broadcasting Law* and a clear code of conduct should be stipulated in the government regulation.

Box 6. Challenge for future media policymaking

As a conclusion to this research, we envisage the challenge for future policy-making processes, i.e. to ensure access to media while guaranteeing the freedom to produce information.

Drawing comparisons with the regulatory frameworks in other countries, but also through observing what has been going on in Indonesia, we found that ownership concentration has also become the main attention for policymakers. Here, finding the right balance between freedom to enterprise and the preservation of public utilities and interest is the key. In particular, policymakers and civil society now also have to focus on non-media regulating policies, but with an affect on media activities, such as the state secrecy law. The issue here is then extended to rights to information, rather than merely on rights to media.

Nevertheless, ensuring the public character of media, and guaranteeing its access to the people, is not a task merely assigned to the government. Active and critical participation by citizens and the civil society as a whole is required to strengthen the outcome of existing government policies. Meanwhile, policymakers need to sharpen their perspective in managing the media, combining both aspects of use and values in deciding upon choices that should be made to preserve the functions of media. In our context, the future agenda for all actors involved in the media environment, without necessarily being a short-term target, is outlined in the diagram below.
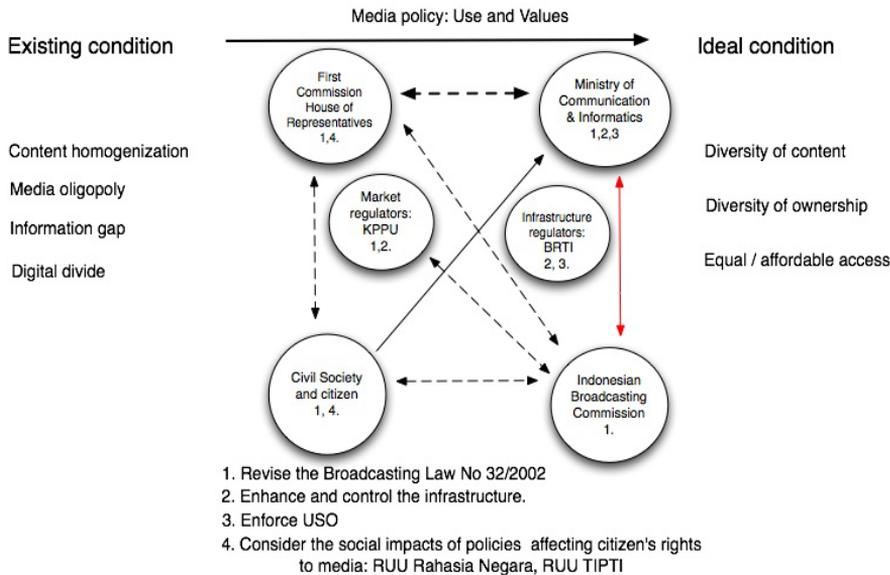
Source: Authors (diagram); Netherlands Scientific Council for Government Policy (2006)

Here we would like to give a reminder that governing television station will still be an exception to the rule (van Cuilenburg and McQuail, 2003:21) given its social and economic impact, and stress the importance of implementing the *siaran berjaringan* system, since it may be the only way of achieving the desired diversity in broadcasting options.

The bad practices in managing media resources and content, as publicly documented elsewhere and found in this research, also call for 'the quest for a knowledgeable governance' (Parsons, 1995:427). Responsible institutions, primarily the Ministry of Communication and Informatics, should be transparent and publish the permits and use of frequencies in an annual report, to inform the public of media ownership constellation. After all, the public has the right to know this information.

The unequal distribution of media infrastructure creates disparities and gaps of access at different levels and demographical categories (e.g. urban vs. rural; women vs. men; developed vs. less developed regions, etc.). The implication is clear: in an economy which is driven more and more by information and knowledge, such 'non-physical gaps' (e.g. access) will soon be materialised into 'physically-consequential gaps' (e.g. increasing the income gap and widening the already-existing poverty problems, etc.). If the Government is to achieve the target of having an Indonesian *information society* in the near future (2018, as targeted by the Ministry of Communication and Informatics), the direct imperative is to ensure, through better policies, that adequate communication infrastructure is available and equally distributed across the archipelago. While mobile penetration has been quite high, cable broadband penetration remains low and this becomes the biggest challenge to address.

A final and important remark for policy implication is the preservation of the public sphere, which is one of the inherent functions of the media. A healthy public sphere which enables citizens to engage in a meaningful interaction facilitated by media simply cannot be taken for granted. Policies have to encourage media to retain this very central social function – one of many ways, is through having quality and diverse content. There are two implications here: one, there has to be an independent, public organisation which has a lawful mandate to ensure the diversity and 'civilising' content of media – without risking media and press freedom. Indeed, this is difficult, but this is central to our call for media policy change, if not reform, in Indonesia. Two, it is imperative to revive and revitalise the Indonesian public broadcasters: RRI and TVRI. Without having strong, quality public broadcasting, there is no way to ensure the creation of public sphere where citizens can voice their views and engage in healthy interactions.

Implications for practice in the media industry

> There is barely a neutral newspaper in any country, he said. In the East-Indies, nearly all colonial newspapers are full of exaggeration. Still, the worse is the plantation newspaper. Its main purpose is to give indirect commands or suggestions to the local government officials according to what the plantation wants. The news in the newspaper is just to meet the conditions of it as a mere newspaper (*Bumi Manusia*, Toer, 1980:385).

This short passage of Pramoedya's seminal work describes the nature of media perfectly, since colonial times in Indonesia. It reminds us to not get carried away by the promises of *reformasi and* the desire of freedom of speech, bearing in mind that the media, as long as it is entwined in economic activities, can never be fully neutral.

The trouble for the citizen therefore remains in the issue of media ownership. The formula remains that there will no be guarantee of plurality of content, as long as there is no plurality of ownership. As long as media resources are stored in the hands of a few, it will never genuinely represent the interests of the masses. Hence, the media industry must dare to ignite corporate accountability. Carrier and content ownership must be transparent. The few acquisitions and mergers of media companies during recent years indicates that this practice will not end unless there is a transparency in the use of public frequency and broadcasting permits.

Nevertheless, the industry should also be seen as a partner in efforts to overcome the digital divide and information gap. A relatively tight competition in the cellular market, to some extent, has proven worthy for consumers in Indonesia, enabling affordable Internet access that was out of reach until recently for the majority of the population. Such competition may also be the answer in driving the local ISP market in order to boost Internet penetration. However, expanding the cellular market alone will not be enough for the industry if we are to move forward to full-blown media convergence and digitalisation. The need for cable broadband, at least as the backbone linking the archipelago, is inevitable. The industry could, and should, take an active part in this endeavour, with possible new business models and new partnership models with government organisations and other concerned groups.

Technically speaking, digitalisation will be the dominant medium in years to come. Hence, the industry must adapt to it from now on. Since all actors involved in the media have failed to adopt the Network Broadcasting (*siaran berjaringan*) system, digitalisation provides a new opportunity to create a new balanced media map, with more channels and chances for the public to determine the content of media, due to its interactivity. Here there will be chances for the media industry to engage with their audiences as active citizens, not just media consumers. Media industry can establish a better connection with the society not only to secure audience, but also to retain its public character and function by providing the necessary space and creating a sphere for engagement.

However, all of these idealisations will never be realised if the media industry is trapped in a rat race. This is what should be avoided at all cost. Driven by political interests, it is now very plain to see that mainstream media has been captured by the motives of their owners. As a result, media content is highly biased towards the owners' view, creating an unbalanced, and even deteriorated, discourse. A concrete and direct call here: the literate public, including aware media professionals, must endeavour to balance the discourse and restore the 'public' character of the media. By any means, media industry should not be left to become a bottomless pit for the short-term interest of the owner.

Implications for civil society

When Habermas suggested the importance of a *sphere* which is separate from the state and stands vis-à-vis the exercise of state power (Habermas, 1989), then the current challenge for the citizen is twofold: to weave a sphere that has the aptitude to stand in a relation vis-à-vis the industry, and also in a relation vis-à-vis the industry and the state. Autonomous citizenship will rely on the existence of such a sphere.

Also, enquiries on the policy-making process have taught us a lesson. It may be concluded that the 'typical' way, which is more effective in influencing the decision-making process, is by using a 'back-door' approach, instead of lobbying and 'traditional' advocacy, as suggested by previous studies (Lim, 2011:26). Policy analysis has also given us two insights:first, on the importance of the presence of influential actors and its interests, instead of a stable system, which offers predictability and consistency in policy-making; second, that the policy-making process is a long road which needs stable and continuous monitoring from the civil society. It is important for civil society to maintain its energy in order to be able to monitor the process until it has finished.

Thus, in terms of media policy, this has been proven effective in the liberation of the 2.4GHz frequency, which was foremost encouraged by 'IT activists' until finally approved by the Ministry. Similar approaches may be effective, especially in terms of using alternative infrastructure and encouraging the inclusion of local content. 'Best practices' and innovations by citizens can often evoke greater changes than ineffective policies.

These new challenges and circumstances ultimately require new strategies and approaches by civil society organisations. Hence, as suggested by a study carried out by the Open Society Foundation,

alliances between the technologists and the human rights world will need to be actively forged, in order to encourage the development of new innovative tools that promote human rights (Puddephatt, 2011:20). It is imperative, therefore that civil society should re-examine their ways and strategies in engaging with the mainstream media, and making use of popular social media to impact on public opinion and harness public pressure and thus influence the decision making process externally. Success stories (as abundantly presented in Nugroho, 2011a) have shown that this is possible.

Finally we offer some practical implications with some reflections[63]. First, if indeed the epochal wind is now blowing on the side of 'individual freedom' (vis-à-vis 'public authority'), various efforts at rectifying 'public authority' (e.g. through the state administrative apparatus, public agencies and public policy) are bound to be met with strong suspicion. Not because these efforts lack any good or noble will, but because in Indonesia the idiom of the age prevents these efforts from being seen as feasible (i.e. workable within the 'herd' principle). Second, under these circumstances, a hope that needs to be 'invented', no matter how thin it appears, may have to be cultivated from within the idiom of 'individual freedom'. Third, risking being a cliché, this issue points to the centrality of the re-education of taste. But there is circularity: re-education of taste for the masses seems improbable, if because the medium (i.e. the media) by which the re-education of population's taste is to be carried out has run hollow. Another avenue is the re-education of media professionals and workers. But this makes sense only if we assume that media professionals/workers still retain independence –an assumption that is too thin on the ground—and that there is an institution for the re-training of the media professionals/workers. We are deeply aware of this quandary. But, here is the opportunity for civil society, citizens, and concerned journalists: the like of AJI or KPI should be encouraged to run a school to re-train media professionals and workers. This will have a long-term effect, yet this avenue still falls short of being seriously cultivated.

8.2. Ensuring citizens' rights to media through policy: Some conclusions

Active and critical citizenship is already made possible through *reformasi* and the latest media development. Existing policies in Indonesia, notably the Broadcasting Law and Press Law, have set a clear normative direction on which all media and non-media actors must refer to. The precondition has been set.

Hence, the public sphere is actually open for the active engagement of citizens. Media have been mandated to ensure their practices remain along these ideals. Yet, the development of the media industry, heavily driven by market logic, has to some extent contributed to the changing character of public sphere which has now become more pragmatic. This circumstance grows bleaker because of the absence of media policy which is able to regulate the media industry so that its commercial virtues also positively contribute to the betterment of society. We found that the current attempt in revising the Broadcasting Law and digitalisation is influenced more by commercial virtue and has the potential to marginalise the community broadcasting which actually is one of the media which has great potential to contribute to the betterment of society.

However, in calling for the state to formulate such policy, we need to be aware that there is a potential threat coming from the state. Given the dynamics of Indonesian politics today, policymaking processes have become a battlefield, if not a marketplace, of different groups with vested interests trying to influence the policy. Worse still, surely, there are apparent tendencies for the state revival in controlling the public sphere through new means, including policies. Although such measures do not originate

63   This part is contributed by Dr. B. Herry-Priyono, the advisor and reviewer of this study.

within the media sector, they hit the very heart of the citizens' rights to media, as is evident in the Government measures on the notion of the freedom of speech.

In this regard, the time has come for citizens to take a more active role in ensuring and exercising their rights to media: in accessing the media infrastructure, in accessing the media content, and in accessing the media policymaking processes. It is never an easy task, indeed, the dimension of this 'struggle' is nearly limitless. While there are many forms of engagement, our focus is more on the organising principle: the network of concerned citizens. It is only through networks that the discourse of change and transformation can be embedded in citizens' engagement – which is significant when it is translated and materialised into movement.

8.3. Future agendas

There are at least four practical, immediate, agendas to consider:

- First, there will be continuation of the revision of the Broadcasting Law. Despite the seemingly clear political agenda, it is difficult to engage the masses in the policy making process. Here is the call for active and concerned citizens to publicly demand that the revision process be transparent for the public to see. The revision of the Broadcasting Law should be used as a public momentum to set a new ground for citizens' involvement in ensuring the protection of their own rights to media.

- Secondly, in the interests of the public, the next agenda should be to restore the authority of the Indonesian Broadcasting Commission (KPI). Without its full authority, KPI can only assist the Ministry of Communication and Informatics in regulating the media landscape. Having KPI as an independent and authorised public institution will also ensure the existence of a public channel to voice concern about the workings of media in Indonesia.

- Thirdly, our finding shows that alternative media (or forums) is important in enabling citizens to take an active part in issues directly related to them. As we learned from this research, community media offer more than public discourse: they provide access to communal experiences and most importantly offer these as part of a network of socio-cultural and socio-political projects. Media policies should never jeopardise the existence of alternative media in Indonesia but instead should nourish them.

- Finally, as much as we are concerned about the massive adoption of ICTs in media, the vague definitions in the Electronic Information and Transaction (ITE) Law should be clarified. The public and civil society should call for a Government Regulation that should cancel out the Article 27 of the ITE Law.

Throughout this report we have confirmed the importance of the role of policy in the development of media in Indonesia. Media policies, or lack thereof, have enormous implications both on media as an industry and on public life in Indonesia. With this, we now call upon future initiatives to empower citizens and civil society groups to strategically exercise their rights to media which, eventually, will lead to societal changes. Such exercise will help reconstruct our media so that it retains its very function: that of mediating the public.

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CIPG is a research-based advisory group that aspires to excel in the area of science, technology, innovation and governance. Evolving from a study group of Indonesian scholars abroad since 2007, CIPG was officially established in Jakarta, Indonesia in 2010.The Centre is considered to be among the first advisory groups in Indonesia with keen interest in building Indonesian research capacities in many sectors. CIPG's excellence rests on the rigorousness of our research process, and on the relevance of our activities to the stakeholders and society established through close engagements. CIPG has intensive activities in Research, Consultancy-Advisory, and Capacity Building in the area of Innovation Management and Policy, Sustainability, Knowledge Management, Technology and Social Change, Supply Chain Management, Corporate Governance, and Civil Society Empowerment.

Hivos is a Dutch development organisation guided by humanist values. Together with local civil society organisations in developing countries, Hivos wants to contribute to a free, fair and sustainable world. A world in which all citizens – both women and men – have equal access to opportunities and resources for development and can participate actively and equally in decision-making processes that determine their lives, their society and their future. Hivos trusts in the creativity and capacity of people. Quality, cooperation and innovation are core values in Hivos' business philosophy. Hivos has six regional offices and one of the offices is the Hivos Regional Office Southeast Asia (ROSEA). Hivos has been working in the region since mid 1980s in the areas of civil society building with human rights as its main perspective and sustainable economic development which includes renewable energy

Ford Foundation works with visionary leaders and organisations worldwide to change social structures and institutions so that all people have the opportunity to reach their full potential, contribute to society, have a voice in decisions that affect them, and live and work in dignity. This commitment to social justice is carried out through programs that strengthen democratic values, reduce poverty and injustice, and advance human knowledge, creativity and achievement.